



# FiberCop – The Telecom Utility of Italy

## Fixed-Income Investor Update

June 2025

# FiberCop

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## Today's presenters



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**ANDRÉ ROGOWSKI**

Chief Financial Officer



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**LORENZO CALÒ**

Finance Director



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**JACQUES-HENRI CASSAGNERES**

Head of Capital Markets

## Executive summary: FiberCop – The Telecom Utility of Italy

- FiberCop is the Italian digital champion providing a mission-critical digital infrastructure through the main and most pervasive fixed line network in Italy
- FiberCop operates in the attractive Italian broadband market with robust tailwinds characterized by favourable structural drivers and demand trends
  - Rapid growth of data usage and proliferation of connected devices have been contributing to steady increase in broadband penetration in Italy, which at 72%<sup>1</sup> still implies a significant upside potential vs ~96% average of key Western European countries<sup>1,2</sup>
  - Lack of cable infrastructure in Italy positions FiberCop's FTTC infrastructure as a viable broadband technology in the medium-term as Italy gradually transitions to FTTH
  - FiberCop's access technologies cover full range of fixed broadband demand from Legacy and FTTC (saturated coverage) to FTTH (where over 60% of FiberCop's coverage target has been reached)
- FiberCop has a unique and unrivalled nationwide network across multiple technologies with total fiber infrastructure length of >26m km
  - Market-leading position in wholesale access service market with ~71% blended wholesale access service volume market share and ~14.5m active B2C lines as of Q4 2024A
  - Only operator offering full suite of B2B2C and B2B products on open access basis to all operators
  - Healthy topline of €3.9bn revenue (2024PF) and an attractive Organic EBITDAaL of €1.9bn (2024PF), which will be further boosted in the next years by moderate revenue growth and significant opex savings driven by decommissioning (o/w ~€100m already realised on run-rate basis by end of 2024)
  - Company will become strongly generative of free cashflow when coverage capex is completed at the end of 2027
- Backed by fully committed and supportive blue-chip shareholders with Italian government participation to ensure a successful digitisation of Italy
- Solid debt structure, fully hedged in EUR at ~5x net leverage (pre IFRS-16) with weighted average cost of debt of 5.3% and average debt life of 5.6 years (2024PF). Senior secured debt rated Ba1/BB+/BB+ supported by substantial liquidity margin of ~€2.9bn<sup>3</sup> as of Mar-25



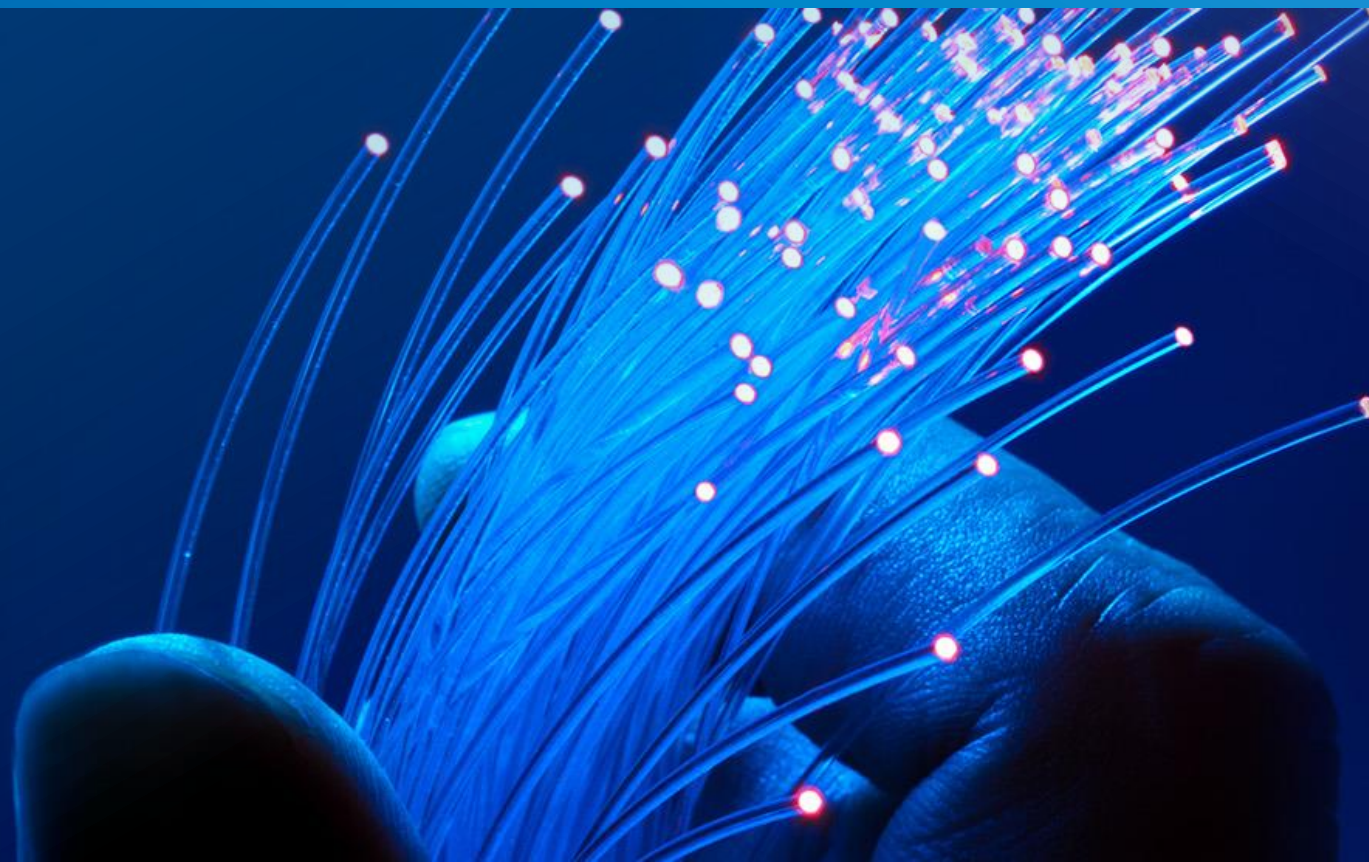
# Agenda



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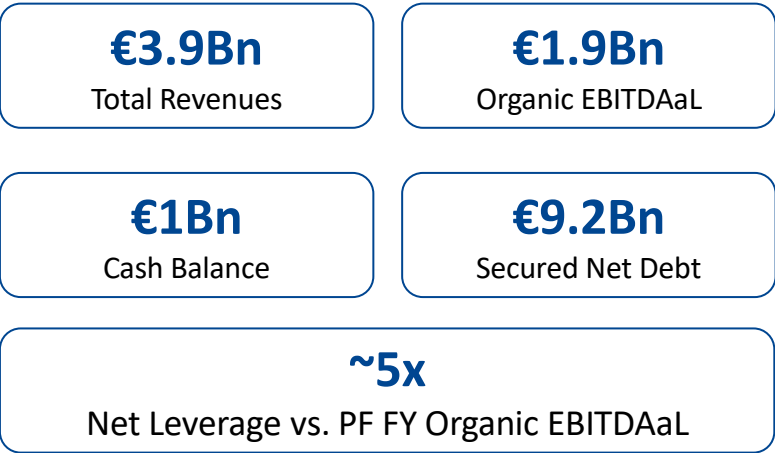
# FiberCop

## 1 Company and market overview

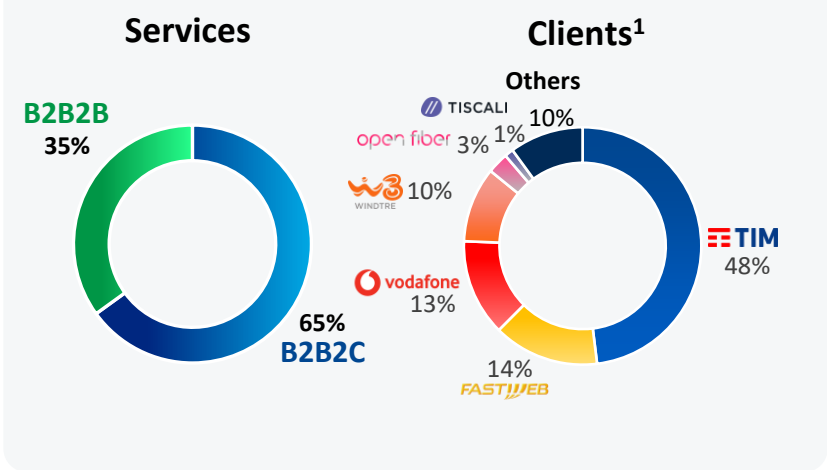


# FiberCop at a Glance

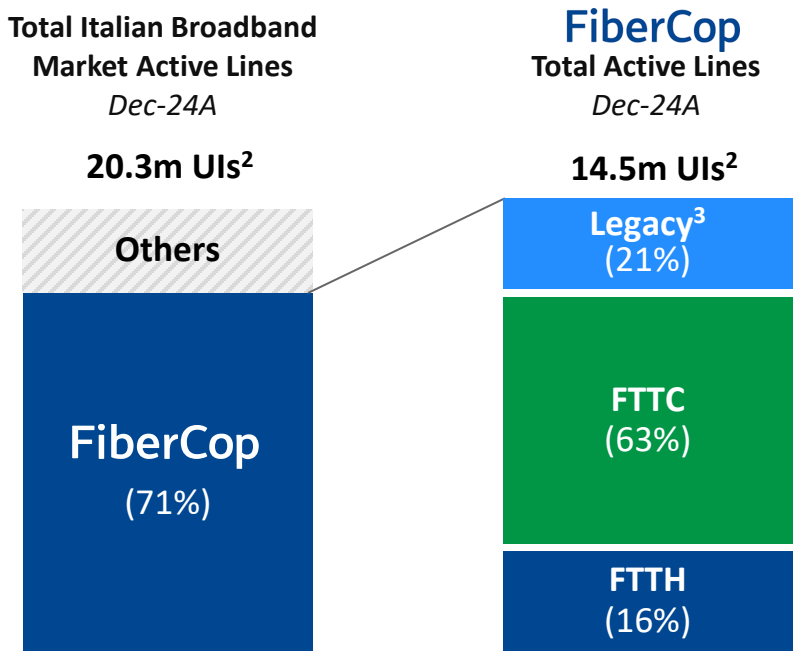
## 2024 PF Key Financials



## Revenue mix (2024PF)



## Leader In Italian Broadband Access Model



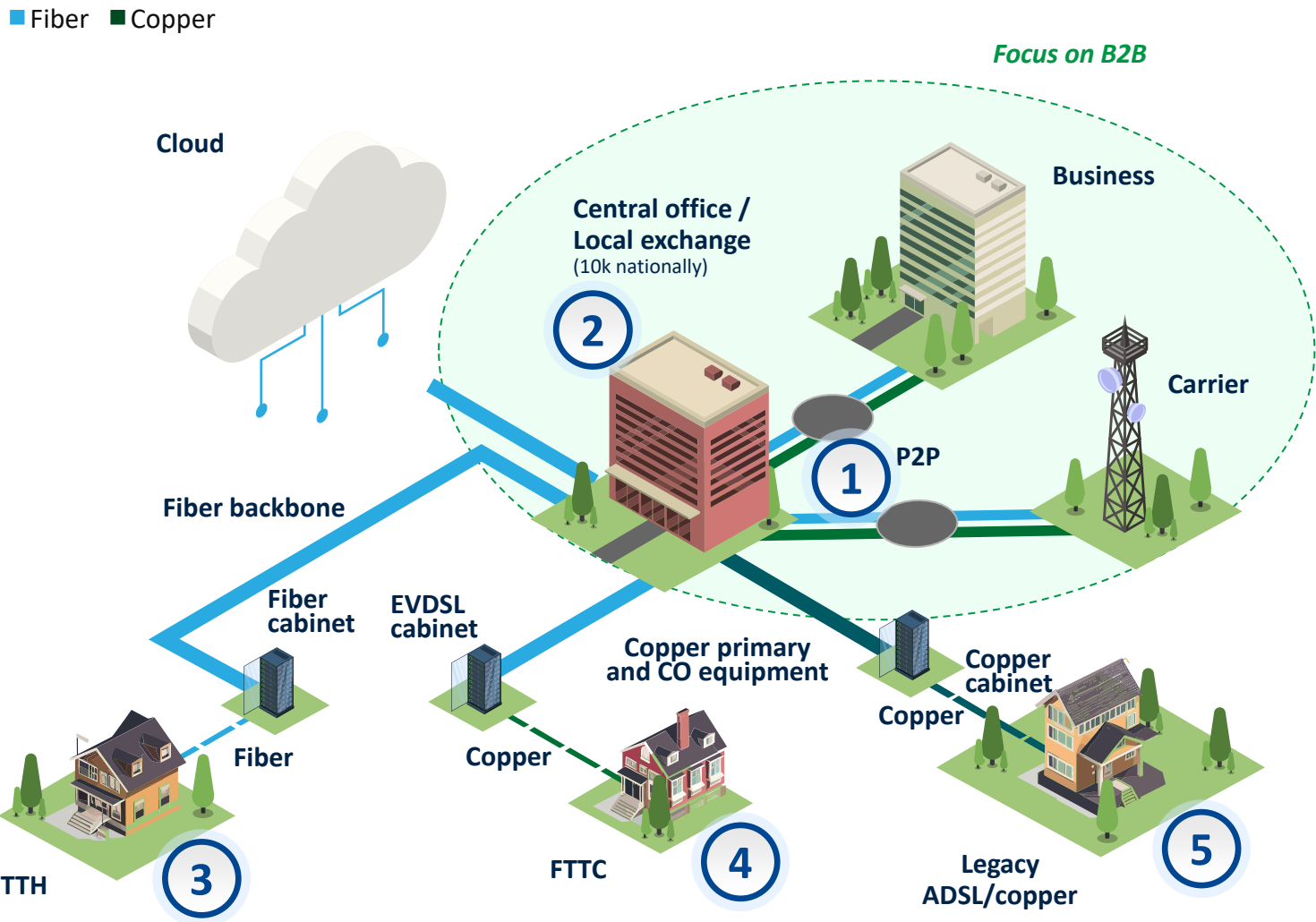
- Leader in Italian fixed broadband access market
- The market still sees a strong FTTC presence where FiberCop is the exclusive nationwide provider, ensuring strong and resilient cash flows
- Building out 20.3m UIs<sup>2</sup> FTTH network coverage (already 60% complete) to capture mid-term migration to future-proof technology
- Already capturing 59% of FTTH net adds<sup>4</sup>

