



Planetel

February, 2021

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TODAY'S PRESENTING TEAM

BRUNO PIANETTI



Years

56

in Planetel since

1986

CEO

Professional Experience

- **Entrepreneur** since the age of 22, when he founded **SITIS S.r.l.**, the first company of the current Planetel Group.
- **Director** and **President** of **several related companies**, he has always carried out his professional activities within the Group.

MIRKO MARE



Years

46

in Planetel since

2010

COO

Professional Experience

- **Chief Operations Officer** for different **multinationals** in the **TLC sector** in the early 2000s (*RSLcom*, listed on Nasdaq in 1997, *Carrier1 Italia Network*)
- Until 2006, **Trader** on *Arbinet*, a voice and data telecommunications exchange.
- In 2010 **joined Planetel Group** as **voice network manager**, then becoming **COO**.

Introduction to Planetel



WHO WE ARE



We are an **independent** and **integrated** broadband **network services** provider, offering **voice**, **internet** and **data services** for retail clients – as well as **the development of IT solutions** and integrated networks for medium and large companies. Planetel **natively integrates connectivity** with **cloud services**.

Planetel's competitive advantage is being the single partner able offer a wide range of services, operating independently and without the need for intermediaries

A SNAPSHOT OF PLANETEL TODAY

Planetel at a glance

~€ 20m

2020B Total Revenues
'19-'20 yoy growth of ~13%

18,742

Planetel's Group active clients⁽¹⁾

~€ 11m

'21-'23 planned Capex

Key stats of Planetel's operating model

67.4%

of Recurring revenues in 2019⁽²⁾

1,367.8km

Planetel's fibre network⁽⁴⁾

96

Municipalities reached with fibre

16.8 €/meter

Average Capex requirement
per each meter of fibre⁽³⁾

~6.0months

From investment to
activation of commercial services

+ 800 cabinets

For FTTC & FTTH connections

Other relevant information

1985

Year of establishment

5 companies

Of which 4 subsidiaries

124

Total employees in 2020

WHAT WE OFFER

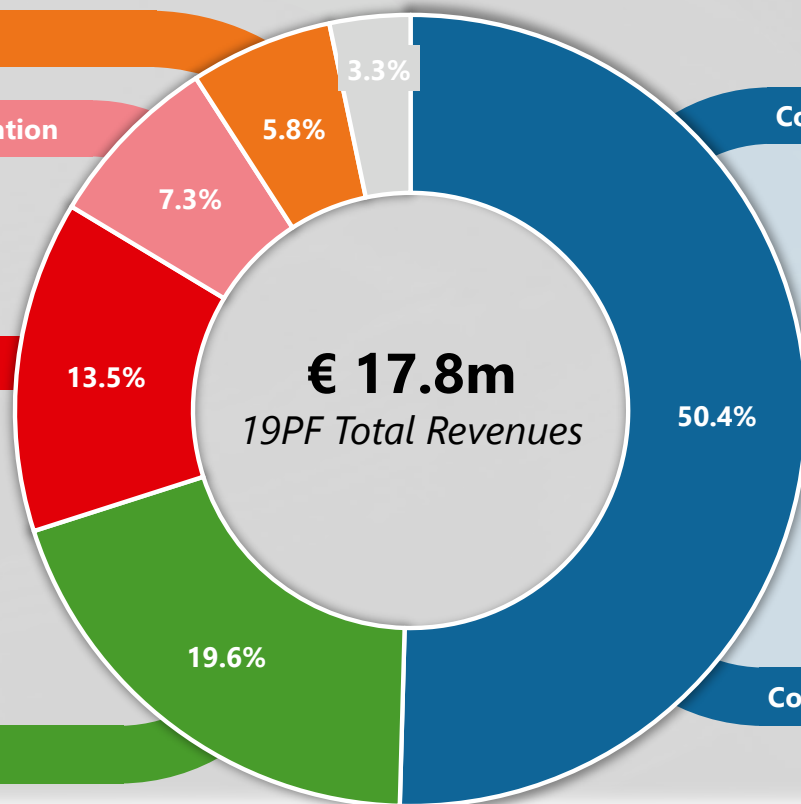
Other

Reselling

Office automation

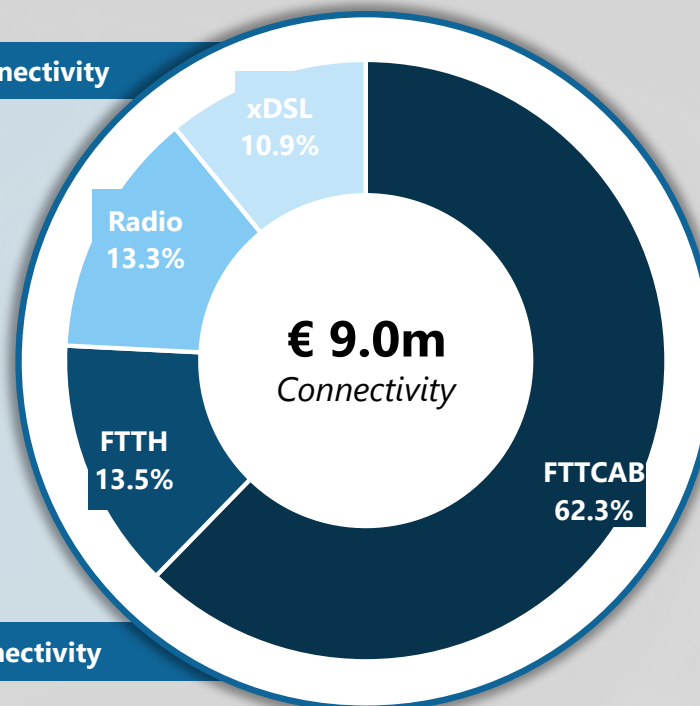
ASP-Cloud

Infrastructure



Connectivity

Connectivity



In 2019, ~50% of the Group's revenues were generated by the Connectivity business line, which includes mainly fibre subscriptions (either FTTCAB or FTTH) among other services. ASP-Cloud services and Office automation amounted to € 2.4m and € 1.3m respectively.

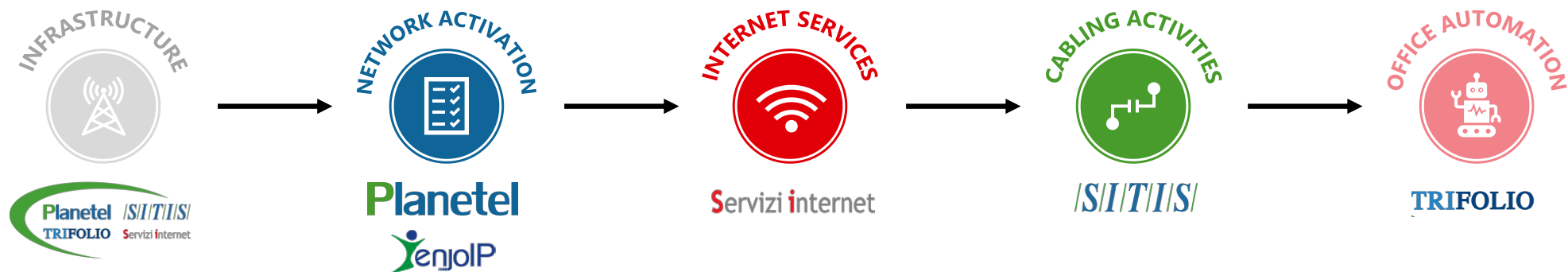
Source: management.

