



Convergenze[®]

internet - phone - TV - energie



AIM Conference 2021
May 25, 2021

Speakers



Rosario Pingaro
Chairman and CEO



Grazia Pingaro
*Vice- Chairman and
Director BU Energy*



Carmine Malito Rebecco
CFO



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Main events & FY2020

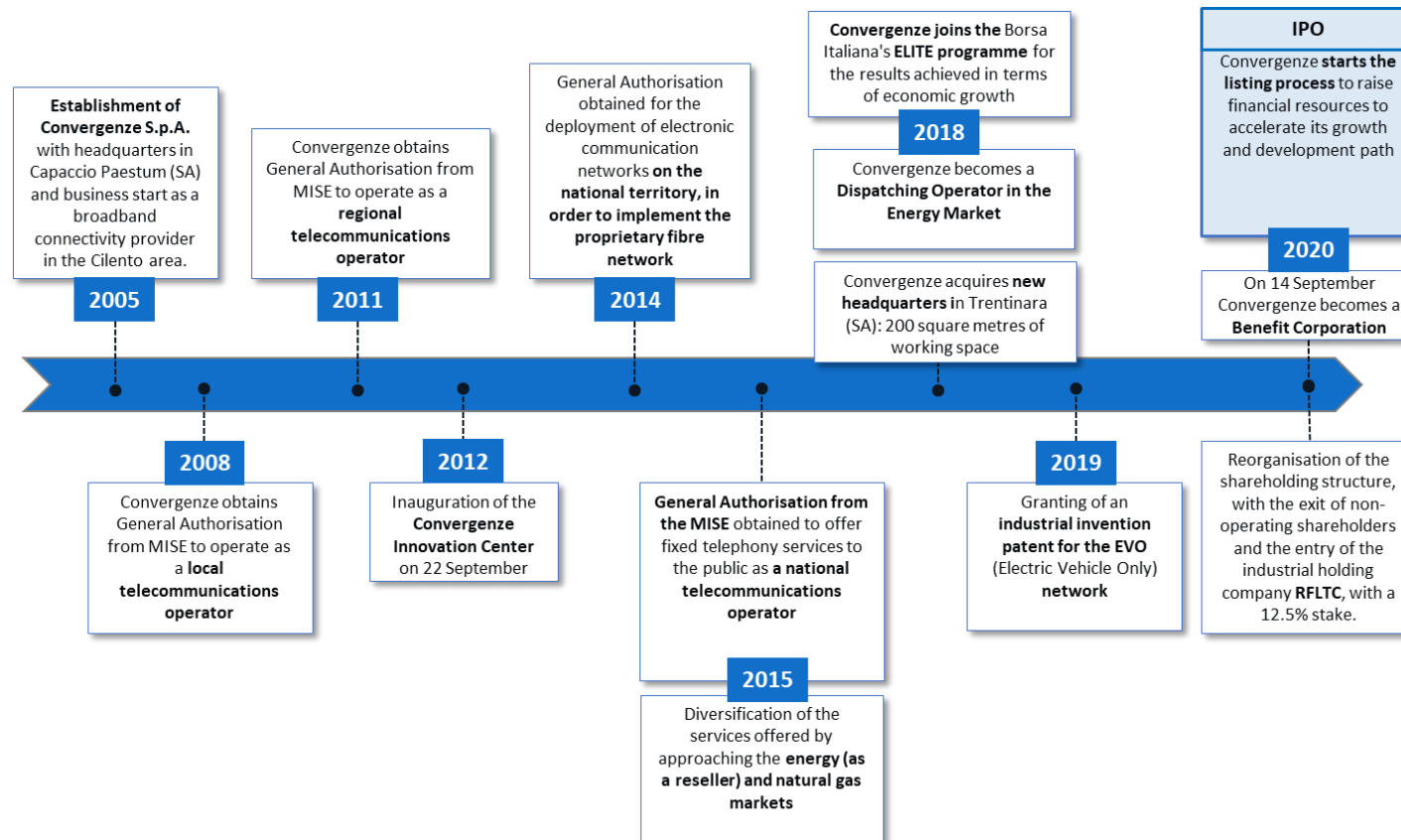
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Company overview

Convergenze S.p.A. Società Benefit is an integrated technology operator active on a national level in the **Telecommunications** and **100% green Energy** sectors, with charging points for electric cars through its **patented EVO (Electric Vehicle Only) network**.

