



LE ECCELLENZE
DEL MADE IN ITALY

 **INTRED**
CONNESSI SEMPRE

SEPT 23-24 2021

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 OVERVIEW

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

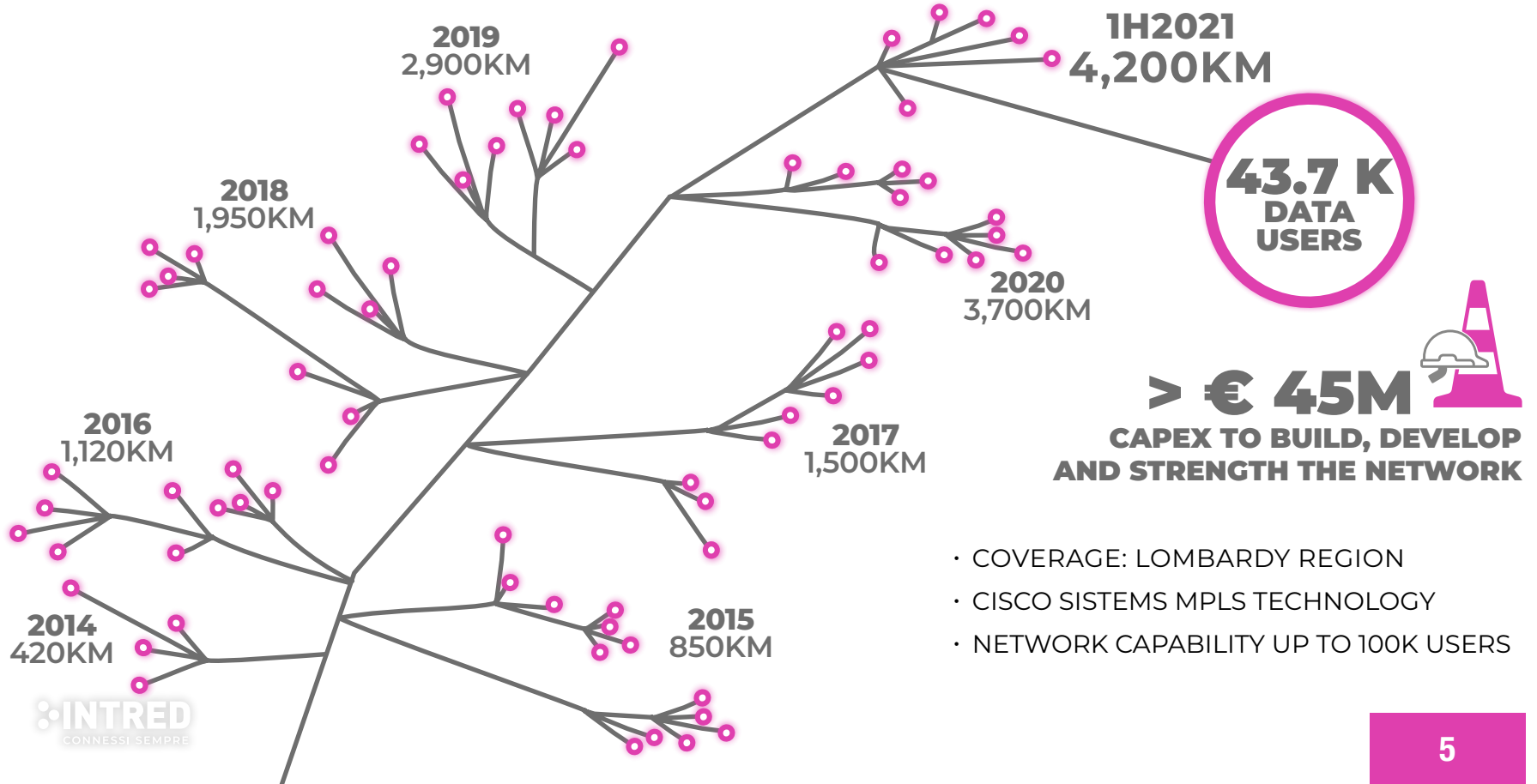


HOSTING AND HOUSING

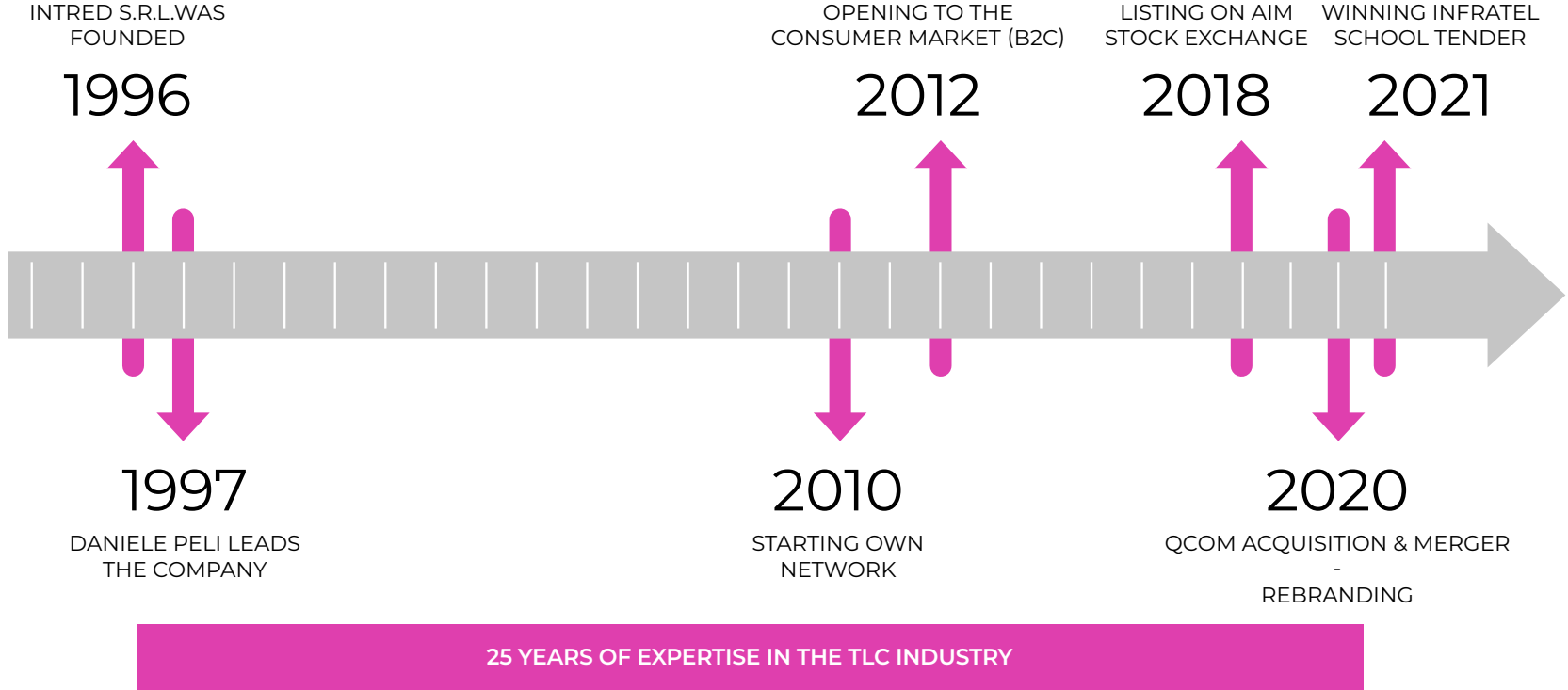


- **STRONG PRESENCE IN LOMBARDY**, the richest region in Italy, in particular in the Brescia area with a market share of approx. 10%
- Fragmented customer base with a **VERY LOW CHURN RATE** (4.8%)
- **RECURRING NATURE OF FEES** (>90% of total turnover is recurring)
- **HIGH REVENUES VISIBILITY** (average DSO < 36 days)
- **140 QUALIFIED** and skilled **RESOURCES**