## Materially derisked business

- ✓ Since separation from TIM in July 2024 the business has been substantially derisked:
  - Very complex carve out achieved with no operational disruption
  - Largely renewed 1<sup>st</sup> line of management selected from best-in-class managers
  - Full access to company information as basis for management and business planning
- ✓ Efficiencies implemented at Dec-24 for over €100m+ at full year run-rate: HR initiatives, legacy network decommissioning, real estate and IT optimization
- ✓ Strong acceleration since July 24 in FTTH rollout reaching 60% of long target UIs at Dec-24 – confidence on cost and timing of rollout
- ✓ Financial performance of both FY24 and Q1'25 in line with original shareholder targets

# FiberCop has a pervasive multi-technology network with diversified Access and B2B services

Schematic overview of FiberCop's network across technologies



## Key fixed network infrastructure revenue drivers

- 1 Backbone & Business Connections**  
New high-capacity backbone network and existing connectivity assets (e.g. dark fiber and services for businesses)
- 2 Underlying Infrastructure**  
Among others central offices, poles, ducts where FiberCop is the sole provider of B2B services in vast majority of cases  
Central office is the final node of the network infrastructure where all the traffic is aggregated. To be partially switched off as part of legacy decommissioning plan
- 3 FTTH  
Fiber to the home**  
Fiber connections from local exchange to individual premises
- 4 FTTC  
Fiber to the cabinet**  
Fiber connections to street cabinets and (short) copper connection to individual premises
- 5 Legacy (ADSL/copper)  
Asymmetric digital subscriber line**  
Enables data transmission on all-copper network. To be decommissioned in the mid-term with significant cost savings



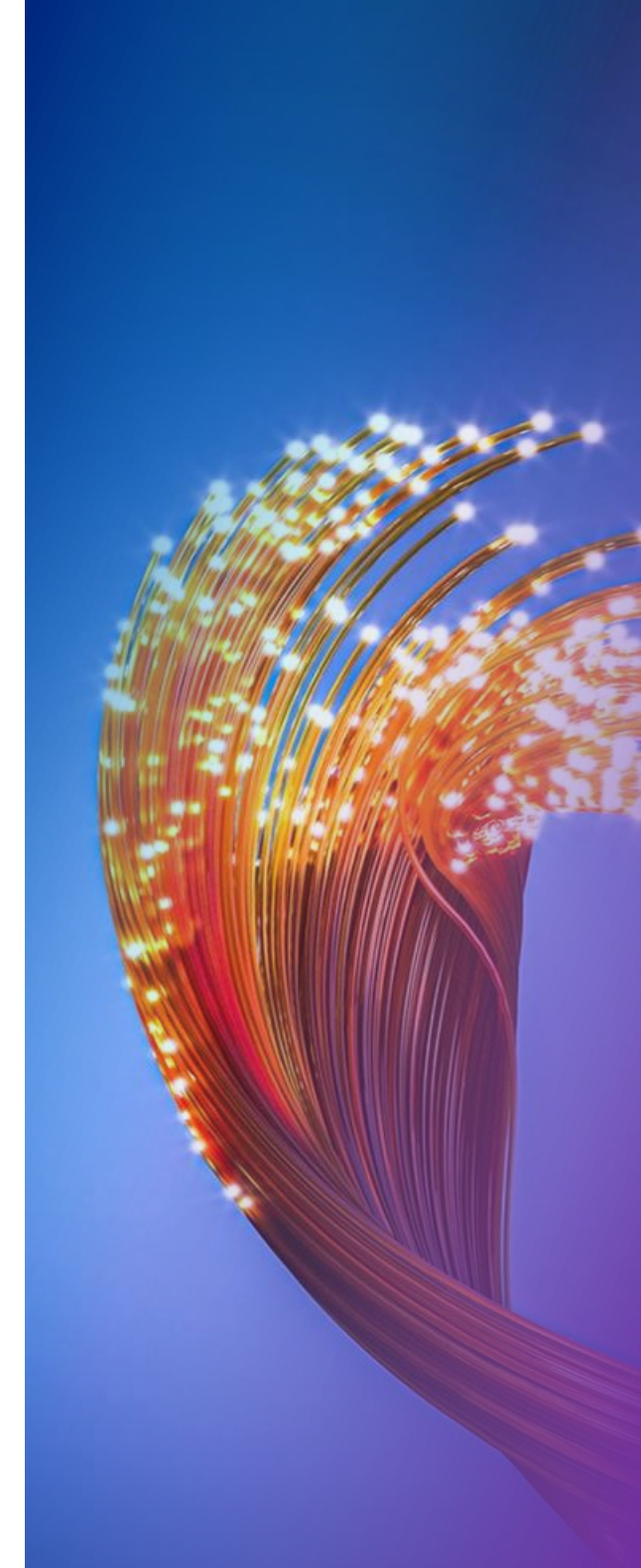
# FiberCop

## 2 | Key credit highlights



## National digital champion with multi-technology presence across 31 million UIs in Italy

- 1 >> Highly attractive Italian broadband market with structural tailwinds characterized by robust structural drivers and demand trends with favourable competitive dynamics |
- 2 >> Leading national fixed broadband infrastructure provider with limited prospect of FTTH overbuild |
- 3 >> Predictable and stable pricing dynamics and arrangements |
- 4 >> Well diversified revenue in terms of services and clients |
- 5 >> Significant scope for cost savings and opex optimization |
- 6 >> Clear and derisked FTTH rollout plan with robust drivers of underlying growth and secure cashflow profile |
- 7 >> Fully committed and supportive blue-chip shareholders including the Italian government and KKR alongside a fully built-out high-quality management team |



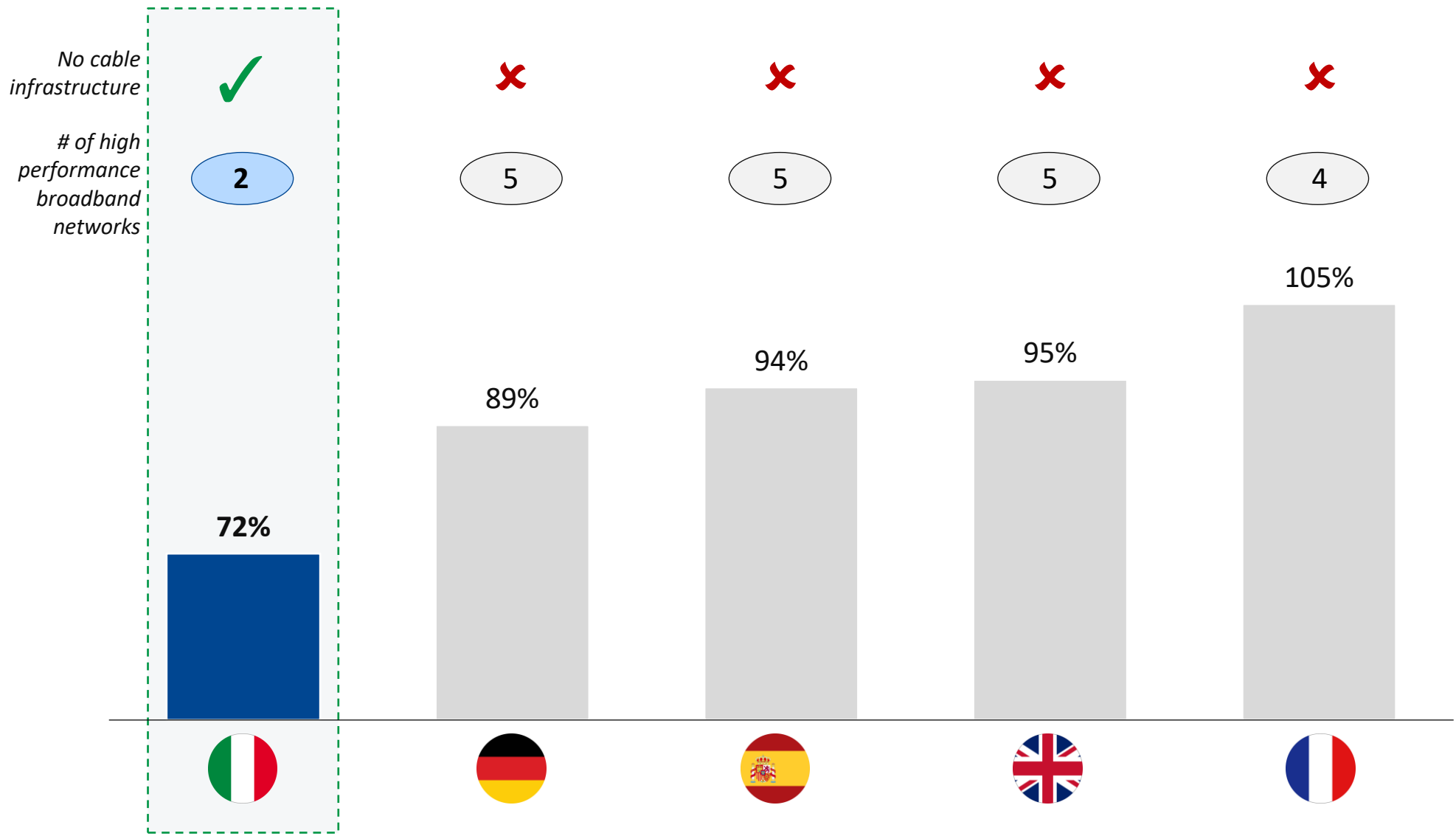


# 1 Italian broadband market has robust structural tailwinds with favourable competitive dynamics

*Italian broadband market still relatively underpenetrated vs comparable EU countries along with a lack of competing cable infrastructure and only two scaled network operators providing a favourable backdrop*

- ✓ Critical infrastructure
- ✓ Unrivalled network
- ✓ Market structure
- ✓ Cashflow visibility

Fixed broadband penetration by country (2024A, % of households)



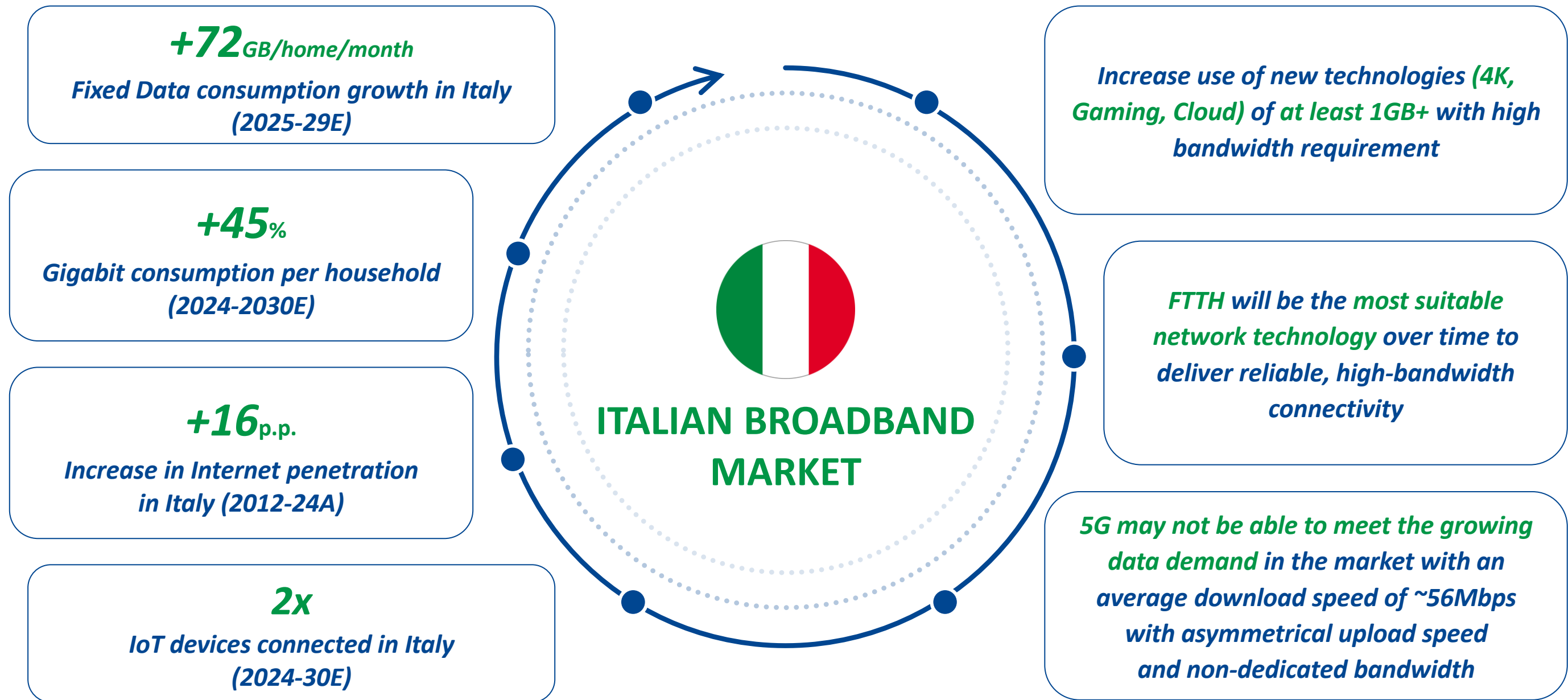
## Market characteristics

- ✓ Scope for broadband growth, since Italy is distinctively underpenetrated in broadband vs other main European markets (~24p.p. lower<sup>1</sup>)
- ✓ One of the few European market with no cable infrastructure making FTTC and FTTH the only available high performance fixed broadband technologies
- ✓ Pricing dynamics favoured by lower number of competitors

**1** Italian broadband market has robust structural tailwinds with favourable competitive dynamics

*Increasing adoption of connected devices and data intensive applications are driving growth in data traffic and demand for Gigabit technologies*

- ✓ *Critical infrastructure*
- ✓ *Unrivalled network*
- ✓ *Market structure*
- ✓ *Cashflow visibility*





