POLYTEMS HIR ITALIAN DAY IN LONDON



OCTOBER 12TH 2023

INVESTMENT CASE

A NETWORK AT THE FOREFRONT OF INNOVATION

STRONG LOCAL PRESENCE IN A THRIVING AREA

BROAD RANGE OF PRODUCTS ADDRESSED TO A WIDE RANGE OF CLIENTS

ATTRACTIVE RISK-RETURN PROFILE: RECURRING NATURE OF FEES, HIGH REVENUES VISIBILITY AND LOW CHURN RATE

PROVEN TRACK RECORD

AND EXPERIENCED MANAGEMENT TEAM



COMPANY OVFRVIEW



INTRED, THE FIBER COMPANY



INTRED IS A TELECOMMUNICATION AND INTERNET PROVIDER WITH ITS OWN FIBER NETWORK INFRASTRUCTURE



Founded in 1996 by Daniele Peli, INTRED provides:

BROADBAND CONNECTIVITY



ULTRA BROADBAND CONNECTIVITY

FWA CONNECTIVITY



VOICE

HOSTING AND HOUSING



• **STRONG PRESENCE IN LOMBARDY**, the richest region in Italy, in particular in the Brescia area with a market share of approx. 10%



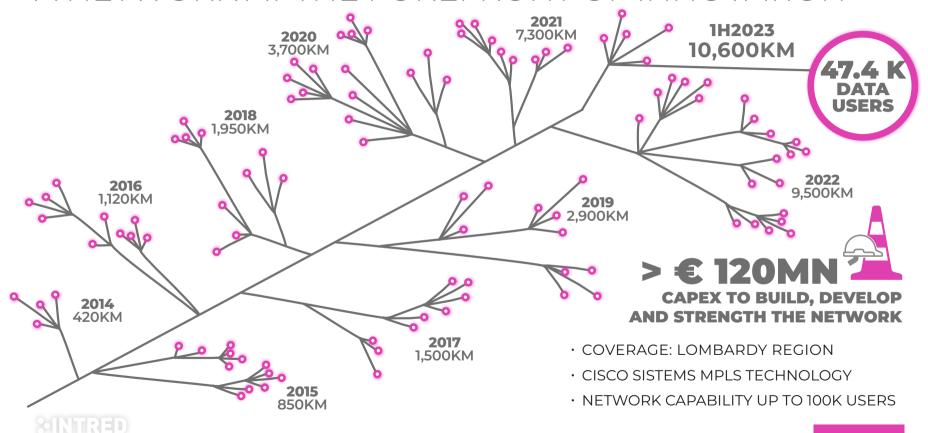
- Fragmented customer base with a **VERY LOW CHURN RATE** (<5%)
- RECURRING NATURE OF FEES (>90% of total turnover is recurring)



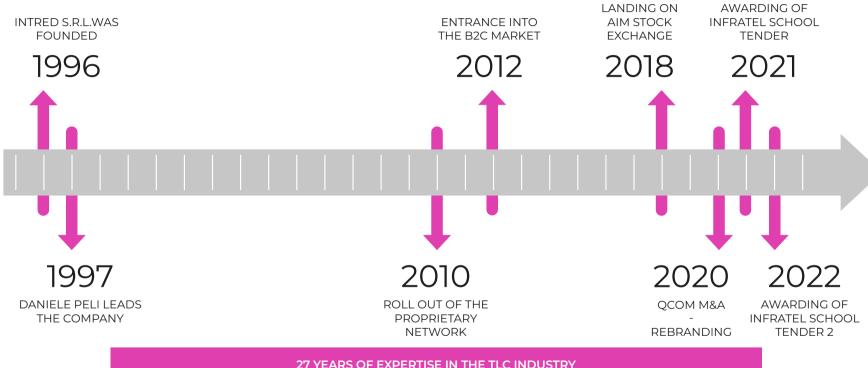
- HIGH REVENUES VISIBILITY (average DSO < 36 days)
- · 180 SKILLED RESOURCES