A NETWORK AT THE FOREFRONT OF INNOVATION



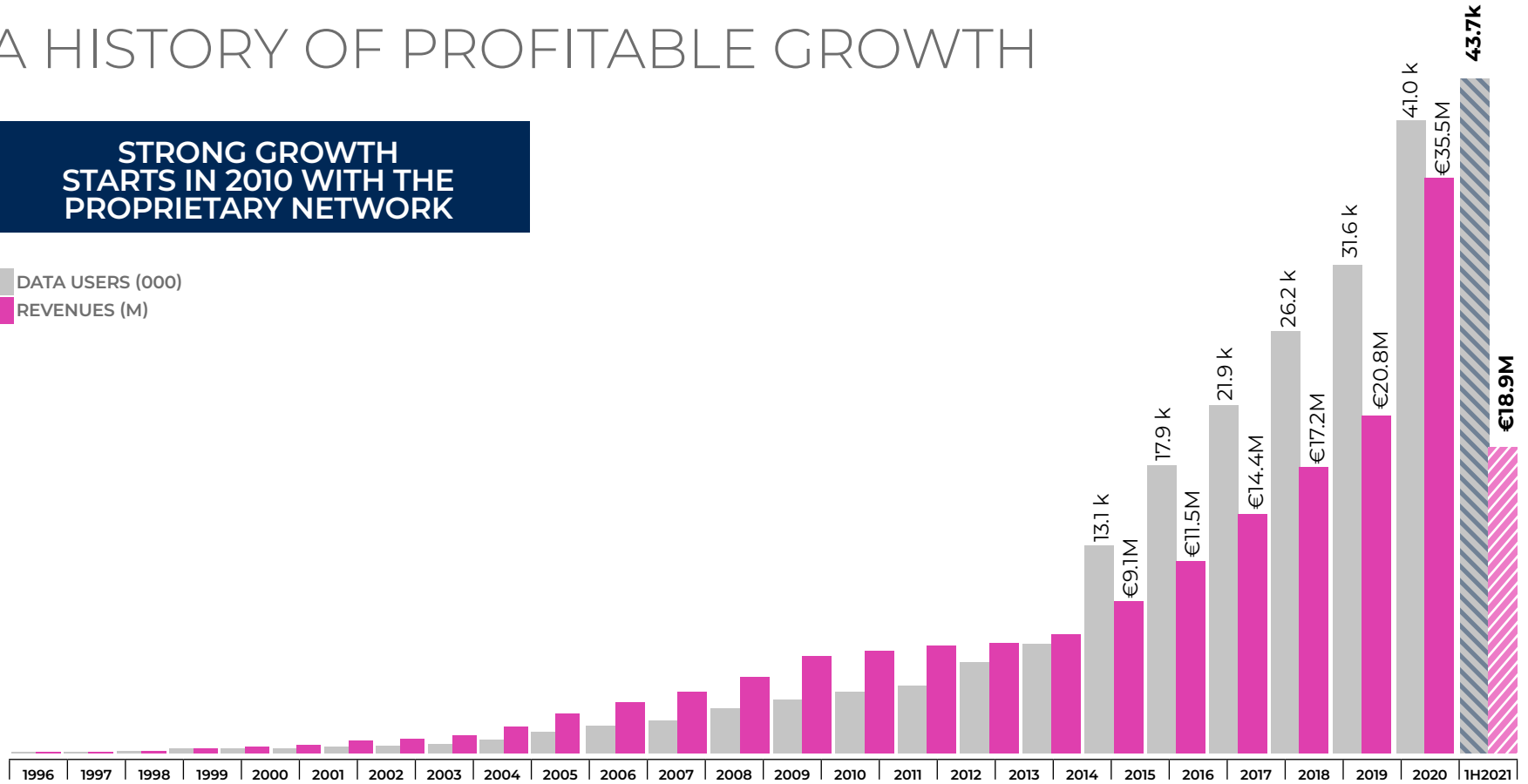
A HISTORY OF PROFITABLE GROWTH



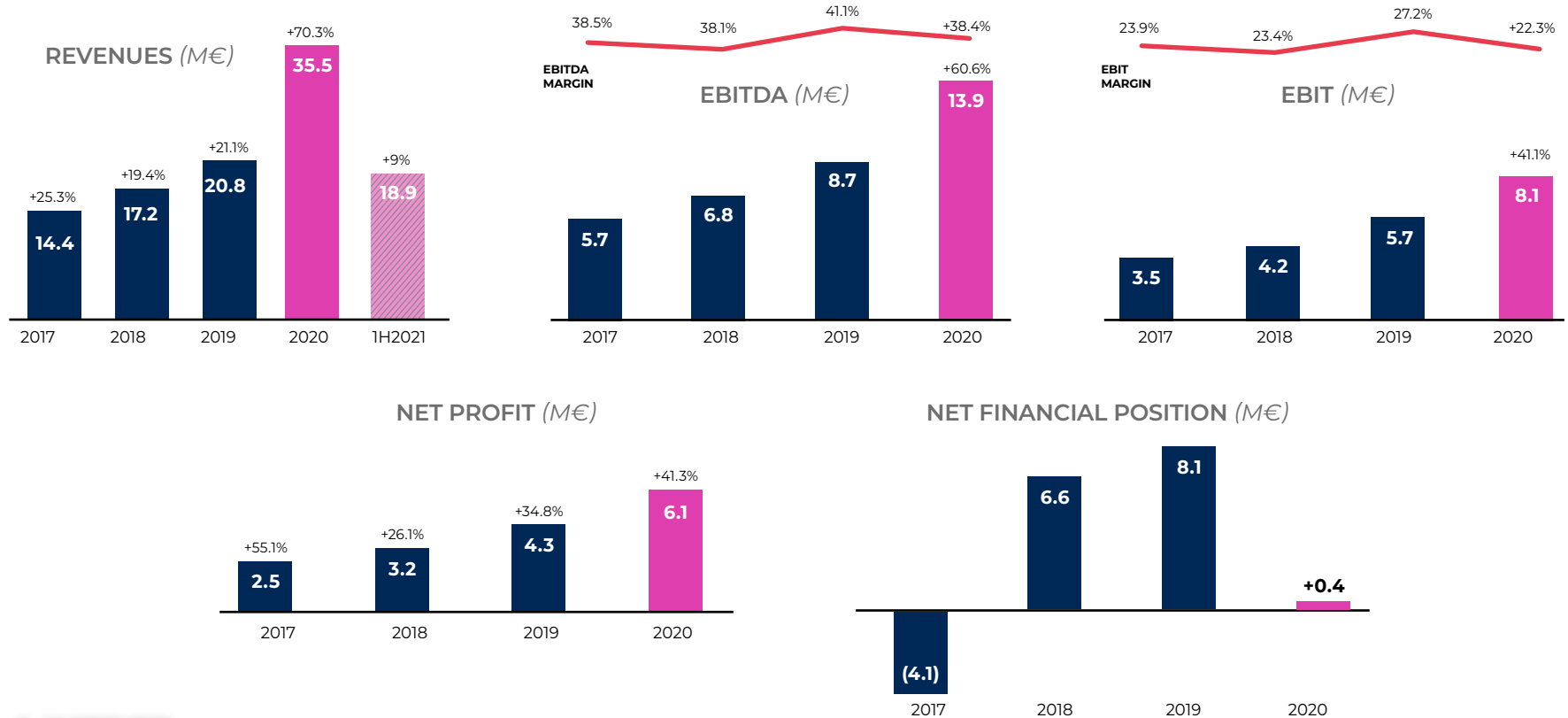
A HISTORY OF PROFITABLE GROWTH

**STRONG GROWTH
STARTS IN 2010 WITH THE
PROPRIETARY NETWORK**

■ DATA USERS (000)
■ REVENUES (M)