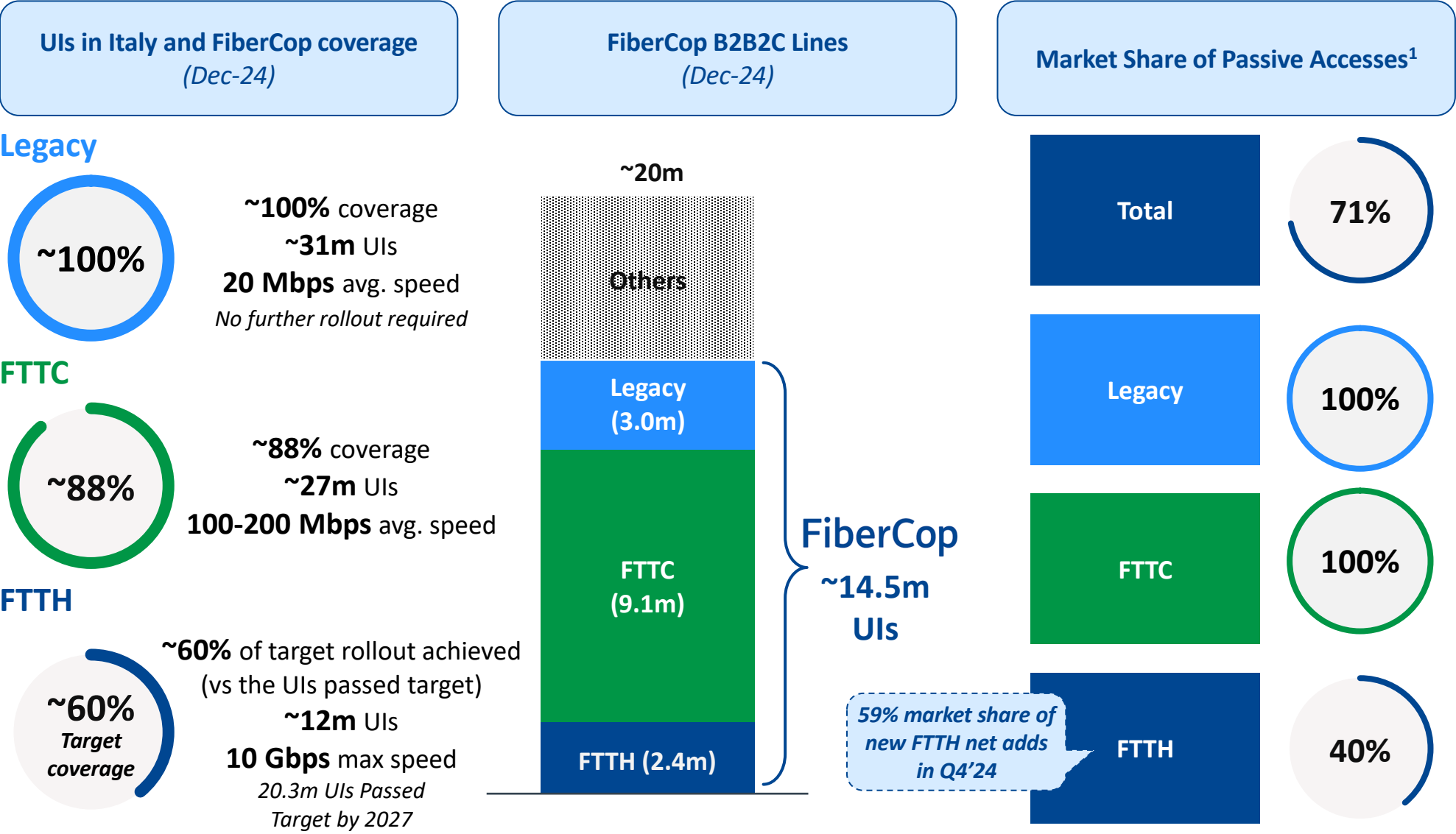
## 2 Leading national fixed broadband infrastructure with limited prospect of FTTH overbuild

*Deeply established and widespread nature of FiberCop's nationwide fixed infrastructure makes it difficult to replicate*

B2B2C  
65%

- ✓ Critical infrastructure
- ✓ Unrivalled network
- ✓ Market structure
- ✓ Cashflow visibility

### FiberCop's fixed lines market accesses



### Key highlights

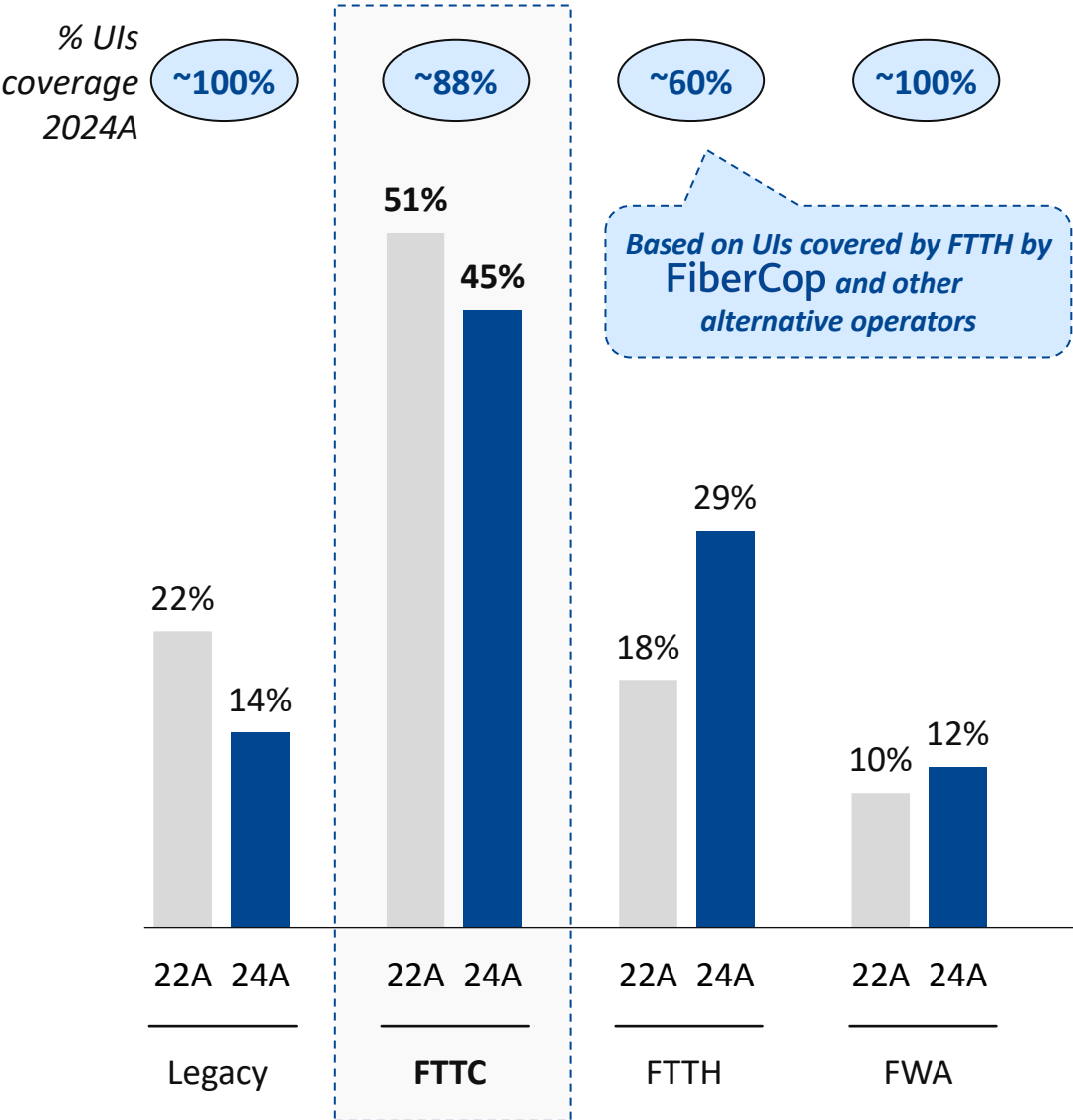
- ✓ Leading wholesale Access service volume share of 71% of total market lines as of 2024A
- ✓ Sole nationwide FTTC network which is resilient and a key source of cashflows
- ✓ Committed to FTTH rollout operator but agnostic and protected by other technologies against low take up in FTTH
- ✓ Strong market share in FTTH with ~60% share of net adds and total FTTH share of market growing ~5% annually
- ✓ Historic infrastructure with broad scope (ducts, central offices) is unrivalled and the basis of significant B2B business

## 2 Leading national fixed broadband infrastructure with limited prospect of FTTH overbuild

*FTTC positioned as a viable broadband technology in the medium-term as Italy gradually transitions to FTTH*

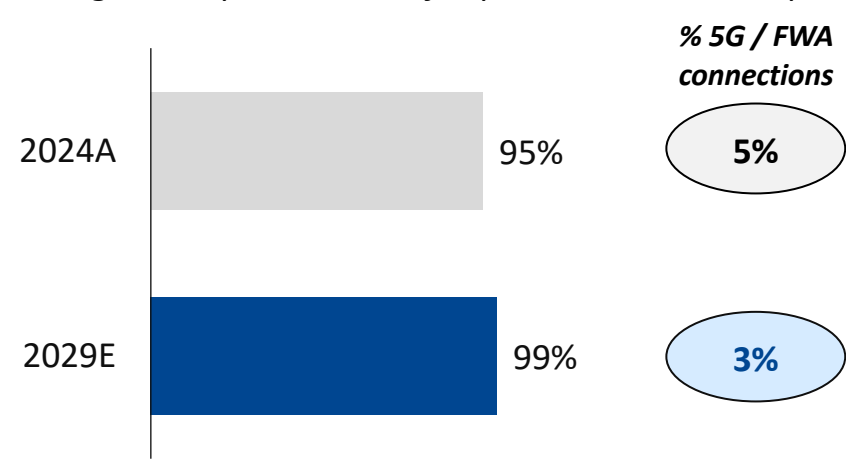
- ✓ Critical infrastructure
- ✓ Unrivalled network
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- ✓ Cashflow visibility

Connections in Italy by technology (2022A vs 2024A)

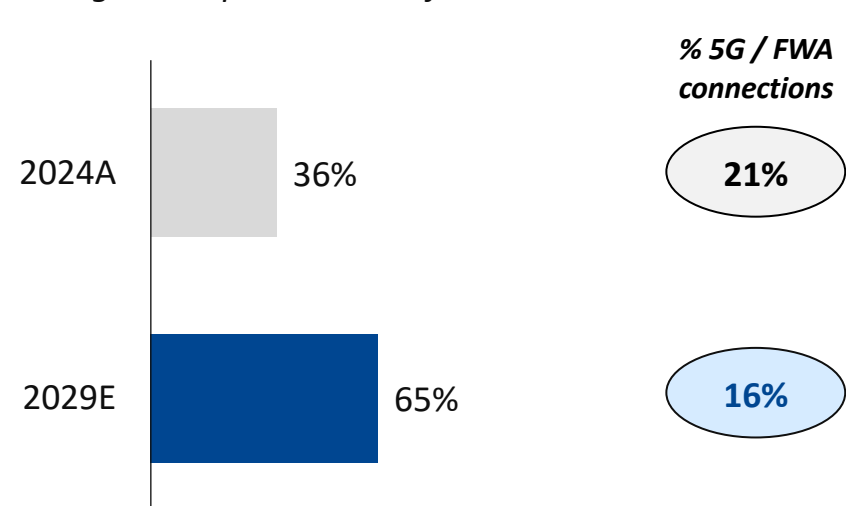


### Countries with high FTTH coverage generally have a lower proportion of 5G/FWA connections

Average FTTH penetration of Top 5 countries in Europe



Average FTTH penetration of Bottom 5 countries in Europe



### Key highlights

- ✓ FTTC in Italy provides an attractive download speed of 100-200Mbps vs average 5G download speed of ~56Mbps
- ✓ FTTC has remained resilient so far. In the long term, we expect FTTC to remain viable in areas outside FTTH coverage areas

### Technology comparison of FTTH vs 5G/FWA

- ✓ FTTH has superior speed, no latency and no bandwidth limitations
- ✓ Potential 5G market consolidation in Italy could lead to market rationalisation
- ✓ FWA generally only has traction in areas where FTTH is currently unavailable

# Leading national fixed broadband infrastructure with limited prospect of FTTH overbuild

Limited economic rationale for new entrant(s) to compete in areas where an existing operator has an established network offering

- ✓ Critical infrastructure
- ✓ Unrivalled network
- ✓ Market structure
- ✓ Cashflow visibility

## Limited risk of new entrant across FiberCop's network footprint

High switching costs and framework agreements further minimise overbuild risk

Black areas

- Majority of Black areas already covered by FiberCop and alternative operators FTTH network
- Framework agreements already in place with major customers
- Limited risk of further new entrants

Commercial Grey areas

- More challenging economics for new entrants will likely limit the extent of overbuild
- First mover advantage

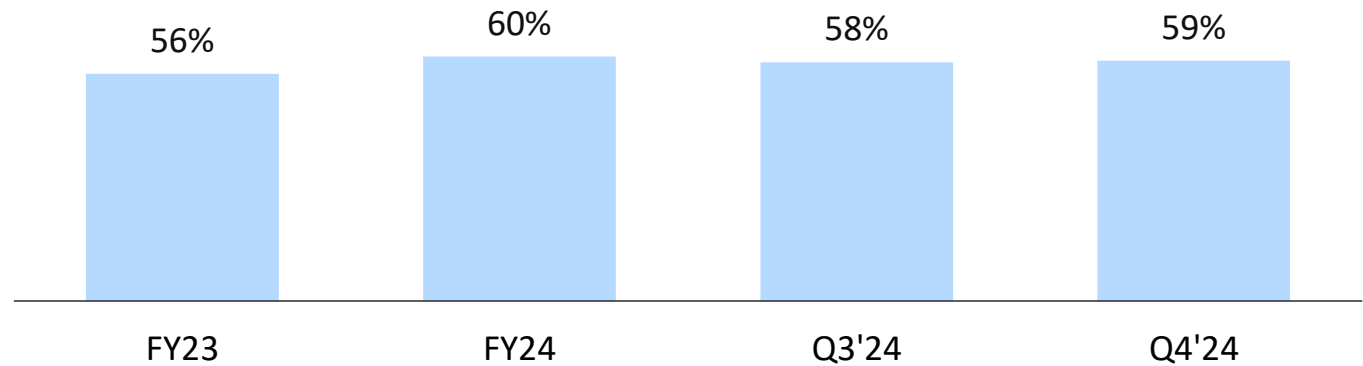
Subsidy areas (PNRR + BUL<sup>1</sup> areas)

- Covered under 1 Giga Italy concession plan
- Not economically feasible to roll-out in the area without subsidies