A NETWORK AT THE FOREFRONT OF INNOVATION



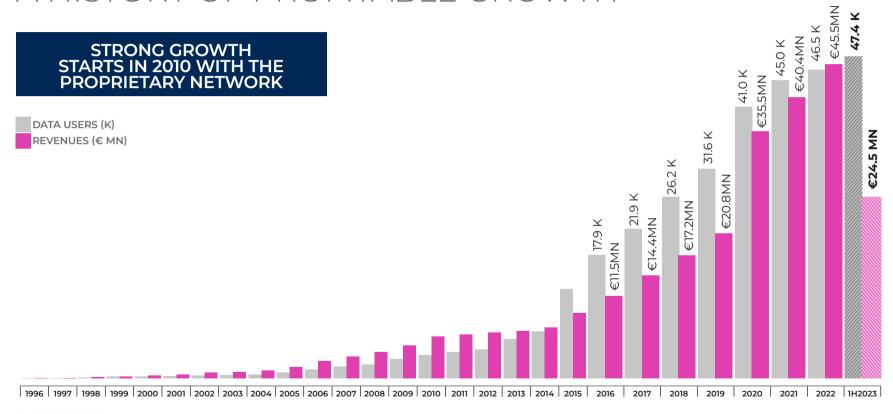
A HISTORY OF PROFITABLE GROWTH



27 YEARS OF EXPERTISE IN THE TLC INDUSTRY

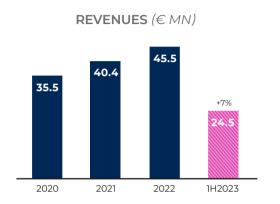


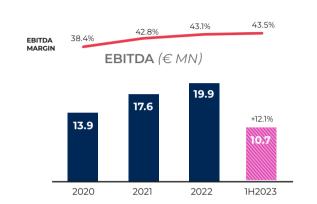
A HISTORY OF PROFITABLE GROWTH

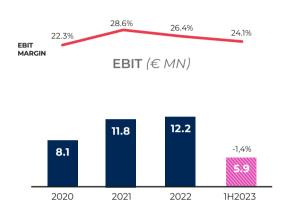




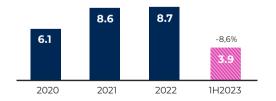
FINANCIAL HIGHLIGHTS - STRONG GROWTH



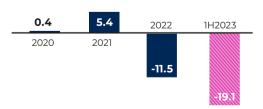




NET PROFIT (€ MN)

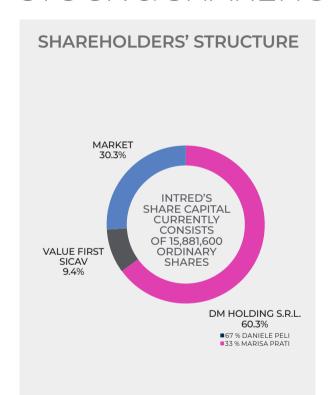


NET FINANCIAL POSITION (€ MN)

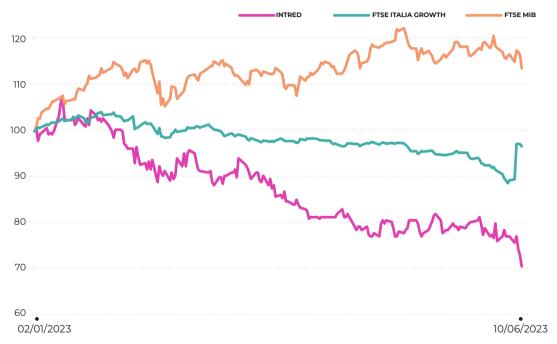




STOCK & SHAREHOLDERS' STRUCTURE



STOCK PERFORMANCES



October 06 2023 price: € 10.05 - Market Cap: €159.68 MN - Avg. Volume 3,868



THE GOVERNANCE

THE BOARD OF DIRECTORS



Daniele PeliChairman and
Chief Executive Officer



Marisa Prati Vice President



Giulia Peli Director



Adalberto SalviDirector



Renzo Torchiani Director



Fabio Massimo Erri Director



Alessandro Triboldi Independent Director





Daniele Peli CEO



Filippo Leone CFO



MARKET OUTLOOK



MARKET OUTLOOK DATA LINES ACCESSES MAR 2023 VS MAR 2022



MAR 2023: **19.98** MILLION ACCES •0.7%



SOURCE AGCOM

BUSINESS MODEL& STRATEGY



INTRED'S VALUE CHAIN

Initial assessment

assessment
regarding network
development
opportunities, using
proprietary network
or third –party lines

DEVELOPMEN,

Network development through a dedicated technical team

Internal planning through dedicated resources to set up the project

ODECT PLANNING

Satisfaction Index thanks to an effective customer service and a local call centre

SALES ASSIST

>90% Customer

Services sales mainly to business and retail customers, thanks to a skilled sales network

