

PRESS RELEASE

BOARD OF DIRECTORS APPROVES INTERIM FINANCIAL REPORT AT MARCH 31, 2021

MARGIN AND REVENUE GROWTH BOTH IN ABSOLUTE TERMS AND AT LIKE-FOR-LIKE CONSOLIDATION SCOPE

- Revenues and operating income of Euro 39.7 million, from Euro 34.2 million in Q1 2020;
- EBITDA¹ of Euro 12.4 million, from Euro 10.1 million in Q1 2020; EBITDA margin at 31%;
- EBIT of Euro 2.4 million, compared to Euro 3.2 million, impacted by higher amortisation and depreciation for approx. Euro 1.6 million regarding the Purchase Price Allocation (PPA) of the acquired companies;
- Revenues, EBITDA and EBIT respectively in line and up 3.5% and 1.2% on Q1 2020, on a pro-forma basis considering consolidation of Brennercom and sale of PA USA;
- Net profit of Euro 1.1 million (Euro 2.3 million net of PPA and related tax effects), compared to Euro 2.3 million in Q1 2020;
- Cash EBITDA² of Euro 9.4 million, compared to Euro 7.6 million in Q1 2020;
- Net Debt Position of Euro 143.1 million, compared to Euro 126.9 million at December 31, 2020;
- Orders (TCV) of Euro 20.8 million, compared to Euro 19.2 million in Q1 2020, which included also Brennercom's orders (TCV);
- Guidance 2021 confirmed: revenues of Euro 173-188 million, with EBITDA of Euro 58-64 million, free cash flow in the range of Euro 20-28 million and capex of Euro 31-37 million.

¹ Alternative Performance Indicators: EBITDA (Earnings Before Interest Taxes Depreciation and Amortization) is an alternative performance indicator not defined under IFRS but used by company management to monitor and assess the operating performance as not impacted by the effects of differing criteria in determining taxable income, the amount and types of capital employed, in addition to the relative amortization and depreciation policies. Retelit defines this indicator as the profit/(loss) for the period before amortisation, depreciation and write-downs, financial charges and income and income taxes.

² Cash EBITDA, a metric used by Retelit expressing the effective capacity to generate operating cash net of working capital effects, calculated by subtracting from consolidated EBITDA items not producing currently or in the future cash flows and adding items which have produced or may produce additional cash flow over reported EBITDA.

Milan, May 13, 2021 – The Board of Directors of **Retelit S.p.A.** (MTA: LIT.MI), an Italian leader in fiber optic infrastructure and digital transformation projects, listed on the MTA - STAR segment, has reviewed and approved the Interim Report at March 31, 2021.

Retelit's Chairman Dario Pardi stated: *"In Q1 2021, Retelit continued to develop its main business lines, achieving the initial synergies from the integration of the two recently acquired entities. Buoyed by new Governance which brings together entities with a strong focus on the main Italian and overseas markets, we are confident in the Group's continued growth as it consolidates its place as a strategic TLC player".*

*"The Q1 2021 results – continued **Federico Protto, CEO and General Manager of Retelit** - which fully consolidate PA Group and Brennercom, are strong. All the main indicators have risen, despite comparison with a Q1 2020 still not impacted by the pandemic. We are confident in the operating outlook for the coming years, also in consideration of the recent PNRR (National Recovery Plan) which earmarks technological innovation and digitalisation for greater investment focus going forward - and in particular in terms of infrastructure".*

Q1 2021 CONSOLIDATED KEY FINANCIAL HIGHLIGHTS **CONSOLIDATED KEY FIGURES**

The Q1 2021 income statement, compared to Q1 2020, includes the results of Brennercom, which joined the Group on July 1, 2020, while not including the US subsidiaries in view of the sales agreement signed in Q1 2021.