OUR COMPETITIVE EDGE



Big players only provide the infrastructure, outsourcing other auxiliary services that cause the final client to have:

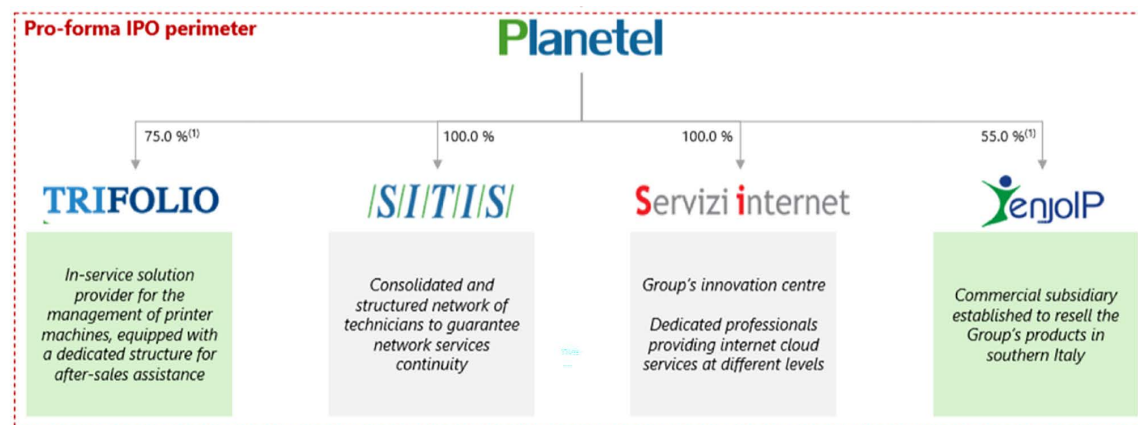
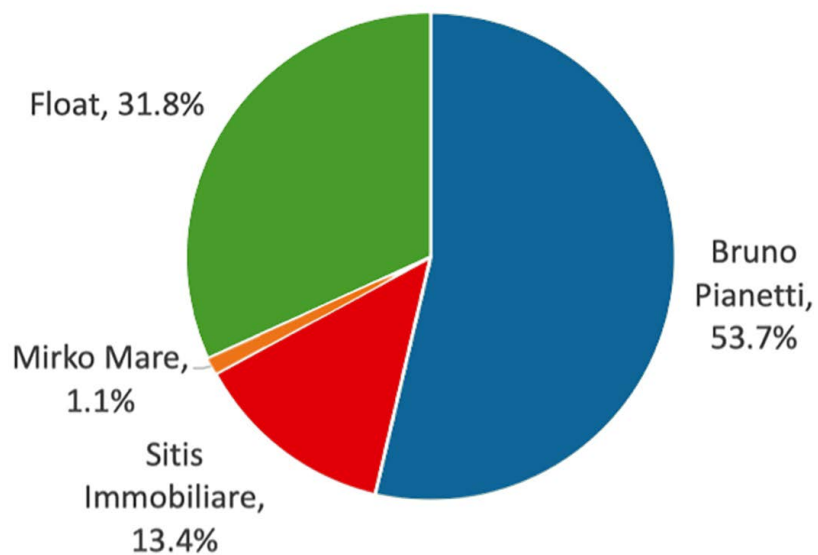
Higher costs and delays
Scarce accountability
Scarce weight of single client



A single integrated service solution provider thanks to a **solid commercial structure** deployed **on the territory** close to the companies

CORPORATE STRUCTURE

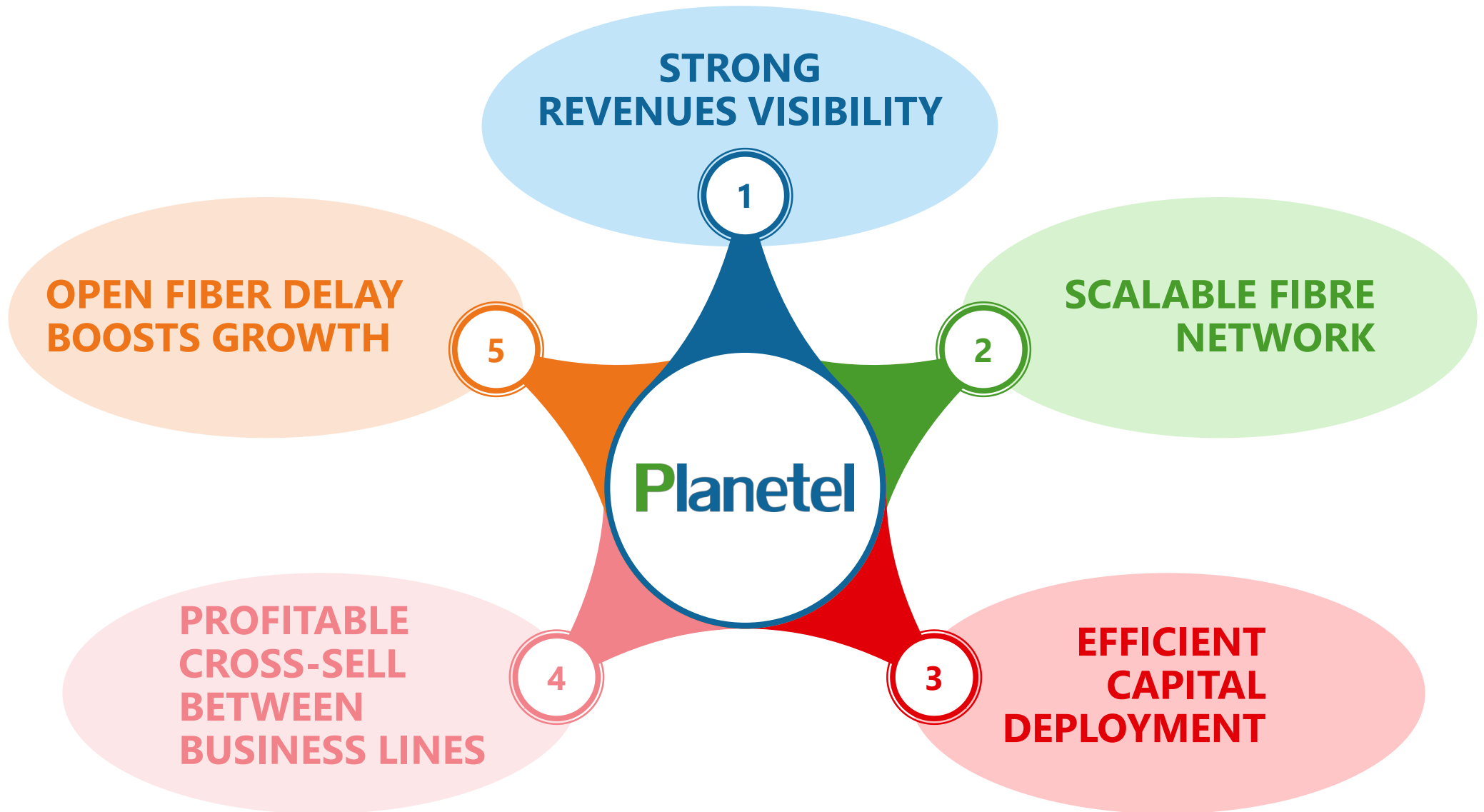
SIGNIFICANT SHAREHOLDERS:



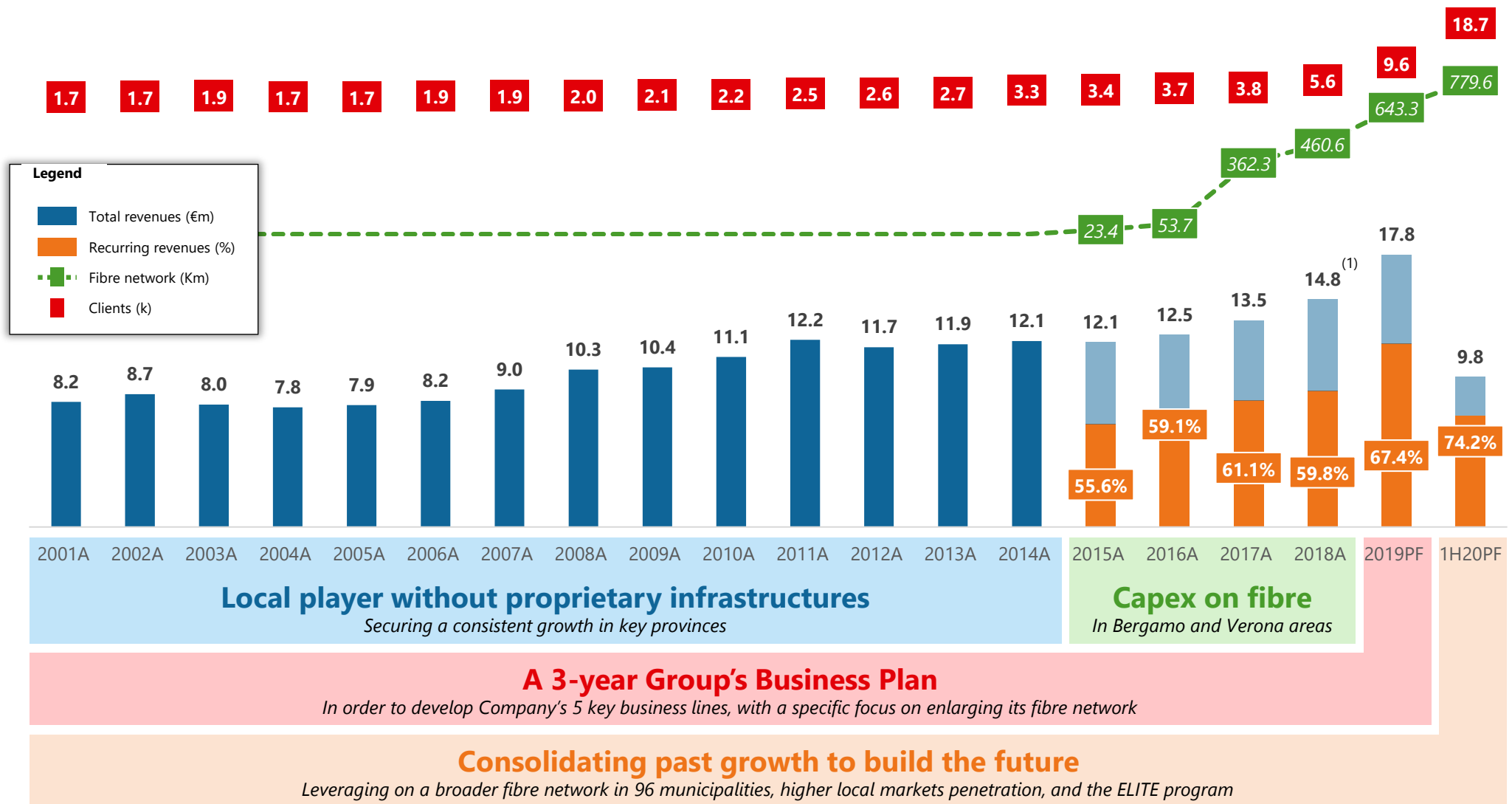
Key investment highlights



KEY INVESTMENT HIGHLIGHTS



A CLEAR TRAJECTORY FOR FUTURE GROWTH



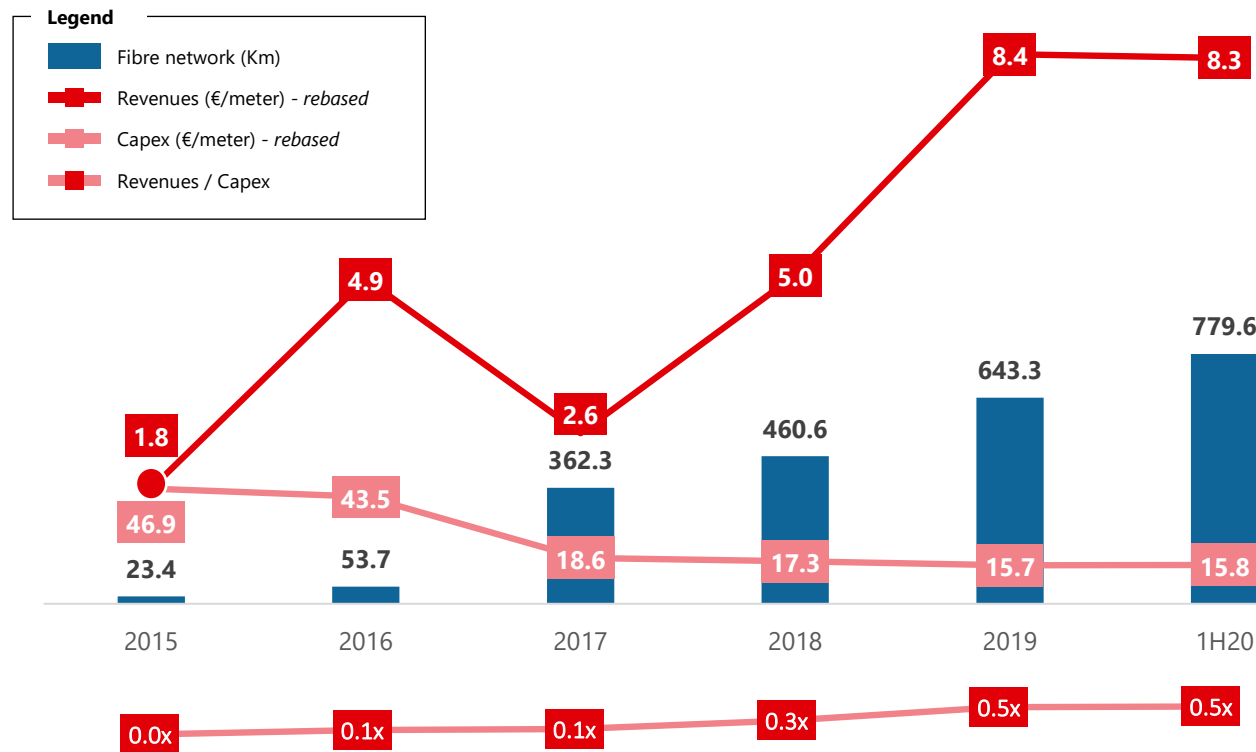
Source: management.

1) 2001-2017: not audited; 2018: management accounts, differs from reported figures as it includes pro-forma revenues including Enjoip and Trifolio.

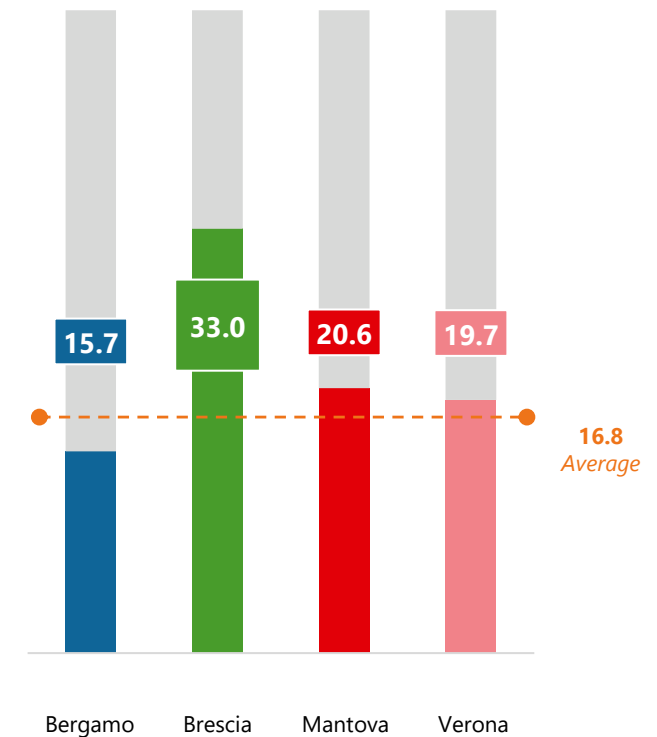
HIGHER CAPITAL DEPLOYMENT TO TRIGGER EFFICIENCY

Planetel is benefitting from high economies of scale

2015-1H20 Capex per meter vs. Revenues per meter in laying fibre



Capex requirement by province (€/meter)