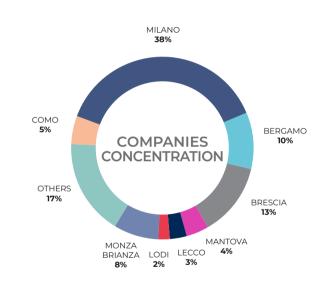
PCH ON THE MARKET



LOMBARDY: THE VIRTUOUS REGION

Selective geographical presence in one of Italy's Regions with the best financial profile and the highest stable economic potential

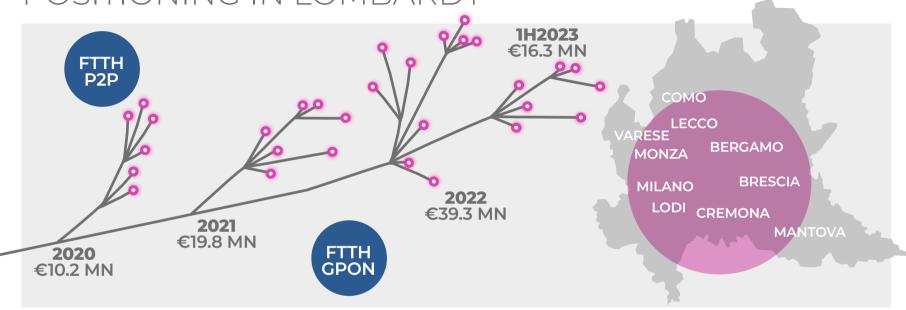




MILANO	BRESCIA	BERGAMO	COMO&LECCO	MONZA - BRIANZA
Population: 4.3 MN	Population: 1.4 MN	Population: 1.1 MN	Population: > 0.9 MN	Population: > 0.8 MN
Companies: > 300k	Companies: > 100k	Companies: > 80k	Companies: > 60k	Companies: > 60k



INVESTMENTS TO STRENGTHEN THE STRATEGIC POSITIONING IN LOMBARDY

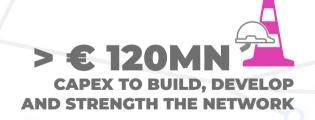


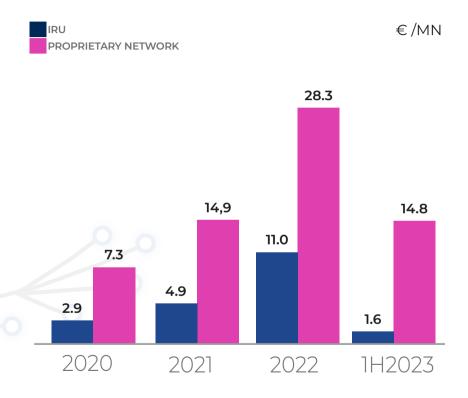
- Increase of the market share in the optical fiber connection market of Lombardia by taking advange of the two Infratel school tenders
- · Development of Ultra Wideband connectivity, disinvesting from broadband connectivity by using the proprietary network
- Development of the fiber network through IRU contracts with major TLC operators (Telecom, Fastweb, GTT, Retelit, Open Fiber)



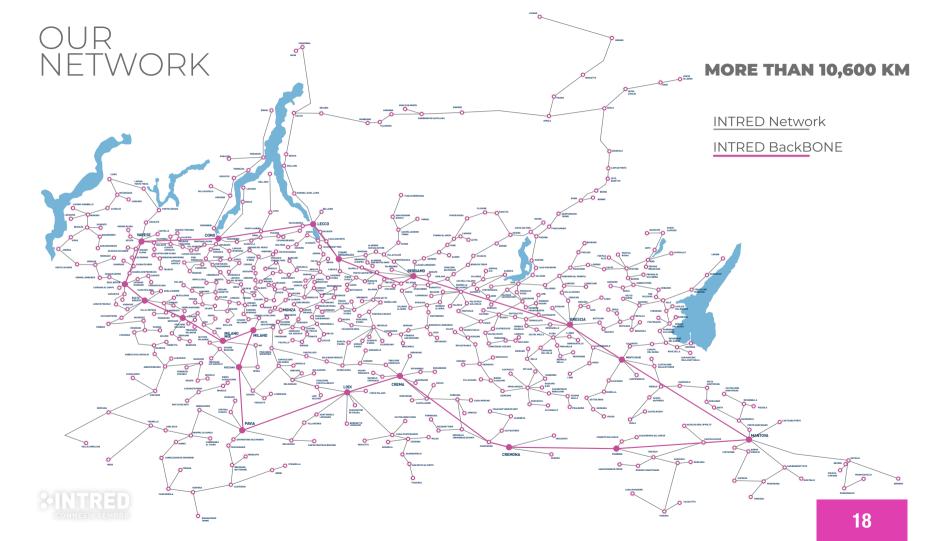
1H2O23: INVESTMENTS CONTINUE

1H2O23 investments at €16.3 MN focused on FTTH network development in Lombardia area.