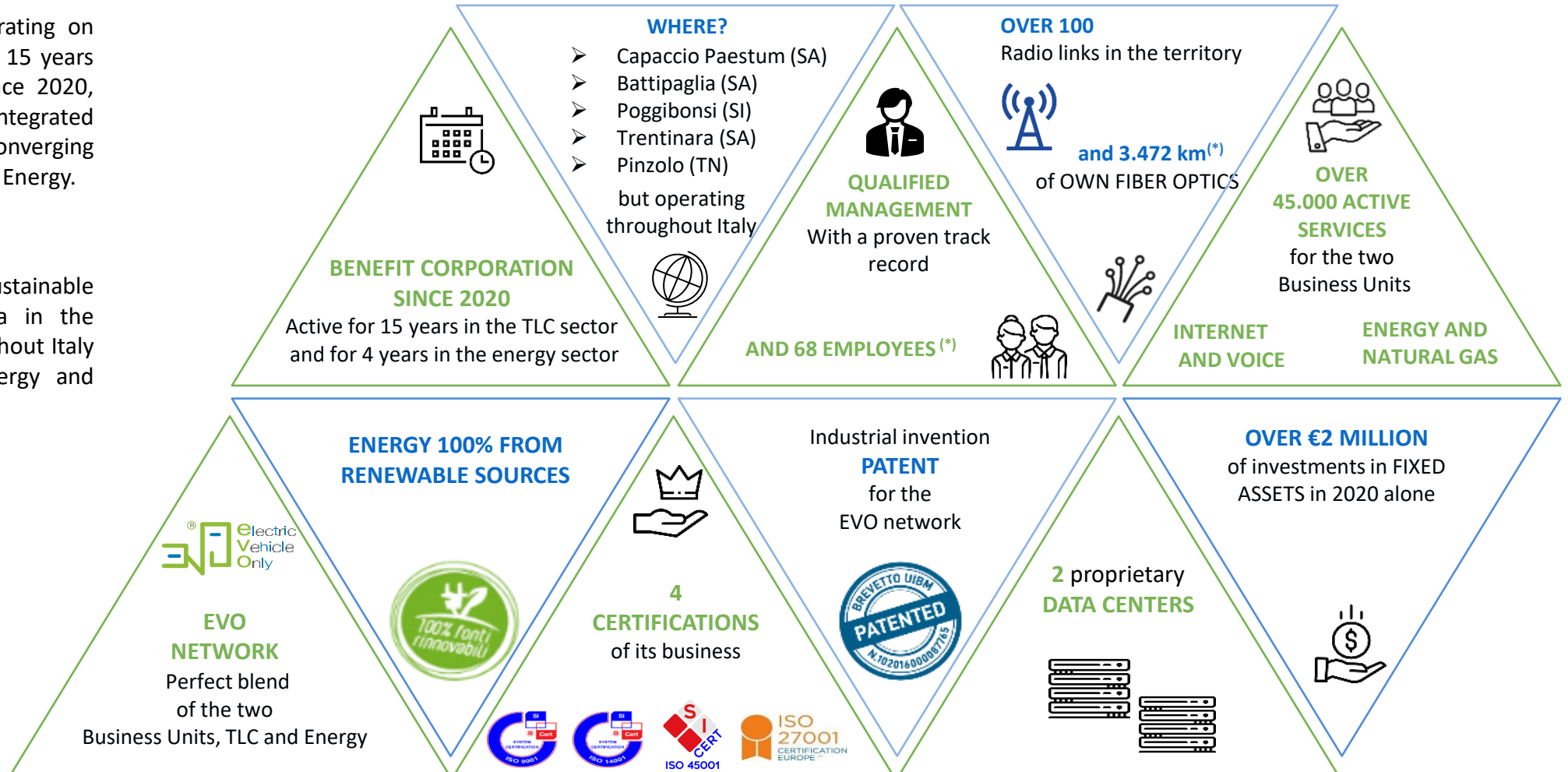
The company, established in **2005** in **Capaccio Paestum (SA)**, started operating in the Telecommunications sector by offering internet and fixed telephony services, later becoming a national player. Since 2015 it has diversified its activities, introducing the **Energy Business Unit** to supply electricity and natural gas. The main operational headquarters is the "**Convergenze Innovation Center**", which embodies the company's values of **sustainability and innovation**. It houses one of the Company's two proprietary **Data Centers**, one of the most powerful and advanced in Southern Italy. Convergenze became a **Benefit Corporation** on 14 September 2020, thus confirming its focus on sustainability and corporate social responsibility. Since 30 December 2020 **it has been listed on the AIM market of Borsa Italiana**.