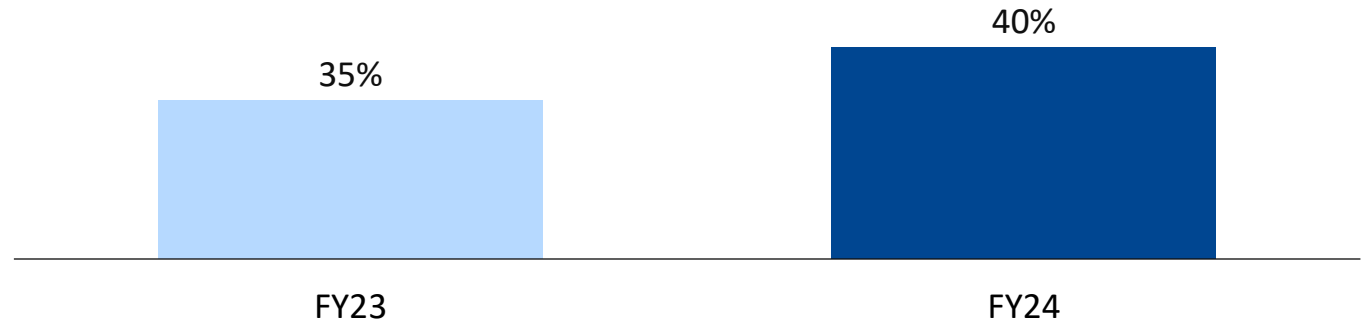
In all areas, FiberCop continues to be a sole provider of high performance FTTC and other fixed line technologies

## Market share in FTTH expected to rise beyond ~60% as FiberCop FTTH coverage expands

Market share of FTTH net adds (%)



FTTH active lines market share (%)



7 consecutive quarters of >50% market share of FTTH net adds

## 2 Leading national fixed broadband infrastructure with limited prospect of FTTH overbuild

*A significant portion of FiberCop's broadband footprint has limited current overbuild*

- ✓ Critical infrastructure
- ✓ Unrivalled network
- ✓ Market structure
- ✓ Cashflow visibility

	Subsidy areas					
	Black areas	Commercial grey areas	PNRR FiberCop	Other operator exclusive areas <i>PNRR + white</i>	Other white areas	Total
Description	High competition areas with 2+ major operators with an extensive proprietary FTTH infrastructure	Lower competition areas where FiberCop expected to be the only major operator with proprietary FTTH infrastructure	PNRR lots assigned to FiberCop post walk-in	PNRR lots and UIs with BUL tenders assigned to alternative operators	Other areas where no operator has an extensive FTTH coverage <sup>1</sup>	-
FC access technologies	FTTH, FTTC, Legacy	FTTH, FTTC, Legacy	FTTH, FTTC, Legacy	FTTC, Legacy	FTTC, Legacy	
FiberCop FTTH strategy	Steady increase in few areas not yet covered by FiberCop	Accelerate rollout in the region as limited rationale for FTTH overbuild	Complete roll-out by Jun-2026 in line with government targets	Not part of FiberCop’s rollout with existing technologies providing broadband coverage		
Total UIs	7.1m UIs	12.5m UIs	2.0m UIs	7.5m UIs	2.1m UIs	31.2m UIs <i>Total BB market</i>
FTTH rollout plan	FiberCop’s FTTH rollout focus (~20.3m UIs)					
	Current UIs	5.2m UIs	5.6m UIs	1.2m UIs	0.2m UIs	-
Target UIs by 2027	7.1m UIs	11.2m UIs	2.0m UIs	-	-	20.3m UIs

*FiberCop's FTTH rollout focus (~20.3m UIs)*

### Key highlights

- ✓ FTTC will remain available for users who have not decided to migrate to FTTH
- ✓ Other FiberCop technologies provide a natural hedge during the FTTH transition period
- ✓ FiberCop targets 2/3<sup>rd</sup> of Italian market to FTTH rollout and areas currently not targeted are deemed to have low take up and negative returns

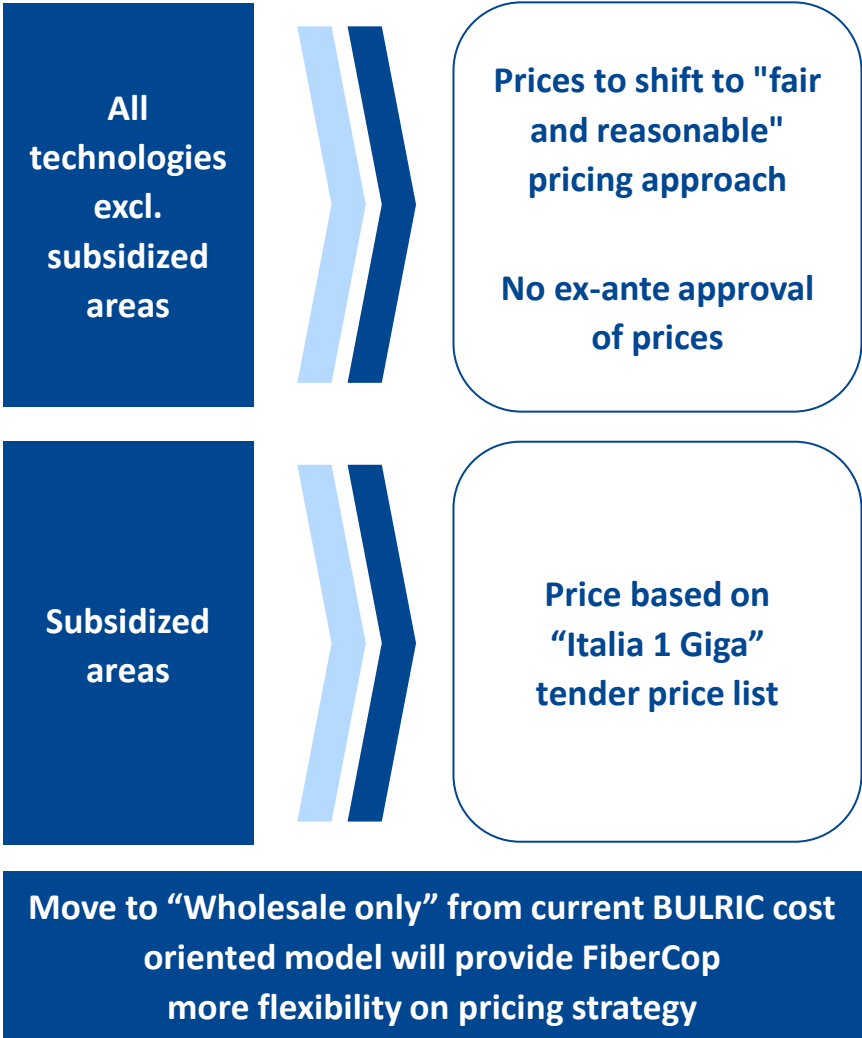


### 3 Supportive and reasonable pricing arrangements

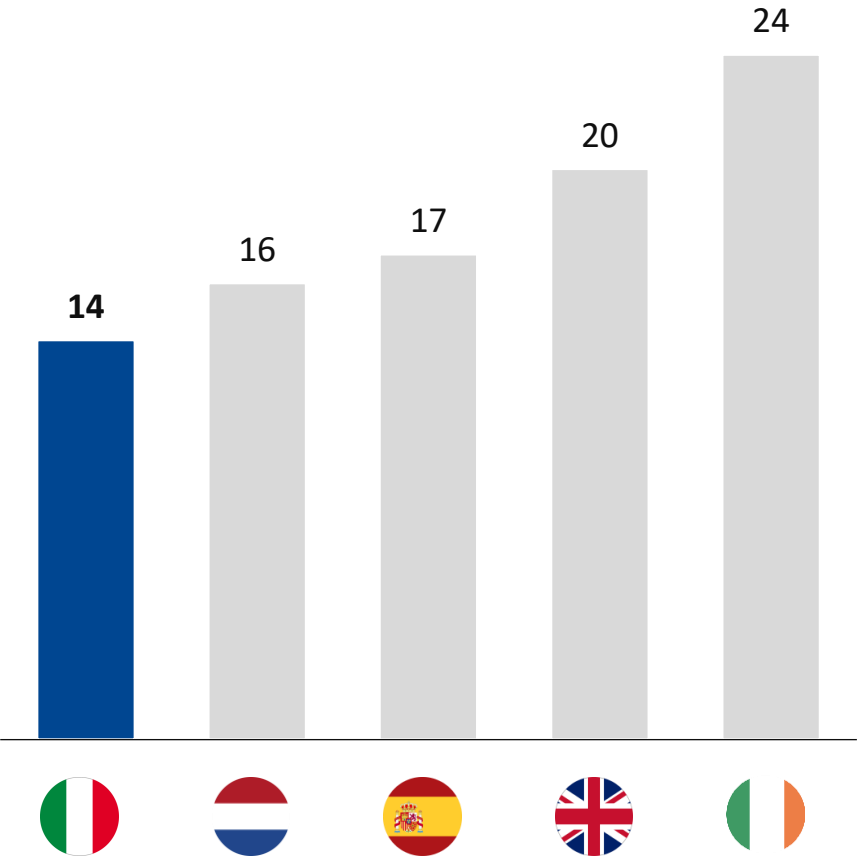
*Plans to shift to “wholesale only” regulatory model in the near-term will reduce regulatory restrictions on pricing across technologies allowing more flexibility to implement a commercial approach to pricing*

- ✓ Critical infrastructure
- ✓ Unrivalled network
- ✓ Market structure
- ✓ Cashflow visibility

#### Overview of pricing by technology and area (“wholesale only”)



#### FTTH access prices across Europe (€/month/line)<sup>1</sup>



Lowest FTTH prices vs other main European markets disincentives further price competition

#### Procedure ongoing to qualify as “wholesale only” provider

- ✓ Ex ante model based regulated prices would fall away on all technologies and regions
- ✓ Prices to remain “fair and reasonable”
- ✓ Flexibility potential from current applied regulated prices

#### Applicable commercial agreement

- ✓ Long-Term MSA making FiberCop the exclusive provider to TIM in respect of all fixed access services and certain other services at fixed contractual prices for FTTH
- ✓ B2B access services largely unregulated

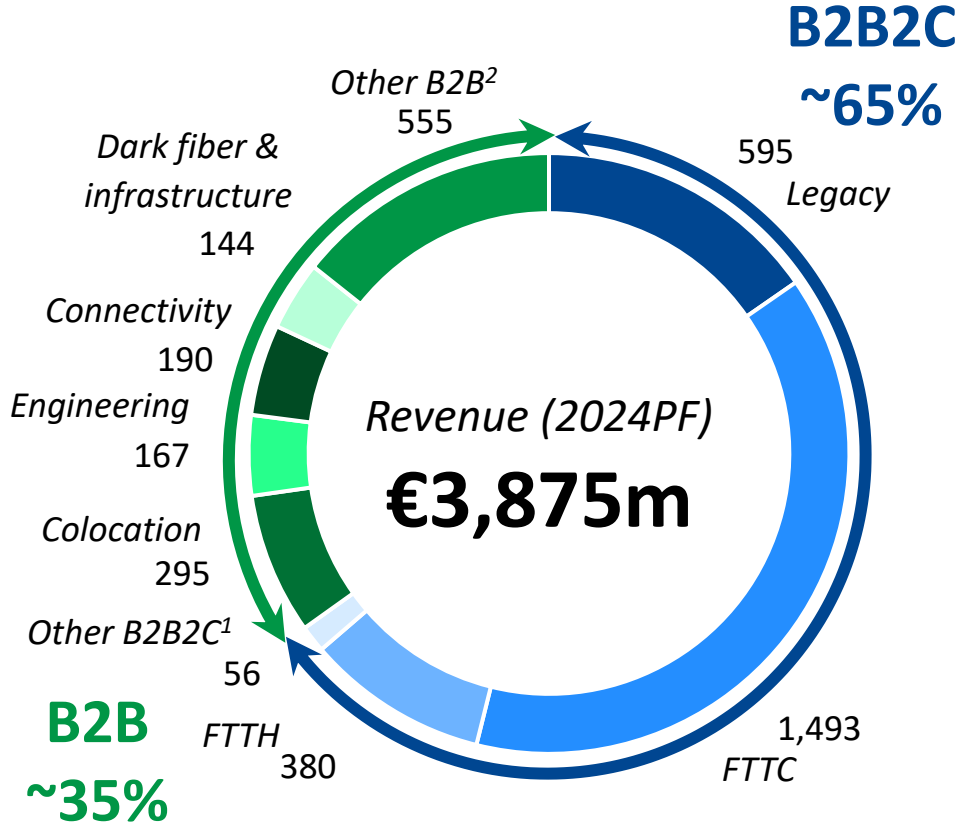
# 4 Well diversified network in terms of services and clients

*Broad range of wholesale products drive diversification of revenue streams*  
*FiberCop operates as an open access network having the ability to work with all operators in Italy without any conflicts*

- ✓ Critical infrastructure
- ✓ Unrivalled network
- ✓ Market structure
- ✓ Cashflow visibility

Highly diversified revenue streams providing derisked long term revenue visibility

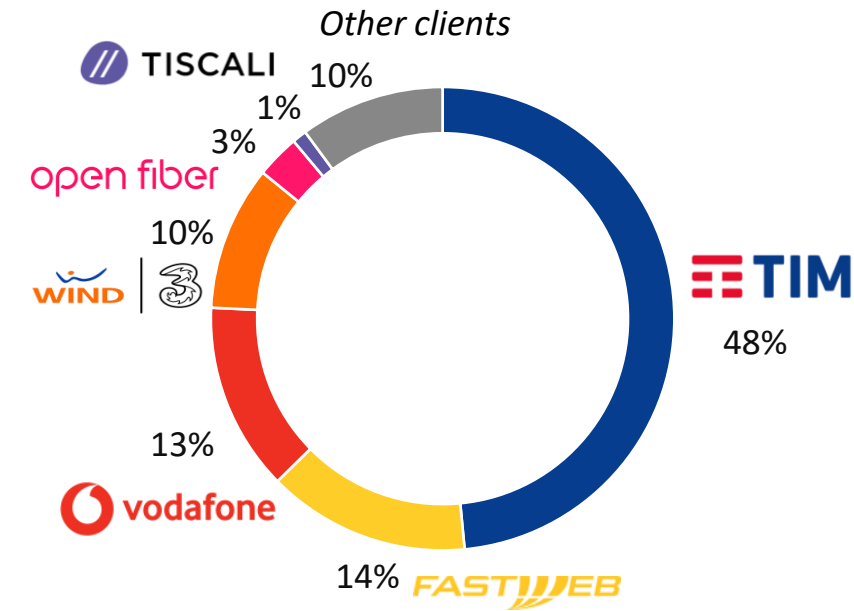
Revenue breakdown by segment (€m, 2024PF)



B2B already represents over 35% of revenues with a high growth rate (+6% in PF 2024)<sup>3</sup>

FiberCop has a large and diversified customer base...

