



INTRED

CONNESSI SEMPRE

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Strategic Plan 2024-27

INTRED Vision

Daniele Peli
Chairman and C.E.O.

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Egon Zanagnolo
General Manager

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Filippo Leone
C.F.O. & IR

ESG Plan

Daniele Peli
Chairman and CEO

Closing Remarks

Daniele Peli
Chairman and CEO

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INTRED VISION

- CREATING A **CONNECTED** FUTURE WHERE TECHNOLOGICAL **INNOVATION** IN TELECOMMUNICATIONS ENHANCES SOCIAL RELATIONSHIPS AND REDUCES THE DIGITAL DIVIDE, STRENGTHENING THE **SOCIAL AND CULTURAL DEVELOPMENT** OF THE **AREAS** WE OPERATE IN
- BUILDING AN INCLUSIVE AND SAFE ENVIRONMENT BASED ON **TRANSPARENCY** AND **EXPERIENCE**, VALUING PEOPLE'S **TALENTS AND SKILLS** TO GENERATE A **POSITIVE AND LASTING IMPACT**
- TECHNOLOGY COMPANY THAT INTEGRATES FAST, SECURE, AND **SUSTAINABLE DATA TRANSPORT AND STORAGE**

INTRED PEOPLE

THE BOARD OF DIRECTORS



Daniele Peli
Chairman and
Chief Executive Officer



Marisa Prati
Vice President



Giulia Peli
Director



Adalberto Salvi
Director



Vincenzo Polidoro
Director



Alberta Marniga
Independent Director



Alessandro Triboldi
Independent Director

THE MANAGEMENT



Daniele Peli
CEO



Egon Zanagnolo
General Manager



Filippo Leone
CFO & IR

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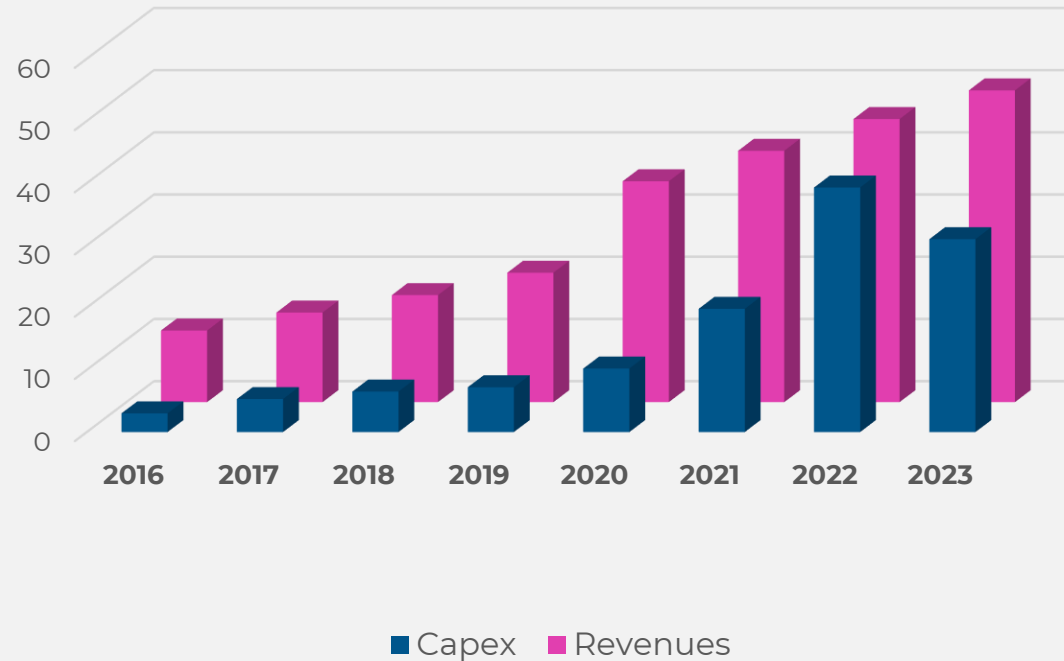
Closing Remarks

Appendix

INVESTING IS IN OUR NATURE REFLECTED IN...

€ Mn

CAPITALIZING ON GROWTH



Source: Company Data

- INTRED growth story highlights a **strong commitment in investing** to support growth
- Since 2016 over **€ 140M of investments** for a **network of 13,000Km** to serve **51k users**

THIS IS OUR STORY

...A PROVEN TRACK RECORD IN SHAREHOLDERS' RETURN



COMPOUND YEARLY RATE OF RETURN: +25% SINCE LISTING

A GROWING SECTOR...

Coverage 🏠
69,88%

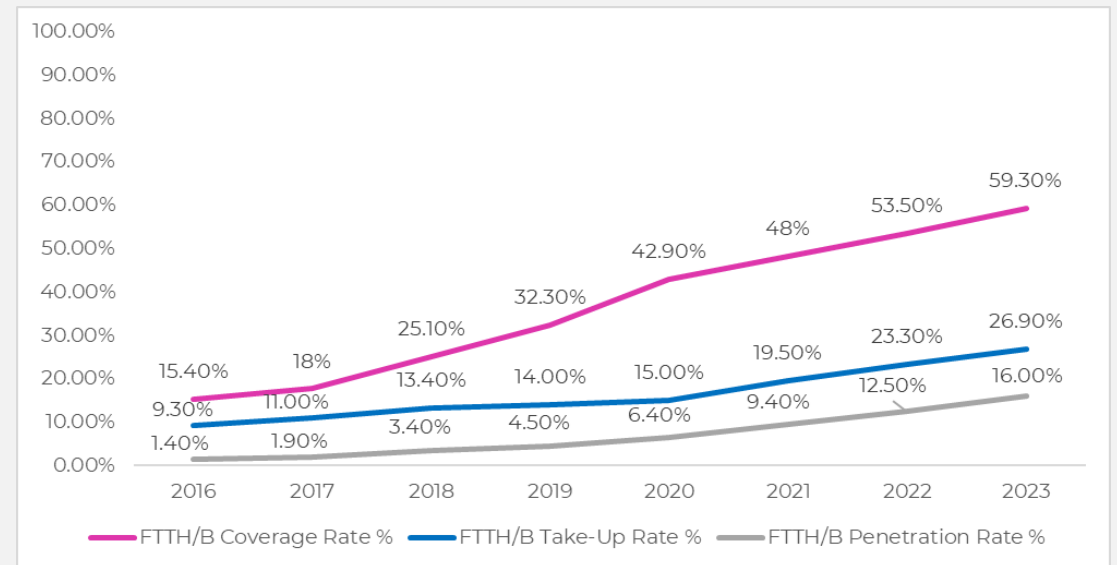
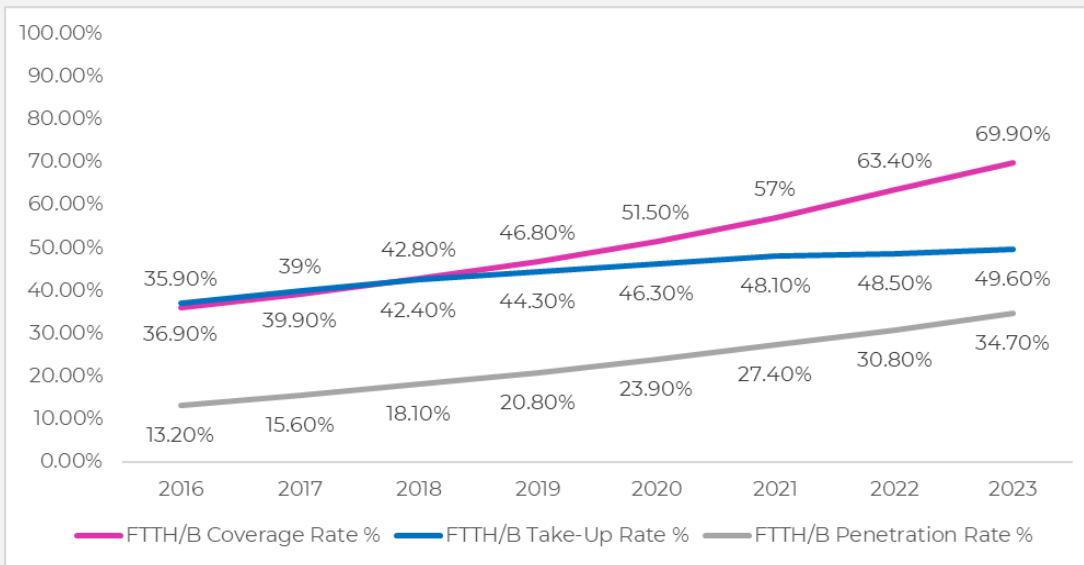
EU 39