(in Euro/000)	Q1 2021	Q1 2020	Cge %
Total Revenues and Income	39,657	34,150	16%
EBITDA	12,354	10,074	23%
EBIT	2,347	3,249	(28%)
Result before taxes (EBT)	943	2,626	(64%)
Net Profit	1,080	2,320	(53%)
Net margin percentage ⁽¹⁾	2.72%	6.79%	
<i>(1) Net profit/(loss)/Total revenues and income</i>			

(in Euro/000)	31/03/2021	31/12/2020	
Parent company shareholders net equity	180,100	178,498	
Average workforce	644	642	

In Q1 2021, **Operating revenues and income** totalled Euro 39.7 million, compared to Euro 34.2 million in Q1 2020. Other income includes *Revenues for infrastructure cessions* of Euro 0.9 million and income from the concession of fiber optic, cables, duct and transmission system rights-of-use which qualify as finance leases as per IFRS 16.

Core revenue totalled Euro 38.7 million, compared to Euro 33.7 million in 2020 and broke down as follows: *Enterprise & Government* revenues of Euro 24.4 million (63%) and *Wholesale* revenues of Euro 14.3 million (37%).

EBITDA in Q1 2021 was Euro 12.4 million, compared to Euro 10.1 million in 2020. The Retelit Group EBITDA margin was 31.2%, compared to 29.5% in Q1 2020.

The **Cash EBITDA** was Euro 9.4 million, compared to Euro 7.6 million in Q1 2020.

EBIT of Euro 2.3 million compared to Euro 3.2 million in the same period of the previous year (this latter figure does not include the higher PPA amortisation and depreciation, as in Q1 2020 this activity was still in progress). The Purchase Price Allocation in 2020, following the acquisitions, resulted in higher amortisation and depreciation in the period of Euro 1.6 million. Net of the PPA, EBITDA would amount to Euro 3.9 million.

The **pre-tax profit** was Euro 943 thousand, compared to Euro 2.6 million in the preceding period and includes financial charges of Euro 1.6 million (Euro 0.9 million in Q1 2020, as the credit lines for the acquisition of Brennercom had not yet been disbursed), which principally refer to the medium-/long-term loan contract agreed by Retelit Digital Services S.p.A with a Bank Syndicate for a total maximum amount of Euro 156.2 million.

Income taxes, gross of the deferred component effect in Q1 2021, were therefore approx. Euro 145 thousand, decreasing on Euro 282 thousand in the previous year. The deferred tax component amounted in Q1 2021 to Euro 282 thousand and refers for Euro 262 thousand to the tax effect on the amortisation and depreciation of the PPA.

The **Net Profit** totalled Euro 1.1 million, compared to Euro 2.3 million in Q1 2020. Net of the PPA, EBIT would have amounted to Euro 2.4 million (in line with the previous year).

The Q1 2021 Retelit Group key financial highlights, on a pro-forma basis considering the consolidation of Brennercom and the PPA, and excluding the US subsidiary sold in Q1 2021, are presented below.

(Euro/000)	Q1 2021	Q1 2020	Cge %
REVENUES	39,657	39,604	0.1%
EBITDA	12,354	11,940	3.5%
EBIT	2,347	2,320	1.2%

BALANCE SHEET

The **net financial position** was a debt of Euro 143.1 million, compared to Euro 126.9 million at December 31, 2020.

The net financial position changed by € 11.8 million due to the cash flow generated by operating activities, for a negative € 13.0 million due to net working capital, for € 6.6 million for investments, for € 5, 9 million for new payables arising in compliance with IFRS 16 relating to long-term rentals without monetary effects and for negative € 2.5 million due to the price settlement of the acquisitions made in 2020.

Group current financial assets amount to Euro 43.8 million, comprising cash and cash equivalents (Euro 39.9 million) and other current financial assets (Euro 3.9 million), which at December 31, 2020 amounting to Euro 58.3 million. The current financial assets include Euro 2.7 million for three bonds issued by Unicredit and purchased by Brennercom S.p.A.

In addition to changes in working capital, the reduction in cash and cash equivalents of Euro 14.5 million was also due to the payment made in the first quarter of 2021 to the sellers of the former PA Group as settlement of the second earn-out provided for in the sale agreement for Euro 2.0 million and the payment made to the former shareholders of Brennercom for Euro 0.5 million, arising from the timely definition of the company's net financial position at the acquisition date and due as a price adjustment.