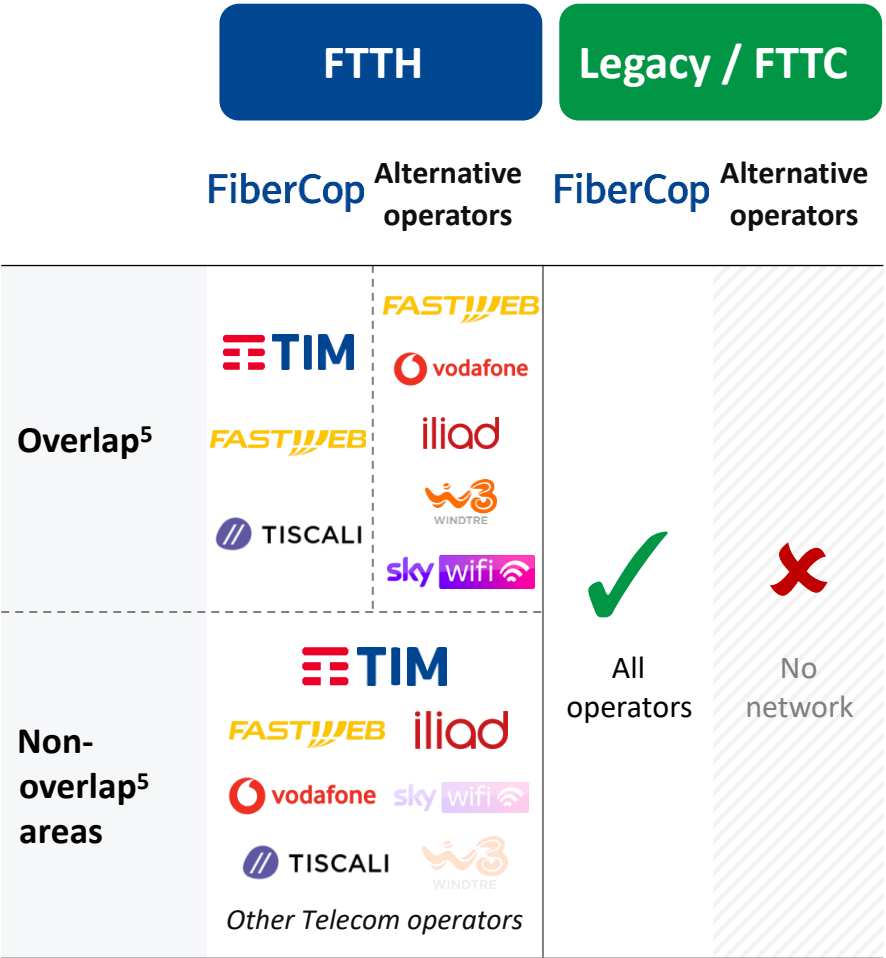
Total Revenue split for clients excluding engineering services from TIM<sup>4</sup>



FiberCop has ~14.5m (Dec-24) accesses catering to ~60m Italians across all operators resulting in large and stable cash flows

Long-term framework agreements with major retail operations in the Italian market provide high visibility on long-term cashflows

... ensuring a large footprint across areas

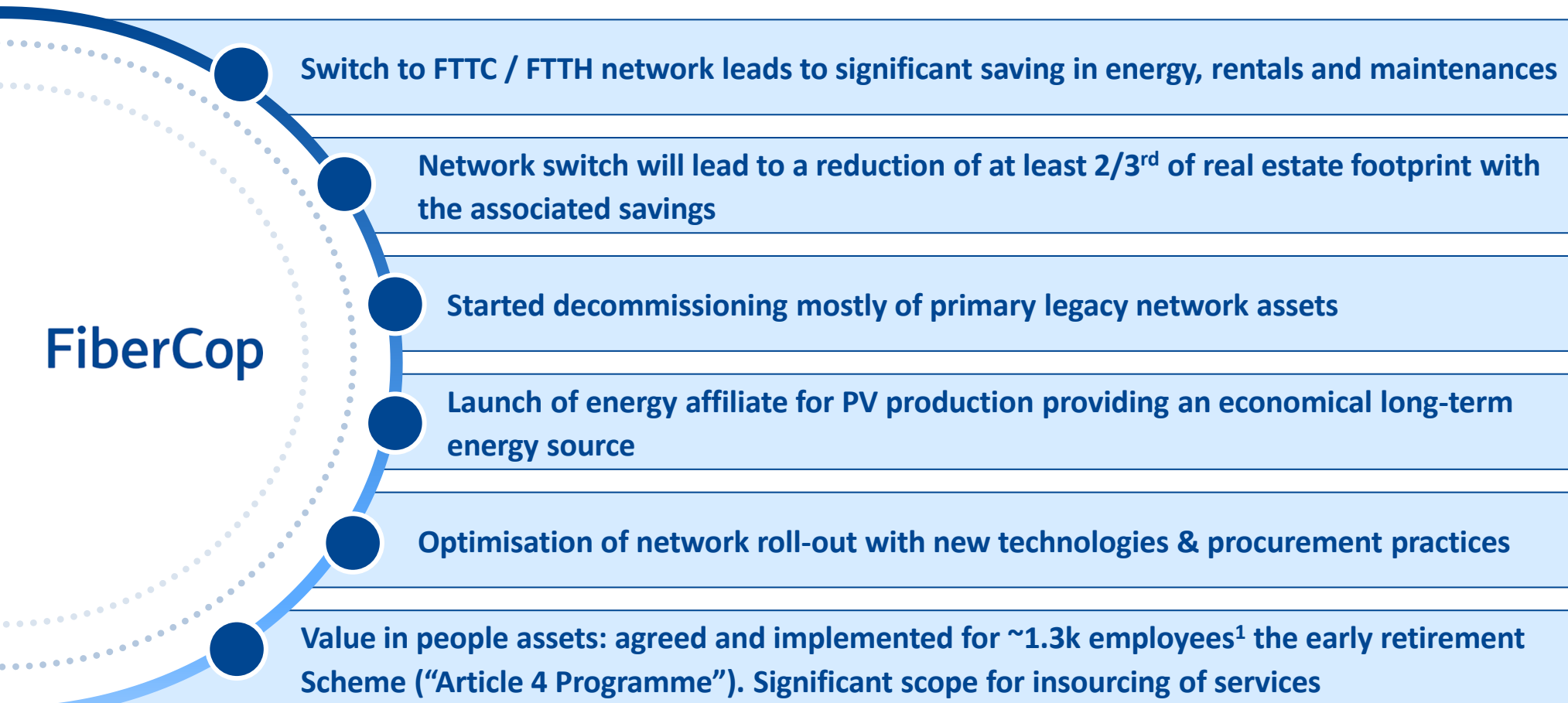


## 5 Significant scope for cost savings and opex optimization

*Cost initiatives and efficiencies of ~€100m+ annual run-rate already implemented*

- ✓ Critical infrastructure
- ✓ Unrivalled network
- ✓ Market structure
- ✓ Cashflow visibility

Cost initiatives and efficiencies having started in July 2024



### Key highlights

- ✓ Short-term savings realised in the first 6 months through efficiencies in labour, rental and vehicle leasing costs
- ✓ Attractive Organic EBITDA / EBITDAaL margin of 57% / 48% with scope for pricing upside and materialisation of efficiencies
- ✓ Expected optimisation of all opex costs
- ✓ Majority of opex savings driven by legacy decommissioning which is expected to be completed by 2028 at the latest

Quick launch of value creation initiatives implemented in 2024 has led to run-rate efficiencies of ~€100m+ annual EBITDA savings starting from 2025

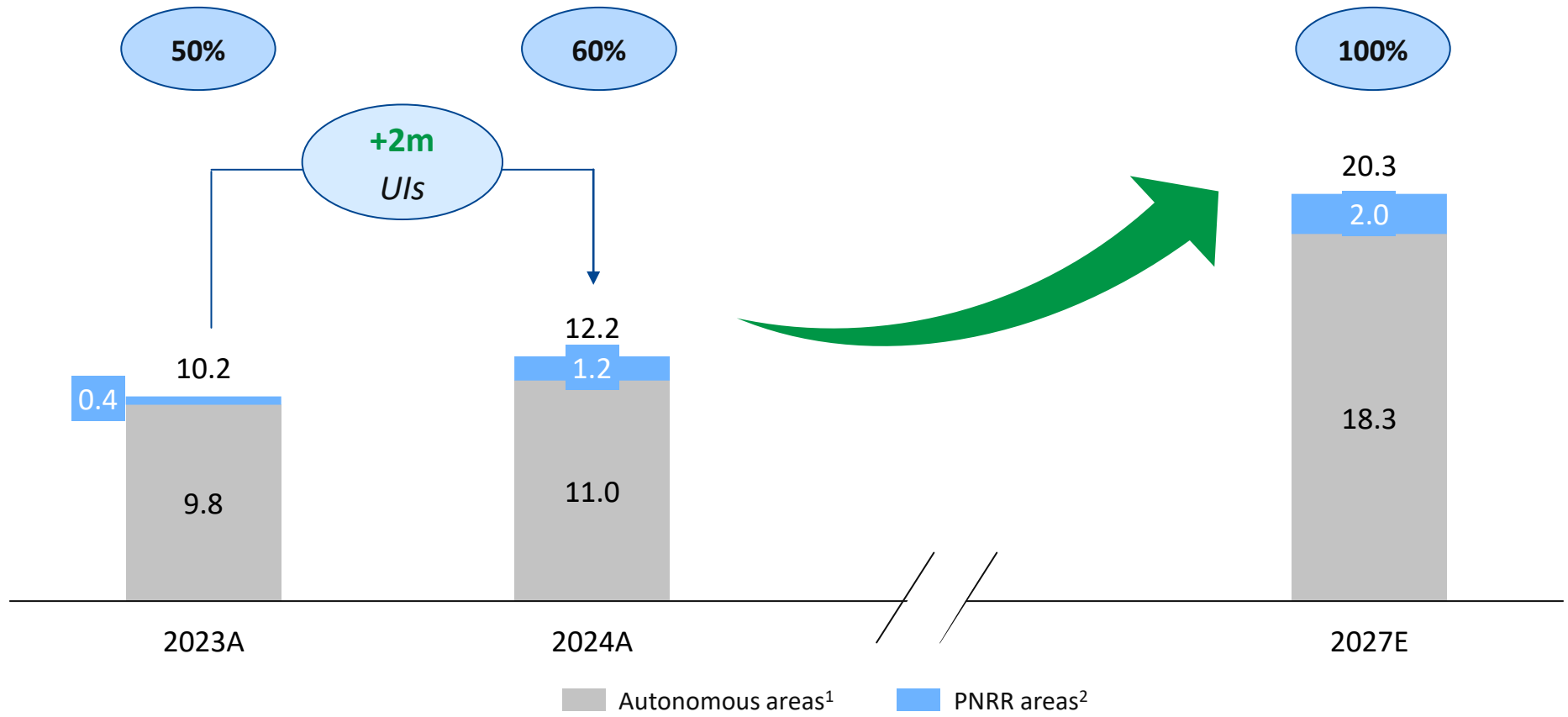
# 6 Clear and derisked FTTH rollout plan with robust drivers of underlying growth and secure cashflow profile

High confidence in completing 20m Uls FTTH target by 2027 with fully controlled unit cost

- ✓ Critical infrastructure
- ✓ Unrivalled network
- ✓ Market structure
- ✓ Cashflow visibility

## National FTTH coverage target (million Uls)

FTTH rollout completion (%)



## Key highlights

- ✓ On track to complete the FTTH roll-out by 2027 with 60% of the target already completed
- ✓ Well-optimised roll-out machine with optimised FTTH capex
- ✓ Well on track to deliver PNRR areas coverage (~58% covered as of Apr-25 on the 1G PNRR areas)

Fast progress in FTTH rollout with ~60% of 2027 target achieved to date  
– remaining rollout significantly derisked

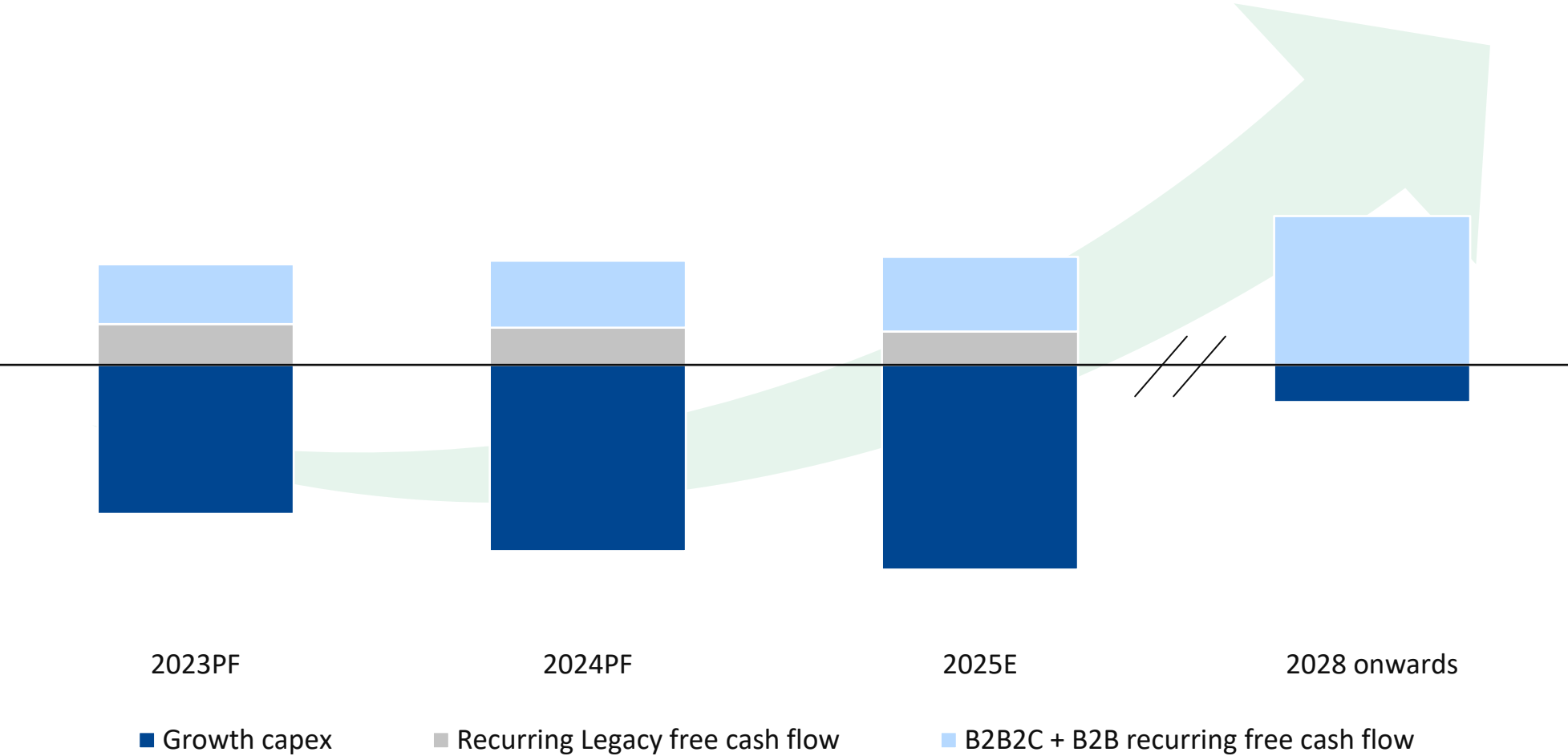


# 6 Clear and derisked FTTH rollout plan with robust drivers of underlying growth and secure cashflow profile

Clear visibility on shift to strong free cash flow generation after 2027

- ✓ Critical infrastructure
- ✓ Unrivalled network
- ✓ Market structure
- ✓ Cashflow visibility