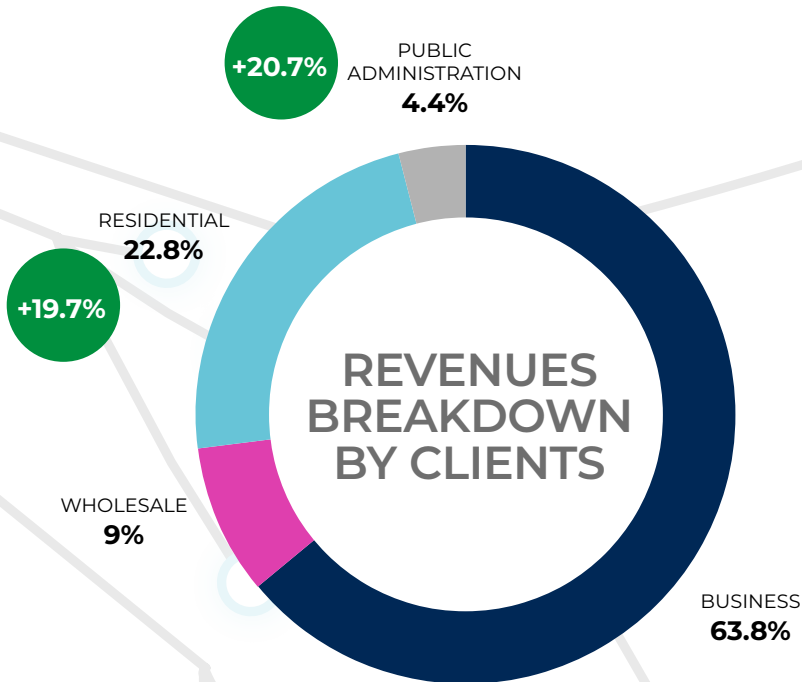


FINANCIAL HIGHLIGHTS - STRONG GROWTH

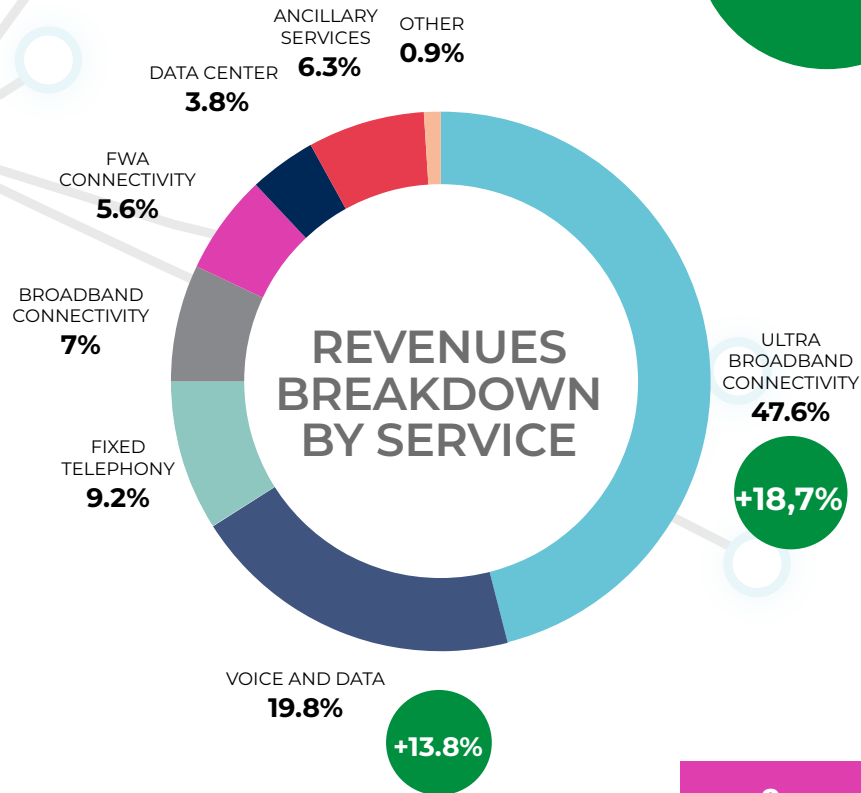


1H2021 REVENUES DRIVEN BY FIBER CONNECTIONS

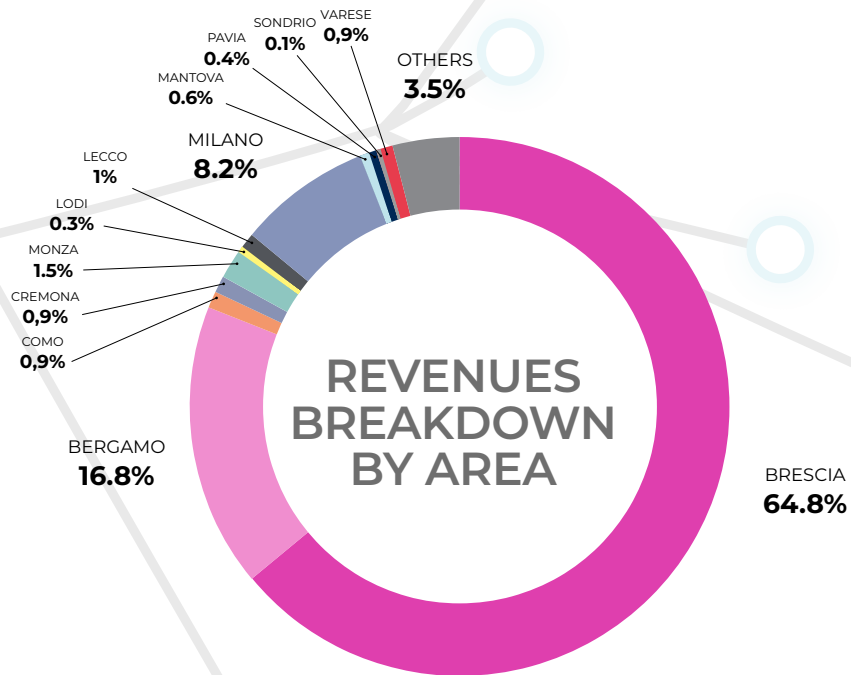
REVENUES BREAKDOWN BY CLIENTS



REVENUES BREAKDOWN BY SERVICE

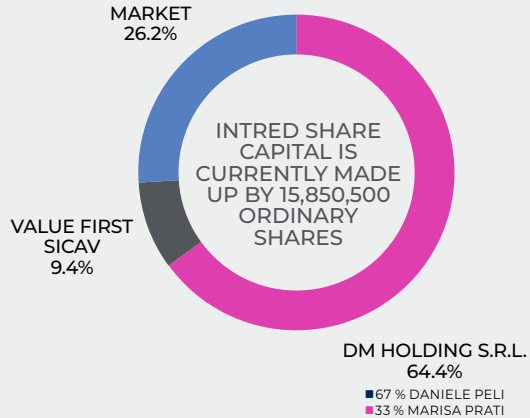


1H2021 REVENUES DRIVEN BY FIBER CONNECTIONS

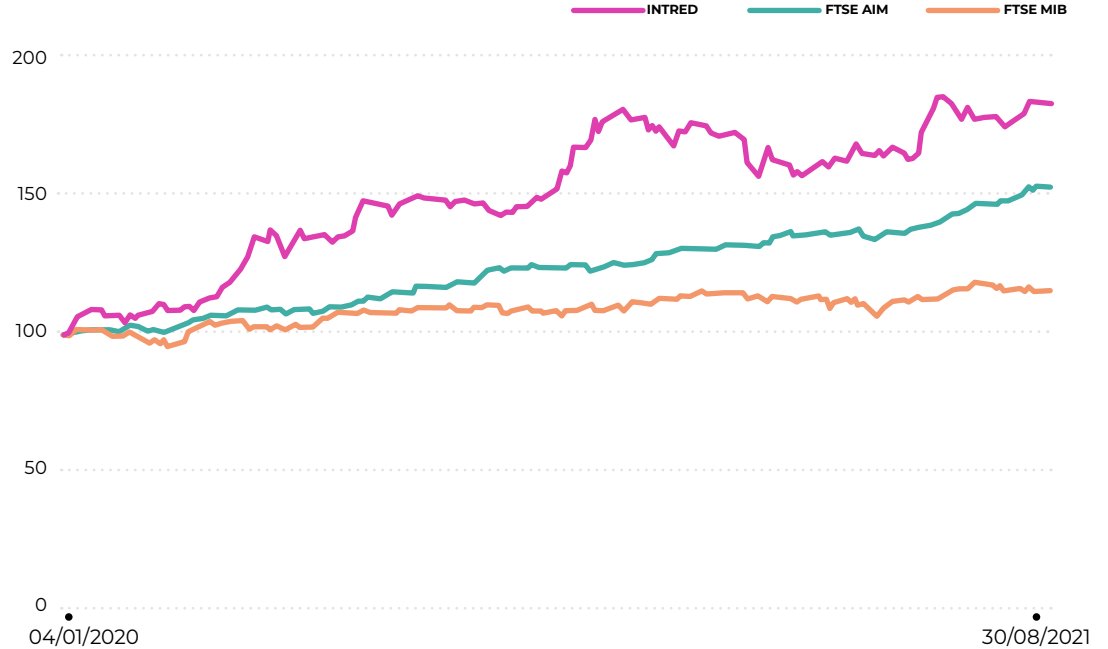


STOCK & SHAREHOLDERS' STRUCTURE

SHAREHOLDERS' STRUCTURE



STOCK PERFORMANCES



30/08/2021 price: € 17.85 - Market Cap: €282.9 M - Avg. Volume 9.804

THE GOVERNANCE

THE BOARD OF DIRECTORS



Daniele Peli
Chairman and
Chief Executive Officer



Marisa Prati
Director



Giulia Peli
Director



