

PRESS RELEASE

The Board of Planetel S.p.A. approves the Draft Financial Statements as of 31 December 2020

Rise in earnings, driven by ultra-broadband connections

Growth in all economic and financial performance indicators even in the year of Covid

- ***Consolidated Earnings: 18.09 million Euro, +17% compared to 2019***
Proforma Consolidated Earnings: 19.96 million Euro, +12% compared to 2019
- ***Consolidated EBITDA: 3.26 million Euro, up by 32%, compared to 2019***
Proforma Consolidated EBITDA: 3.55 million Euro, up by 36%, compared to 2019
- ***Consolidated EBIT: 0.73 million Euro, up by 16%, compared to 2019***
Proforma Consolidated EBIT: 0.93 million Euro, up by +45%, compared to 2019
- ***Consolidated Net Profit: 1.1 million Euro, up by +89%, compared to 2019***
Proforma Consolidated Net Profit: 1.29 million Euro, up by 8%, compared to 2019
- ***Group Net Financial Position of -1.05 million Euro***
- ***Parent company earnings of 13.11 million Euro (+22% compared to 2019)***
- ***Parent company NFP of -0.65 million Euro***
- ***Proposal allocate the profit of 1.17 million to a reserve***

Treviolo (Bergamo), 29 March 2020 – Planetel S.p.A., (“the Company” or “Planetel”), the parent company of a group operating nationwide in the telecommunications sector, listed on the AIM Italia multilateral trading system organised and run by Borsa Italiana S.p.A., announces that the Board of Directors, meeting today, has approved the draft company and consolidated financial statements as of 31 December 2020, currently awaiting legal audit, for submission to the General Meeting.

The Board of Directors will also advise the General Meeting to allocate the 2020 Operating Result of 1.17 million Euro to a reserve, in order to further strengthen the company’s capital.

Analysis of the group’s economic, capital and financial performance

2020 saw a change in the group’s consolidation area for the purposes of the listing on the Borsa Italiana AIM market, which involved the acquisition of 75% of the share capital of TRIFOLIO s.r.l. and 10% of the share capital of ENJOIP s.r.l. (bringing the total stake to 55%) and the sale of 34% of the capital of IP Company S.p.A. These corporate operations have made it necessary to issue proforma financial statements to provide a uniform consolidation area for 2020 and 2019.

As of 31 December 2020 the Group recorded earnings of 18.09 million Euro, an increase of **+2%** over the

17.76 million Euro of 2019.

Proforma Earnings were Euro 19.96 million, an increase of 12% compared to the 17.76 million of 2019.

In contrast with other manufacturing and service sectors, the telecommunications market received a strong boost from the situation created by the Covid-19 pandemic, due mainly to the need for both businesses and consumers to expand their use of data connection services, in order to enable smart working. In fact, Planetel's business is classified amongst the strategic services covered by the Italian Prime Ministerial Decree regarding "Urgent measures to limit infection nationwide" in force since 23 March 2020, which cannot be locked down under other government measures; they are on the list of services considered essential on the basis of the ATECO codes, used by ISTAT to catalogue businesses.

During 2020, the Covid-19 emergency generated an increase of about **39%** in active customers compared to 31 December 2019 in the residential and public administration sectors. At the same time, the number of business customers remained more or less stable, reflecting their willingness to keep meeting the costs of connectivity in spite of a reduction in company's operations. Overall, the increase in clientele during 2020 was around **19.45%**.

In the Application Service Provider business area, there was a 36% increase in operations in the area of Business ASP services (voice, cloud, hosting). On the other hand, there was a drop of 10% in turnover relating to the Low Cost ASP services, reflecting the strong trend within the business sector towards an increase in the digitalisation of operations, confirming that growth in low-cost services is stagnating.

Between 31 December 2019 and 31 December 2020, the optic fibre network was extended by 840 Km of proprietary cables, to a total length of 1.430 Km.