## Predictable and resilient cash flows



## Key highlights

- ✓ Free cash flow to grow significantly and largely driven by opex savings and moderate revenue growth
- ✓ Growth capex will be completed by 2027
- ✓ Efficiencies expected with FTTC and FTTH requiring less opex and maintenance capex compared to Legacy

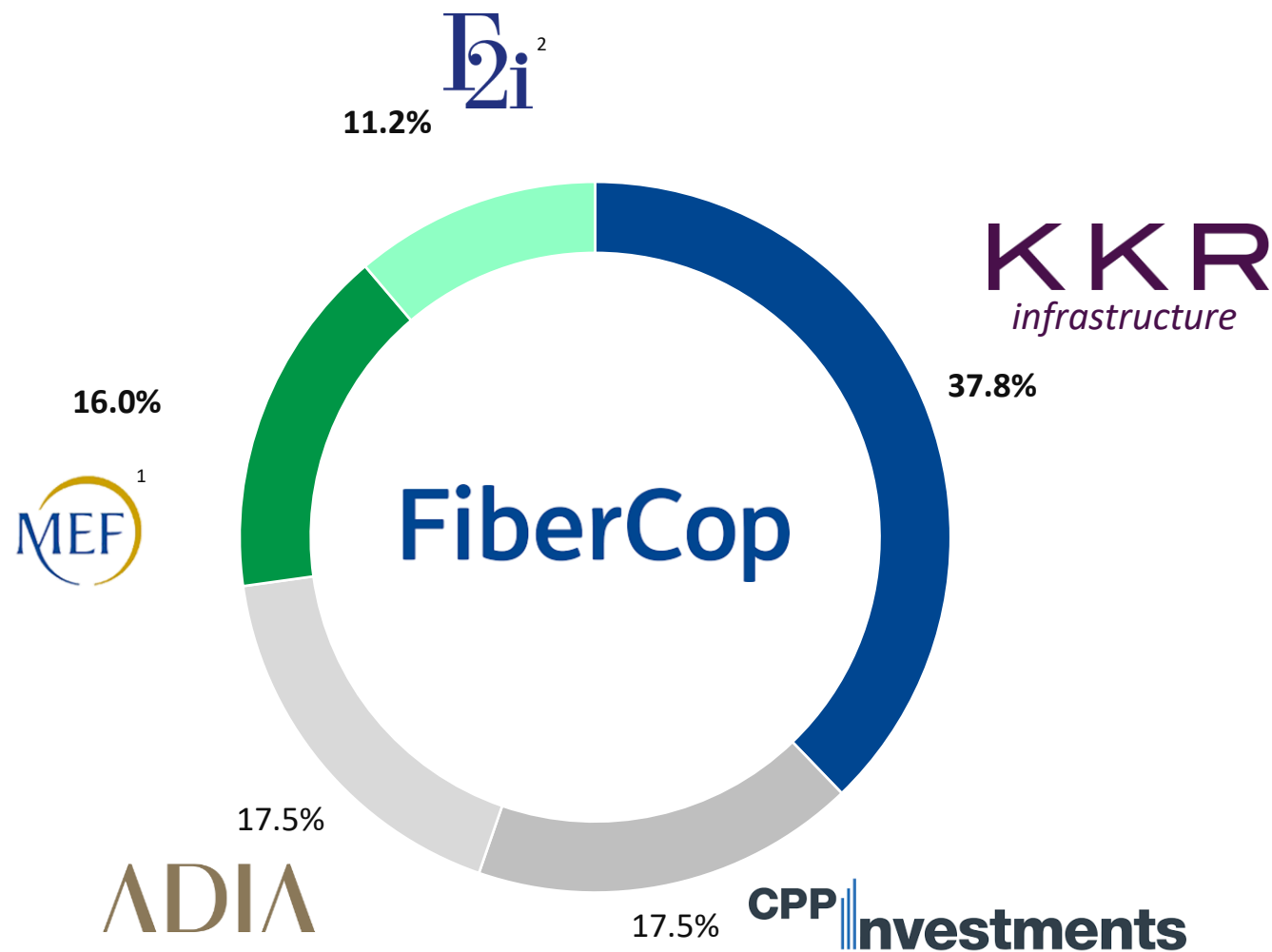
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# Fully committed and supportive blue-chip shareholders in Italian government and KKR

Strong Italian government participation (~16% ownership) in FiberCop through the presence of MEF as a shareholder, committed to ensuring a successful digitisation of Italy

- ✓ Critical infrastructure
- ✓ Unrivalled network
- ✓ Market structure
- ✓ Cashflow visibility

FiberCop shareholding structure



## Benefits of blue-chip infra funds as a shareholder for FiberCop

- ✓ Unique track record of FTTC/FTTH investments and delivering accelerated FTTH rollouts
- ✓ Strong experience of managing FTTC/FTTH networks and infrastructure in Italy

## Supportive state environment

- ✓ Strategic alignment on rapid fiberisation and ensuring access to gigabit technology across Italy
- ✓ Recent change in roll-out completion condition from “100% completion” to “80% completion” for granting of subsidies in 1 Giga tender areas

Strong commitment from FiberCop shareholders with ~€10bn in total equity investment

7 Fully committed and supportive blue-chip shareholders in Italian government and KKR  
*FiberCop has put together a high-quality management team to execute on its future strategy*



**Massimo Sarmi**  
Chairman and CEO

*Confirmed until 2026  
financials' approval*



**Simone Bonannini**  
Chief Revenue &  
Data Officer



**André Rogowski**  
Chief Financial Officer



**Stefano Paggi**  
Chief Technology &  
Operations Officer



**Alberto Boffelli**  
Chief Corporate Officer



**Riccardo Busani**  
Chief Strategy Officer

1<sup>st</sup> line managers fully in place, with top 5 in a management committee presided by Chairman/CEO representing a fully renewed world class management team  
Top 250 management and especially C-level have committed to a very material equity investment in the company

x Industry experience

# FiberCop ESG Highlights

Objectives subject to final approval

## ENVIRONMENT

### Achievements

- **Climate targets**

Near-Term:

Reduce Scope 1 & 2, and key Scope 3 emissions in line with the 1.5° C pathway

Long-term:

Achieve net-zero emissions across the entire value chain in alignment with the goals of the Paris Agreement

- Roll-out and deployment of the sister company, **EnerCop** - focused on the production of energy from solar sources
- **Policy:** Environmental Policy
- **SBTi**<sup>1</sup> submission with public commitment

### Action Plan

- ✓ Validate targets to SBTi by 2025
- ✓ Certify by 2025 with ISO 14001, ISO 50001 ISO 14064

## SOCIAL

### Achievements

- Engagement Survey with 85% employee participation
- Work-life balance, Training and Development
- Gender Equality **Steering Committee**
- Health & Safety **Steering Committees**
- **Policies:** Human Resources and Equal Opportunities; Gender-based harassment, sexual harassment, and bullying; Health & Safety Policy
- **Certifications:** ISO 45001 (Occupational Health and Safety Management Systems); ISO 30415 (Diversity and Inclusion); UNI/PdR 125 (Gender Equality)

### Action Plan

- ✓ Improve engagement & inclusion
- ✓ Reduce gender diversity gap
- ✓ Safety campaign – reduce accidents, strengthen prevention culture and minimize lost time injuries <sup>2</sup>
- ✓ Increase FTTH coverage
- ✓ Participate in projects for local communities

## GOVERNANCE

### Achievements

- ESG KPIs into executive incentives (MBO): safety & environment KPIs
- Double materiality analysis shared with BoD
- Voluntary Sustainability Report 2024 (not public)
- Supplier management and screening improvement
- C-level **Management Committee**
- Code of Ethics & Conduct, Organizational Model 231, Whistleblowing procedure
- **Policies:** Anti-Corruption, Privacy and Information Security, Sustainable Procurement procedure
- **Certifications:** ISO 9001 (Quality Management Systems); ISO 37001 (Anti-bribery)

### Action Plan

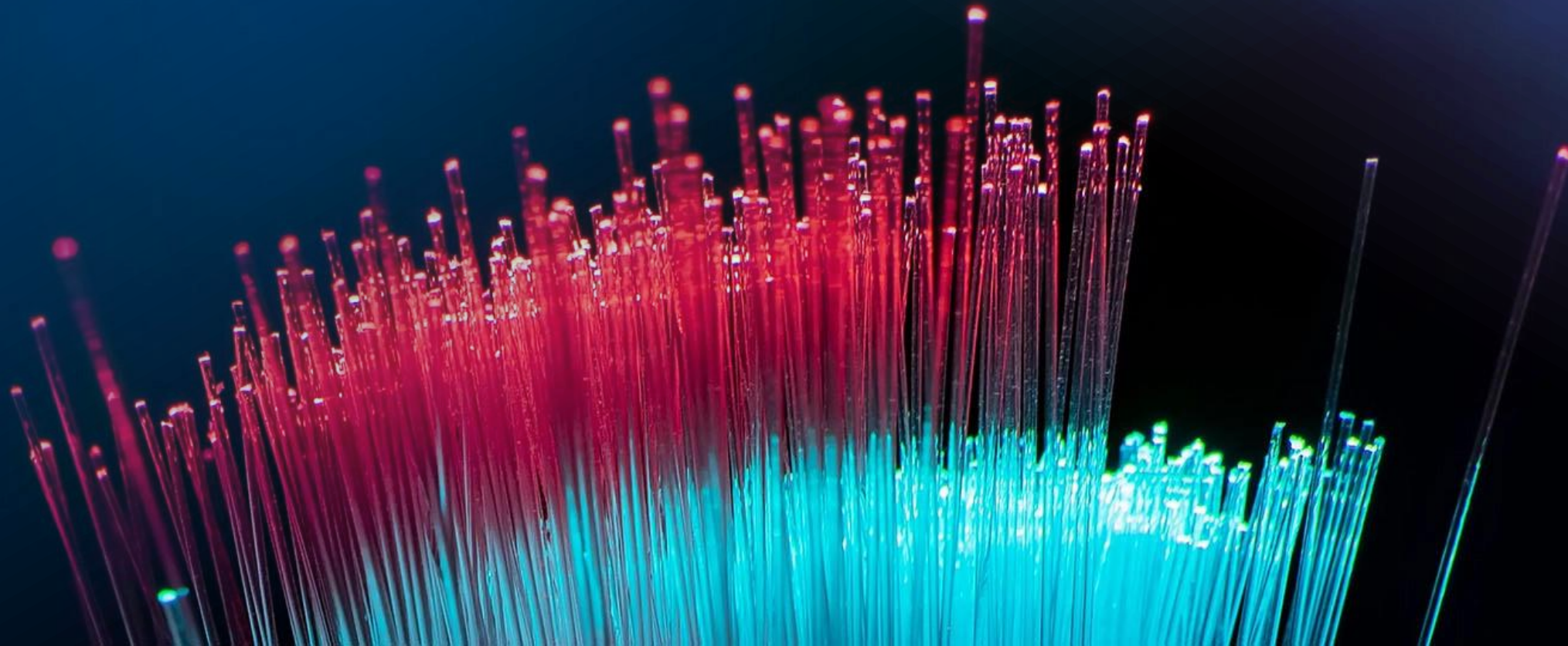
- ✓ 5-Year ESG Strategic Plan embedded in the Business Plan
- ✓ Impact measurement
- ✓ Enhance monitoring suppliers on ESG
- ✓ Define a Supplier Code of Conduct and ensure compliance
- ✓ Certify by 2025 with ISO 20000-1, ISO 22301
- ✓ Initiate gathering data for Sustainability Report 2025

FiberCop is transforming into a sustainability-driven company with 2024 as foundation year and 2025 accelerating value creation



