

PRESS RELEASE

THE BOARD OF DIRECTORS OF PLANETEL REVIEWS THE CONSOLIDATED HALF-YEARLY FINANCIAL REPORT AS OF 30 JUNE 2024

SOLID GROWTH IN TURNOVER AND ALL PROFITABILITY INDICATORS

Value of Production 19.7 million Euro (+16% YoY)

EBITDA¹ 4.6 million Euro (+20%)

Net result 0.6 million Euro (+26%)

Growth in Customer numbers of 3,269 units (YoY)

Growth in Km of fibre to 3,226 (+4.1% YoY)

Cloud and Data Centre earnings rise to 4.0 million Euro from 2.5 million (+59% YoY)

Treviolo (Bergamo), 26 September 2024 – Planetel S.p.A., (“the Company” or “Planetel”), parent company of the group of the same name operating nationwide in the telecommunications sector, listed on **Euronext Growth Milan**, the multilateral trading system organised and run by **Borsa Italiana S.p.A.**, announces that the Board of Directors, meeting today, has approved the consolidated half-yearly financial report as of 30 June 2024, subject to limited voluntary audit.

Summary of data as of 30 June 2024

The first half of 2024 confirmed the growth trend already clear in the previous periods, with impressive results in terms of increase in turnover, improvement in profitability, expansion of the network and growth of customer numbers. The integration of the new companies acquired has further reinforced operating performance, generating additional improvement in profitability and consolidating Planetel’s market position.

Bruno Pianetti, Chairman and CEO of Planetel S.p.A., declared: *“We are delighted that our company has recorded very solid financial performance during this first half of the year. Considering our challenging market, our results show impressive growth in terms of turnover, margins and profits, thanks to intelligent management of resources and well chosen strategies.*

The results have been achieved thanks to the hard work and dedication of our entire team, who have continued to innovate and to deliver value to our customers. We are committed to investing in new growth opportunities and maintaining a high standard of operating excellence and convergence of solutions. With a clear vision and ambitious objectives, we are ready to face the future and to maintain our growth trajectory.

We would like to thank our shareholders, employees and partners for their ongoing support. We are certain that, together, we can keep achieving new goals.”

¹ EBITDA: Alternative Performance Indicators: EBITDA (Earning Before Interest, Taxes, Depreciations and Amortisations) is an alternative performance indicator not defined by Italian accounting standards but used by the company’s management to monitor and assess its operating performance because it is unaffected by volatility arising from the effects of the different criteria used to determine taxable income, the amount and characteristics of invested capital, or the relative amortisation policies. Planetel defines this indicator as the Profit/(Loss) for the period before amortisations and write-downs of tangible and intangible non-current assets, financial costs and income, and income taxes

The **Value of Production** was **19.7 million Euro**, an increase of 16% over the same period of 2023, when the figure was 16.9 million Euro.

The **turnover from the core business** was 18.5 million Euro, an increase of +16% over the corresponding period of 2023, when it was 16.0 million Euro. This value shows the effects of the turnovers of Trivenet S.r.l., acquired on 30 June 2023, and Connetical S.r.l., acquired on 22 April 2024, both of which were included in the half-yearly consolidation area for the first time.

With regard to Connetical S.r.l., it should be noted that although the transfer of ownership took place on 22 April 2024, as recommended by art. 52 of the OIC 17 accounting standard the company's figures for the entire first half of the year were included in the consolidation area, since the acquisition date was set in order to await availability of the definitive financial statements as of 31 December 2023, to provide the correct baseline for calculation of the acquisition price.

Recurrent earnings represent 91% of total earnings, while the churn rate (rate of loss of clientele) is 3.8% on an annual basis: these positive values point to a high degree of customer loyalty, due to the high technology level of the offer and the quality of the services provided, and guarantee the substantial continuity of the company's business.

The connectivity sector accounted for about 59% of total turnover (approximately 10.9 million Euro), while the infrastructure sector contributed 7% and the ASP (Application Service Provider) & Cloud sector 22%.

As of the end of the 1st semester, the company had a total of 53,004 customers, compared to 51,120 on 31 December 2023 (with growth of 4%) and 49,735 as of 30 June 2023 (+7%).

As of 30 June 2024, total fibre infrastructure covered about 3,226 Km (of which 2,130 Km proprietary and 1,096 Km held under IRU), showing an increase of +3% compared to 31 December 2023 and growth of +4.1% YoY.

The company covers 282 municipalities, a rise of 3% over the end of 2023 and an expansion of 4% compared to 30 June 2023.

EBITDA improved by 20% to 4.6 million Euro, compared to 3.8 million Euro for 2023. The EBITDA Margin of 23% was in line with the first six months of the previous year.

EBIT is 1.2 million Euro (+38% compared to 0.8 million Euro for 2023) with an EBIT Margin of 6%, an increase over the 5% of 2023.