At a glance

Convergenze, a company operating on the TLC market for more than 15 years and a Benefit Corporation since 2020, proposes itself as an integrated technology partner with two converging BUs: Telecommunications and Energy.

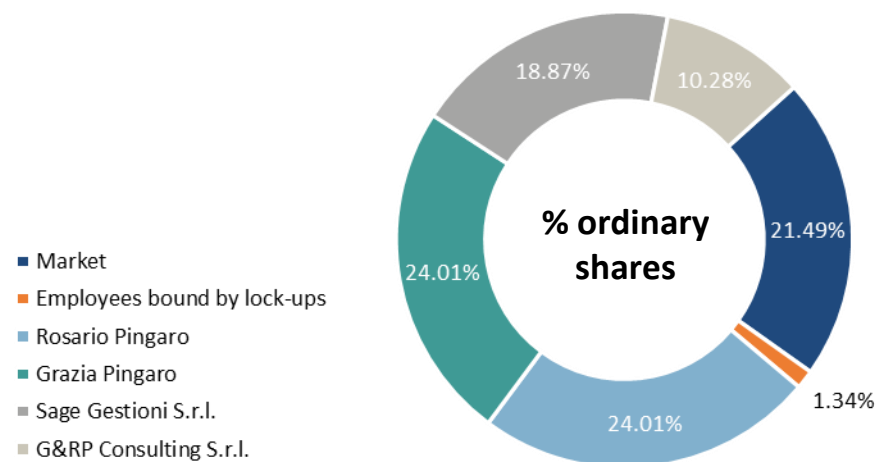
It is an innovative and sustainable company, active in Campania in the province of Salerno and throughout Italy with Internet and Voice, Energy and Natural Gas services.



(*) Data as at 31 December 2020

Shareholders and Corporate Governance

Shareholding structure



| Shareholder | N. of shares held | N. PAS | N. total shares | % voting rights | % of ordinary shares |
|-----------------------------|-------------------|----------------|------------------|-----------------|----------------------|
| Rosario Pingaro | 1,682,400 | 117,600 | 1,800,000 | 24.46% | 24.01% |
| Grazia Pingaro | 1,682,400 | 117,600 | 1,800,000 | 24.46% | 24.01% |
| Sage Gestioni S.r.l. (*) | 1,322,400 | 117,600 | 1,440,000 | 19.57% | 18.87% |
| G&RP Consulting S.r.l. (**) | 720,000 | | 720,000 | 9.78% | 10.28% |
| Employees bound by lock-ups | 94,000 | | 94,000 | 1.28% | 1.34% |
| Market | 1,506,000 | | 1,506,000 | 20.46% | 21.49% |
| Total | 7,007,200 | 352,800 | 7,360,000 | 100.00% | 100.00% |

(*) Company attributable to the Prearo family

(**) Company attributable to Redfish Longterm Capital RFLTC S.p.A.

Corporate governance

Board of Directors

| | |
|------------------------|----------------------|
| Pingaro Rosario | Chairman |
| Pingaro Grazia | Vice Chairman |
| Malito Rebecca Luciano | Director |
| Pescetto Paolo | Director |
| Palladino Teresa | Director |
| Manzi Giancarlo | Director |
| Ferretti Marco | Independent Director |

Board of Statutory Auditors

| | |
|-------------------|-------------------|
| Manguso Giosuè | Chairman |
| Caliendo Domenico | Auditor |
| Spagnuolo Fabio | Auditor |
| Bernardi Gerardo | Alternate Auditor |
| Tartaro Massimo | Alternate Auditor |

| | |
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The TLC and Energy BUs

TLC

Internet



Voice



Unique services/DCaaS



Among the various connectivity services:

- ConFibra (FTTH on proprietary network and in WHS) / ConNGA / ConADSL/
- ConULL/ ConWIFI (on proprietary network)
- ConVoip: (Voice Over IP)
- ConFree PBX: cloud-based switchboard
- OPEN NET: public connectivity service, free wifi
- ConVision: streaming service for live content or video;

Cloud services (Data Center As A Service):

- My Workforce or Virtual Machine: software that simulates a physical computer without hardware support
- My Life: Cloud space where all personal files are stored and shared
- Con Housing: installation of customer servers in Convergenze's Data Center.
- Con Hosting: space on servers to host customer websites
- Disaster Recovery, for companies' IT security
- Transport and interconnection services to Mix- MI Namex RM

ENERGY

Electricity and Natural Gas



EVO è il tuo network di ricarica per auto elettriche.

ConLuce

A zero-impact electricity supply service guaranteed through the cancellation of Guarantees of Origin.

Different subscriptions for private, residential and business.

ConGas

Natural gas supply service.

Different subscriptions for private, residential and business.

In providing its services, Convergenze pays particular attention to transparency, with billing based as far as possible on actual consumption.

EVO

The project stems from Convergenze's idea of promoting eco-sustainable mobility.

The charging unit, patented in 2019, is accessible via EVO Card or smartphone.

For individuals and companies:

- EVO WALL BOX (wall charging)
 - EVO STATION (charging station)
- Easy-to-install charging stations for home and business. Both can become EVO Hospitality units with geolocation, free/busy alerts and consumption metering.

The new BU: Media & Content Delivery



The ongoing process of digital revolution and the increasing integration of the entertainment and media and TLC and Internet market segments have prompted the Convergenze management to **set up a new BU, which is not yet active.**



The new Bu (Media & Content Delivery) aims at developing a **Set top box** to provide Convergenze's customers with the **best possible experience in enjoying online video content** through ultra-fast connectivity. The new Bu's customers will also have the opportunity to **purchase other Convergenze's services at dedicated and exclusive prices**, thus creating new cross selling opportunities.



BU customers will have the opportunity to access the **catalogue of online media platforms at discounted rates**, which can be paid to Convergenze in a **single invoice**, taking advantage of integrated and innovative payment systems.



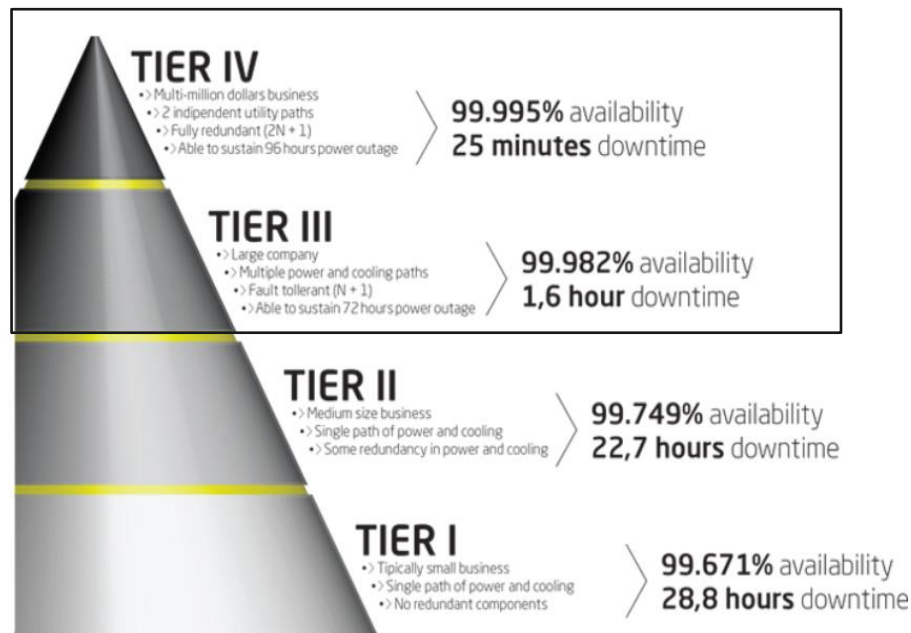
Thanks to ConFibra offers, the new BU will provide a high-performance, reliable and fast Internet connection (up to 1 Gbps), and the new solutions called "**Convergenze Calling and conferencing**" (voice calls and high-definition video) and "**ConFibra TV**", for viewing video content by signing contracts with the best TV streaming platforms.