👤 Population
846,719,216

Coverage 🏠
59,3%

ITALY

👤 Population
59,665,613

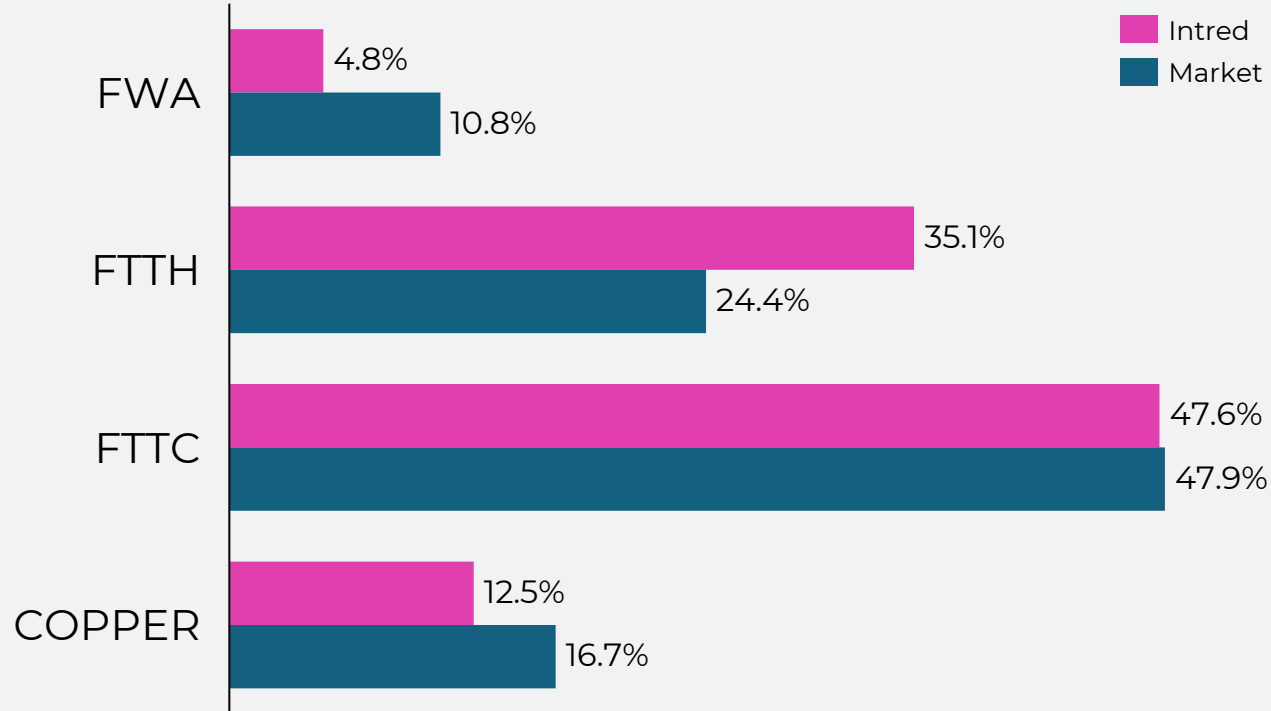


Source: FTTH COUNCIL EUROPE – FTTH Market Panorama (09/2023)

THE GAP WITH THE EU STILL SUPPORTS A FAST GROWING PATH

...WITH A STRONG FOCUS IN FTTH...

ITALIAN FIXED LINES BREAKDOWN

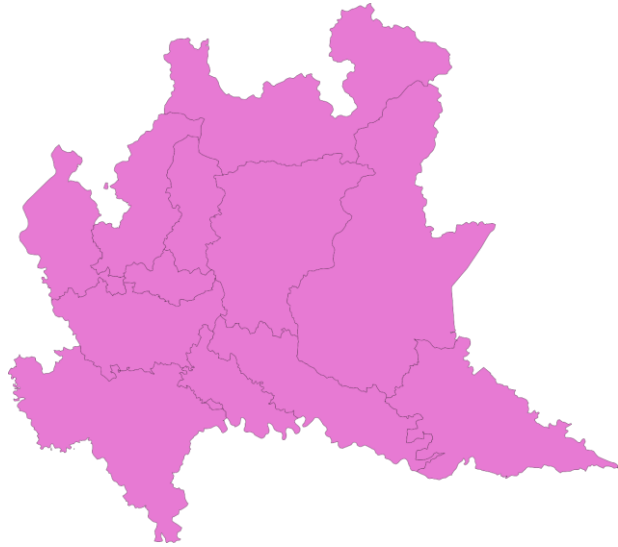


Source: AGCOM – Osservatorio Sulle Comunicazioni N2/2024

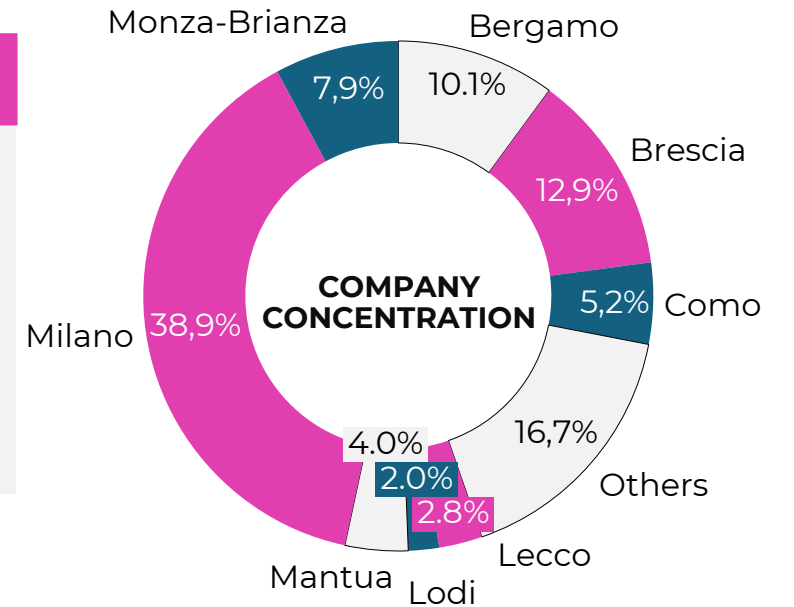
- **Intred leads with 35.1%**, far surpassing the market average of 24.4%
- **FTTH** destined to replace all the other data lines