During Q1 2021, "net cash flows generated by operating activities" totalled Euro 1.2 million, compared to Euro 3.9 million in Q1 2020. "Cash flow absorbed by investing activities" amounted to Euro 9.1 million. The operating free cash flow (operating cash flow net of interest paid and net of capex) amounts to Euro (14.5) million.

Group **cash and cash equivalents** were Euro 39.9 million, compared to Euro 54.4 million at December 31, 2020.

Group **shareholders' equity** increased from Euro 178.5 million at December 31, 2020 to Euro 180.1 million at March 31, 2021.

In Q1 2021, **total investments** amounted to Euro 4.6 million (Euro 4.8 million in Q1 2020).

The number of sites reached by fiber totalled 12,803 at the end of March 2021, of which 49 other operator Data Centers, 7,194 business customer sites and 3,638 residential customers (FTTH), 1,430 telecommunication towers and 450 cabinets, with 18 proprietary Data Centers in Italy and one in Austria. Network infrastructure therefore extended to approx. 15,276km (equivalent to approx. 369,000km of fiber optic cables, of which 125,000km located in MAN).

OPERATING PERFORMANCE

The acquisition of PA Group and Brennercom led to the creation of a leading Italian ICT integrated services operator, highly diversified between added value infrastructure and services, leveraging the offer and expertise of perfectly complementary enterprises. Specifically, a new business organisation was designed on the basis of the target customers, **Enterprise & Government** customers and **Wholesale** customers and the offer areas: **“Platforms and Infrastructures”** and **“Solutions”** or managed ICT services.

The **“Platforms and Infrastructures”** business (73% of total revenues) is focused on the capacity to support the customer through services ranging from fiber optic connectivity to the Multicloud, Cyber Security services and Application Performance Monitoring to SD-WAN technology based network services and co-location services, and finally the connectivity services on the AAE-1 cable. The **“Solutions”** business (27% of total revenues) includes complete and integrated solutions, such as operating software (SAP, Microsoft Dynamics, software and proprietary products, etc.), CRM, Business Analytics, Networking, Cyber Security and Cloud and Datacenter services.

In Q1 2021, commercial operations generated new **orders** (*TCV – Total Contract Value*) worth Euro 20.8 million, compared to Euro 19.2 million (which includes Brennercom’s orders for comparability). New orders amounted to Euro 12.4 million (60%) for the *Enterprise & Government* segment and Euro 8.4 million for the *Wholesale* segment (40%).

Enterprise & Government

In the Enterprise & Government segment (which, following the acquisitions of PA Group and Brennercom, has 8,453 active customers), revenues totalled Euro 24.4 million (63% of total revenues), of which Euro 13.7 million in the Platform and Infrastructure business and Euro 10.7 million in the Solutions business. Revenues stemmed from major enterprises and SME’s, belonging mainly to the Finance, Industry and Public Sector segments. Operations generated new orders (TCV) for Euro 12.4 million (60% of total orders), of which Euro 5.9 million concerning Platforms and Infrastructure and Euro 6.5 million concerning the Solutions business.

Wholesale

In 2021, revenues totalled Euro 14.3 million (37% of total revenues), of which Euro 6.8 million in the Domestic Wholesale business and Euro 7.5 million for International Wholesale. Operations generated new orders (TCV) for Euro 8.4 million (40% of total orders), of which Euro 3.0 million National and Euro 5.4 million International. The Wholesale segment serves 257 active customers, of which 152 domestically (including carriers, mobile operators, OLO’s, xSP’s and multiutilities, which confirm its focus on mobile network operators, e.g. infrastructure to support 4G development, fixed networks, ICT System Integrators and New Media) and 105 internationally (international and OTT carriers, covering almost the entirety of international operators currently active in Italy).

INTEGRATION PROCESS

The integration process with PA Group companies was designed in a structured manner, with works beginning on January 16, 2020 through the launch of five project streams. From the beginning of July, the works for the integration with Brennercom were added.