Adalberto Salvi
Director



Renzo Torchiani
Director



Fabio Massimo Erri
Director



Alessandro Triboldi
Independent Director

THE MANAGEMENT



Daniele Peli
CEO

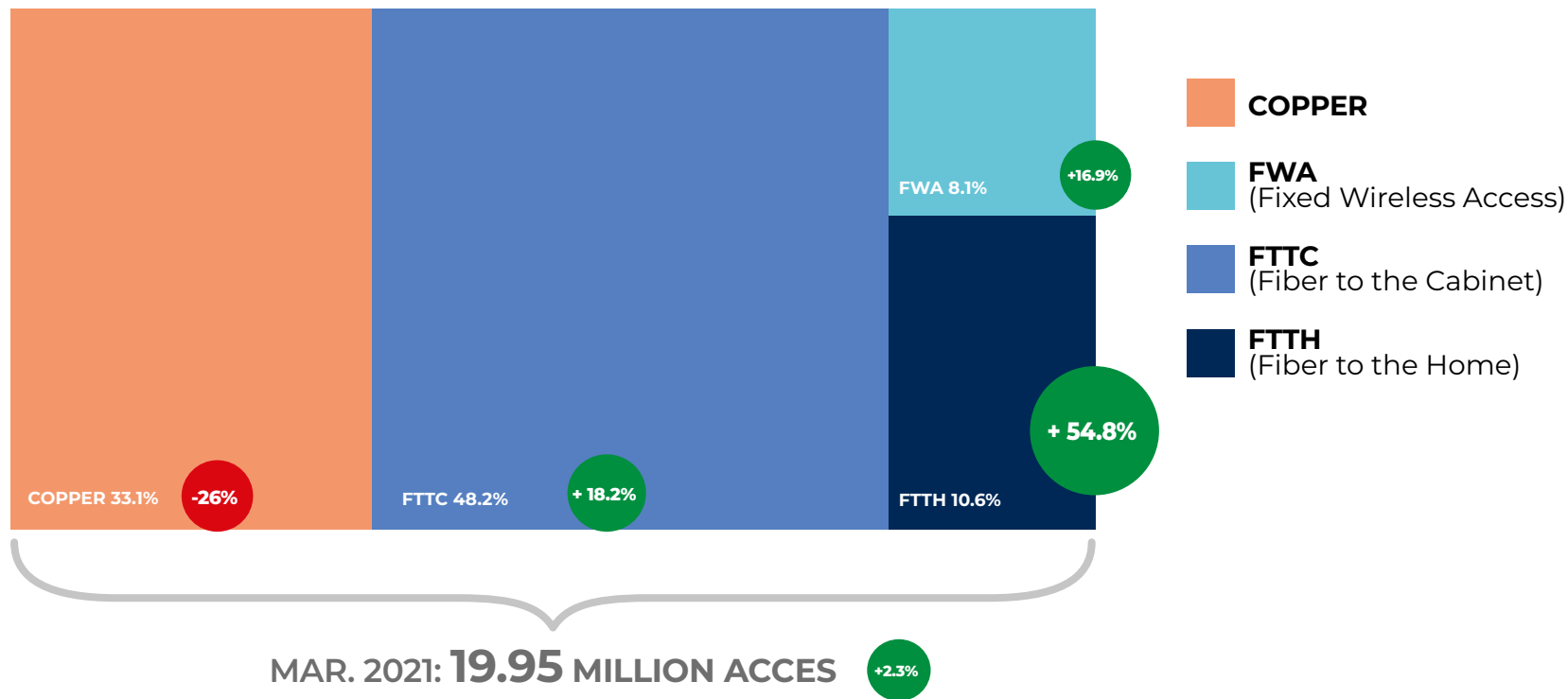


Filippo Leone
CFO

MARKET OUTLOOK

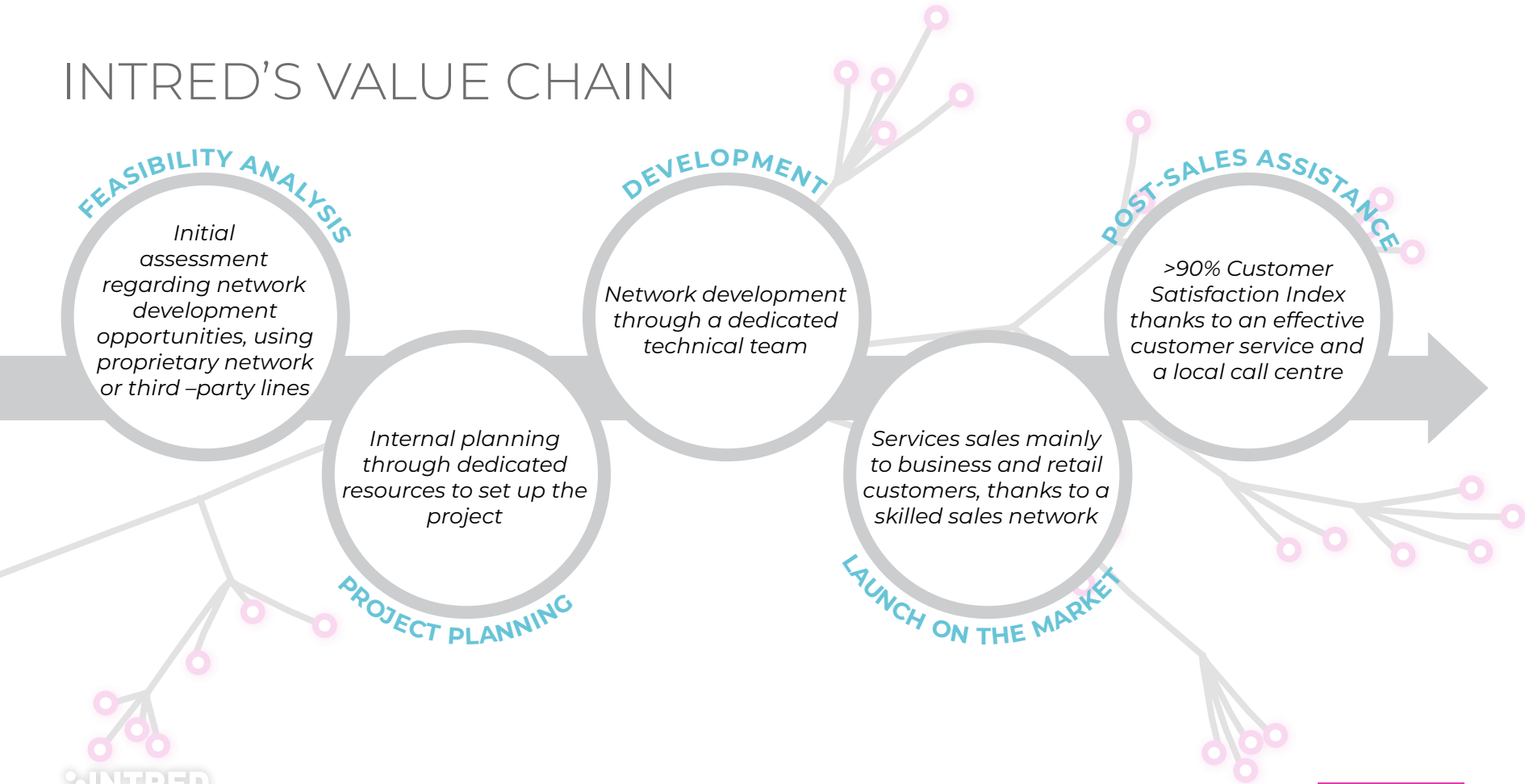
MARKET OUTLOOK

DATA LINES ACCESSES MAR 2021 VS MAR 2020



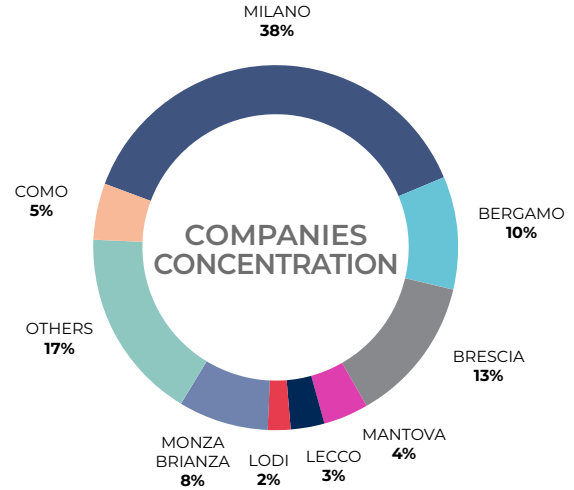
BUSINESS MODEL & STRATEGY

INTRED'S VALUE CHAIN



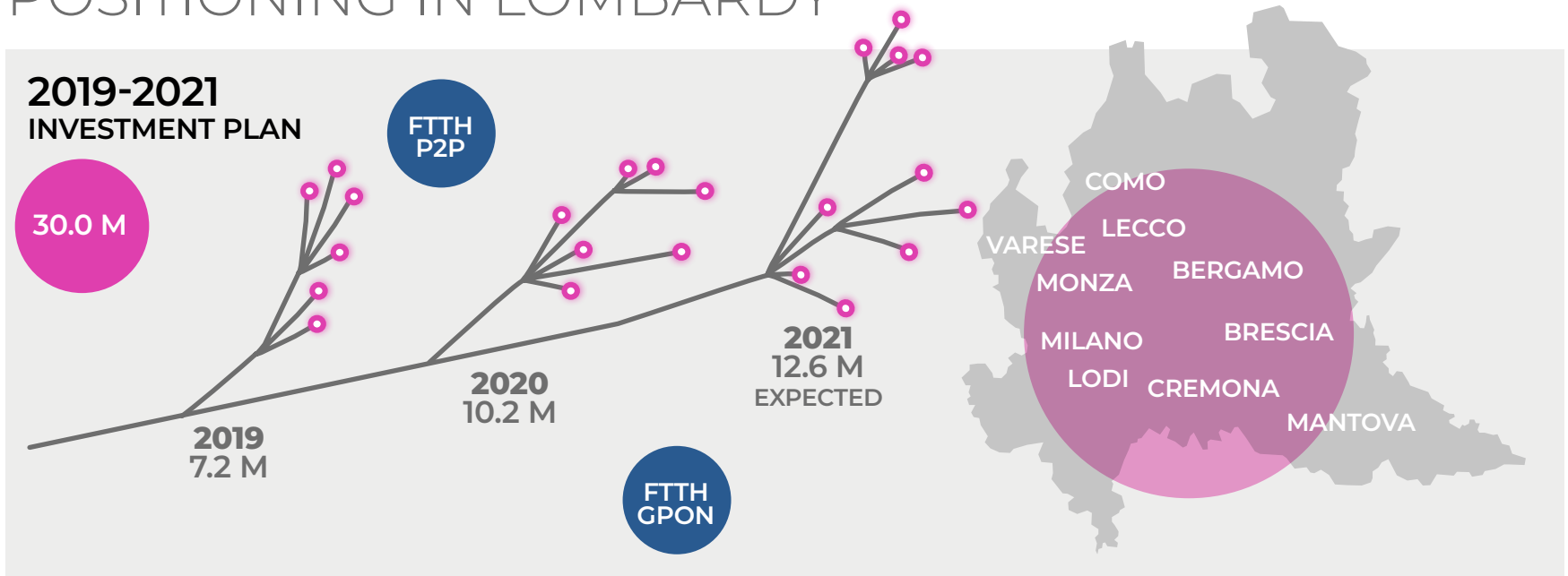
LOMBARDY: THE VIRTUOUS REGION

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 M Companies: > 300k	Population: 1.4 M Companies: > 100k	Population: 1.1 M Companies: > 80k	Population: > 0.9 M Companies: > 60k	Population: > 0.8 M Companies: > 60k

INVESTMENTS TO STRENGTHEN THE STRATEGIC POSITIONING IN LOMBARDY



- **To become leader** in the optical fiber connection market of **periferic areas** where the major competitors are not present
- 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)

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 4500 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



**10 MILLIONS INHABITANTS,
1/6 OF WHOLE ITALY**

VALUE OF
THE TENDER:
€40
MILLION

SCHOOLS
PROVIDED:
4592

ACTIVATION
TIME:
3 YEARS
(60% IN THE FIRST
YEAR)

DURATION
OF SUPPLY:
5
YEARS




The tender, for a basic amount of **€ 273,918,374 M**, is made up of seven lots divided as follows:

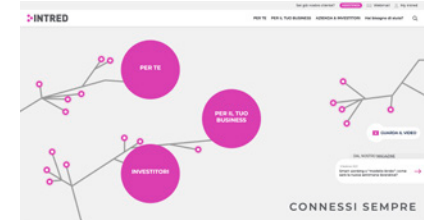
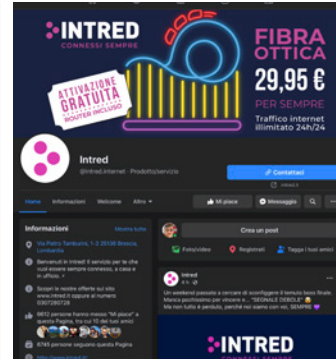
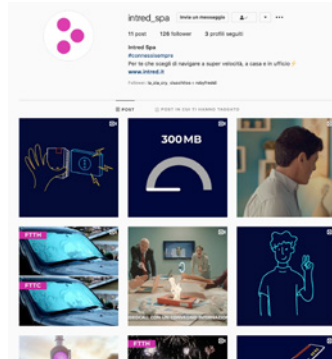
- lot 1 Liguria, Piedmont;
- lot 2 **Lombardy**;
- lot 3 Lazio, Sardinia;
- lot 4 Campania, Basilicata;
- lot 5 Calabria, Sicily;
- lot 6 Tuscany, Veneto;
- lot 7 Marche, Abruzzo, Molise, Puglia.

MARKETING ACTIVITIES TO ATTRACT BUSINESS & HOUSEHOLD CUSTOMERS

SIGNIFICANT RESOURCES (>3% OF TOTAL REVENUES) HAVE BEEN DEDICATED TO MARKETING ACTIVITIES TO SPREAD INTRED'S NOTORIETY IN LOMBARDY

MARKETING ACTIVITIES

- **Rebranding** of the logo
- Renewal of the **website**
- Promotional actions on **social media**   
- Marketing campaign carried out on **local radios & television channels**
- Posters and publications in **local newspapers**
- **Sponsorships**, such as the agreement with Brescia football team and Atalanta football team



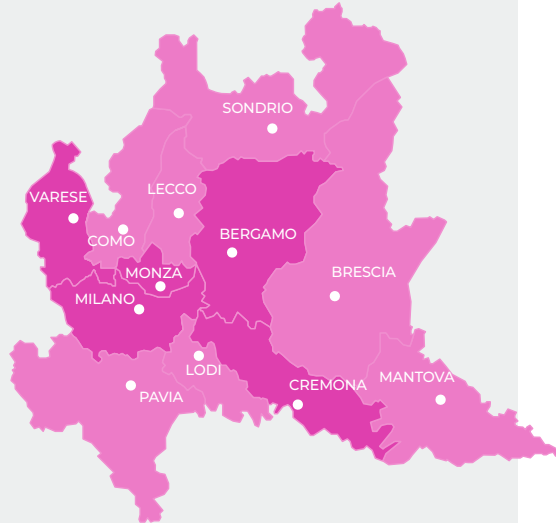
QCOM

QCOM ACQUISITION

KEY NUMBER

4,300
business clients

€11.3 million
Revenues FY2020



2020: ACQUISITION AND MERGER OF 100% OF QCOM
AT A PURCHASE PRICE OF €10.2 MILLION

**GEOGRAPHICAL STRATEGIC FIT WHICH
STRENGTHENS BUSINESS IN LOMBARDY,**
EXPANDING TO THE BERGAMO, MILAN,
MONZA&BRIANZA, CREMONA AND VARESE AREAS

**QCOM IS A RESELLER TLC COMPANY BASED IN
BERGAMO,** WITH OPERATIONS THROUGHOUT
LOMBARDY SPECIALISED IN THE PROVISION OF
FIXED CONNECTIVITY AND OTHER RELATED
SERVICES TO OVER 4,000 BUSINESS CUSTOMERS

HIGH QUALITY BUSINESS CLIENTS, TO
WHOM OFFER INTRED COMMERCIAL AND
INFRASTRUCTURAL SERVICES

CONSOLIDATION OF INTRED'S STRATEGIC
DEVELOPMENT PLAN THROUGH
EXTERNAL EXPANSION

APPENDIX

2020 INCOME STATEMENT

€/000	2020	2019	YoY%
Value of Production	36385.3	21186.9	71.7%
Raw materials	(275.5)	(126.7)	117.5%
Services	(5514.7)	(3123.9)	76.5%
Other operating costs	(10118.9)	(5963.0)	69.7%
Tot Operating Costs	(15909.1)	(9213.6)	72.7%
Personnel Costs	(6490.8)	(3265.0)	98.8%
EBITDA	13985.4	8708.3	60.6%
<i>EBITDA margin</i>	38.4%	41.1%	(6.5%)
Depreciation Amortisation & Write Downs	(5861.3)	(2950.2)	98.7%
EBIT	8124.1	5758.0	41.1%
<i>EBIT margin</i>	22.3%	27.2%	(17.8%)
Net Financial Income (Charges)	56.9	82.6	(31.1%)
EBT	8181.0	5840.7	40.1%
<i>EBT margin</i>	22.5%	27.6%	(18.4%)
Taxes	(2069.9)	(1515.3)	36.6%
Net Income	6111.1	4325.3	41.3%
<i>Net Income margin</i>	16.8%	20.4%	(17.7%)