"We are very happy with Planetel's growth and the results achieved during 2020," Bruno Pianetti, Chairman and CEO of Planetel S.p.A., declared. "We have continued to focus strongly on our core business of fibre connectivity, and to believe in our goal of being a global system integrator, developing a large number of solutions for business customers which have given us great satisfaction. Growth has mainly been driven by FTTH connectivity, which has enjoyed non-stop growth due to the rise in smart-working generated by the Covid pandemic. Thanks to the funds collected during the IPO and the excellent results achieved during 2020, we are intending to bring forward to 2021 some of the investments planned for 2022 and 2023 at the time of the IPO."

2020 also shows a significant improvement in all the main economic and financial performance indicators.

EBITDA is 3.26 million Euro (18% of earnings), an increase of **+32%** over the 2.48 million Euro of 2019. **Proforma EBITDA** was 3.55 million Euro (18% of earnings), a rise of **+36%** over the 2.62 million Euro of 2019.

EBIT is 0.73 million Euro (4.0% of earnings), an increase of **+16%** over the 0.63 million Euro of 2019. **Proforma EBIT** is 0.93 million Euro (5% of earnings), an increase of **+45%** over the 0.64 million Euro of 2019.

The **Net Result** for the period is positive by 1.10 million Euro, an increase of **+89%** compared to the result of 0.58 million Euro for the same period of 2019 (incidence on earnings 6.1%).

The **Proforma Net Result** for the period is 1.29 million (incidence on earnings 6%), an increase of **+8%** compared to the result of 1.19 million Euro for 2019.

The Group records Proforma **Net Equity** of 17.7 million Euro, compared to the 4.93 million Euro of 2019, and a negative **Net Financial Position** of 1.05 million Euro as of 31 December 2020, a sharp improvement over 2019, when there was an NFP of -6.67 million Euro.

Parent Company Financial Statements

The Board of Directors also approved the draft financial statements for 2020 of the parent company Planetel S.p.A.

The company recorded earnings of 13.11 million Euro, a rise of **+22%** over the 10.77 million Euro of 2019.

EBITDA is 3.03 million Euro, an increase of **+30%** over 2019 (2.33 million Euro).

EBIT is 0.70 million Euro (**+14%** compared to the 0.61 million Euro of 2019), while **Net profit** is 1.17 million Euro (**+91%** compared to the 0.61 million Euro of 2019).

The Parent Company records **Net Equity** as of 31 December 2020 of 15.02 million Euro, compared to the 4.35 million Euro of 2019, and a negative **Net Financial Position** of -0.65 million Euro, a sharp improvement over the NFP of -6.37 million Euro as of 31 December 2019.

Research and Development Activities and Investments

In 2020, Planetel made total investments of Euro 5.3 million, of which Euro 3.4 million related to network development.

During 2020, Planetel spent 0.77 million Euro on R&D, for research into new technical, electronic and IT solutions for the pre-competitive development of an innovative platform of a type not currently on the market, to enable customers to manage and configure their connectivity lines independently.

For its R&D activities, the company will make use of the tax credit available under art. 1, comma 198/209 of Law 160/2019 as amended by art. 1, comma 1064 of Law 178/2020.

Write-up of the company's assets

Pursuant to art. 110 of Decree Law no. 104 of 14 August 2020, converted by Law 126/2020, the company has carried out the realignment of the investments made for the laying of the optical fiber (eliminating the depreciation fund set aside at 31/12/2019) and the write up of some assets company, based on specific sworn appraisals, for a total amount of Euro 4.62 million.

As the law envisages, substitute tax of 3% will be paid on these amounts.

Main significant events of 2020

- On 30 December 2020 the Company's Ordinary Shares began trading on AIM Italia, the multilateral trading system organised and run by Borsa Italiana S.p.A., after the successful conclusion of the IPO of the Ordinary Shares with the collection of funds totalling about 7.5 million Euro.
- The project for award of the legality rating - in accordance with Decree Law no. 1 of 24 January 2012 - which provides an indication of the company's legal compliance, was begun during 2020.

It is issued by the Italian Competition and Market Authority (AGCM) on the basis of an audit of the company's ethics, and is valid for two years.

On 01/09/20 the AGCM authorised the company's addition to the relative Register, under code: RT12068

Significant events occurring after 31 December 2020

No particularly significant events occurred.

Future outlook

The economic crisis caused by the Covid-19 pandemic has not significantly affected the business of Planetel, which is engaged on projects classified as essential services, also benefiting from the strong demand for connectivity services.