FTTH LEADERSHIP

...IN THE STRONGEST REGION



ITALY	LOMBARDY
POPULATION: 👤 > 59 M	POPULATION: 👤 > 10 M
ACTIVE COMPANIES: 🏢 > 2.65 M	ACTIVE COMPANIES: 🏢 > 800 K

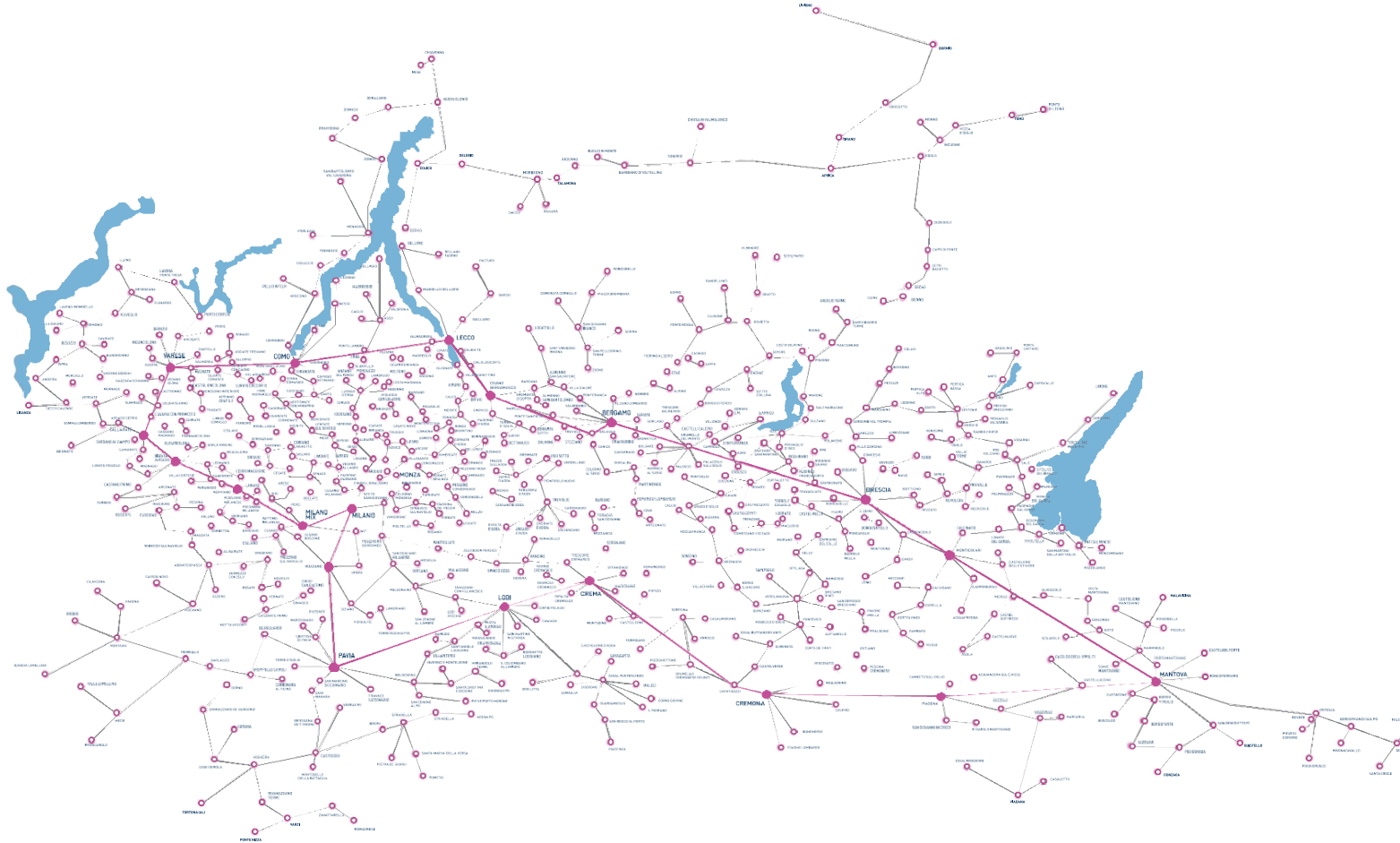


Milano	Brescia	Bergamo	Como & Lecco	Monza - Brianza
👤 > 3.24 M	👤 > 1.26 M	👤 > 1.11 M	👤 > 0.93 M	👤 > 0.87 M
🏢 > 300 K	🏢 > 100 K	🏢 > 80 K	🏢 > 60 K	🏢 > 60 K

Source: Eurostat and Unioncamere Lombardia

LEADER IN THE LEADING REGION

A GROWTH SECTOR, THE STRONGEST REGION



WIDESPREAD NETWORK OF OVER 13,000KM (+10.1% DEC-2023)

STRATEGIC PLAN TO CREATE SHAREHOLDERS VALUE

	A Growing Business	M&A for positioning	New Business
	<i>FTTH Network</i>	<i>Connecting Italia Srl</i>	<i>Data Centers</i>
Nature	Cash Generation	Investment	Investment
Strategy	Growth Business	Improve positioning	Cash reinvestment
Impact on 2027	Strong	Strong	Low
Long Term Impact	Strong		

SHAREHOLDER VALUE CREATION

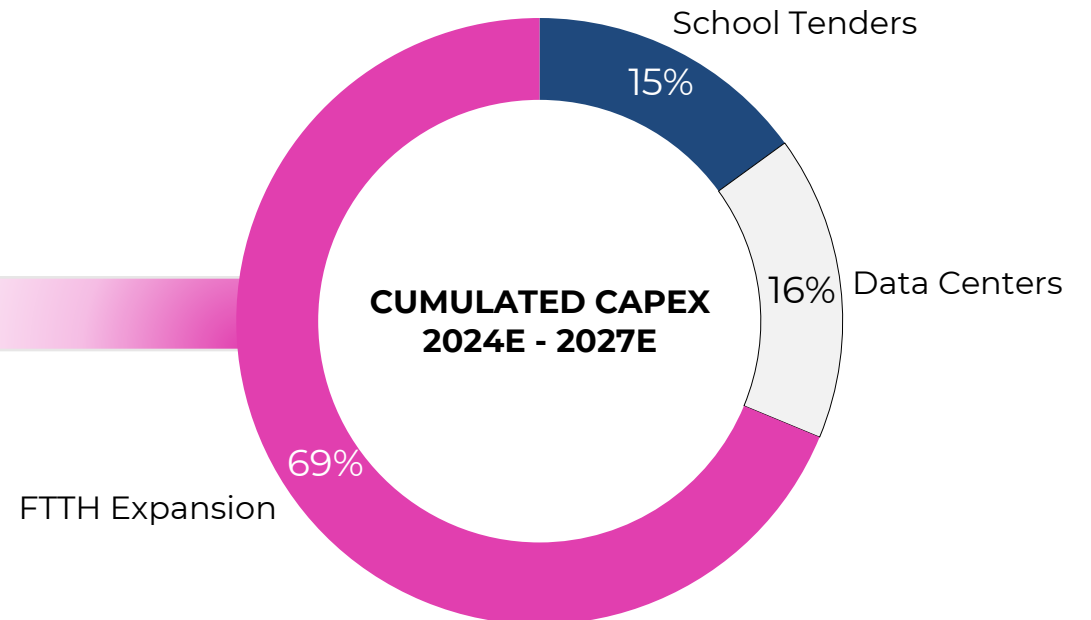
INTRED 2027 HORIZON

2027E		
Value of Production	EBITDA	EBITDA Margin
67-73	34-36	50%

€ Mn

CUMULATED CAPEX	
2020-2023	2024E-2027E
100	80

€ Mn



STRATEGIC CAPEX PLAN FOR EBITDA GROWTH

A PROVEN RECORD IN INVESTMENTS: SCHOOL TENDERS

SCHOOL TENDER 1

Tender's value ~€ 40 MN

- 3,500 schools activated out of 4,000 (90%)
- Activation period started in February 2021 and expected **to last in Q4 2024**
- 5 years of supply

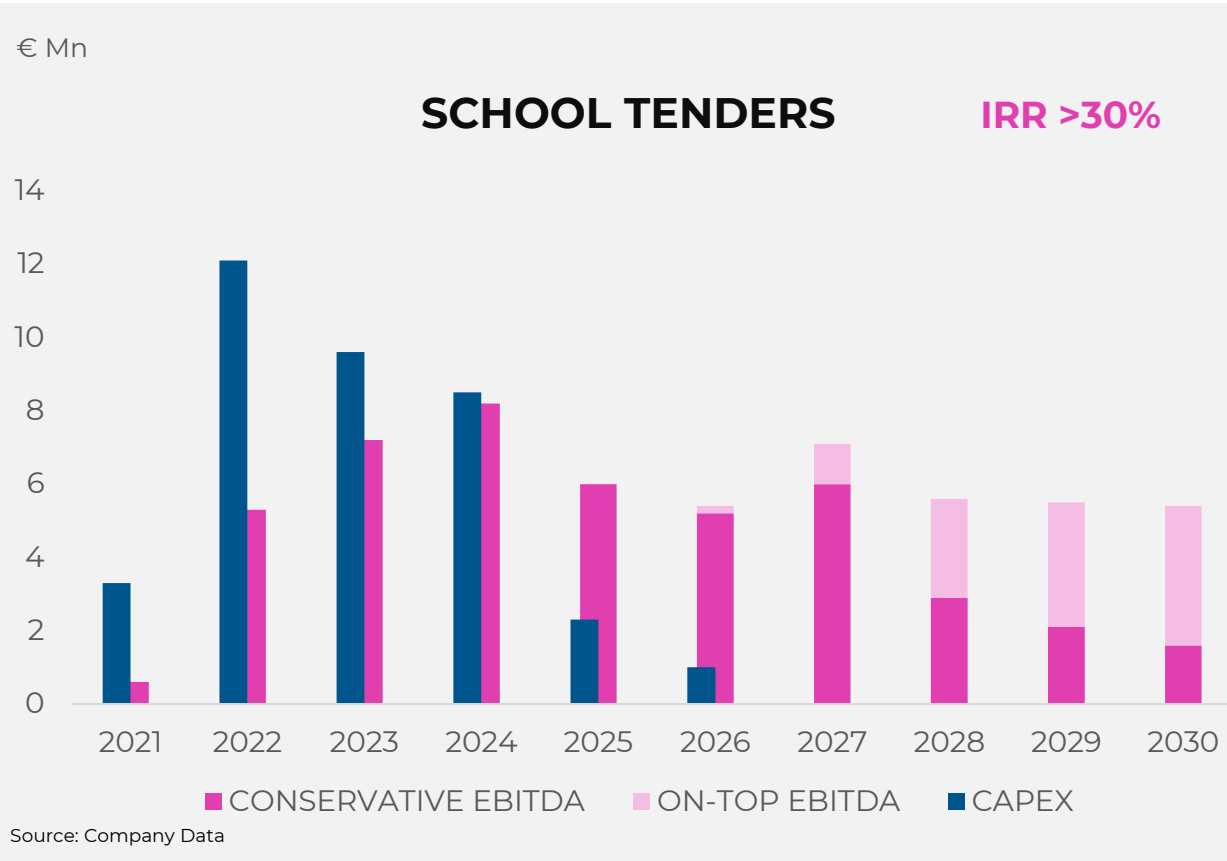
SCHOOL TENDER 2

Tender's value ~€ 19 MN

- 500 schools activated out of 1,200 (40%)
- Activation period started in May 2022 and expected **to last in Q4 2026**
- 7 years of supply