LOOKING AT INFRATEL'S SUBSIDIES: A STRATEGIC DEAL FOR FUTURE GROWTH

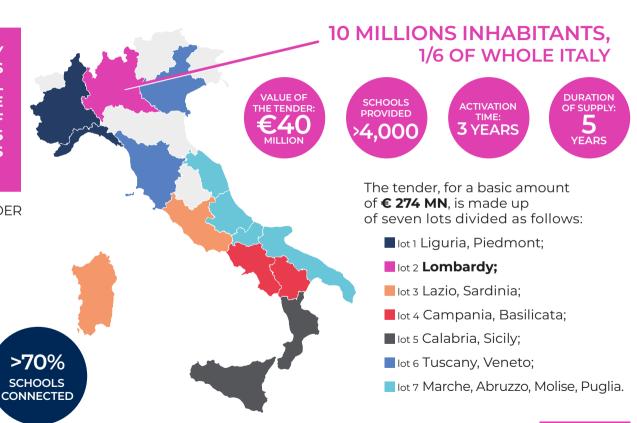
INTRED WON THE LOMBARDY LOT IN THE CALL FOR TENDERS LAUNCHED BY INFRATEL ITALIA: THE TENDER NOTICE PROVIDES FOR THE SUPPLY OF FIBER OPTIC CONNECTIONS TO OVER 4,000 SCHOOLS IN LOMBARDY.

PLUS - THE AWARD OF THE TENDER WOULD BE HIGHLY STRATEGIC AND WOULD ACCELERATE INTRED EXPANSION IN LOMBARDY:

 WIDESPREAD COVERAGE OF ALL THE MUNICIPALITIES AND PROVINCES OF LOMBARDY

 ACCREDITATION BY ALL PUBLIC BODIES IN THE REGION

 WHOLESALE BUSINESS DEVELOPMENT





INFRATEL SCHOOL TENDER 2

INTRED AWARDED THE LOMBARDY LOT OF THE SECOND TENDER ISSUED BY INFRATEL TO CONNECT THE REMAINING 20 % OF SCHOOLS LEFT.

THE TENDER IS PART OF THE PNRR AND THE AWARD WILL ALLOW STRONG SYNERGIES WITH THE PREVIOUS ONE, ESPECIALLY IN MANY MUNICIPALITIES WHERE INTRED HAS PLANNED / REALIZED CONNECTIONS TO THE SCHOOLS INCLUDED IN TENDER 1.





MARKETING ACTIVITIES TO ATTRACT BUSINESS & HOUSEHOLD CUSTOMERS

SIGNIFICANT RESOURCES (>4% OF TOTAL REVENUES) HAVE BEEN DEDICATED TO MARKETING ACTIVITIES TO SPREAD INTRED'S NOTORIETY IN LOMBARDY

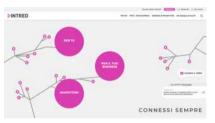
MARKETING ACTIVITIES

- Promotional actions on **social media in 17** 🕝
- Marketing campaign carried out on local/national radios & television channels
- Posters and publications in local/ national newspapers
- Sponsorships, such as the agreement with Atalanta football team