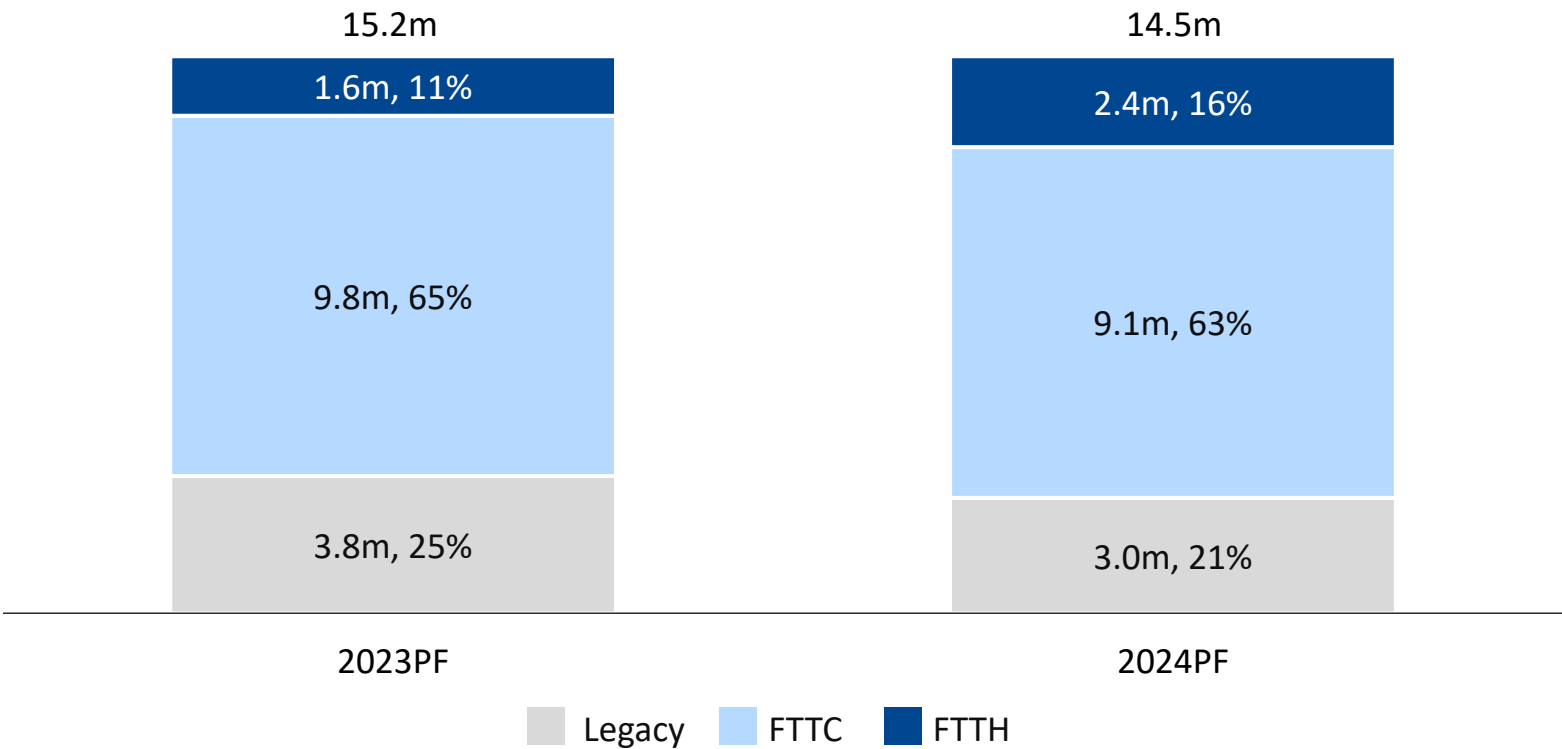
# FiberCop

## 3 | Financial overview update



# Overview of FiberCop's key operating metrics

## Active lines (%)



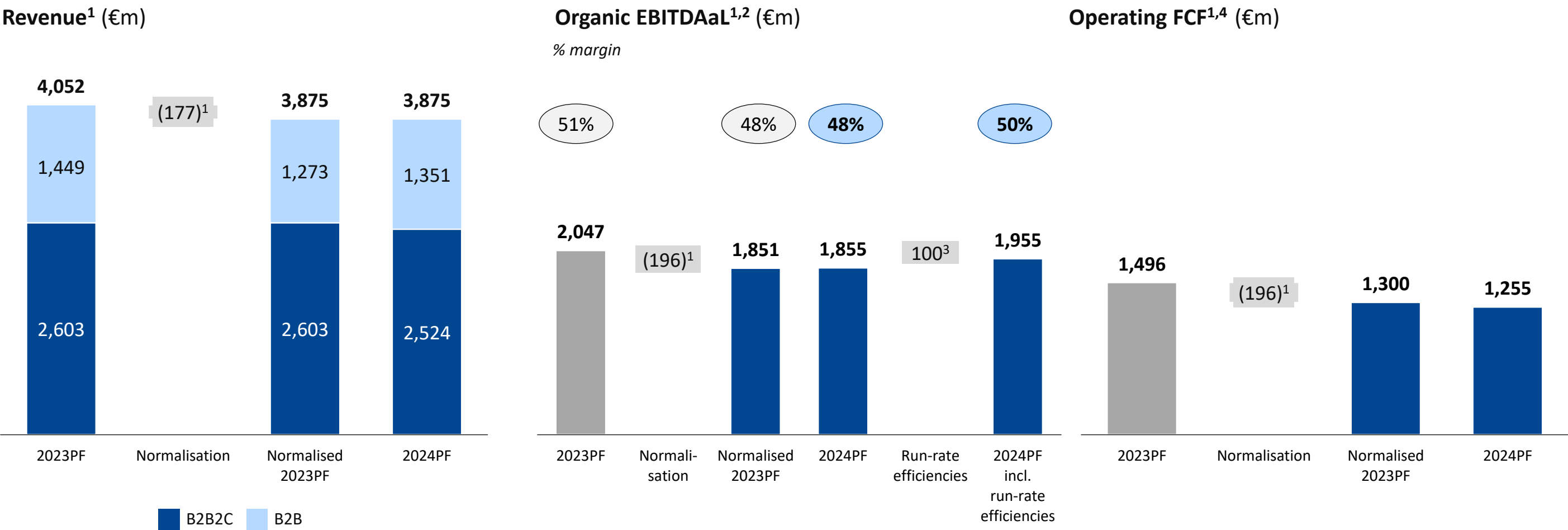
Nationwide broadband coverage with accelerating FTTH rollout

Well-diversified customer split by technology, while FTTC remains resilient

## Key highlights

- **Already achieved 60% of rollout target in FTTH**
- **Net active lines evolution is currently moderately negative**
  - ~20% decline in ADSL / Voice (“Legacy”) which will be soon decommissioned
  - ~7% decline in FTTC which is resilient
  - ~45% increase in FTTH
- **Overall lines decline expected to revert over the next 2 years due to:**
  - **Current migration of Legacy to FWA in areas with no FTTH will be controlled by FTTH rollout**
  - In areas with no FTTH presence, **FTTC is stable showing resilient nature**
  - **FiberCop share of FTTH net adds will continue growing as FTTH coverage grows** (especially where there is no overbuild or where only one other operator is present)
  - **As overall fixed broadband market starts to grow, active lines will also improve** with new net broadband adds
  - **Onboarding of new retail partners focused on value added products**

# Overview of FiberCop's key financial metrics



Revenue and EBITDAaL normalised for one-offs in 2024 were broadly flat

Re-based 2024PF maintenance capex expected to remain stable in the short-term to service FiberCop’s fixed network

## Resilient financial profile with stable top-line and margins

(in €m)	2023PF	Normalised <sup>2</sup> 2023PF	2024PF
B2B2C Access Revenues	2,603	2,603	2,524
B2B Access Revenues	331	331	334
<b>Total Access Services Revenues</b>	<b>2,934</b>	<b>2,934</b>	<b>2,858</b>
<b>Revenues from Other B2B Services<sup>1,2</sup></b>	<b>1,118</b>	<b>941</b>	<b>1,017</b>
<b>Total Revenues<sup>2</sup></b>	<b>4,052</b>	<b>3,875</b>	<b>3,875</b>
Personnel Costs	(864)	(864)	(827)
Energy Related Costs <sup>2</sup>	(301)	(327)	(327)
Other + General & Administration Costs <sup>2</sup>	(471)	(464)	(499)
<b>Total Opex<sup>2</sup></b>	<b>(1,635)</b>	<b>(1,654)</b>	<b>(1,653)</b>
<b>Organic EBITDA<sup>3</sup></b>	<b>2,417</b>	<b>2,221</b>	<b>2,222</b>
Lease costs	(370)	(370)	(367)
<b>Organic EBITDAaL</b>	<b>2,047</b>	<b>1,851</b>	<b>1,855</b>
<i>% margin</i>	<i>51%</i>	<i>48%</i>	<i>48%</i>

### Key highlights

- **Stable top-line** driven by **highly recurring** nature of access services
  - Moderate decline in B2B2C revenues was offset by **further B2B market penetration** with **full-suite of service based on unrivalled infrastructure**
  - **Re-balancing mix of B2B2C access revenues** from Legacy to FTTH
- **Normalised 2023 cost basis** reflecting a one-off adjustment for the infrastructure asset sale to Open Fiber and energy cost normalization
- **Personnel costs** remain under control through **disciplined cost management approach**
- **Stable adjusted organic EBITDAaL margin** of 48% underpinning resilience of FiberCop's business profile
- **Organic EBITDAaL** does **not include the run-rate impact of efficiency initiatives** of €100m

# Disciplined capex requirements support continued cash generation

## Capex overview

(in €m)	FY 2023PF	FY 2024PF	H1 2024	H2 2024
<b>Maintenance capex</b>	<b>551</b>	<b>601</b>	<b>324</b>	<b>278</b>
<i>% total capex</i>	<i>27%</i>	<i>25%</i>	<i>31%</i>	<i>20%</i>
<b>Growth capex</b>	<b>1,482</b>	<b>1,837</b>	<b>707</b>	<b>1,131</b>
<i>% total capex</i>	<i>73%</i>	<i>75%</i>	<i>69%</i>	<i>80%</i>
<i>of which: PNRR Areas related</i>	<i>425</i>	<i>832</i>	<i>262</i>	<i>570</i>
<i>of which: Black &amp; Grey Areas (Autonomous Plan)</i>	<i>584</i>	<i>448</i>	<i>142</i>	<i>306</i>
<i>of which: Success Based (e.g. verticals) &amp; Others</i>	<i>472</i>	<i>558</i>	<i>303</i>	<i>255</i>
<b>Total capex</b>	<b>2,033</b>	<b>2,439</b>	<b>1,031</b>	<b>1,408</b>
<i>% revenues</i>	<i>52%<sup>1</sup></i>	<i>63%</i>	<i>53%</i>	<i>72%</i>

## Key highlights

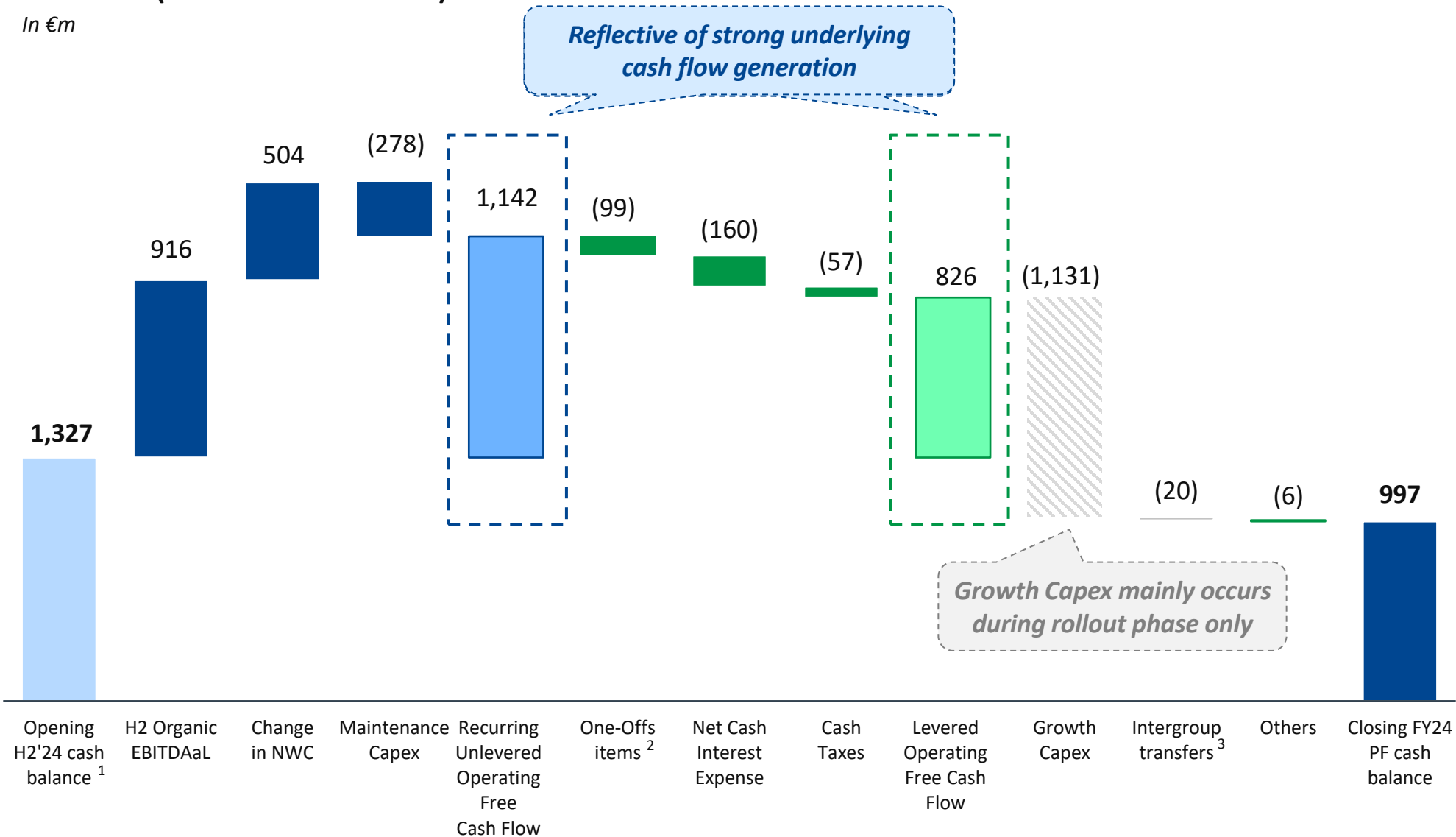
- Ability to realise a **steady increase in FTTH Uls passed** (12.2m in 2024), while maintaining **capex levels under control**
- **Rebasing of maintenance capex** to optimal level required to **service the current broadband network**



# Strong cash flow generation combined with a high cash balance allows for funding roll-out capex requirements

## Cash flow (H2 2024 to FY2024PF)

In €m



## Key highlights

- **Strong recurring operating free cash flow conversion rate** and build-up of negative working capital over the period support ability to **organically self fund majority of roll-out capex requirements**
- Increase in trade and capex payables due to carve-out dynamics expected to normalize next year
- Exceptional items comprise of cash one-off separation costs and cash one-off transaction expenses paid in H2 originating from the carve-out and set up of a new, fully standalone structure
- **No debt drawdown due to high opening cash balance providing flexibility and strengthening available liquidity (cash and RCF)**

# Q1 2025 current trading update

## Key Q1 2025 operating and financial KPIs

<i>(in €m unless stated otherwise)</i>		Q1 2025
B2B2C revenues		613
B2B revenues		310
<b>Total revenues</b>		<b>923</b>
<b>Organic EBITDAaL</b>		<b>406</b>
<i>% margin</i>		44%
<b>Total capex</b>	Reflects efficiencies in unit costs on autonomous rollout	<b>412</b>
<i>% revenues</i>		45%
<i>Maintenance capex</i>		142
<i>Growth capex</i>		270

## Key highlights

- **Healthy top-line** supported by **resilient B2C** and other B2B revenues, **not yet reflecting any benefits from pending “fair and reasonable” pricing regulation**
- **Top line performing in line with budget** with resilience in both B2B2C and B2B
- **Quarterly Organic EBITDAaL is not representative of FY25** which is expected to be **proportionally higher** as **opex measures are materialized**
- **Q1’25 EBITDAaL is in line with budget**
- **Capex expected to continue to accelerate** through the year although **significant savings are already being achieved vs. budget**

# Solid, balanced and diversified capital structure

(in €m unless stated otherwise)