COVERAGE, ACCREDITATION AND STRATEGIC EXPANSION

INDUSTRIAL PLAN ON SCHOOLS LOOKS CONSERVATIVE



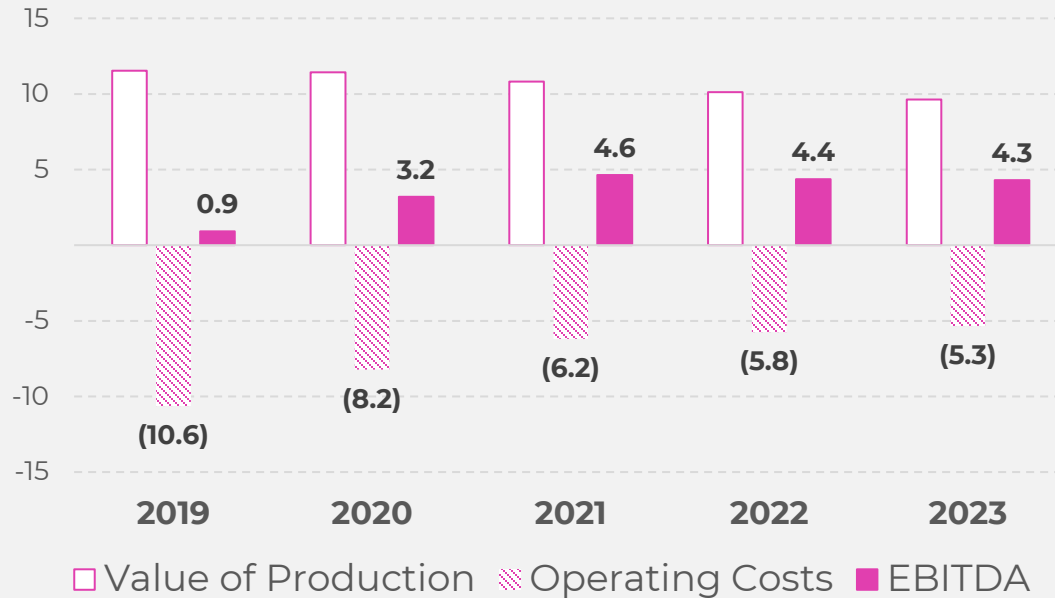
- **Comprehensive coverage across Lombardy, ensuring availability and accessibility in all areas**, reinforced by full accreditation from public institutions.
- **Strong financial performance**, with an Internal Rate of Return **exceeding 30%** (2021-2049) under conservative assumptions and **significant EBITDA generation from 2027** under optimistic client retention scenarios (on top Ebitda)
- **Resilient business model:** conservative EBITDA projections in the **Strategic Plan that assumes no school renewals** after tenders' expiration.

MORE CREDIBLE ASSUMPTIONS ENSURE ECONOMIC BUFFER

A PROVEN TRACK RECORD IN INVESTMENTS: M&A

€ Mn

QCOM KEY DATA 2019 - 2023

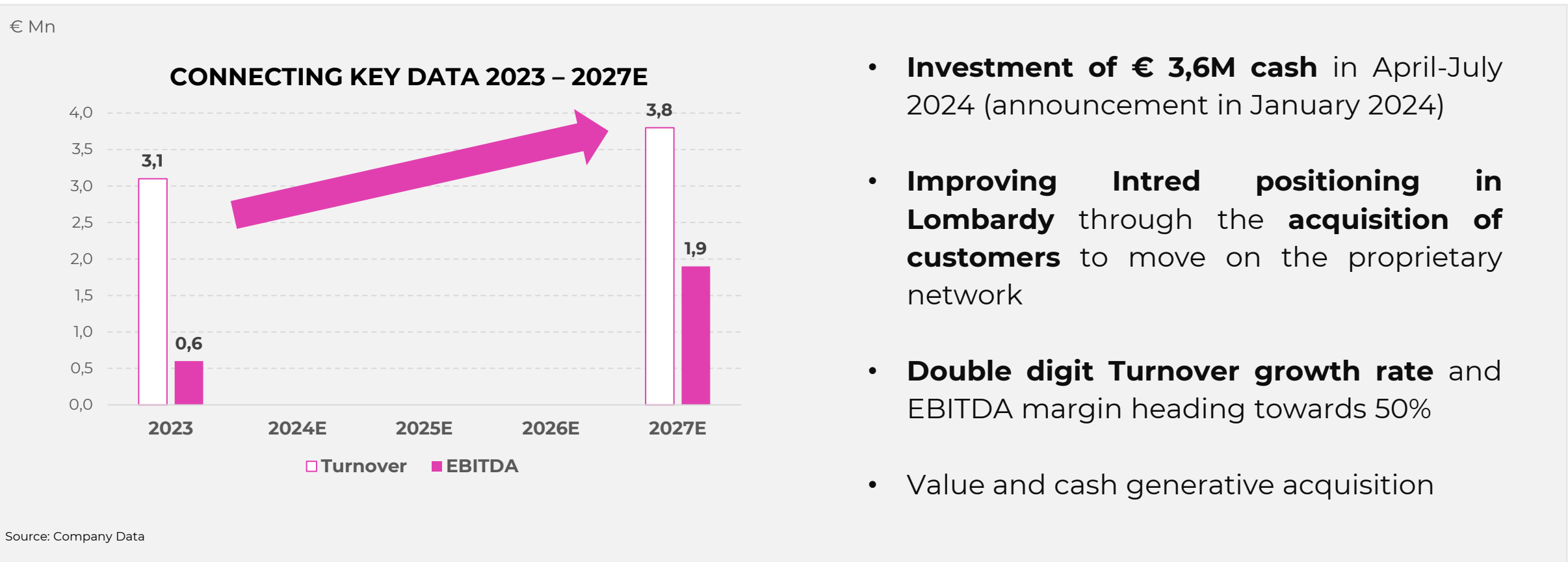


Source: Company Data

- Qcom was acquired by Intred in 2020 for a total of € 10,2M
- Enlarge **Intred positioning** in Lombardy
- In 4 years **EBITDA** became **almost 5x** the one of the acquired company thanks to a **huge cut in Operating Costs** (they **dropped by 50%**)
- Now Qcom is a part of Intred (as they were merged into the parent company)

A PERFECT INTEGRATION

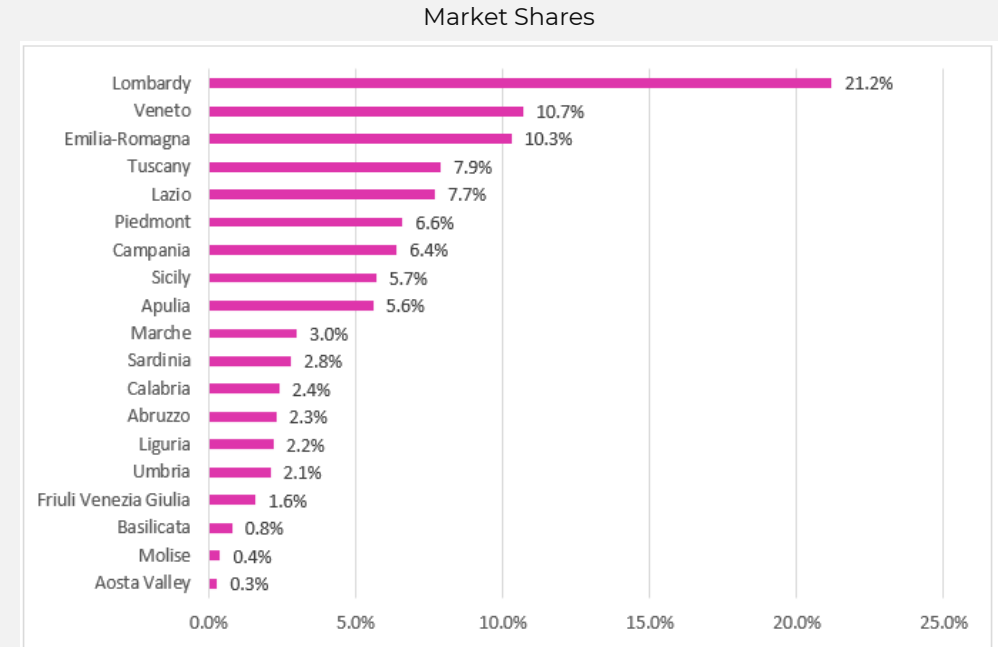
CONNECTING ITALIA: POSITIONING + GOOD RETURNS