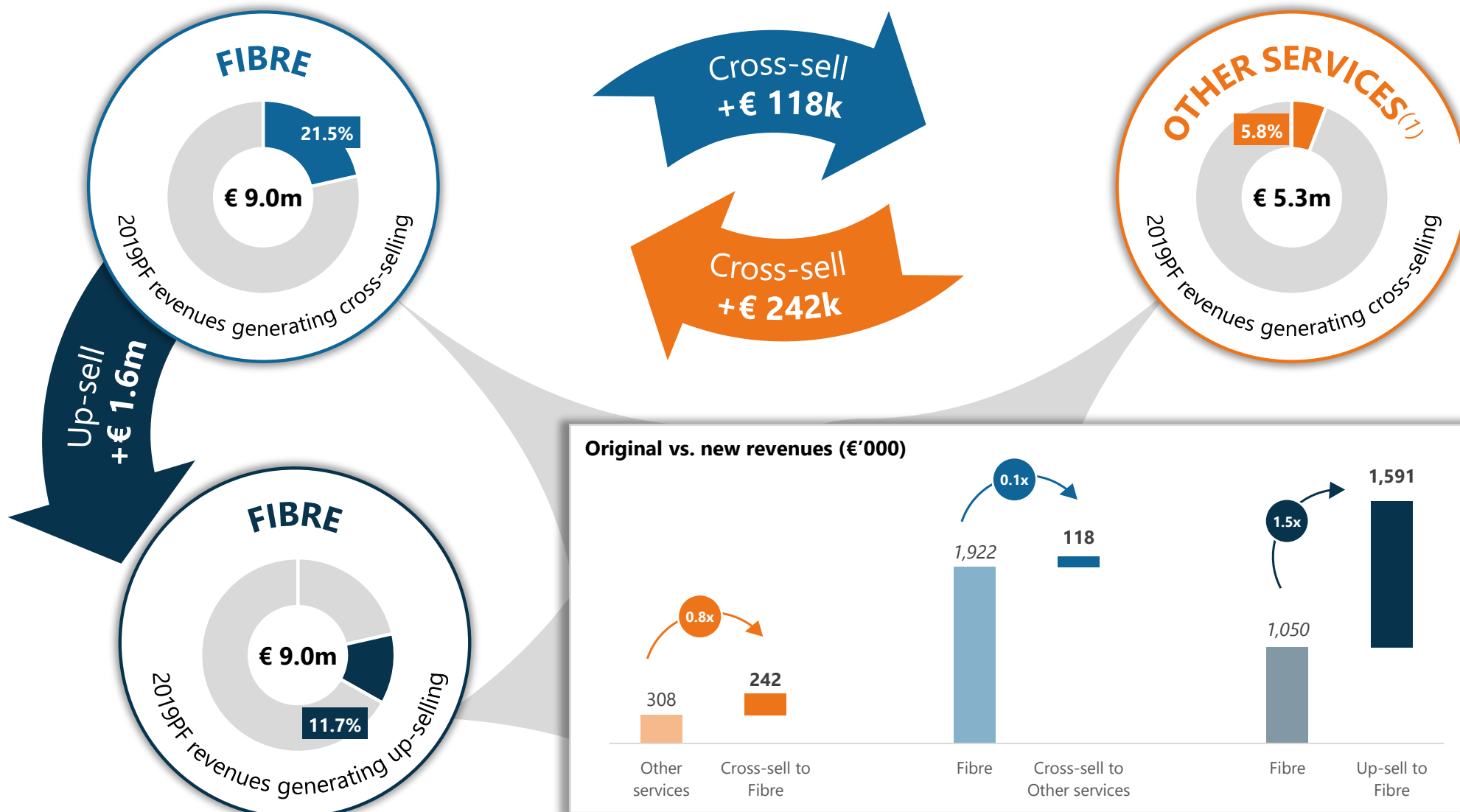


Over the course of the last 5 years, Planetel successfully managed to gain strong operative efficiencies in investing on fibre: revenues per meter grew by 373% and capex per meter decreased by 66%.

Source: management.

WELL INTEGRATED BUSINESS LINES CREATE SUPERIOR VALUE FOR PLANETEL

4



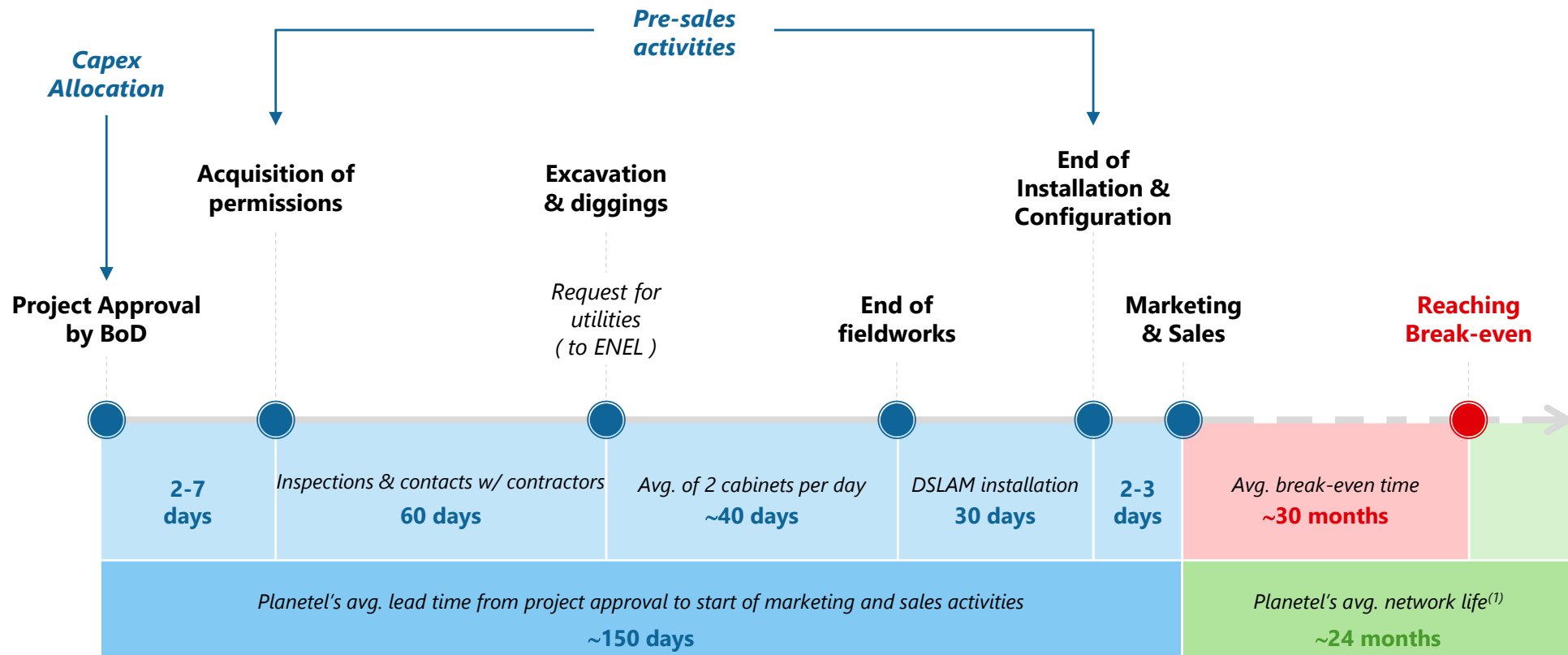
Source: management.

1) Other services include ASP-Cloud, Office Automation, Reselling and Other.