	Closing / Jul-24	Dec-24	Mar-25
Drawn RCF (€2.0bn available)	---	---	---
Senior secured loan facilities	4,692	4,692	5,072
Senior secured notes <sup>1</sup>	5,534	5,534	5,534
<b>Total Senior Secured Debt</b>	<b>10,226</b>	<b>10,226</b>	<b>10,606</b>
(Available Cash) <sup>2</sup>	(1,227)	(997)	(923)
Net senior secured debt	8,999	9,229	9,683
<b>Net Leverage vs. FY24 Organic EBITDAaL<sup>3</sup></b>	<b>4.8x</b>	<b>5.0x</b>	-
<b>Net Leverage vs. FY24 Adj. Organic EBITDAaL (incl. run-rate efficiencies)<sup>4</sup></b>	<b>4.6x</b>	<b>4.7x</b>	-



**FiberCop is regularly monitoring capital markets to opportunistically raise additional financing to refinance upcoming maturities and pre-fund the near-term investment plan**

## Key highlights

- Long-term bank facilities in place maturing in 2029 and bond maturities spread out from 2026 until 2055 (inherited from the Liability Management Exercise carried out pre-closing by TIM)
- Overfunded the 1<sup>st</sup> July opening balance sheet with cash to:
  - Provide liquidity buffer
  - Pre-fund existing committed capital expenditures
- > 50% equity cushion based on equity invested by strong and supportive shareholders combined with an experienced management team

# Cash generation support by a robust liquidity profile and long-dated maturity profile

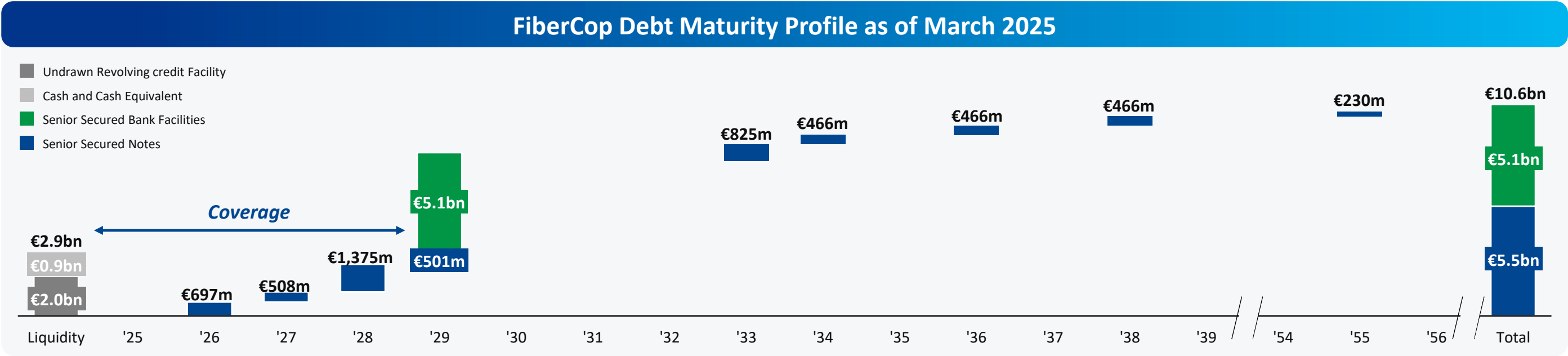
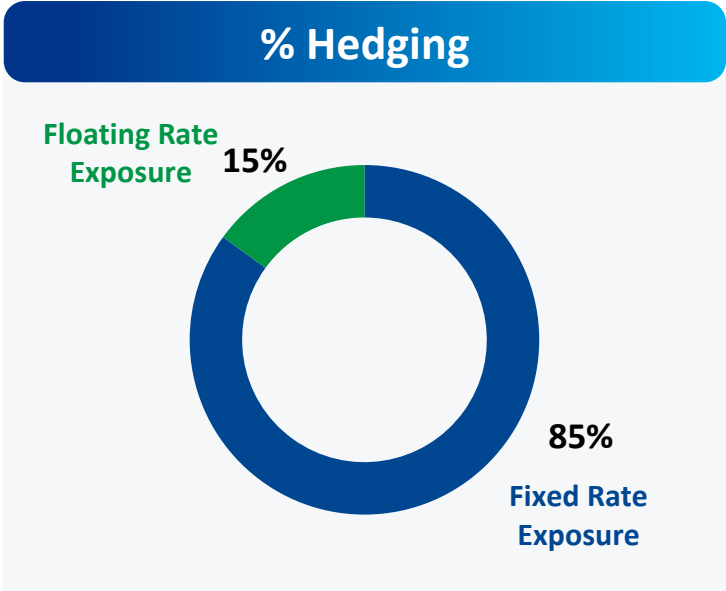
- Well spread debt maturities from 2026 to 2055
- No additional debt drawn in H2 2024
- Substantial liquidity margin of €2.9bn and additional unfunded bank commitments in place expected to cover refinancing requirement until 2029
- Dynamic hedging policy in place: no currency risk exposure on the USD notes issued and proactive interest rate risk management
- Seamless access to funding with additional €380m TL drawn and €20m RCF obtained in Jan-25

100% of USD notes  
hedged in EUR

Average Debt Life  
**5.6 years**

Weighted Average Cost  
of Debt  
**5.3%**

Senior Secured Debt  
Rating  
Ba1/ BB+/BB+



# FiberCop

## 4 | Guidance





# FiberCop's financial policy aims to favour mid-term investment while taking a prudent stance on leverage, dividend and M&A

## RATING

- Maintain current rating profile during FiberCop's investment phase lasting until 2027
- Target Investment Grade from end of investment phase, when capex intensity will substantially reduce and opex savings will significantly contribute to cash flow generation

## LEVERAGE

- Strong strategic commitment to accelerated FTTH roll-out and other margin/value enhancing projects but much of capex is discretionary
- Expected to peak in 2025 due to the acceleration of capex
- Fast deleveraging post peak phase through strong financial performance, primarily driven by strong reduction in capex and opex and not by market performance

## DIVIDEND

- No pre-established minimum dividends payable in any given year to shareholders, decision will be prudently data driven and assessed YoY
- Priority to leverage metrics and value accretive capex

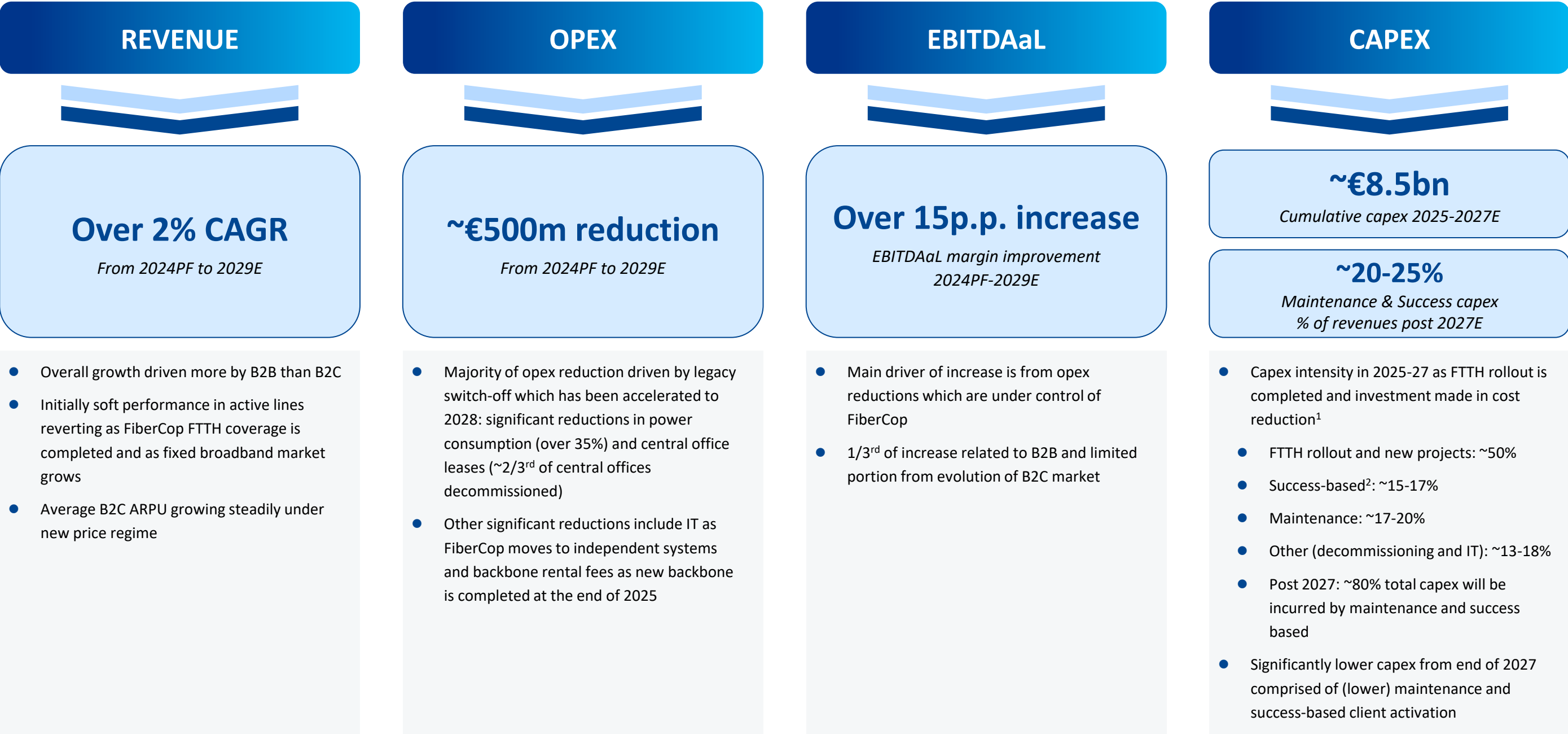
## HEDGING

- Maintain a minimum 70%-100% range of fixed rate debt in the capital structure through the issuance of fixed rate instruments and hedges
- Maintain over time 100% currency risk hedging (if non-EUR debt were to be issued)

## LIQUIDITY

- Prudent cash management policy maintaining sufficient liquidity margin (cash + unfunded lines)
- Anticipate future funding needs for investments or refinancing of existing indebtedness by accessing strong and diversified sources of liquidity (e.g. debt capital markets, bilateral or syndicated loans, multilateral agencies and subsidized finance, etc.) including operating free cash flow generation

# Key financial guidance metrics



# FiberCop

## Appendix





# Glossary

Term	Definition
Active Equipment	Active equipment refers to the components or elements that operate on the active layer of a telecommunications network. This includes, but is not limited to, switches, servers, transmission equipment, and Optical Line Terminals (OLTs). These components are essential for the processing and transmission of data across the network, enabling communication and connectivity.
ADSL	Asymmetric Digital Subscriber Line (ADSL) is a data communications technology that facilitates faster data transmission over copper telephone lines compared to traditional voiceband modems. ADSL achieves this by utilizing higher frequency bands for data transmission, allowing for simultaneous voice and data communication. Variants include ADSL2 and ADSL2+.
CO	Central Office (CO) is a facility within a telecommunications network where subscriber lines are connected to switching equipment. It serves as a hub for routing calls and data to their intended destinations, playing a crucial role in the management and operation of the network.
DSL	Digital Subscriber Line (DSL) is a technology that enables the transmission of digital data over traditional telephone lines. DSL provides high-speed internet access by utilizing higher frequency bands for data transmission, allowing for simultaneous voice and data communication.
FTTC	Fiber-to-the-Cabinet (FTTC) refers to a broadband network architecture where fiber optic cables are extended to street cabinets, with the final connection to individual premises made using existing copper lines. This approach allows for improved data speeds while leveraging existing infrastructure.
FTTH	Fiber-to-the-Home (FTTH) is a broadband network architecture where fiber optic cables are extended directly to individual homes or premises. This provides high-speed internet access with greater bandwidth and reliability, as the entire connection is made using fiber optic technology.
FTTO	Fiber-to-the-Office (FTTO) is a broadband network architecture that extends optical fiber connections directly to business offices. This setup provides high-speed internet access by delivering fiber optic cables to the premises of commercial buildings, ensuring reliable and fast connectivity for business operations.
FTTX	Fiber-to-the-X (FTTX) encompasses various fiber optic network architectures, including FTTC, FTTB (Fiber-to-the-Building), and FTTH. These architectures involve extending fiber optic cables to different points in the network, enhancing data speeds and connectivity for end-users.
FWA	Fixed Wireless Access (FWA) is a broadband service that uses wireless technology to provide internet connectivity between two fixed points. FWA is often used in areas where traditional wired infrastructure is not feasible, offering an alternative means of delivering high-speed internet access.
Gbps	Gigabits per second (Gbps) is a unit of data transfer rate, representing the amount of data transmitted in one second. It is commonly used to measure the speed of internet connections and data transfer capabilities of network devices, with higher values indicating faster data transmission.

Term	Definition
GEA	Geographical ethernet access: wholesale commercial service for the whole market based on a dedicated business fiber connectivity and ethernet transport
HH	Households (HH) refer to individual residential units or living spaces that receive telecommunications services. In the context of network deployment, the term is used to quantify the number of homes connected to a particular service or network infrastructure.
Mbps	Megabits per second (Mbps) is a unit of data transfer rate, representing the amount of data transmitted in one second. It is commonly used to measure the speed of internet connections and data transfer capabilities of network devices, with higher values indicating faster data transmission.
OLT	Optical Line Terminal (OLT) is a network device that serves as the endpoint hardware in a passive optical network. It connects to multiple Optical Network Terminals (ONTs) at customer premises, managing data transmission and communication between the central office and end-users.
ONT	Optical Network Termination (ONT) is a device located at the customer's premises in a Fiber-to-the-Home (FTTH) network. It receives downstream data from the Optical Line Terminal (OLT) and converts it into a format suitable for use by the customer's devices, enabling high-speed internet access and communication services.
P2P	Point-to-Point (P2P) network structure is a communication model where data is transmitted directly between two network nodes or devices. This structure is commonly used in dedicated connections, such as leased lines, providing a direct and secure communication path between endpoints.
UI	Unità Immobiliari / customer units represent a potential market coverage of premises in Italy covering both occupied and empty premises and differs from market accesses or live active lines
WACC	Weighted Average Cost of Capital (WACC) is a financial metric used to assess a company's cost of capital, taking into account the relative weights of equity and debt financing. WACC is used in investment appraisal and valuation to determine the minimum return required to satisfy investors and creditors.
WLR	Wholesale Line Rental (WLR) is a service that allows telecommunications operators to rent access to an incumbent operator's network infrastructure, enabling them to offer retail services to end-users. WLR facilitates competition by allowing multiple operators to provide services over a shared network.