The whole of 2020 saw a large increase in orders from both the business and the residential sectors, which generated orders in November and December representing +95% over the same period of 2019.

Due to the uncertainty still affecting the market regarding the possible impact on business trends of the Covid-19 pandemic, which we hope will be resolved as a result of the intensive vaccination programme, it is difficult at present to forecast the most significant impacts on the Group's financial statements.

Therefore, considering the specific public utility sector in which the Planetel Group operates, government plans for the digital transition, and current market conditions, and assuming that no unforeseen anomalies arise, Planetel believes that the conditions will enable it to grow, due to the high quality level of the services it offers to consumers and businesses.

OTHER RESOLUTIONS

Allocation of 2020 result

In view of the situation created by the Covid-19 emergency, and with the aim of further reinforcing the Company's capital reserves, the Board of Directors has resolved to advise the General Meeting to allocate the operating profit of 1.17 million to an extraordinary reserve, further to deduction of the sum needed to increase the legal reserve to an amount of one fifth of the share capital, in compliance with art 2430 of the Civil Code.

Calling of ordinary general meeting

The Board of Directors has resolved to call the Ordinary General Meeting for 29 April 2021 at first calling and for 30 April at second calling, at the times and places to be specified in the relative notice of calling, which will be published by the procedures and in accordance with the terms required by the relevant regulatory framework.

The Notice of Calling of the General Meeting, to be published within the terms required by law and the articles of association, will also specify the procedures for attending the meeting, with a view in particular to complying with the requirements of the current ongoing emergency, and in accordance with current legal provisions. The documentation relating to the topics on the agenda will be made available to the public at the registered office and on the website www.planetel.it, within the terms required by the regulatory framework.

Information regarding Covid-19

Since it operates in an authorised industry classified as a public utility, the Company has never been subject to lockdown. In order to tackle the Covid-19 emergency and reduce the effects of the pandemic on its staff, the Planetel Group has organised specific on-line training courses to update its staff, has created a COVID management team, and has taken all necessary precautions to reduce the risk of infection, such as distancing, the provision of suitable protective barriers on workstations and, where possible, the use of smart working. The Group has also informed its suppliers, customers and subcontractors about the actions taken to minimise the risks of infection and to manage any risk situations.

While recognising the difficulties of the current situation, considering all the restrictive measures introduced by the Ministerial Decrees and Lombardy Region Orders, it should be noted that none of the Group's activities have been suspended and that there are no factors or circumstances expected to significantly impact its production activities.

The audit of the financial statements as of 31 December 2020 has not yet been completed, and the auditing company's report will therefore be made available by the legal deadline. To conclude, the enclosed statement of income and balance sheet are in reclassified form, and are therefore not subject to audit.

Filing of Documentation

The documentation relating to the General Meeting will be made available to the public by the legal deadlines at the Company's registered office, through Borsa Italiana, through the "Emarket Storage" system managed by Spafid Connect at www.emarketstorage.com and on the Company's website at: www.planetel.it.

This press release is available from Borsa Italiana, from the company's registered office and in the *Investitori/Investor Relations/Comunicati Finanziari* section of the website www.planetel.it. For its compulsory reporting, Planetel uses the eMarket SDIR circuit managed by Spafid Connect S.p.A., with registered office at Foro Buonaparte 10, Milan.

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*Holding company of a group 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 96 municipalities and provides TLC/IT services to over 19,000 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 1,420 Km. – CLOUD infrastructure in 3 Datacentres – 74 Planetel Points in 90 Municipalities – 800 Cabinets on the ground, etc.*

Planetel's main objective is the strategic implementation of their own ultra high-speed backbone network - up to 1.4Tb/s – which will enable faster, safer and more stable connections, guaranteeing greater service continuity for its customers.