In the first quarter, the following corporate transactions and activities were concluded:

- From January 1, 2021, the Group Share Service Center was established to provide Staff services (Administration Finance and Control, Legal, Corporate Affairs, Human Resources, Marketing and Communication, IT, Procurement, Compliance and General Services) centrally to all Group companies in order to streamline Group resources and expertise. On April 1, 2021, the Cash Pooling began with a leading Italian credit institution in order to streamline the Group's financial management. All Group companies are expected in 2021 to join the existing tax consolidation between Retelit SpA and Retelit Digital Services SpA.
- On February 3, 2021, in implementation of the agreement previously signed by the former Partners and Associates SpA Group shareholders and the management of PA USA Inc, an agreement was signed for the sale of the US subsidiaries; therefore, the two US companies are no longer included in the consolidation scope since January 1, 2021;
- On February 19, 2021, the proposal for the merger by incorporation of Partners Associates SpA, Raminvest EU Srl and Easyconn Srl into Retelit Digital Services SpA was approved. This transaction reduces the number of companies and boosts synergies, with possible costs reductions also. These transactions are effective from Q2 2021.

SIGNIFICANT EVENTS IN THE PERIOD

On **January 18, 2021**, Retelit obtained certification as an SAP Outsourcing Partner for its Multicloud platform and proprietary Data Center network. This certification comes in addition to that obtained by the subsidiary PA ABS as an SAP Partner Center of Expertise. By bringing together Retelit's infrastructural assets and PA ABS's solutions in the areas of design, management and development, a package has therefore been created to support SME's and large enterprises to manage and introduce 360° SAP systems.

On **January 20, 2021**, Up Solutions, a Retelit Group company specialising in the development of innovative solutions, announced a partnership with SI CONSULTING, a competence company in the SB Italia group, which in turn specialises in the creation of new IT systems for SME's.

On **February 2, 2021**, ATM, a Milanese transport company, entrusted the management of its SAP system services to **PA ABS - Retelit Group**.

On **February 3, 2021**, in implementation of the agreement previously signed between the former shareholders of the Partners and Associates S.p.A. Group and the management of PA USA Inc., Retelit signed an agreement with a private party for the sale to the latter of 100% of PA USA Inc. and its operating investments in the U.S.A. The sale price was determined mainly on the basis of the recognition to PA S.p.A. of future royalties to be received.

On **March 2, 2021**, Timeware, a company working in the digital transformation sector and providing solutions and consultancy for businesses seeking to modernise their processes, became part of the Retelit Partner Program.

On **March 25, 2021**, a contract was signed with Villa Erba to set up an exhibition and conference center with a new high-performance data network infrastructure, capable of further blending physical and virtual events, while also supporting the evolution of the smart city in the Como area.

On **March 15, 2021**, an update to the Business Plan for the period 2021-2025, approved by the Board of Directors on February 11, 2021, was announced.

On **March 29, 2021**, the Board of Directors of Retelit S.p.A. approved the proposals, to be submitted to the next Shareholders' Meeting on May 20, 2021 in extraordinary session, to amend Article 16 of the company's By-Laws. These proposals concern (i) the granting also to the Board of Directors of the faculty to present a slate of candidates for the renewal of the Board; (ii) the increase - from one to two - of directors to be selected from slates presented by the minority shareholders, with the increase - from two to three - of the number of slates from which the members of the Board of Directors are selected and the provision that in the case of the submission of a single minority slate, two directors shall be drawn from it.

On **March 29, 2021**, the Board of Directors of Retelit S.p.A. assessed the independence of its members in office.

On **March 31, 2021**, Retelit signed a contract with Exprivia which, in partnership with SONY, will be responsible for the service of archiving data from satellites in orbit as part of the European Union and ESA (European Space Agency) Copernicus Sentinels programme.

SUBSEQUENT EVENTS

On **April 6, 2021**, the Board of Directors of Retelit MED, a company established in February 2020 as a joint venture between Retelit and LPTIC, with the goal of developing opportunities and commercial synergies between the two operators in the ICT sector, appointed Mario Bacchini as its Chief Executive Officer.