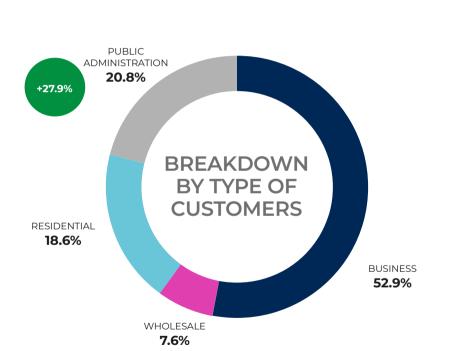


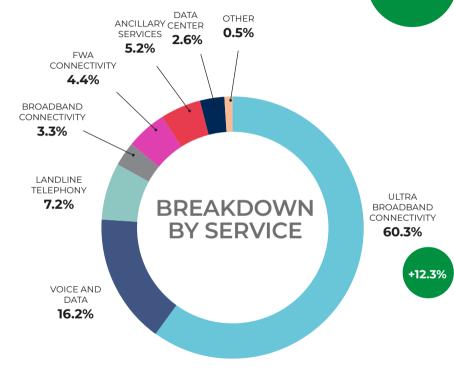
FINANCIALS



1H2O23 REVENUES DRIVEN BY FIBER CONNECTIONS

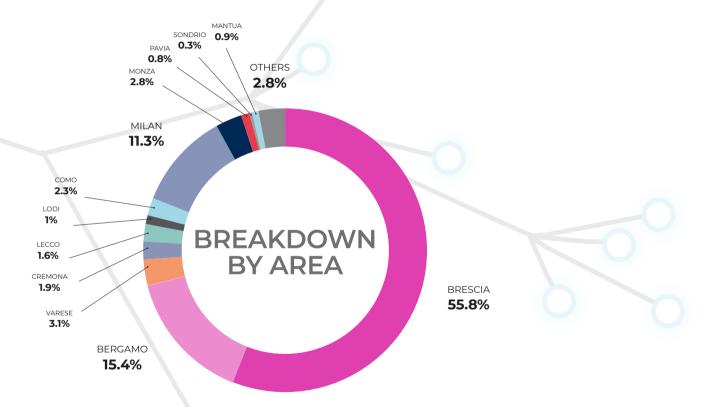








1H2O23 REVENUES DRIVEN BY FIBER CONNECTIONS





1H2O23 INCOME STATEMENT

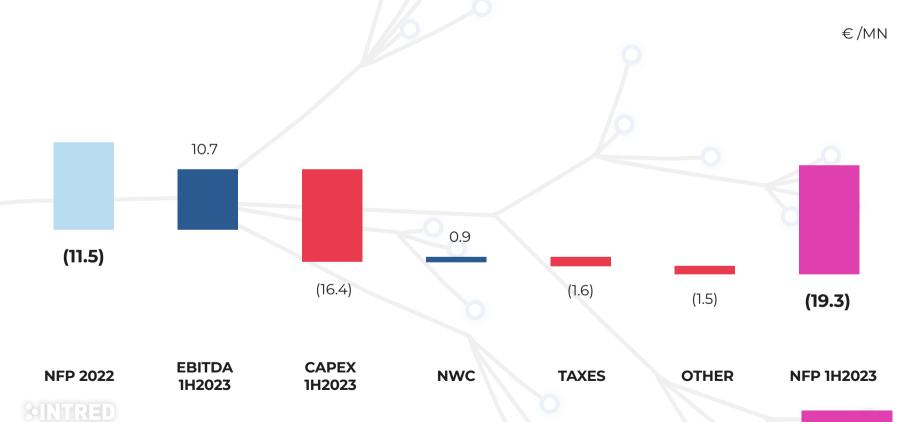
	1H2023	1H2022	YOY	YOY%
VALUE OF PRODUCTION	24700,7	23346,1	1354,6	5,8%
Raw Materials	(1290,2)	(488,3)	(801,9)	164,2%
Services	(3398,3)	(3342,7)	(55,6)	1,7%
Stock	181,4	(565,5)	746,8	(132,1%)
Other operating costs	(5345,3)	(5351,3)	6,0	(0,1%)
Tot Operating Costs	(9852,4)	(9747,7)	(104,7)	1,1%
Personnel Costs	(4099,5)	(4011,3)	(88,2)	2,2%
EBITDA	10748,8	9587,0	1161,8	12,1%
EBITDA Margin	43,5%	41,1%		6,0%
Depreciation Amortisazion &Write Downs	(4796,7)	(3553,0)	(1243,7)	35,0%
EBIT	5952,0	6034,0	(82,0)	(1,4%)
EBIT Margin	24,1%	25,8%		(6,8%)
Net Financial Income (Charges)	(442,2)	110,9	(553,2)	(498,6%)
EBT	5509,8	6144,9	(635,1)	(10,3%)
EBT Margin	22,3%	26,3%		(15,3%)
Taxes	(1609,2)	(1877,9)	268,7	(14,3%)
NET Income	3900,6	4267,0	(366,4)	(8,6%)
Net Income Margin	15,8%	18,3%		(13,6%)