M&A CONTINUES TO BE A PRIORITY FOR INTRED GROWTH

LOOKING AHEAD: DATA CENTERS, AN APPEALING SECTOR

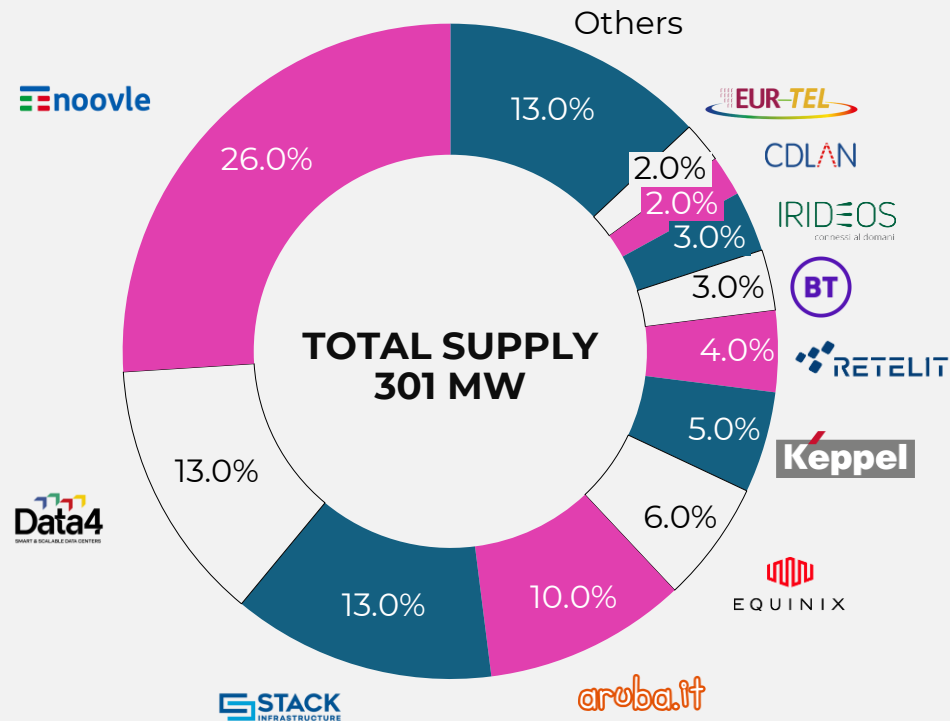
Market Size in 2024	Market Size in 2029	IT LOAD CAPACITY (2024)
€ 1,9 B	€ 3,7 B	411.4 MW
CAGR (2017-2023)	CAGR (2024-2029)	The IT load capacity of the Italian data center market may grow steadily and reach 805.2 MW by 2029. Media & entertainment, manufacturing, BFSI, and e-commerce primarily catalyse growing IT load capacity by increasing data consumption.
17.4%	14.4%	



Source: <https://www.mordorintelligence.com/industry-reports/italy-data-center-market>

- **Data center** is a **clearly growing sector** in Italy
- Growth ahead is predicted to be 14.4% in the next 5 years, similar to the past 5 years
- **Lombardy** (not surprisingly) looks the **most interesting place to be with high growth**

DATA CENTERS: WHY INTRED?



Source: 451 Research Datacenter Knowledgebase and Company Assumptions

- Intred **already operates** with two Data Centers located by its Head Quarters
- **Interconnect Data Centers with Intred's network** through a “non-real estate” approach
- The mix of Intred's customer base and the bundle, is set to allow **upselling** through new generation servers (**low maintenance**).
- **Brescia geographic position looks supportive** to conquer market shares: close to Milan and close to Intred's customers which can be connected through our network

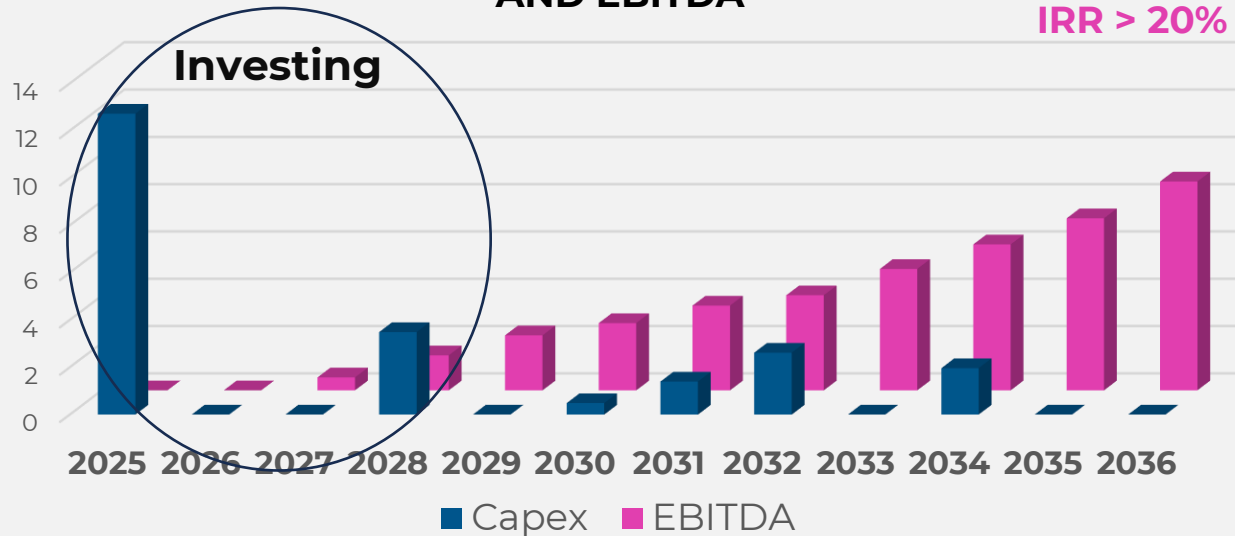
DATA CENTERS: PERFECT FIT WITH INTRED SKILLS & POSITIONING

DATA CENTERS: A GREAT WAY TO INVEST FOR INTRED

€ Mn

INTRED DATA CENTER BUSINESS EXPECTED CAPEX AND EBITDA

IRR > 20%

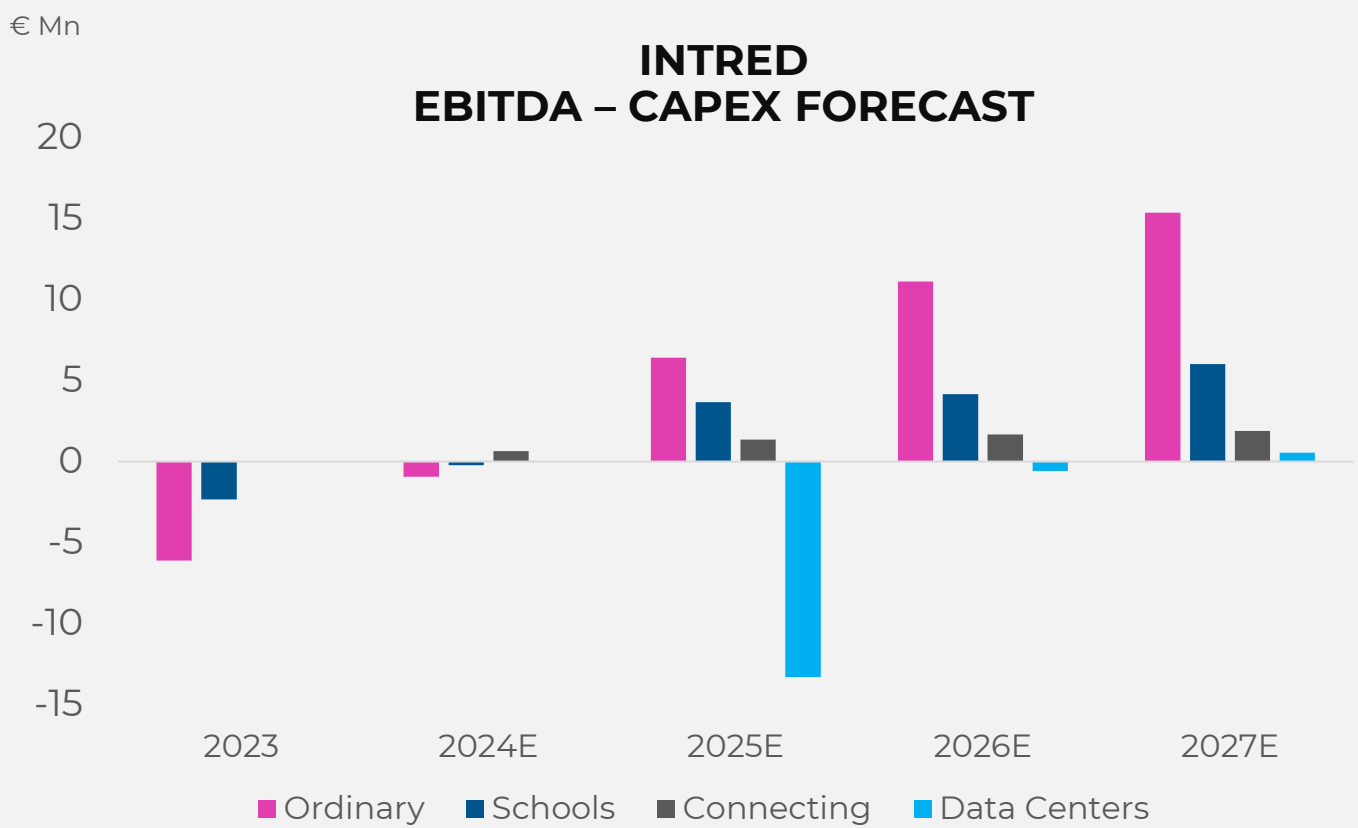


Source: Company Data

- Positive EBITDA contribution as of 2027, **EBITDA clearly exceeding Capex as of 2029**
- **Internal Rate of Return exceeding 20%** throughout the 2025-2036 period assuming a 2/3 banking financing of the investment
- Investment is **demand-driven**, with significant **pre-commitments** already in place