Although very positive, the EBIT value was, however, affected by the amortisations of the goodwill generated by the acquisition of the subsidiaries, which amount to 0.301 million Euro; net of them EBIT would be 1.454 million, equivalent to 7% of the value of production.

EBT is 0.9 million Euro (0.7 million as of 30-06-23) with an EBT Margin of 5% (4% in 2023).

The **Operating Result** is 0.6 million Euro (+26% compared to 0.5 million Euro for the same period of 2023), equivalent to 3% of the Value of Production.

The Group reports **Net Equity** of 22.1 million Euro, in line with the 22.1 million Euro as of 31 December 2023.

The **Net Financial Position** shows an improvement of 300 thousand Euro from a cash negative value of 13.3 million Euro as of 31 December 2023 to a cash negative position of 13.0 million Euro as of 30 June 2024.

Investments

In the first half of 2024 the Company continued its growth plan with investments of 3.2 million Euro for the introduction of value-added services such as network security services, of which 2.1 million Euro were for the development of FTTH fibre networks.

Significant events occurring in the 1st half of 2024

- On 9 April 2024 the Board of Directors approved a share buy-back and disposal plan involving the purchase of ordinary shares for up to 5% of the company's share value for a maximum price of Euro 1,750,000, to be implemented within 18 months after the date of approval by the Shareholders' Meeting.
- With a closing date of 22 April 2024, the company acquired a 100% stake in Connetical S.r.l., a company operating in the integrated voice and data telecommunications sector, based in Italy's Veneto Region. The sale of Connetical S.r.l.'s entire share capital to Planetel by the Founders of Connetical S.r.l. took place for a total consideration - subject to a downward price adjustment mechanism calculated on the basis of Connetical S.r.l.'s NFP - of 2.0 million Euro. The acquisition was funded with Planetel's own resources.
- On 27 April 2024 the Shareholders' Meeting approved the payment of a dividend of Euro 0.10 per share, giving a total amount of Euro 679,675.
The same shareholders' meeting also approved the share buy-back plan proposed by the Board of Directors on 9 April 2024.
- Award of the new Bronze ESG rating certification from Ecovadis, UN Global Compact certification and legality rating were all objectives Planetel achieved in the first semester of 2024, underlining the importance given to the ESG process begun back in 2022.

Significant events occurring after 30 June 2024

No significant events occurring after 30 June 2024 are reported.

Future outlook

The geopolitical and economic situation is still complex and improvements are unlikely in the short term. With regard to the war between Russia and Ukraine and the Israel-Palestine conflict, since the Company does not have any exposure to any of these countries there are no related effects on its economic performance.

In this scenario, the Group is continuing to work for growth. In particular:

- Integration of Direte S.r.l. within the Planetel management systems.
- Merger by incorporation with Net-Admin S.r.l., an operation planned in order to bring benefits in terms of costs, rationalisation of company management and shortening of the chain of control, with the consequent elimination of the related administration costs.
- Integration of Connetical S.r.l., acquired on 22 April 2024 with the aim of further consolidating market share in the Veneto region and optimising use of the WLL licences of Trivenet S.r.l. (acquired in 2023).
- Extension of IRU service provision agreements to other operators on our optic fibre infrastructure.
- Expansion of the service and infrastructure management and convergence offering to customers, especially cloud services - virtualisation services - perimeter and endpoint MFA security and cybersecurity services, and extension of the data centre service offering.
- Continuation of R&D investments, also with regard to the project for MyPlanetel, the Planetel corporate portal through which the company delivers services to and remains in contact with its customers.
- Completion of the processes for certification above and beyond ISO 9000 – 27000 – 37000 - ISO 22000 certifications
- Closing of ISO 20000 certification, completing ACN [Italian Cybersecurity] accreditation on both PAAS and IAAS and CSP services. This accreditation is compulsory in Italy for the provision of cloud services to public sector bodies. The following certifications will be achieved during the next few months:
 - o 14001 Sustainability certification
 - o 22301 Business continuity management system
 - o 45001 Occupational health and safety management system
- Expansion of the new cloud platform launched in the first semester of 2024, which already has 1000 parallel processors and is intended to provide the public sector with new niche virtual services and businesses with higher-performing virtualisation products for both AI and cybersecurity services. The platform will be completed and fully integrated in the network from the early months of 2025.
- Continuation of scouting for new acquisitions, still targeting the Veneto and Lombardy regions.

In accordance with the provisions of the Issuer Rules of Euronext Growth Milan, the half-yearly report as of 30 June 2024 will be made available to the public by the legal deadlines at the Company's registered office, through Borsa Italiana S.p.A., through the "Emarket Storage" system managed by Spafid Connect at www.emarketstorage.com and on the Company's website at: www.planetel.it as well as on the Stocks/Documents section of the Borsa Italiana S.p.A. website www.borsaitaliana.it.