Planetel's superior approach



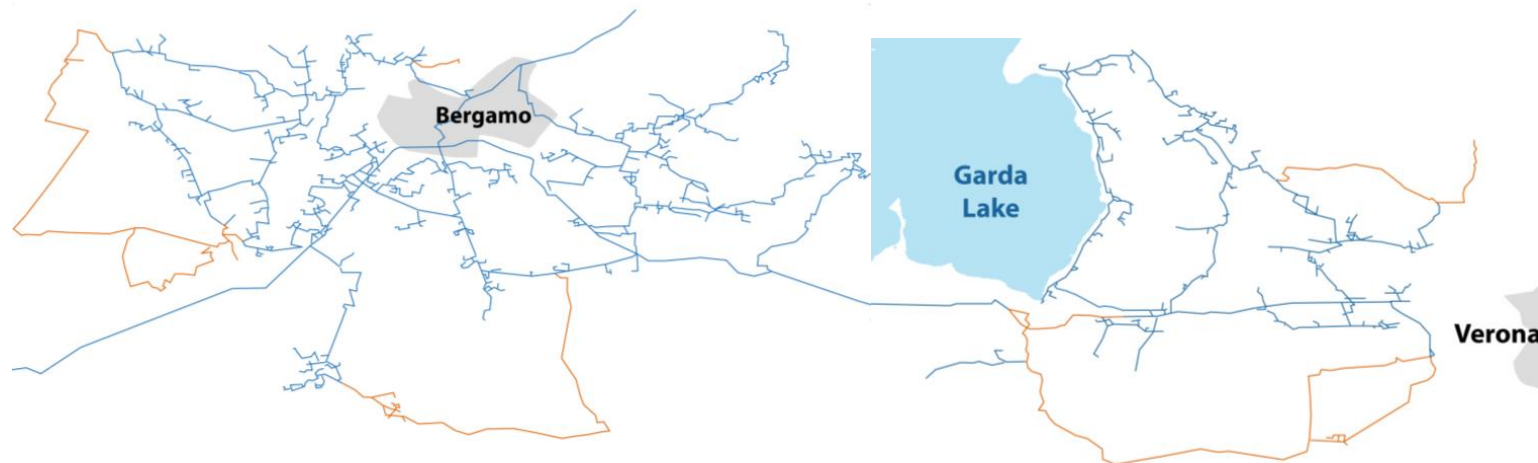
INDICATIVE TIMELINE FROM INSTALLATION OF FIBRE TO BREAK-EVEN



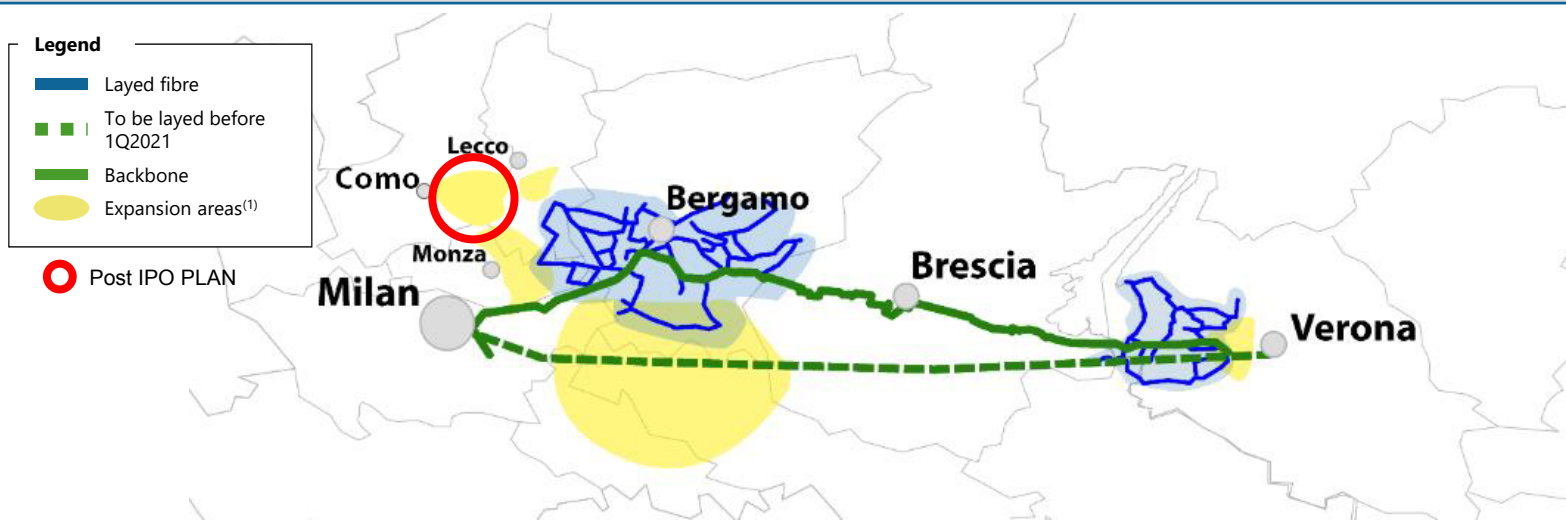
Planetel has an unparalleled ability to reduce the period from the beginning of fieldworks to the start of marketing and sales activities, with less than 6 months of average lead time.

FIBRE NETWORK EXPANSION PLAN

Fibre network
TODAY



Fibre network
TOMORROW



Approved
Investments

A CLEAR EXAMPLE OF PLANETEL BUSINESS MODEL'S SUCCESS: DALMINE MUNICIPALITY

Bergamo province



Potential Market

- Population: **23,338**
- Number of Households: **9,724**
- Number of Companies: **1,282**

Investment profile

- Beginning of fieldworks: **November 20th, 2017**
- Date of first contract: **June 19th, 2018**
- Capex required: **€ 739k**
- Fibre network laid: **25.5km**
- Cabinets: **31**

Overview of Dalmine municipality's environment

- Dalmine was the **third most populated municipality** in the province of Bergamo in digital device (xDLS connections), with a **strong demand for ultra-wideband connectivity** from most of retail individuals and companies.
- Given the € 739k investment and the high potential demand, the Company had set the following **guidance** in order to reach **break-even**:
 - **758 households** and **business lines** to be acquired;
 - **5 years** of maximum time limit.

November 2017 – Marketing plan and pre-sale activities⁽¹⁾

The commercial and marketing plan provided for the distribution of **advertising flyers, street posters** and, for companies, direct **door-to-door contact** with Planetel's sales. For the retail market, the **Trony store** in Dalmine, one of the largest telephone stores in the province to which Planetel has activated an FTTH line, has been **affiliated with the Planetel Point network**.

2017 • 2018 – Deployment of a 360° connectivity offering

Planetel started the **booking campaign for the fibre services** to go live by the first half of 2018. The first contract was signed in June 2018 with a local business line.

December 2019 – Reaching break-even

After 18 months from the the signing of the first contract, Planetel had activated 758 global subscriptions and 3 wholesale contracts, **reaching break even**.

2019 • 2020 – Business expansion and consolidation

At the end of 2019, Planetel's clients reached **830 units** and by June 2020 – **2 years after the start of marketing** – Planetel reached **900 units** (of which 800 individuals and 100 businesses) with a **monthly recurring fees of ~€ 40k**. By the end of 2020, **FTTC lines are expected to reach 1,000** with a market share of 9.00%.

A strong customer base together with a high clients' satisfaction for the services provided were key factors of Planetel's success in Dalmine municipality

Source: management.

1) The request for fieldworks permissions has been sent in August 2017, and has been accepted by November 20th, 2017.