The new BU is aimed at providing new services and greater freedom and customisation of the offer **by combining Internet connection with other types of services: video content, video calls, games, security, video surveillance.**

Convergenze Innovation Center & Data Center

- The basement of the Convergenze Innovation Center hosts one of the largest and most advanced proprietary data centers in Southern Italy; it expands over two rooms, it conveys Fastweb, TIM and Convergenze fibers, and it is doubly connected via multi-fiber to the Seliano site, thus guaranteeing service continuity.
- 27001-certified with the annexed extensions 27017 and 27018, a useful certification to become a Cloud service provider for Public Administrations.
- The Data Center meets the requirements of TIER III and TIER IV levels, although it has not yet obtained certification.



20 racks
of
equipped
space used

400 KvA
redundant
UPS
expandable
to 800
KvA

60 racks
of available
equipped
space

450 kW
of generator
set

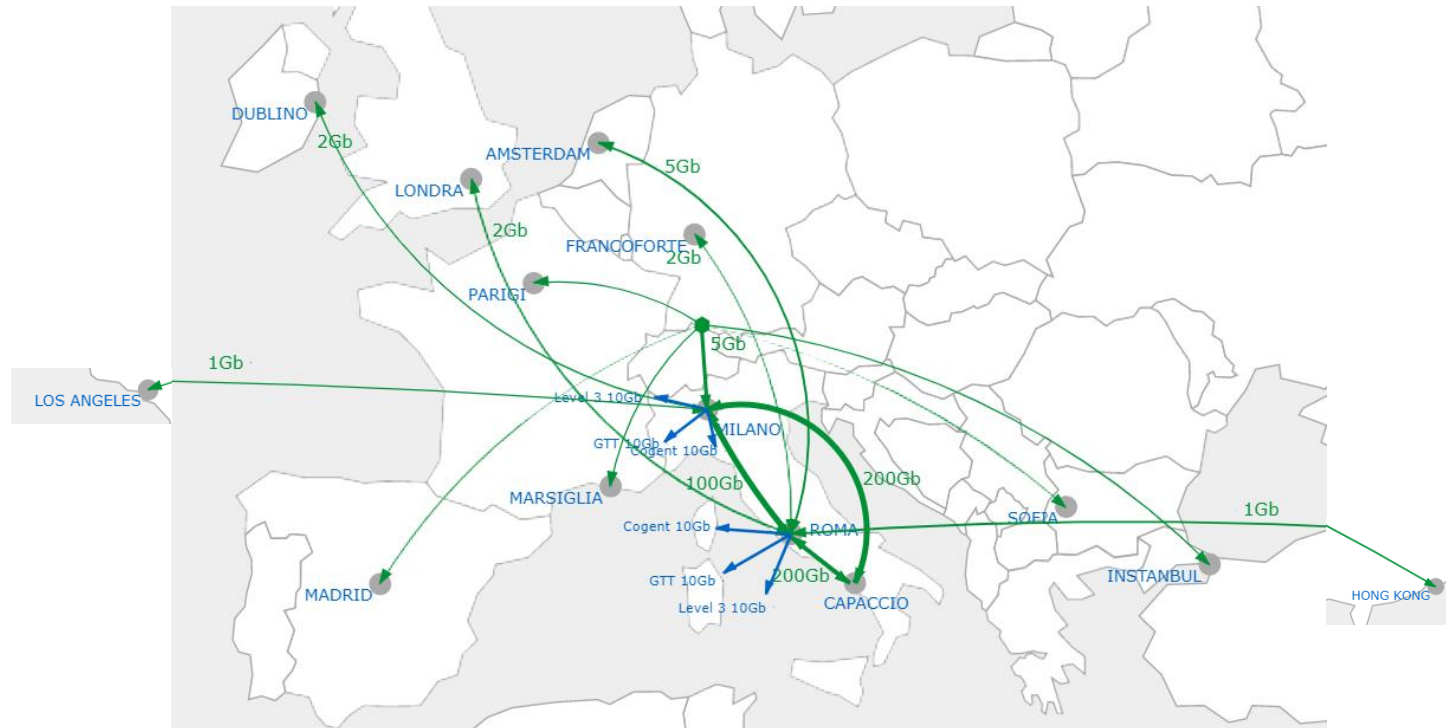
70 kW
of double
refrigerant
circuit

400 gbps
of
connectivity



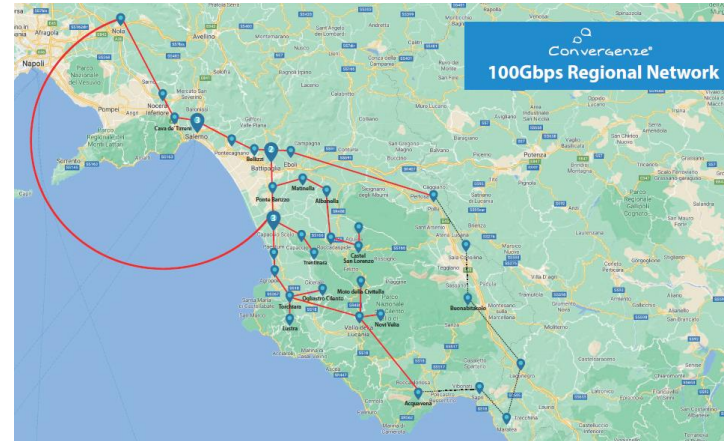
Data infrastructure: national and international