This press release is available from Borsa Italiana S.p.A., from the company's registered office and in the Investitori/Investor Relations/Finacial Communiqués section of the website www.planetel.it.

For its compulsory reporting, Planetel uses the eMarket SDIR circuit managed by Teleborsa S.r.l., with registered office at Piazza Priscilla 4, Rome.

This press release may include forward-looking statements regarding future events and future results of Planetel S.p.A. that are based on current plans, estimates and projections regarding the industry in which the Company operates, and management events and current opinions. These elements involve inherent risks and uncertainties, because they depend on the occurrence of future events and on multiple factors, many of them beyond the control of Planetel, including global macroeconomic conditions, changes in business conditions, further deterioration of the markets, the impact of the competition, and political, economic and regulatory developments in Italy.

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Holding company of the Group of the same name that offers telecommunication services at national level, **Planetel S.p.A.** has developed a proprietary fibre optic network for the ultra-broadband connectivity of about 282 municipalities and provides TLC/IT services to over 53,004 customers in Lombardy, Veneto and Campania, through a multi-channel approach. Among the first Italian Internet Service Providers (ISP and WISP) to gradually develop its position in the telecommunication and system integration market, the company has been able to stand out on the territory as a single player offering integrated digital solutions, ASP / Cloud services and other IT solutions. Planetel, formerly a national phone operator, can now provide Business, Wholesale and Residential customers with fibre optic network connections, with the most advanced ultra-broadband connectivity and integrated communication solutions with FTTH-FOTP (Fibre to the Home – Fibre to the Premises) network architectures; its offer covers the entire value chain of ICT services that allows companies to accelerate their digitization process and time-to-market. Planetel's primary assets include a fibre optic network of approximately 3,226 Km. – CLOUD infrastructure in 6 Datacentres – 127 Planetel Points in 106 Municipalities – 1,224 Cabinets on the ground, etc.

Planetel's main goal is the strategic development of a high-speed proprietary backbone – up to 1.4Tb/s – which will allow more stable, faster and more secure connections with a guarantee of greater continuity of service for its customers.

Ticker: PLN - ISIN Code of ordinary shares: IT0005430951

ENCLOSURES:

- Consolidated Statement of Income as of 30 June 2024

Statement of income (Data in Euro/000)	30.06.24		30.06.23		Change	% Change
	Consolidated	%	Consolidated	%	06.24-06.23	
Earnings from sales	18.540	94%	15.977	95%	2.563	16%
Change in inventory	32	0%	(16)	(0%)	48	(298%)
Increases in value of fixed assets and internal works	526	3%	385	2%	141	37%
Other earnings and income	557	3%	555	3%	2	0%
Value of production	19.655	100%	16.901	100%	2.753	16%
Costs for raw, subsidiary and consumable materials	(1.626)	(8%)	(1.816)	(11%)	190	(10%)
Costs for services	(7.650)	(39%)	(6.763)	(40%)	(887)	13%
Use of third-party assets	(736)	(4%)	(396)	(2%)	(340)	86%
Labour costs	(4.856)	(25%)	(3.950)	(23%)	(906)	23%
Sundry operating costs	(220)	(1%)	(163)	(1%)	(57)	35%
EBITDA	4.566	23%	3.813	23%	753	20%
Amortisations and write-downs	(3.414)	(17%)	(2.980)	(18%)	(434)	15%
EBIT	1.152	6%	833	5%	319	38%
Financial result	(225)	(1%)	(123)	(1%)	(101)	82%
EBT	928	5%	710	4%	218	31%
Income taxes	(348)	(2%)	(249)	(1%)	(98)	39%
Operating result	580	3%	461	3%	119	26%

- Consolidated Balance Sheet as of 30 June 2024

Balance Sheet	30.06.2024	31.12.2023	% Change
(Data in Euro/000)	Consolidated	Consolidated	30.06.24-3.12.23
Intangible fixed assets	9.782	8.793	11%
Tangible fixed assets	29.297	28.672	2%
Financial fixed assets	27	25	8%
Net Non-Current Assets	39.106	37.490	4%
Inventory	917	804	14%
Commercial receivables	9.939	9.846	1%
Commercial payables	(5.346)	(5.799)	-8%
Commercial Current Assets	5.511	4.851	14%
Other current assets	870	775	12%
Other current liabilities	(3.024)	(2.750)	10%
Tax receivables and payables	649	1.949	-67%
Net accruals and deferrals	(5.915)	(4.768)	24%
Net Current Assets	(1.909)	57	-3447%
Contingency funds	(60)	(65)	0%
Severance pay	(1.533)	(1.483)	3%
Net Invested Capital (Investments)	35.604	36.000	-1%
Net Current Assets	(7.972)	(5.808)	37%
Contingency funds	21.014	19.087	10%
Severance pay	13.042	13.279	-2%
Net Invested Capital (Investments)	4.075	4.075	0%
Net Current Assets	18.178	16.867	8%
Contingency funds	(680)	34	-2109%
Severance pay	536	1.121	-52%
Net Invested Capital (Investments)	22.109	22.097	0%
Third-party capital	5	5	0%
Reserves	405	327	24%
Third party Profit / (Loss)	44	292	-85%
Third-party Net Equity	453	623	-27%
Total Sources of Funding	35.604	36.000	-1,10%