A FTTH focus between Planetel coverage and Fibercop future coverage on the same area

	Planetel COMPAGNIA TELEFONICA ITALIANA	FiberCop
Treviglio 13K U.I.	2021	2023
Bussolengo 7,5K U.I.	2017	2024
Dalmine 8,5K U.I.	2016	2025
Pescantina 6K U.I.	2020	2025
Castelnuovo del Garda 5K U.I.	2016	2025
Osio Sotto 4,5K U.I.	2018	2025
Cologno al Serio 3,8K U.I.	2016	2025
Trescore Balneario 3,6K U.I.	2017	2025
Bonate Sopra 3K U.I.	2018	2025
Zanica 3K U.I.	2017	2025
Brembate 3K U.I.	2018	2025
Albano S.A. 3K U.I.	2018	2025
Azzano S.A. 3K U.I.	2017	2025
Capriate San Gervasio 3K U.I.	2020	2025
Sarnico 3K U.I.	2018	2025
Mozzo 3K U.I.	2019	2025
Verdello 3K U.I.	2021	2025
Grumello del Monte 3K U.I.	2018	2025
Entratico 0,6K U.I.	2018	2025
Medolago 1K U.I.	2020	2025
Paladina 1,5 K U.I.	2020	2025
Valbrembo 1,5 K U.I.	2019	2025
Suisio 1,5 K U.I.	2021	2025
Credaro 1,2 K U.I.	2018	2025
Carvico 1,8 K U.I.	2020	2025
Telgate 1,8 K U.I.	2017	2025
Villa d'Adda 1,670 K U.I.	2021	2025
Carobbio degli Angeli 1,5 K U.I.	2018	2025
Sotto il Monte 1,5 K U.I.	2020	2025
Osio Sopra 1,8 K U.I.	2020	2025
Brusaporto 1,9 K U.I.	2020	2025
San Paolo d'Argon 2 K U.I.	2018	2025
Cavaion V.se 2K U.I.	2019	2025
Almè 2,9 K U.I.	2020	2025
Bonate Sotto 2,3 K U.I.	2020	2025
Cisano Bergamasco 2,3 K U.I.	2021	2025
Villongo 2,8 K U.I.	2018	2025

CONTRIBUTION BY BUSINESS LINE



Source: management.

1) The % is based on each business line's contribution in 2019, as per in slide 6.

2) Only direct costs per business lines are considered.

FOCUS ON CLOUD SERVICES

Infrastructure

Total capacity & current utilization

Other specs

DC_BG1

vCPU



Saturazione di Calcolo

vRAM



Saturazione RAM

vDISK



Saturazione Disco

DC_BG2

vCPU



Saturazione di Calcolo

vRAM



Saturazione RAM

vDISK



Saturazione Disco

DC_BS1

vCPU



Saturazione di Calcolo

vRAM



Saturazione RAM

vDISK



Saturazione Disco

1,200Ghz

7.8TB Ram

1.4PtB

1,100Ghz

6.5TB Ram

1.4PtB

120Ghz

1.2TB Ram

300TB



vCPU



vRAM



vDISC



vCPU



vRAM



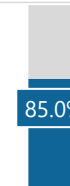
vDISC



vCPU



vRAM



vDISC

100%

Brands 3.2%

Housing 1.5%

Virtual nets 1.4%

PEC 3.2%

IP & Fax 3.4%

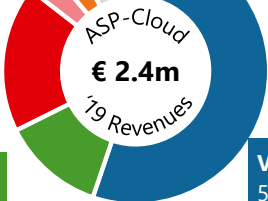
Hosting & Mails 17.8%

Domains 12.5%

Web security 0.9%

Other 1.0%

VoIP & PBX 55.2%

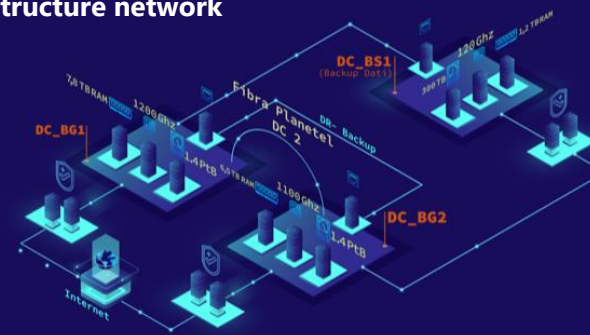


ASP-Cloud

€ 2.4m

79 Revenues

Infrastructure network



Source: management.