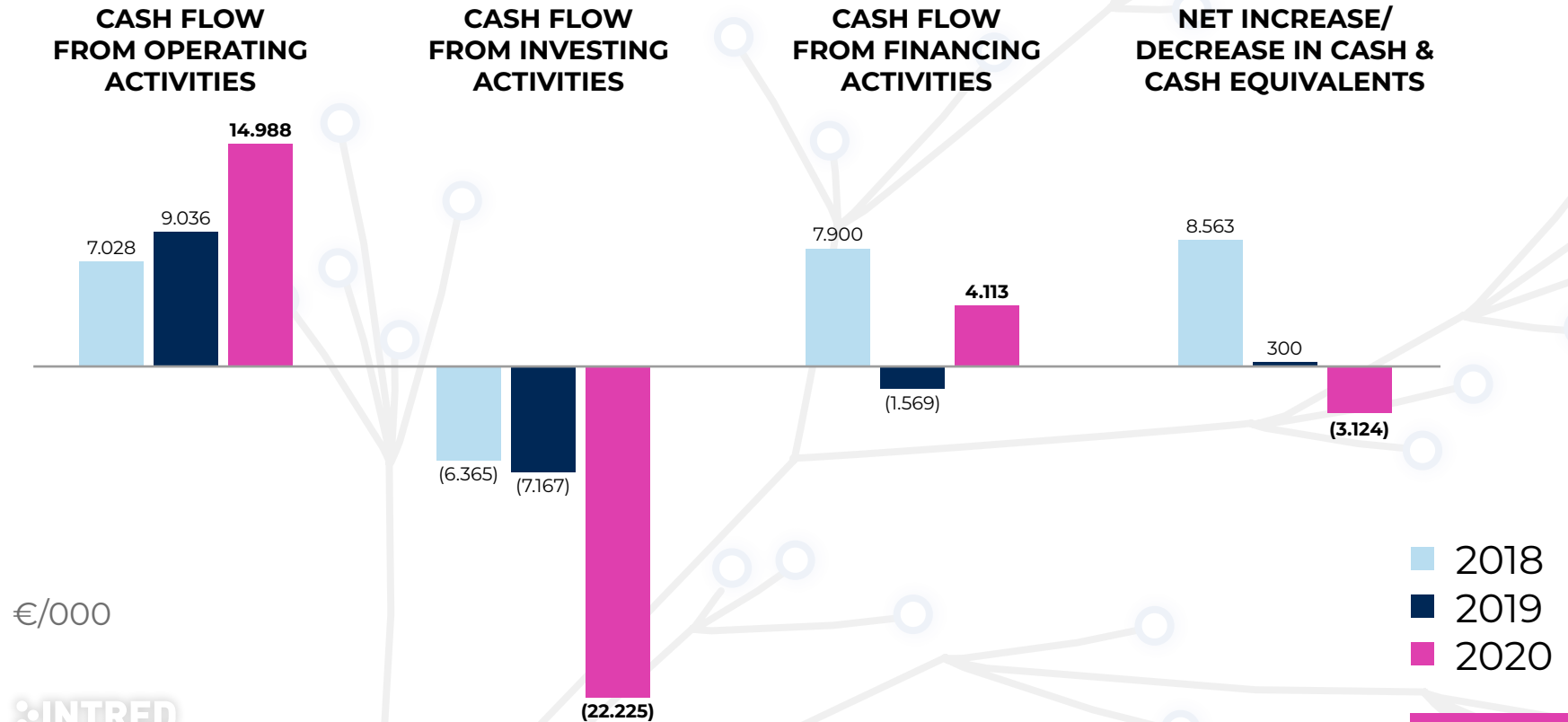
PRE & POST MERGER INCOME STATEMENT

€/000	2019	INTRED 2020 PRE MERGER	QCOM 2020 PRE MERGER	2020 POST MERGER
Value of Production	21186.9	25176,4	11423,6	36385,3
Raw materials	(126.7)	(154,4)	(121,2)	(275,5)
Services	(3123.9)	(3435,5)	(1870)	(5514,7)
Other operating costs	(5963.0)	(6888)	(3225,2)	(10118,9)
Tot Operating Costs	(9213.6)	(10477,9)	(5216,3)	(15909,1)
Personnel Costs	(3265.0)	(3475)	(3015,8)	(6490,8)
EBITDA	8708.3	11223,5	3191,5	13985,4
<i>EBITDA margin</i>	41.1%	44,6%	27,9%	38,4%
Depreciation Amortisation & Write Downs	(2950.2)	(3764,8)	(1489,6)	(5861,3)
EBIT	5758.0	7458,7	1701,9	8124,1
<i>EBIT margin</i>	27.2%	29,6%	14,9%	22,3%
Net Financial Income (Charges)	82.6	51,8	5,1	56,9
EBT	5840.7	7510,5	0,4	8181
<i>EBT margin</i>	27.6%	29,8%	0,0%	22,5%
Taxes				(2069,9)
Net Income				6111,1
<i>Net Income margin</i>				16,8%

2020 BALANCE SHEET

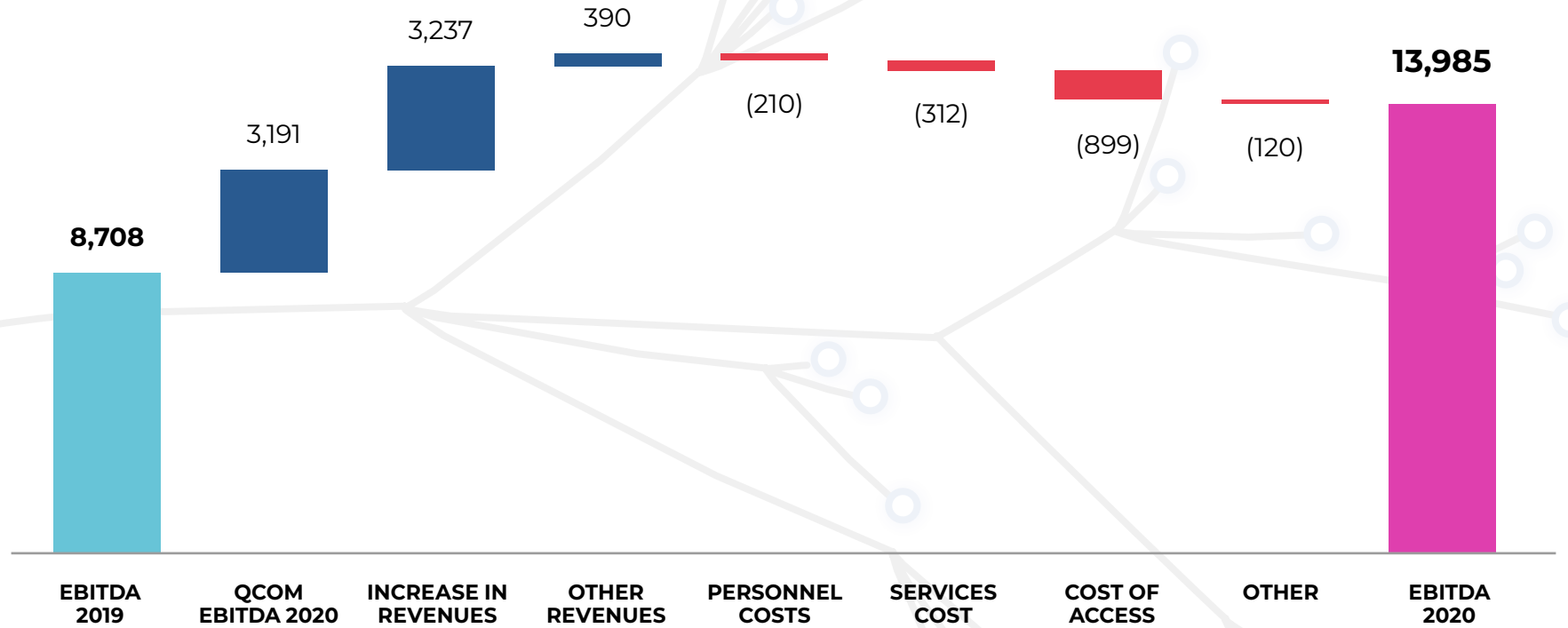
€/000	2020	2019	YOY%
Current assets	7,927.3	4,928.2	60.9%
Current liabilities	(17,213.5)	(12,041.0)	43.0%
NET WORKING CAPITAL	(9,3286.2)	(7,112.8)	30.6%
Total fixed assets	42,762.2	26,257.9	62.9%
Staff severance indemnity	(1,587.2)	(603.7)	162.9%
Provisions for risks and and charges	(17.7)	(21.5)	(17.6%)
NET INVESTED CAPITAL	31,871.1	18,519.9	72.1%
SHAREHOLDERS' EQUITY	(32,297.3)	(26,658.9)	21.2%
Cash & cash equivalents	6,827.2	9,950.9	(31.4%)
Due to banks within 12 months	(1,478.4)	(585.4)	152.6%
Due to banks after 12 months	(4,922.6)	(1,226.5)	301.3%
NET FINANCIAL POSITION	426.2	8139.0	(94.8%)