- NFP as of 30 June 2024

Net Financial Position	30.06.24	31.12.23
(Data in Euro/000)	Cons.	Cons.
A. Cash on hand	(11)	(11)
B. Other liquid assets	(7.316)	(5.151)
C. Securities held for trading	(645)	(645)
D. Liquidity (A)+(B)+(C)	(7.972)	(5.808)
E. Current financial receivables	0	0
F. Current payables to banks	21	91
G. Current part of non-current indebtedness	6.381	5.807
H. Other current financial payables	700	700
I. Current financial indebtedness (F)+(G)+(H)	7.103	6.598
I. Net current financial indebtedness (I)+(E)+(D)	(870)	790
K. Non-current bank payables	12.511	10.739
L. Bonds issued	1.400	1.750
M. Other non-current payables	0	0
N. Non-current financial indebtedness (K)+(L)+(M)	13.911	12.489
O. Net financial indebtedness (J)+(N)	13.042	13.279

- Cash Flow Statement as of 30 June 2024 - Indirect method

Cash Flow Statement, indirect method	30.06.24	30.06.23
(Data in Euro/1000)		
A) Cash flows deriving from the company's business (indirect method)		
Year profit (loss)	580	1.412
Income taxes	348	(22)
Interest payable/(receivable)	224	491
(Dividends)	(0)	-
(Capital gains)/Capital losses deriving from the disposal of assets		-
1) Profit (Loss) for the financial year before income taxes, interest, dividends and capital gains/losses from disposals	1.152	1.881
<i>Adjustments for non-monetary items with no effects on net current assets</i>		
Allocations to funds	70	49
Amortisations of fixed assets	3.367	6.272
Write-downs due to impairment losses	47	119
Adjustments to value of financial assets and liabilities from derivative financial instruments which do not imply monetary transactions	49	188
Other upward/(downward) adjustments for non-monetary items	187	67
Total adjustments for non-monetary items with no effects on net current assets	3.720	6.694
2) Cash flow prior to variations in net current assets	4.872	8.575
<i>Variations in net current assets</i>		
Decrease/(Increase) in inventory	(113)	39
Decrease/(Increase) in receivables from customers	(93)	(1.162)
Increase/(Decrease) in payables to suppliers	(453)	(719)
Decrease/(Increase) in accrued income and deferred charges	(277)	(8)
Increase/(Decrease) in accrued liabilities and deferred income	1.425	1.060
Other decreases/(Other increases) in net current assets	548	(199)
Total variations in net current assets	1.036	(989)
3) Cash flow after variations in net current assets	5.908	7.586

<i>Other adjustments</i>		
Interest collected/(paid)	(224)	(491)
(Income taxes paid)		(392)
Dividends collected		
(Drawings on funds)		
Other collections/(payments)		
Total other adjustments	(224)	(883)
Cash flow from business (A)	5.683	6.703
B) Cash flow from investments		
<i>Tangible fixed assets</i>	(2.734)	(4.814)
(Investments)	(2.734)	(4.814)
Disinvestments	-	-
<i>Intangible fixed assets</i>	(2.030)	(1.159)
(Investments)	(2.030)	(1.159)
Disinvestments	-	-
<i>Financial fixed assets</i>	(2)	(20)
(Investments)	(2)	(20)
Disinvestments	-	-
<i>Financial assets not included in fixed assets</i>	-	-
(Investments)	-	-
Disinvestments	-	-
<i>(Acquisition of controlled enterprises net of liquid assets)</i>	-	(700)
Disposal of controlled enterprises net of liquid assets	-	-
Cash flow from investments (B)	(4.766)	(6.693)
C) Cash flow from financing operations		
<i>Indebtedness</i>		
Increase/(Decrease) in short-term payables to banks	(70)	(1.505)
New loans	5.150	7.750
(Loan repayments)	(3.154)	(4.609)
<i>Shareholders' equity</i>		
Capital increase with payment	-	300
(Capital repayment)		
Disposal/(Purchase) of own shares		
(Dividends and advances on dividends paid)	(680)	(378)
Cash flow from financing activities (C)	1.247	1.557
Increase (decrease) in liquid assets (A ± B ± C)	2.164	1.567
Liquid assets at start of year	5.162	3.595
Liquid assets at end of year	7.327	5.162