POSITIVE EBITDA BY 2027, MASSIVE RETURNS AS OF 2029

CASH GENERATION SUPPORTS INVESTMENTS



- Long term growth is granted by a **wise usage of cash generated**
- **School business set to show Ebitda exceeding Capex by 2025**
- Ebitda – Capex for Intred expected to grow substantially after 2026

Source: Company Data

STRONG CASH GENERATION AFTER 2026

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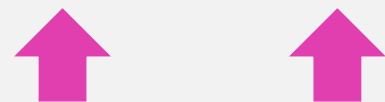
Closing Remarks

Appendix

FINANCIAL TARGETS 2027 – INCOME STATEMENT

€ Mn

	2023	2024E	2025E	2026E	2027E	CAGR 2023-2027E
Value of Production	50.5	56-58			67-73	High single Digit
EBITDA	22.5	24-25			34-36	Double digit
EBITDA margin	44.6%	42-44%			50%	



- Value of Production set to show a good **growth fostered by existing business**, even with a decreasing contribution from School Tenders and **Data Centers at their initial phase**
- **EBITDA margin target 2027 at 50%** despite the initially modest contribution by Data Centers

FINANCIAL TARGETS 2027 – FOCUS ON EBITDA & CAPEX

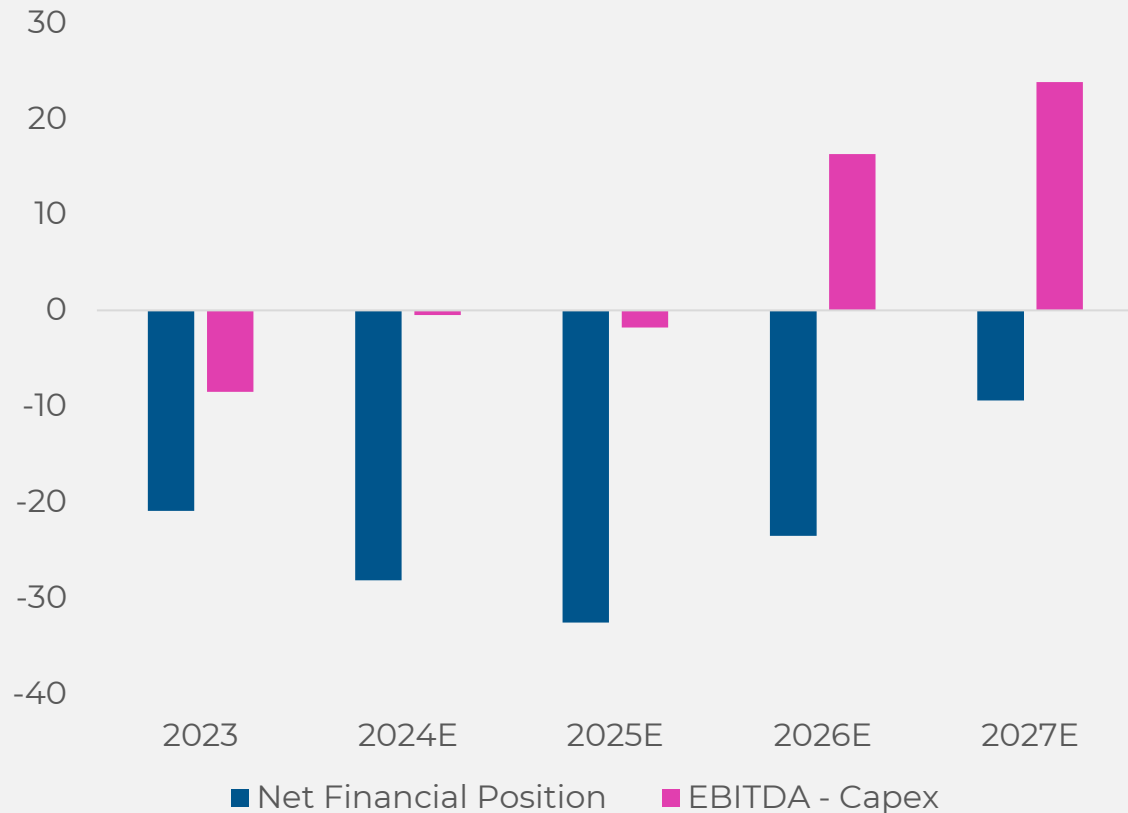
€ Mn

	2023	2024E	2025E	2026E	2027E
EBITDA	22.5	24-25			34-36
CAPEX	31.0	↓	↔	↓	↓
EBITDA – CAPEX	(8.5)	—	—	+	++
Net Financial Position	20.9	—	—	+	++

Strong cash generation as of 2026

- **Capex at EBITDA until the end of 2024**, with an increasing Net Debt affected by Data Centers business investments (expected to be around 13 million by 2027)
- Lower investments for Bandi Scuole and starting contribution from Data Centers are set to support a **clear improvement in Net Financial Position as of 2026**

NET FINANCIAL POSITION EVOLUTION



- Net Debt Year set to reach **its pick in 2025 due to investments in Data Center**
- **Strong cash generation as of 2026** set to drive a sharp decrease in Net Debt
- Net Financial Debt close to zero expected in 2028
- Recent **dividend policy set to continue throughout the plan**, although the sharp reduction in Net Debt may allow a different approach in 2027-2028

SHARPLY DECREASING NET DEBT AS OF 2026

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SUSTAINABLE VALUES OF INTRED

TRANSPARENCY

We build our relationship with stakeholders on mutual trust and transparency. We communicate clearly and precisely, making our messages understandable to everyone.

INNOVATION

Every new technology in telecommunications improves our way of interacting. We aim to reduce the digital divide in the territory where we operate.

TALENT AND SKILLS

We value personal dignity to create a safe, motivating, and inclusive workplace. Human capital drives our growth, focusing on specialized talent and fostering personal development through internal training.

TERRITORIALITY

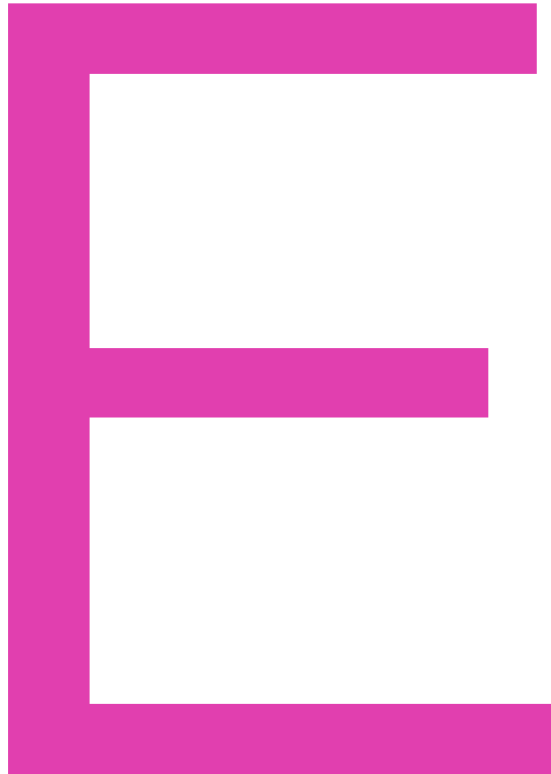
We want to have a positive impact on the territory, connecting places and people. As a regional operator, we offer constant and immediate support to local communities.

EXPERIENCE

We have been operating in the telecommunications field for almost 30 years, developing skills to offer high-performance services.