2020 FREE CASH FLOW



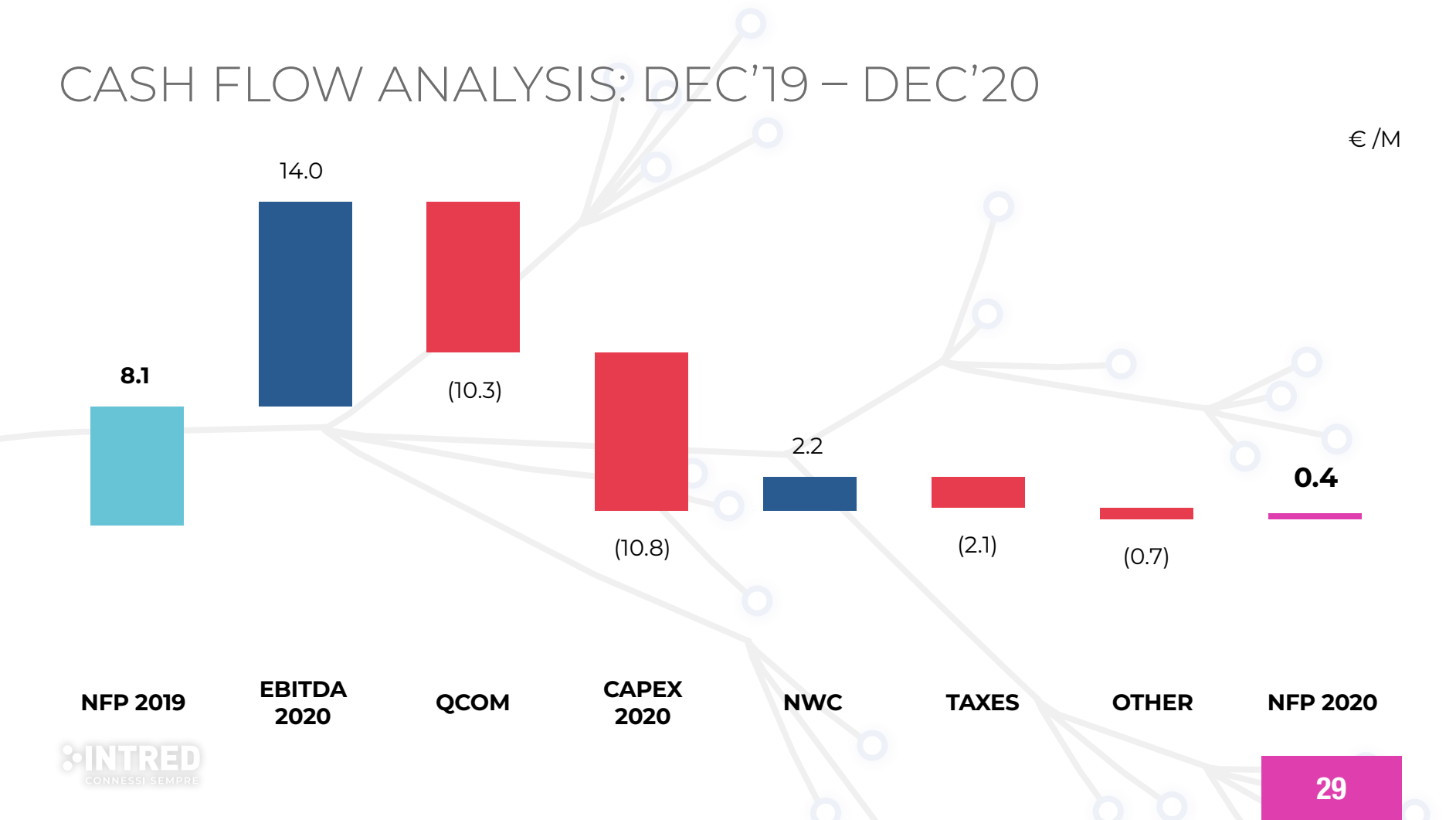
2020 EBITDA: ACTUAL VS LAST YEAR

€/000



CASH FLOW ANALYSIS: DEC'19 – DEC'20

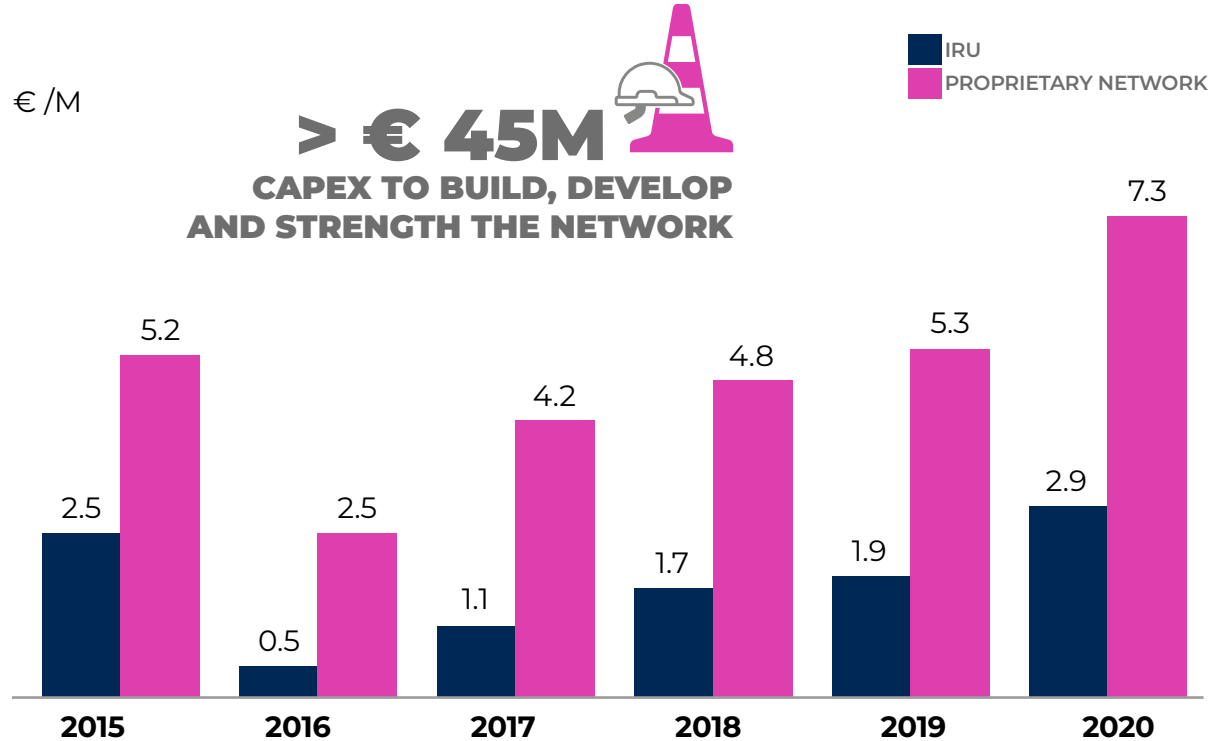
€/M



2020: INVESTMENTS CONTINUE

2020 investments at €10.2M focused on FTTC and FTTH networks development in the Brescia, Bergamo, Milano, Monza-Brianza, Mantova, Lodi, Lecco and Como areas.

Most of infrastructure network investments are in tangible fixed assets (71%), related to the development of the network, and in intangible fixed assets, represented by IRU (29%).



INVESTOR RELATIONS

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NEXT EVENTS



**BOARD OF DIRECTORS FOR THE APPROVAL OF THE
HALF-YEARLY FINANCIAL REPORT AT JUNE 30, 2021
SEPTEMBER 29TH, 2021**

**BOARD OF DIRECTORS FOR THE APPROVAL OF THE
THIRD QUARTER 2021 TURNOVER
NOVEMBER 5TH, 2021**

GENERAL INFORMATION ABOUT THE COMPANY

NAME	®	INTRED S.P.A.
HEAD OFFICES	🚩	VIA PIETRO TAMBURINI, 1 - 25136 BRESCIA (BS)
SHARE CAPITAL FULLY PAID-UP	💰	10.000.000,00
VAT REG. NO.	📄	02018740981
TAX CODE	📄	11717020157
REA NUMBER	📄	BS - 366982
LEGAL FORM	👤	JOINT-STOCK COMPANY

🌐 WWW.INTRED.IT • ✉️ INFO@INTRED.IT • ☎️ 030.72.80.000

The logo features a stylized icon of three white circles on the left, arranged in a triangular pattern. To the right of this icon, the word "INTRED" is written in a large, bold, white, sans-serif font. Below "INTRED", the tagline "CONNESSI SEMPRE" is written in a smaller, white, sans-serif font. The entire logo is centered on a background of a repeating wavy pattern in a light pink color.

INTRED
CONNESSI SEMPRE