On **April 9, 2021**, the Board of Directors of Retelit S.p.A. called the Shareholders' Meeting in ordinary and extraordinary session and in single call for May 20, 2021, at 3PM, at its registered office at Via Pola No. 9 in Milan. Pursuant to Article 106 of L.D. No. 18 of March 17, 2020, participation in the Shareholders' Meeting by those who have the right to vote is allowed exclusively through the designated agent Computershare S.p.A..

On **April 14, 2021**, Retelit collaborated with the Municipal Council of Polcenigo, in the province of Pordenone, to create a fiber-optic connection project in the region. Making use of FTTH technology, the project reaches from the San Giovanni industrial area to the centre of the town and other bordering conurbations.

On **April 23, 2021**, and for the second consecutive year, Brennercom was the technology partner of the Trento Film Festival. A solid and high-performing infrastructure to ensure the presentation of 100 titles online at the Trento Film Festival, the historic international mountain film festival, starting April 30.

On **April 26, 2021**, Retelit supported "Dante in Duomo", the event dedicated to the great poet and organised by Massimiliano Finazzer Flory, with the collaboration of the musicians of the "Teatro alla Scala" and the students of the "Piccolo Teatro di Milano".

On **April 28, 2021**, the slate of candidates for the appointment of the members of the Board of Directors and the Board of Statutory Auditors, submitted by Marbles S.p.A. (formerly Marbles S.r.l.) (Slate No. 1), by three companies of the Athesia Group, also on behalf of the former shareholders of the Group headed by Partners Associates S.p.A., were published, in view of the Shareholders' Meeting called in ordinary and extraordinary session for May 20, 2021. (Slate No. 2) and - only with regard to the appointment of the members of the Board of Directors - Bousval (Slate No. 3).

On **April 28, 2021**, Retelit S.p.A. announced, as per the applicable provisions, the signing on April 23, 2021 (i) of a shareholder agreement in accordance with Article 122, paragraphs 1 and 5, letters a) and b) of Legislative Decree No. 58/1998 between the shareholder Marbles S.p.A. and the Chief Executive Officer Federico Protto and (ii) of a shareholder agreement in accordance with Article 122, paragraphs 1 and 5, letters a) and b) of Legislative Decree No. 58/1998 between the Athesia Group and the former shareholders of the Group owning the company Partners Associates S.p.A..

On **April 29, 2021**, Federico Protto, Chief Executive Officer and General Manager of the Retelit Group, joined the Board of Directors of ANFOV (the Association for Communications Services Convergence). An important appointment that strengthens ANFOV's position in the national digital transformation sector for enterprises and Public Sector bodies that want to meet the challenges of innovation.

On **May 7, 2021**, Retelit was among the 27 companies drawing up the roadmap on technological and industrial investment presented to the European Commission.

OUTLOOK FOR THE CURRENT YEAR

The update to the 2021-2025 Business Plan, approved by the Board of Directors on February 11, 2021, in continuity with the current strategy, further accelerates the growth of synergies that the Company intends to develop by proposing a joint and direct offer to the Business Infrastructure and Solutions market, thanks to the acquisition of PA Group and Brennercom.

The Plan, prepared against a global backdrop that has not yet recovered from the emergency situation created by the COVID-19 pandemic, targets organic growth for the Group through further development of the Business segments of both RDS and PA Group and acquisition of market share in the domestic and international wholesale segments, leveraging the AAE-1 cable system and international partnerships.

The 2021-2025 Business Plan is based on the following strategic drivers:

- **Platform & Infrastructure** - investments are continuing in order to expand and generate earnings from the fiber optic network and, more generally, the Group's infrastructure and platforms. Specifically, investments during the period covered by the plan will focus mainly on the development of current infrastructure both in Italy and abroad, creating connectivity for strategic sites such as ports, airports, military bases, data centers etc., and to towers.
- **Solutions** - Retelit's strategy for the period covered by the plan will focus mainly on three areas:
 - **ERP – SAP and Microsoft Dynamics 365:** increase cross-selling and grow the customer base using ERP cloud systems

- **Software development:** develop dedicated software for business areas and extend vertical markets
- **Government:** development in the public sector and smart city projects.