1H2O23 BALANCE SHEET

€/000	1H2023	2022	YOY	YOY%
CURRENT ASSETS	14518,9	17311,4	(2792,5)	(16,1%)
CURRENT LIABILITIES	(42711,2)	(44559,4)	1848,2	(4,1%)
NET WORKING CAPITAL	(28192,3)	(27248,0)	(944,3)	3,5%
TOTAL FIXED ASSETS	99982,7	88583,1	11399,6	12,9%
Staff severance indemnity	(1732,5)	(1798,4)	65,8	(3,7%)
Provisions for risks and charges	(6,4)	(10,9)	4,5	(41,1%)
NET INVESTED CAPITAL	70051,5	59525,8	10525,7	17,7%
SHAREHOLDERS' EQUITY	(50743,3)	(47993,1)	(2750,2)	5,7%
Cash&cash equivalents	20666,5	17593,4	3073,1	17,5%
Due to banks within 12 months	(14528,4)	(13911,3)	(617,1)	4,4%
Due to banks after 12 months	(25446,3)	(15214,9)	(10231,4)	67,2%
NET FINANCIAL POSITION	(19308,2)	(11532,8)	(7775,5)	67,4%

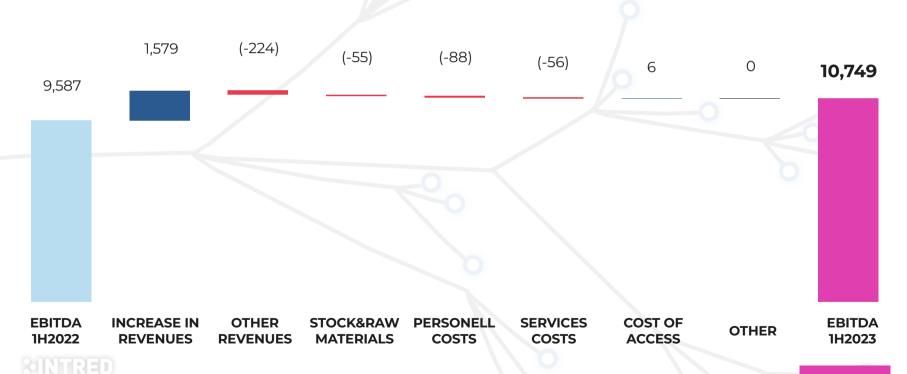


CASH FLOW ANALYSIS: DEC'22 – JUN'23

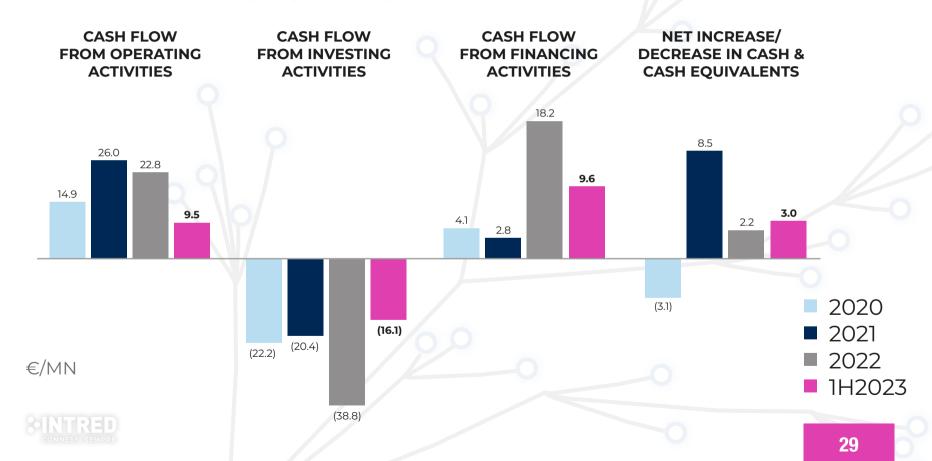


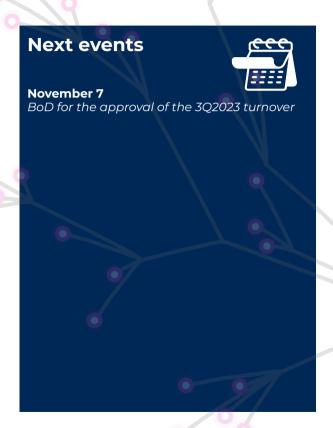
EBITDA ANALYSIS: JUN'22 – JUN'23

€/000



1H2O23 FREE CASH FLOW





INVESTOR RELATIONS

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