Ticker: PLT - ISIN Code of ordinary shares: IT0005430951

ANNEXES:

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ANNEX 1

Consolidated proforma Income Statement

Statement of Income (Data in Euro/000)	31.12.2020		31.12.2019		Change FY20-FY19	% Change
	Consolidated Proforma	%	Consolidated Proforma	%		
Earnings from sales	19.618	98%	17.411	98%	2.207	13%
Change in inventory	31	0%	57	0%	(26)	-46%
Other earnings and income	307	2%	292	2%	15	5%
Value of production	19.956	100%	17.761	100%	2.195	12%
Costs for raw, subsidiary and consumable materials	(1.965)	-10%	(2.249)	-13%	284	-13%
Costs for services	(8.194)	-41%	(7.023)	-40%	(1.171)	17%
Use of third-party assets	(849)	-4%	(708)	-4%	(141)	20%
Labour costs	(5.282)	-26%	(4.966)	-28%	(316)	6%
Sundry operating costs	(117)	-1%	(197)	-1%	80	-41%
EBITDA	3.549	18%	2.619	15%	930	36%
Amortisations and write-downs	(2.622)	-13%	(1.979)	-11%	(643)	32%
EBIT	927	5%	640	4%	287	45%
Financial result	488	2%	622	4%	(134)	-22%
EBT	1.415	7%	1.262	7%	153	12%
Income taxes	(121)	-1%	(66)	0%	(55)	84%
Result for the year	1.294	6%	1.196	7%	98	8%

ANNEX 2
Consolidated Income Statement

Statement of Income (Data in Euro/000)	31.12.2020		31.12.2019		Change FY20-FY19	% Change
	Consolidated	%	Consolidated	%		
Earnings from sales	17.805	98%	15.106	98%	2.699	18%
Change in inventory	31	0%	50	0%	(19)	-38%
Other earnings and income	255	1%	289	2%	(34)	-12%
Value of production	18.091	100%	15.445	100%	2.646	17%
Costs for raw, subsidiary and consumable materials	(1.346)	-7%	(1.214)	-8%	(132)	11%
Costs for services	(7.413)	-41%	(6.226)	-40%	(1.187)	19%
Use of third-party assets	(837)	-5%	(690)	-4%	(147)	21%
Labour costs	(5.120)	-28%	(4.675)	-30%	(445)	10%
Sundry operating costs	(117)	-1%	(164)	-1%	47	-29%
EBITDA	3.258	18%	2.476	16%	782	32%
Amortisations and write-downs	(2.531)	-14%	(1.850)	-12%	(681)	37%
EBIT	727	4%	626	4%	101	16%
Financial result	490	3%	1	0%	489	48900%
EBT	1.217	7%	627	4%	590	94%
Income taxes	(121)	-1%	(46)	0%	(75)	163%
Result for the year	1.096	6%	581	4%	515	89%

ANNEX 3

Consolidated Proforma Balance Sheet

Balance Sheet	31.12.2020	31.12.2019	% Change
(Data in Euro/000)	Consolidated	Consolidated	HY20-FY19
	Proforma	Proforma	
Intangible fixed assets	5.594	1.846	203%
Tangible fixed assets	17.298	12.413	39%
Financial fixed assets	5	6	-16%
Net fixed Assets	22.897	14.265	61%
Inventory	839	807	4%
Commercial receivables	6.477	5.890	10%
Commercial payables	(5.620)	(4.871)	15%
Commercial Current Assets	1.696	1.826	-7%
Other current receivables	92	198	-53%
Other current liabilities	(2.003)	(1.830)	9%
Tax receivables and payables	1	132	-99%
Net accruals and deferrals	(2.809)	(1.979)	42%
Net Current Assets	(3.023)	(1.653)	83%
Contingency funds	(72)	0	#DIV/0!
Severance Pay	(776)	(717)	8%
Net Invested Capital (Investments)	19.026	11.894	60%
Liquid assets	(12.833)	(2.571)	399%
Financial payables	13.878	9.240	50%
Net Financial Position	1.045	6.669	-84%
Share capital	134	90	49%
Reserves	16.234	3.655	344%
Consolidation reserve	134	122	10%
Profit (Loss)	1.190	1.064	12%
Group Net Equity	17.692	4.932	259%
Third-party capital	15	15	0%
Reserves	170	147	16%
Third party Profit / (Loss)	104	132	-21%
Third-party Net Equity	289	293	-2%

Total Sources of Funding	19.026	11.894	60%
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ANNEX 4
Consolidated Balance Sheet