The Plan sets out the achievement of the following targets by 2025:

- Forecast revenues of Euro 234-248 million
- EBITDA of Euro 88-94 million
- Free cash flow of Euro 185-202 million
- CAPEX of Euro 151-163 million

Guidance for 2021 indicates revenues of Euro 173-188 million and EBITDA of Euro 58-64 million. At balance sheet level, investments are confirmed in the range between Euro 31-37 million, while free cash flow is expected to be between Euro 20-28 million.

COVID-19 RELATED RISKS

The Q1 2021 results were impacted by the cyclical nature of certain businesses typical of ITC companies. During the period, the Group was able not only to remain fully operational, but also to respond to the growing needs of its customers. The services provided by the Group, inter alia, support the implementation of ICT systems for companies, in terms of the management of services for the digitization of business activities, and therefore support, e.g. remote working (e.g. ERP, videoconferencing, collaboration systems).

The second wave of the pandemic that has afflicted our country and the entire continent, in addition to the consequent restrictive measures adopted by the respective governments, will be reflected on economic activities within a general domestic and international economy whose outlook seems still to be poor.

The Group believes that in the future the adaptation of ICT systems will be one of the priorities for many Italian companies that in this extraordinary situation have understood the importance of having an adequate and highly-performing ICT structure.

It is expected that commercial orders, and consequently Retelit's turnover and margins, may be affected to a limited extent.

Therefore, on the basis of the results for Q1 2021 and the operating and financial results to date, the Directors have confirmed the guidance objectives for 2021, subject to the need to constantly monitor any impact which the current general economic crisis caused by the COVID-19 pandemic may have on Customer payment times and, therefore, on the Group's ability to generate operating cash, also in terms of any measures issued by the Italian government.

The 2021 First Quarter Report is not audited and is available according to the applicable legal conditions at the registered office, on the "1Info" storage mechanism authorised by Consob at www.1info.it, and in the "Investors / Investor Relations / Financial Statements and periodic reports" section of the company website at www.retelit.it.

This press release contains forward-looking statements concerning plans, opinions or current Group expectations in relation to results and other aspects of the activities and strategies of the Group.

Readers of this press release should not place an undue reliance on such forward-looking statements as results may differ significantly from such forecasts due to a number of factors, most of which are outside of the Group's control.

Mr. Mirko Endrizzi, as Executive Officer for Financial Reporting, declares, in accordance with paragraph 2 of Article 154-bis of the CFA, that the accounting information contained in this press release corresponds to the underlying accounting documents, records and accounting entries.

The 2021 first quarter results will be illustrated on May 13, 2021 at 3PM in a conference call involving the Chairman of the Company, Dario Pardi and the Chief Executive Officer, Federico Protto.

The details for participation in the conference call are as follows:

- for Italy: +39 02 805 88 11
- for the United Kingdom: + 44 121 281 8003
- for the United States (local number): +1 718 7058794
- for the United States (green number): +1 855 2656959

The support documents will be made available on the website at the beginning of the conference call.

Retelit Group

Retelit is the Italian leader in constructing tailor-made digital transformation projects, executed on entirely Group-managed platforms. In our 20 years we have been the ideal partner for enterprises, the public sector and operators seeking to tackle head-on the challenges of innovation, thanks to a range which covers the entire value chain of ICT and digitalisation services. The combination of Retelit's proprietary assets (a comprehensive fiber optic network in Italy and across the world and a nationwide Data Center network) and the innovation and digital expertise of PA Group (becoming part of the Retelit Group in 2020) has created a unique player in Italy which can offer integrated digital solutions, from infrastructure to data management and from networks to applications. Retelit has been listed on the Italian Stock Exchange since 2000 and on the STAR segment since September 26, 2016.