INTRED'S CHALLENGES: ENVIRONMENTAL DEVELOPMENT

A business model connected to the environment



ENERGY CONSUMPTION



WASTE



EMISSIONS



DIGGING TECHNIQUES



INTRED'S CHALLENGES: SOCIAL DEVELOPMENT

A connected ethical conduct



DIVERSITY, EQUITY AND INCLUSION



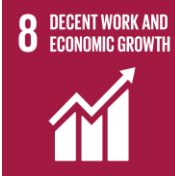
CYBERSECURITY AND PRIVACY



CUSTOMER RELATIONS



PEOPLE



INTRED'S CHALLENGES: GOVERNANCE GUIDELINES

A connected governance model for value creation



RELIABILITY, INNOVATION AND DIGITALIZATION



DIGITAL DIVIDE



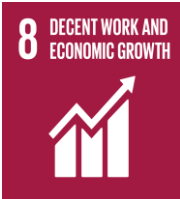
SUPPLY CHAIN SUSTAINABILITY



BUSINESS ETHICS AND INTEGRITY



ECONOMIC PERFORMANCE




INTRED'S SUSTAINABLE TARGETS 2024

E

SDG	TARGET
	Produce the third edition of the sustainability report
	<u>Formalizing</u> the ESG Team
	Monitor the values of self-generation of energy from solar panels
	Expand the supplier monitoring system with more specific environmental aspects
	Complete the connected schools planned for School Tender 1 by target
	Complete the connected schools planned for School Tender 2 by target

S

SDG	TARGET
	Complete review and update of the MOG (focus in the special part, predicate offenses)
	Training to all staff on MOG and Code of Ethics by the SB
	Increase training hours (or % of employees trained)
	Maintain the uptime of services provided by the core infrastructure at or above 99.95% on an annual basis
	Adapt to the standards and requirements set forth in the new version of the Network and Information Security Directive (NIS)

G

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CLOSING REMARKS

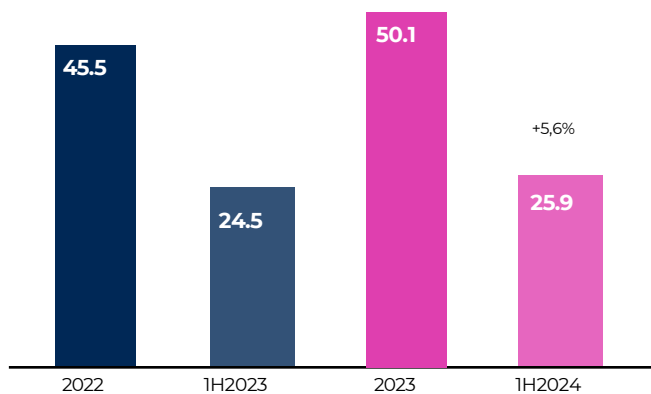
- Intred confirms its approach to cash re-investments in high growth businesses leveraging on its customer base: School tender Capex close to an end allow the **positioning** in the appealing **Data Centers** business
- A double-digit growth rate for EBITDA in the 2023-27 period leading to a **marging at 50%** is possible despite returns on Data Centers will be visible only after 2027
- Strong cash generation as of 2026 will allow the group to bring **Net Debt close to zero by 2028**
- **Medium long-term growth** – beyond this Industrial Plan – will be supported by:
 - 1) Constant investments in core business to support higher than peers' development
 - 2) Return of Data Center business area

Appendix

1H FINANCIALS

FINANCIAL HIGHLIGHTS

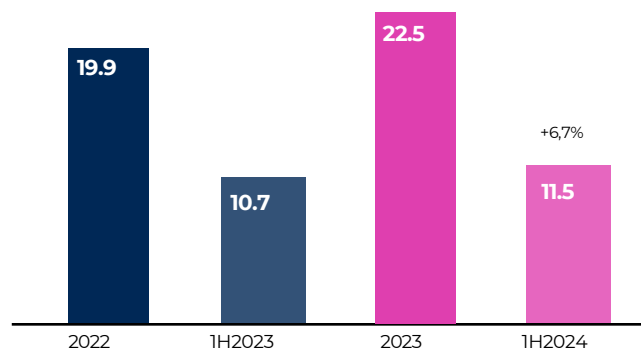
REVENUES (€ MN)



EBITDA MARGIN

43.1% 43.5% 44.6% 43.6%

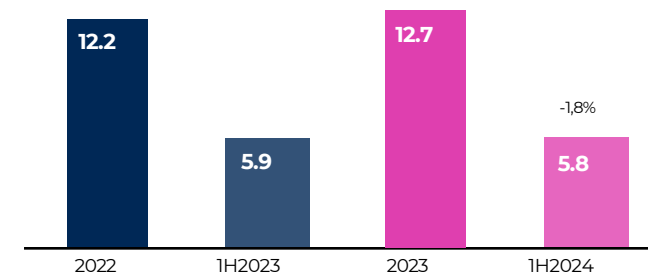
EBITDA (€ MN)



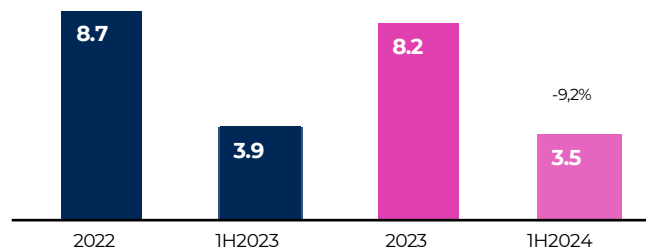
EBIT MARGIN

26.4% 24.1% 25.1% 22.2%

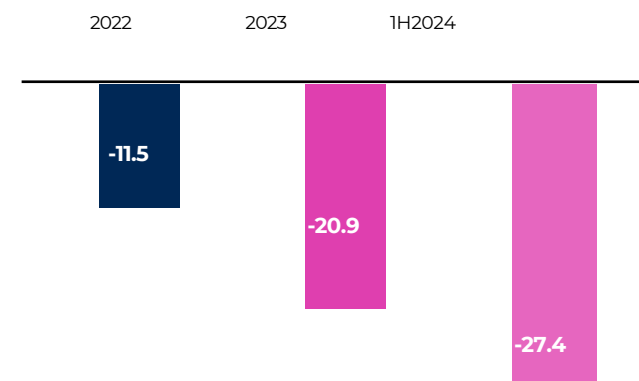
EBIT (€ MN)



NET PROFIT (€ MN)

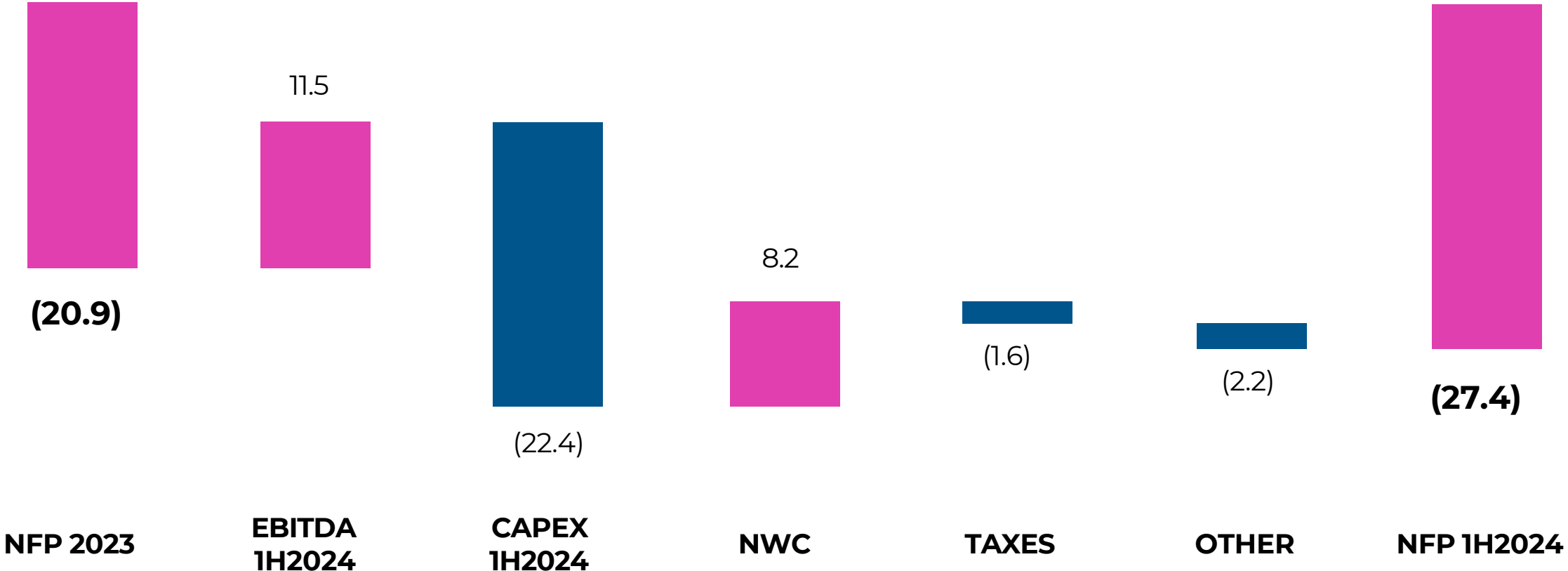


NET FINANCIAL POSITION (€ MN)