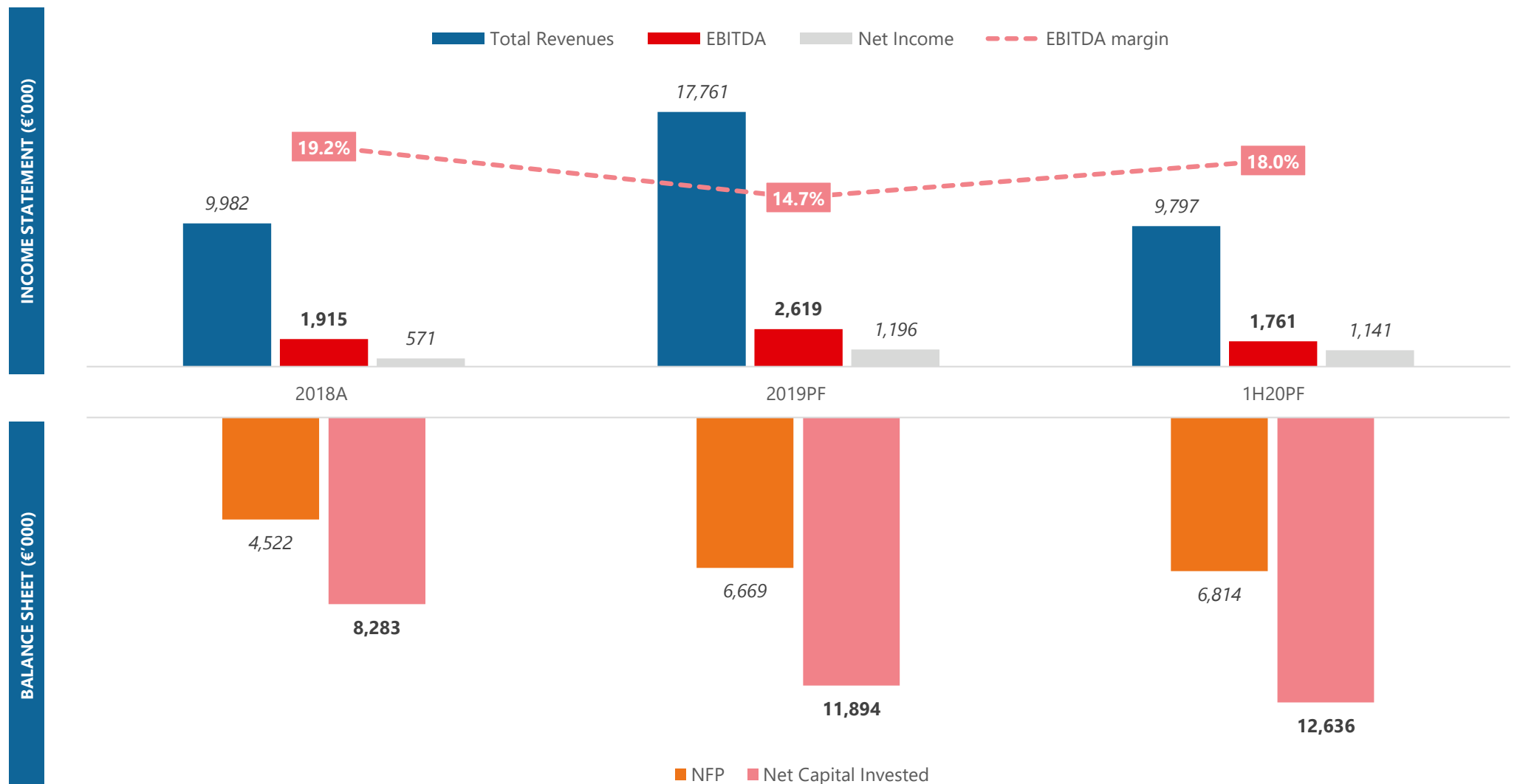
Private and Confidential

Planetel

Financial

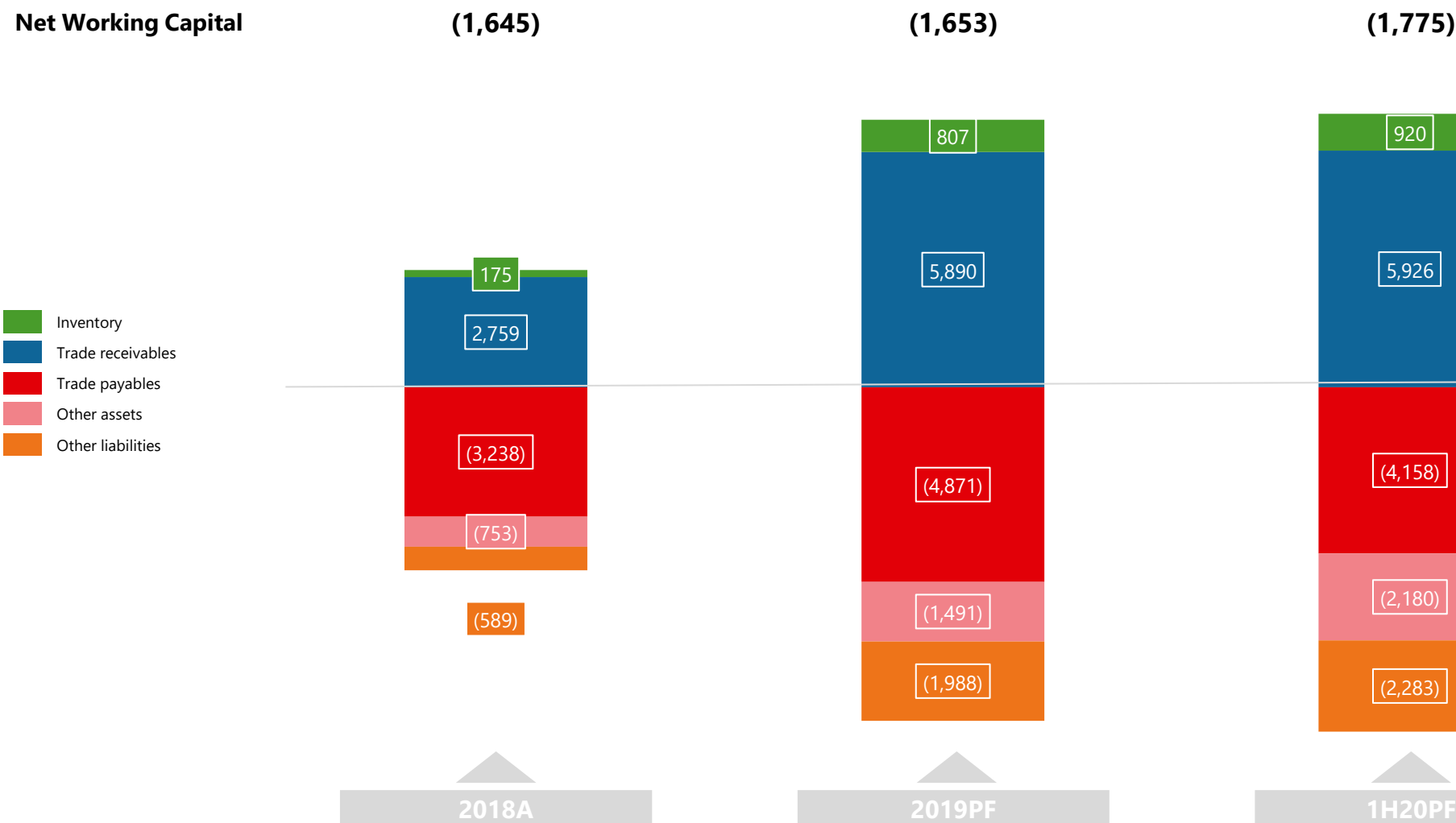


KEY FINANCIAL HIGHLIGHTS



Source: 2018 financial statement (consolidated), 2019PF and 1H20PF are consolidated pro-forma.

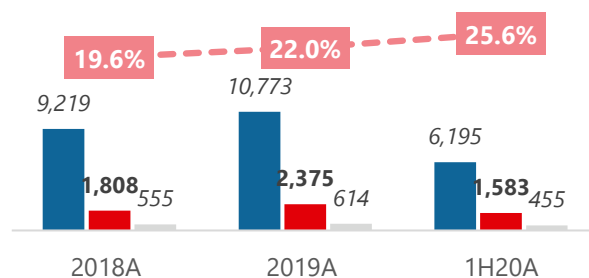
NET WORKING CAPITAL



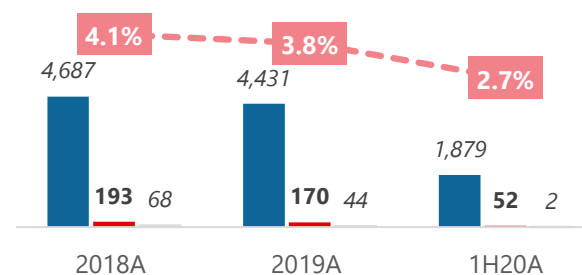
Source: 2018 financial statement (consolidated), 2019PF and 1H20PF are consolidated pro-forma.