Balance Sheet	31.12.2020	31.12.2019	% Change
(Data in Euro/000)	Consolidated	Consolidated	HY20-FY19
Intangible fixed assets	5.515	1.662	232%
Tangible fixed assets	17.315	12.128	43%
Financial fixed assets	5	76	-93%
Net fixed Assets	22.835	13.866	65%
Inventory	839	511	64%
Commercial receivables	6.477	5.099	27%
Commercial payables	(5.620)	(4.352)	29%
Commercial Current Assets	1.696	1.258	35%
Other current receivables	92	177	-48%
Other current liabilities	(2.003)	(1.744)	15%
Tax receivables and payables	1	113	-99%
Net accruals and deferrals	(2.809)	(1.896)	48%
Net Current Assets	(3.023)	(2.092)	45%
Contingency funds	(72)	0	100%
Severance Pay	(776)	(656)	18%
Net Invested Capital (Investments)	18.964	11.118	71%
Liquid assets	(12.833)	(2.037)	530%
Financial payables	13.878	8.814	57%
Net Financial Position	1.045	6.777	-85%
Share capital	134	90	49%
Reserves	16.234	3.671	342%
Consolidation reserve	195		100%
Profit (Loss)	1.058	580	82%
Group Net Equity	17.621	4.341	306%
Third-party capital	15		100%
Reserves	170		100%

Third party Profit / (Loss)	113		100%
Third-party Net Equity	298	0	100%
Total Sources of Funding	18.964	11.118	71%

ANNEX 5

Planetel S.p.A. Income Statement

Statement of Income (Data in Euro/000)	31.12.2020		31.12.2019		Change FY20-FY19	% Change
		%		%		
Earnings from sales	12.900	98%	10.502	97%	2.398	23%
Change in inventory	1	0%	26	0%	(25)	-96%
Other earnings and income	209	2%	245	2%	(36)	-15%
Value of production	13.110	100%	10.773	100%	2.337	22%
Costs for raw, subsidiary and consumable materials	(187)	-1%	(162)	-2%	(25)	15%
Costs for services	(6.803)	-52%	(5.560)	-52%	(1.243)	22%
Use of third-party assets	(622)	-5%	(521)	-5%	(101)	19%
Labour costs	(2.384)	-18%	(2.076)	-19%	(308)	15%
Sundry operating costs	(84)	-1%	(127)	-1%	43	-34%
EBITDA	3.030	23%	2.327	22%	703	30%
Amortisations and write-downs	(2.326)	-18%	(1.711)	-16%	(615)	36%
EBIT	704	5%	616	6%	88	14%
Financial result	513	4%	15	0%	498	3320%
EBT	1.217	9%	631	6%	586	93%
Income taxes	(43)	0%	(17)	0%	(26)	153%
Result for the year	1.174	9%	614	6%	560	91%

ANNEX 6
Planetel S.p.A. Balance Sheet

Statement of Income (Data in Euro/000)	31.12.2020		31.12.2019		Change FY20-FY19	% Change
		%		%		
Earnings from sales	12.900	98%	10.502	97%	2.398	23%
Change in inventory	1	0%	26	0%	(25)	-96%
Other earnings and income	209	2%	245	2%	(36)	-15%
Value of production	13.110	100%	10.773	100%	2.337	22%
Costs for raw, subsidiary and consumable materials	(187)	-1%	(162)	-2%	(25)	15%
Costs for services	(6.803)	-52%	(5.560)	-52%	(1.243)	22%
Use of third-party assets	(622)	-5%	(521)	-5%	(101)	19%
Labour costs	(2.384)	-18%	(2.076)	-19%	(308)	15%
Sundry operating costs	(84)	-1%	(127)	-1%	43	-34%
EBITDA	3.030	23%	2.327	22%	703	30%
Amortisations and write-downs	(2.326)	-18%	(1.711)	-16%	(615)	36%
EBIT	704	5%	616	6%	88	14%
Financial result	513	4%	15	0%	498	3320%
EBT	1.217	9%	631	6%	586	93%
Income taxes	(43)	0%	(17)	0%	(26)	153%
Result for the year	1.174	9%	614	6%	560	91%