Investor Relations

Dario Pardi
Tel. +39 02 2020451
inv.relations@retelit.it
CDR Communication
Vincenza Colucci
Mob. +39 335 6909547
vincenza.colucci@cdr-communication.it

Retelit Communication

Letizia Cilente
Mob. +39 342 9645801
l.cilente@retelit.it
media.relations@retelit.it

Institutional Media Relations

CDR Communication
Angelo Brunello
Mob. +39 329 2117752
angelo.brunello@cdr-communication.it

Media Relations ICT

Laura Poggi
Tel. +39 02 6705452
laura.poggi@in-rete.net
Francesca Negri
Tel. +39 02 6705452
francesca.negri@in-rete.net

The Comprehensive Income Statement, Balance Sheet, Cash Flow Statement and Consolidated Net Financial Position of the Retelit Group are attached.

Consolidated Comprehensive Income Statement

(Euro thousands)	Q1 2021	Q1 2020
Revenues	37,778	31,404
Other income	1,879	2,747
TOTAL REVENUES AND OPERATING INCOME	39,657	34,150
Purchase of raw materials and services	(15,872)	(15,616)
Personnel costs	(10,290)	(8,082)
Other operating costs	(1,141)	(379)
EBITDA	12,354	10,074
Amortisation, depreciation and write-downs of tangible and intangible assets	(10,007)	(6,524)
Other provisions and write-downs	-	(301)
EBIT	2,347	3,249
Financial income	205	237
Financial charges	(1,609)	(860)
PRE-TAX PROFIT	943	2,626
Income taxes	(145)	(282)
Deferred tax income/(charges)	282	(24)
NET PROFIT FOR THE YEAR	1,080	2,320
Group Net Profit	1,080	2,314
Minority interest Net Profit	0	6

Euro thousands	31/03/2021	31/03/2020
NET PROFIT FOR THE YEAR	1,080	2,320
Actuarial gains (losses) on employee benefits	-	-
Gains (losses) on hedging instruments	607	(649)
Tax effect from hedging instruments	(146)	24
Gains/(losses) from translation of accounts of foreign subsidiaries	-	-
Minority interest acquisition	-	-
Other comprehensive income items	461	(625)
Total comprehensive income	1,542	1,695
Comprehensive INCOME/(EXPENSE) - Group	1,542	1,688
Comprehensive INCOME/(EXPENSE) - Minority interest	0	6

Consolidated Balance Sheet

(Euro thousands)	31/03/2021	31/12/2020
Network infrastructure	153,617	153,902
Property, plant and equipment	5,917	6,191
Other tangible assets	2,777	2,950
Concessions, licenses, trademarks and similar rights	7,960	8,222
Goodwill	86,332	86,332
Customer relationships	19,962	21,056
Brand	4,027	4,068
Rights-of-use	79,354	77,690
Other intangible assets	2,315	2,409
Investments measured using the equity method	216	216
Investments measured at Fair Value	407	406
Deferred tax assets	16,703	16,774
Other non-current assets	535	533
Non-current financial assets	-	12
TOTAL NON-CURRENT ASSETS	380,123	380,761
Trade receivables, other receivables and other current assets	62,702	60,357
Tax receivables, VAT receivables and current direct taxes	2,594	1,833
Cash and cash equivalents	39,906	54,430
Inventories	1,965	1,963
Current financial assets	3,915	3,915
TOTAL CURRENT ASSETS	111,081	122,497
ASSETS HELD-FOR-SALE	0	1,736
TOTAL ASSETS	491,205	504,994
Share capital issued	144,209	144,209
Net equity reserves and net result	34,811	19,261
Net profit for the period	1,080	15,029
TOTAL GROUP SHAREHOLDERS' EQUITY	180,099	178,498
Non-current financial liabilities	137,486	138,094
Non-current leasing financial payables	15,474	19,512
Post-employment benefits and employee provisions	8,396	8,322
Provisions for risks and future charges	2,201	2,877
Deferred tax liabilities	12,032	12,350
Liabilities from non-current contracts	23,343	24,008
Other non-current liabilities	1,314	1,314
TOTAL NON-CURRENT LIABILITIES	200,246	206,476
Current financial liabilities	21,091	21,310
Current leasing financial payables	12,845	6,323
Trade payables, other payables and other current liabilities	68,575	83,237
Tax payables, VAT payables and current direct taxes	3,033	2,958
Liabilities from current contracts	5,316	5,596
TOTAL CURRENT LIABILITIES	110,860	119,424
DISCONTINUED OPERATION LIABILITIES	0	595
TOTAL LIABILITIES	491,205	504,994