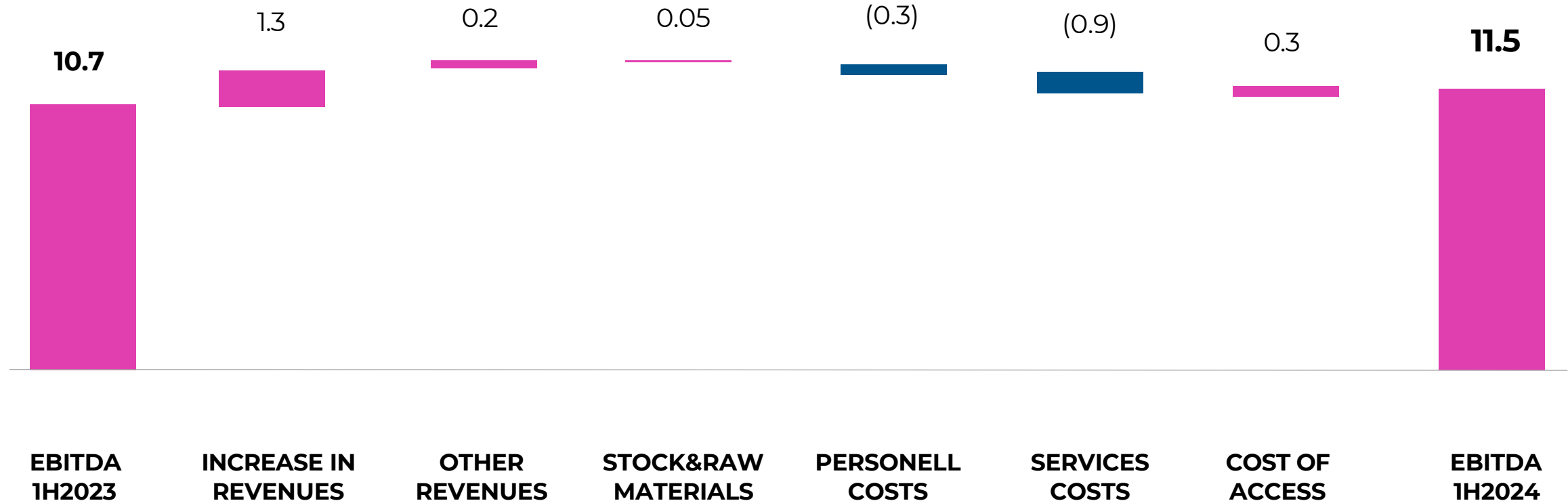
CASHFLOW ANALYSIS DEC 2023 - JUN 2024

€/MN



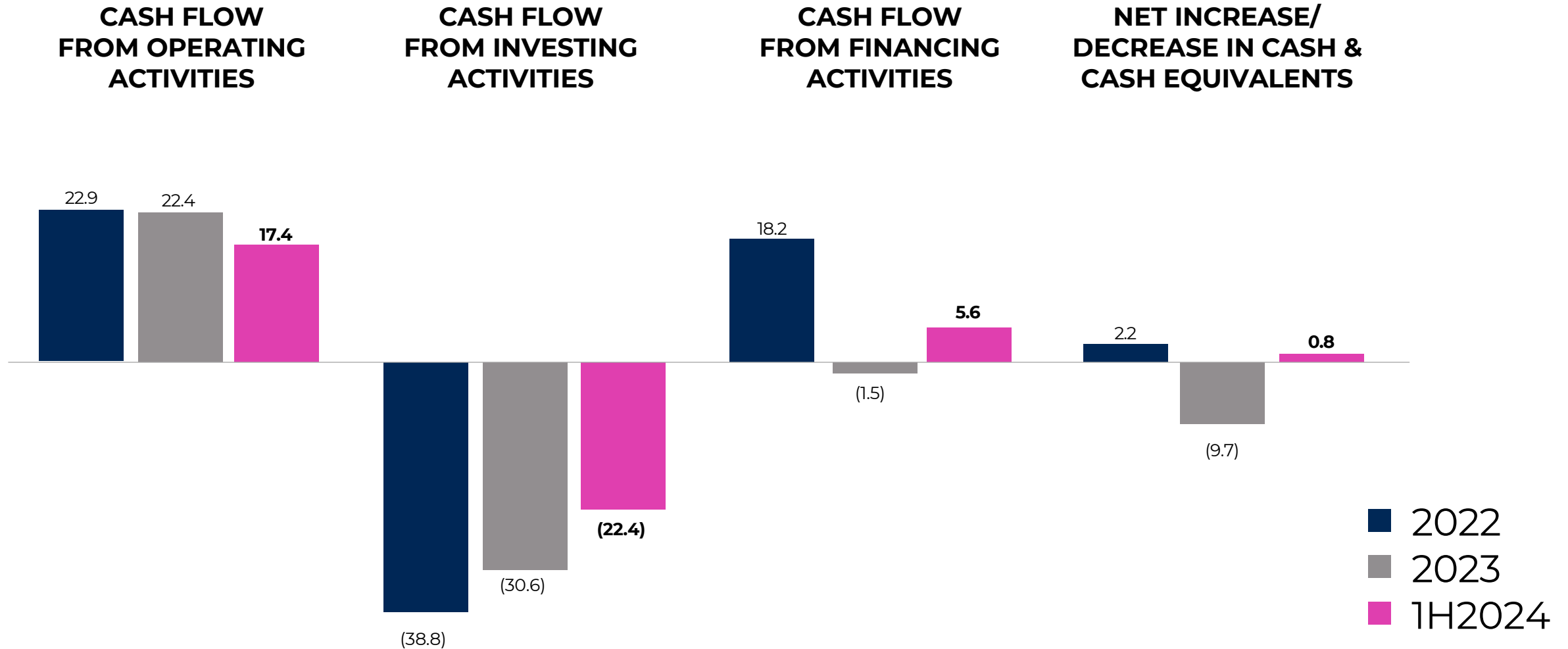
EBITDA ANALYSIS DEC 2023 - JUN 2024

€/MN



1H2024 FREE CASH FLOW

€/MN



INCOME STATEMENT

	1H2024	1H2023	YOY	YOY%
VALUE OF PRODUCTION	26,289.5	24,700.7	1,588.8	6.4%
Raw Materials	(698.4)	(1,290.2)	591.8	(45.9%)
Services	(4,346.7)	(3,398.3)	(948.4)	27.9%
Stock	(353.6)	181.4	(534.9)	(294.9%)
Other operating costs	(5,036.1)	(5,345.3)	309.2	(5.8%)
Tot Operating Costs	(10,434.8)	(9,852.4)	(582.4)	5.9%
Personnel Costs	(4,388.5)	(4,099.5)	(289.0)	7.0%
EBITDA	11,466.3	10,748.8	717.5	6.7%
<i>EBITDA Margin</i>	43.6%	43.5%		0.2%
Depreciation Amortisazion & Write Downs	(5,623.7)	(4,796.7)	(827.0)	17.2%
EBIT	5,842.5	5,952.0	(109.5)	(1.8%)
<i>EBIT Margin</i>	22.2%	24.1%		(7.8%)
Net Financial Income (Charges)	(735.0)	(442.2)	(292.7)	66.2%
EBT	5,107.5	5,509.8	(402.3)	(7.3%)
<i>EBT Margin</i>	19.4%	22.3%		(12.9%)
Taxes	(1,566.0)	(1,609.2)	43.2	(2.7%)
NET Income	3,541.5	3,900.6	(359.1)	(9.2%)
<i>Net Income Margin</i>	13.5%	15.8%		(14.7%)

BALANCE SHEET

€/000	1H2024	2023	YOY	YOY%
CURRENT ASSETS	15,950.8	15,748.7	202.1	1.3%
CURRENT LIABILITIES	(55,803.2)	(47,431.7)	(8,371.6)	17.6%
NET WORKING CAPITAL	(39852.5)	(31683.0)	(8,169.5)	25.8%
TOTAL FIXED ASSETS	126,265.8	109,458.8	16,806.9	15.4%
Staff severance indemnity	(1,581.9)	(1,532.0)	(49.9)	3.3%
Provisions for risks and charges	(508.8)	(341.0)	(167.8)	49.2%
NET INVESTED CAPITAL	84,322.7	75,902.9	8,419.8	11.1%
SHAREHOLDERS' EQUITY	(56,951.6)	(54,996.0)	(1,955.5)	3.6%
Cash&cash equivalents	8,677.7	7,864.0	813.7	10.3%
Due to banks within 12 months	(16,342.0)	(7,421.5)	(8,920.5)	120.2%
Due to banks after 12 months	(19,706.8)	(21,349.3)	1,642.5	(7.7%)
NET FINANCIAL POSITION	(27,371.1)	(20,906.8)	(6,464.3)	30.9%

CONTACTS – INVESTOR RELATIONS

INVESTOR RELATIONS

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GENERAL INFORMATION ABOUT THE COMPANY

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

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Because these forward-looking statements are subject to risks and uncertainties, actual future results or performance may differ materially from those expressed in or implied by these statements due to any number of different factors, many of which are beyond the ability of Intred S.p.A. to control or estimate precisely, including changes in the regulatory environment, future market developments. You are cautioned not to place undue reliance on the forward-looking statements contained herein, which are made only as of the date of this presentation. Intred S.p.A. does not undertake any obligation to publicly release any updates or revisions to any forward-looking statements to reflect events or circumstances after the date of this presentation.

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Pursuant to art. 154-bis, paragraph 2, of the Italian Unified Financial Act of February 24, 1998, the executive in charge of preparing the corporate accounting documents at Intred, Filippo Leone, declares that the accounting information contained herein correspond to document results, books and accounting records.