PLANETEL GROUP COMPANIES: KEY FINANCIALS

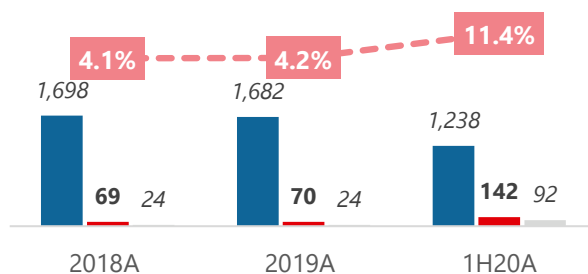
Planetel



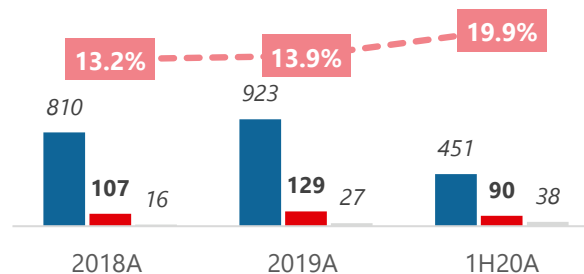
SITIS



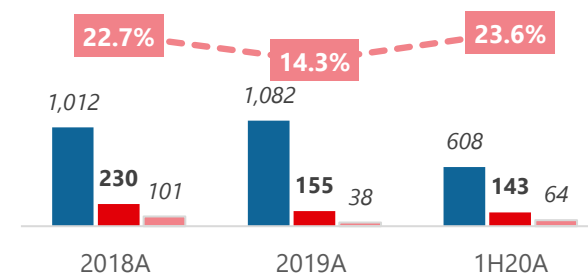
Trifolio



Servizi Internet



Enjoip

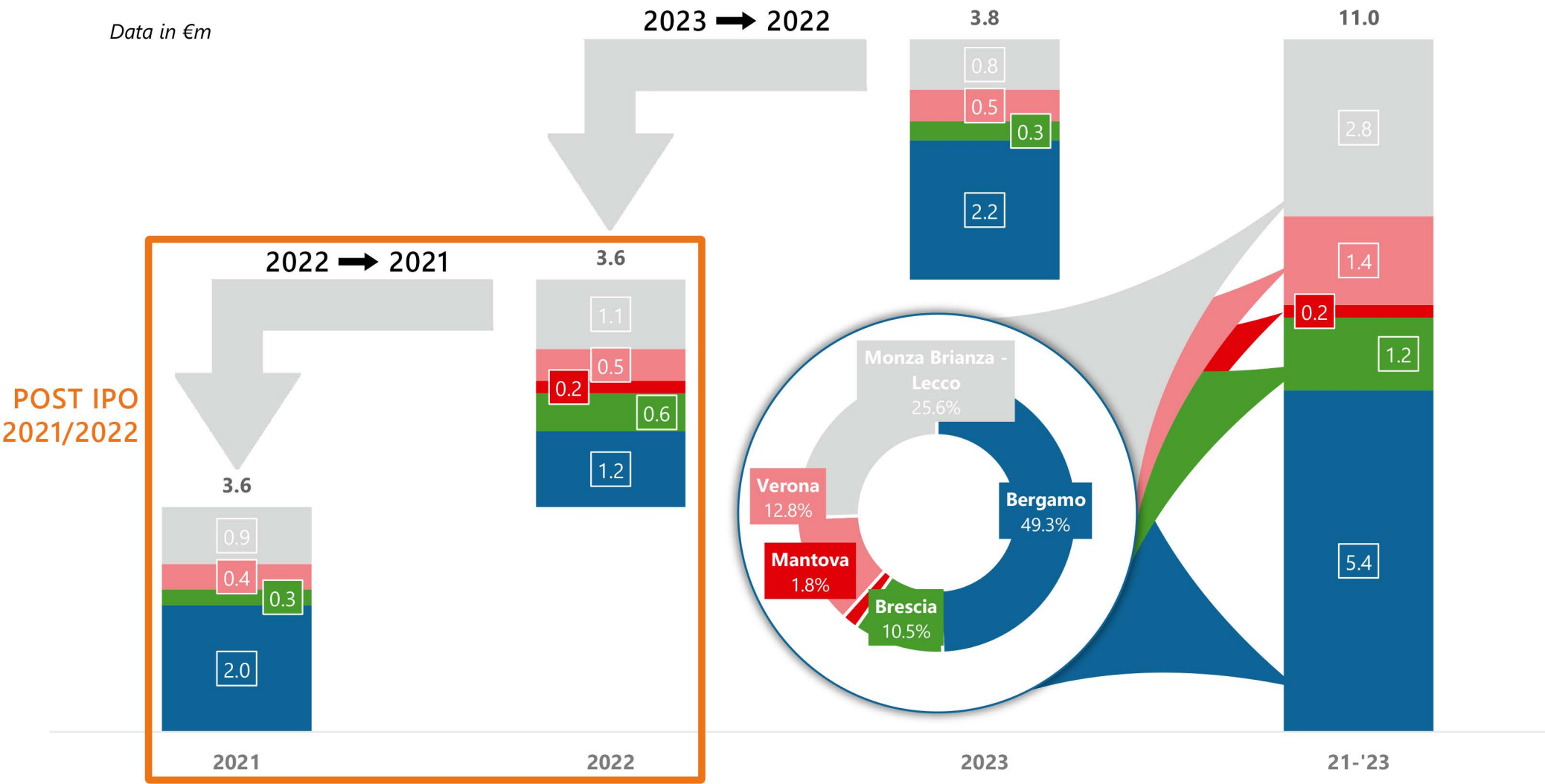


Source: 2018 financial statement (consolidated), 2019PF and 1H20PF are consolidated pro-forma.

Future strategy



PIPELINE OF CAPEX IN PROPRIETARY FIBRE-OPTIC NETWORK



Source: management.

POTENTIAL M&A TARGETS ACTIVE ON CLOUD SERVICES & CONNECTIVITY

PROFESSIONAL CLOUD

Revenues: € 2 – 3m
EBITDA margin: 13 – 18%
Clients: 1.2 – 2.0k
Proprietary network: **X**
Min. IP Number: 1 – 2k

Main Services

Hybrid, Public and Private Cloud

Virtual Infrastructure

VmWare, Openstack, Hyper-V

Business Overview

Relatively low EBITDA margin due to cloud infrastructure costs.

Possible economies of scale on:

- Investments,
- Migration of VmWare and Openstack customers to our virtual infrastructure,
- Network cost optimization using Planetel's network.

PRO & LOW-COST HOSTING

Revenues: € 1.0 – 1.2m
EBITDA margin: <10%
Clients: 10.0k
Proprietary network: **X**
Managed domains: 5,000

Main Services

Hosting, Mailing, Pec, Domains

Virtual Infrastructure

Third parties VmWare & Openstack

Business Overview

Small realities, which have minimal margins on the services provided due to infrastructure costs and scale.

Very high possibilities of economies of scale for Planetel, which can migrate customers to its infrastructure with minimal costs, creating a healthy and profitable company.

SMALL ISP PROVIDER

Revenues: € 2 – 3m
EBITDA margin: 5 – 8%
Clients: 1.2 – 2.0k
Proprietary network: **X**
Min. IP Number: 3,000

Main Services

ASP services (Pbx), reselling of third parties' connectivity services

Business Overview

The resale of connectivity services suffers from very low prices that today permeate the market. The lack of a proprietary network usually shifts the business model on ancillary services, which, by their own, do not guarantee sufficient margin levels.

For Planetel, the acquisition of a small ISP provider means acquiring new customers to whom to offer an integrated and proprietary service.

MEDIUM ISP PROVIDER

Revenues: € 5 – 8m
EBITDA margin: >14%
Clients: >5,000
Proprietary network: **✓**
Min. IP Number: 1,000

Main Services

ASP services (Pbx), reselling of third parties' connectivity services & proprietary fibre network

Business Overview

With an acquisition of this type Planetel wants to achieve three main goals:

- Increase the proprietary fibre network,
- Increase its customer base,
- Implement a possible cross-sell between ASP and Cloud services.

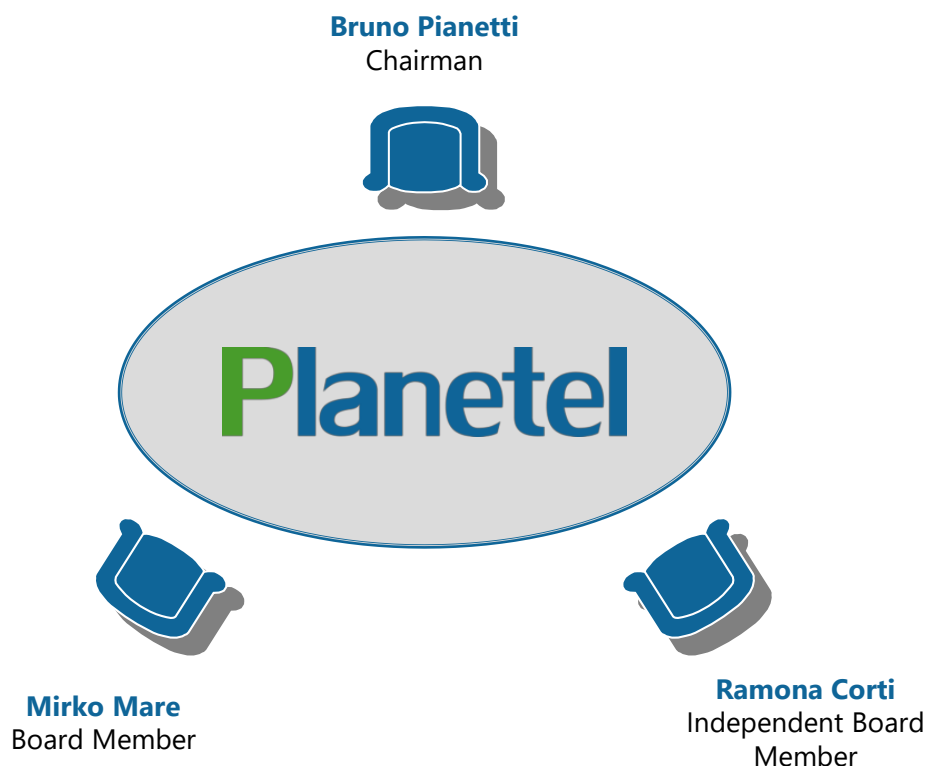
Source: management.

Structure



BOARD OF DIRECTORS AND STATUTORY BOARD

Planetel's Board of Directors



Planetel's Statutory Board

Sergio Mazzoleni
Chairman of statutory board

Michele Iori
Standing statutory auditor

Paolo Saita
Standing statutory auditor

Massimo Accorsi
Substitute statutory auditor

Giancarla Bernardi
Substitute statutory auditor

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SPECIALIST

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The background is a deep blue gradient. From the bottom center, numerous thin, light blue lines radiate outwards towards the top corners, creating a starburst or sunburst effect. Scattered throughout the image are various-sized, out-of-focus light circles in shades of light blue and white, resembling bokeh or distant stars.

Thank you for your attention

Q&A