Consolidated Cash Flow Statement

Cash Flow Statement	31/03/2021	31/03/2020
Net profit	1,080	2,320
Income taxes	(137)	-
Amortisation & depreciation	10,007	6,524
Other provisions and write-downs	-	301
Change in post-employment benefit provisions	74	9
Change in provisions for risks and charges	(676)	(188)
Interest and charges matured	1,403	(622)
Interest and other financial charges collected (paid)	(62)	73
Tax paid	-	192
LTI Plan Accrual	60	60
LTI Plan Payment	-	-
Adjustment investments measured at equity	-	-
CASH FLOW GENERATED (ABSORBED) FROM OPERATING ACTIVITIES	11,750	8,669
(Increase)/decrease trade receivables and other current assets	(1,204)	2,523
(Increase)/decrease tax receivables, VAT receivables and direct taxes	(761)	(990)
Change in inventories	(2)	(368)
Increase/(decrease) trade payables and deferred revenues	(11,144)	(5,941)
Increase/(decrease) tax payables, VAT payables and current direct taxes	111	(2)
NET CHANGES IN CURRENT ASSETS AND LIABILITIES AND OTHER CHANGES	(12,999)	(4,778)
NET CASH FLOW GENERATED (ABSORBED) FROM OPERATING ACTIVITIES	(1,249)	3,891
(Investments) in network infrastructure and other property, plant and equipment	(3,180)	(3,426)
Divestments from network infrastructure and other property, plant and equipment	216	130
(Investments) in Concessions, licences and similar rights & rights-of-use	(1,762)	(622)
Divestments from Concessions, licences and similar rights & rights-of-use	39	176
Cash flows from business combinations	-	(49,719)
Brennercom price adjustment payment	(500)	-
Deferred fee payment for PA acquisition (Earn Out)	(2,000)	-
Investments valued under the equity method	-	(6)
Investments valued under the FV method	-	14
Change due to monetary effects of investments	(1,967)	(1,340)
Net investments in other non-current assets	10	165
CASH FLOW GENERATED (ABSORBED) FROM INVESTING ACTIVITIES	(9,143)	(54,628)
Net (increase)/decrease financial assets	-	-
Disbursement and (repayment) loans	-	-
Increase/ (Decrease) current lease payables	(3,263)	(2,627)
Drawdown (repayment) loans	(868)	72,046
Treasury share purchases/PPO	-	-
Distribution dividends	-	-
Share capital and reserves changes	-	-
CASH FLOW GENERATED (ABSORBED) FROM FINANCING ACTIVITIES	(4,131)	69,419
TOTAL CASH FLOWS	(14,523)	18,682
CASH AND CASH EQUIVALENTS AT BEGINNING PERIOD	54,430	24,454
CASH AND CASH EQUIVALENTS AT END OF PERIOD	39,906	43,135

Consolidated Net Financial Position

COMPOSITION	31/03/2021	31/12/2020	Changes
€/000			
A. Cash	39,906	54,430	(14,524)
D. Liquidity	39,906	54,430	(14,524)
E. Current financial receivables	3,915	3,915	(0)
<i>Current financial liabilities</i>	21,091	21,310	(219)
<i>Current leasing financial payables</i>	12,845	6,323	6,522
<i>G. Current portion of non-current debt</i>	33,936	27,633	6,303
I. Current debt	33,936	27,633	6,303
J. Net current financial debt I-E-D	(9,885)	(30,711)	20,826
<i>Non-current financial liabilities</i>	137,486	138,094	(608)
<i>Non-current leasing financial payables</i>	15,474	19,512	(4,038)
<i>K. Non-current bank payables</i>	152,959	157,606	(4,647)
N. Non-current debt	152,959	157,606	(4,647)
O. Net debt J+N	143,074	126,895	16,179