- The Internet Network of Convergenze S.p.A. Benefit Company grows daily. At present, our nearest NOC, in the town of Capaccio, is connected to Rome, to the NaMeX point (30 Gbps) by different communication channels and then it reaches the MIX point in Milan (30gbps):
 - ✓ Rome is our strategic hub where, in addition to buying transit from Tinet (2.5gbps), Cogent (2.5gbps) and Level3 (2.5gbps), we also reach two European interchange centers, namely AMS-IX (5gbps) and LINX (500 Mbps)
 - ✓ In Milan, in addition to the balanced transits with Rome, we reach the NETIX network (2.5Gbps), the De-CIX exchange point in Francoforte (2gbps), Any2 exchange point in Los Angeles (1Gbps) and HKIX exchange point in Hong Kong (1gbps)
- The capillary professional presence at European level has led Convergenze to be, with about 2300adjacencies, the most interconnected network in Italy and the 10th in the world. Our President Rosario Pingaro has been a member of NaMeX BoD since 2013, which is the second NAP in Italy.

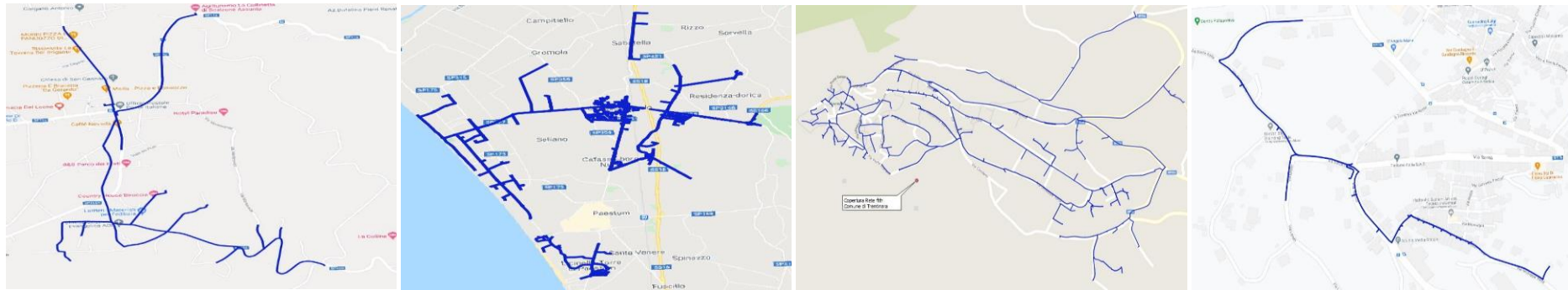


Data infrastructure: regional and local

At regional level, Convergenze is present in Campania with a 660 km network of 100gbps IRU fibre ready for an upgrade to 400gbps.



3,472 km of fibre in the province of Salerno as at 31 December 2020; over €2.0 invested in fixed assets during 2020



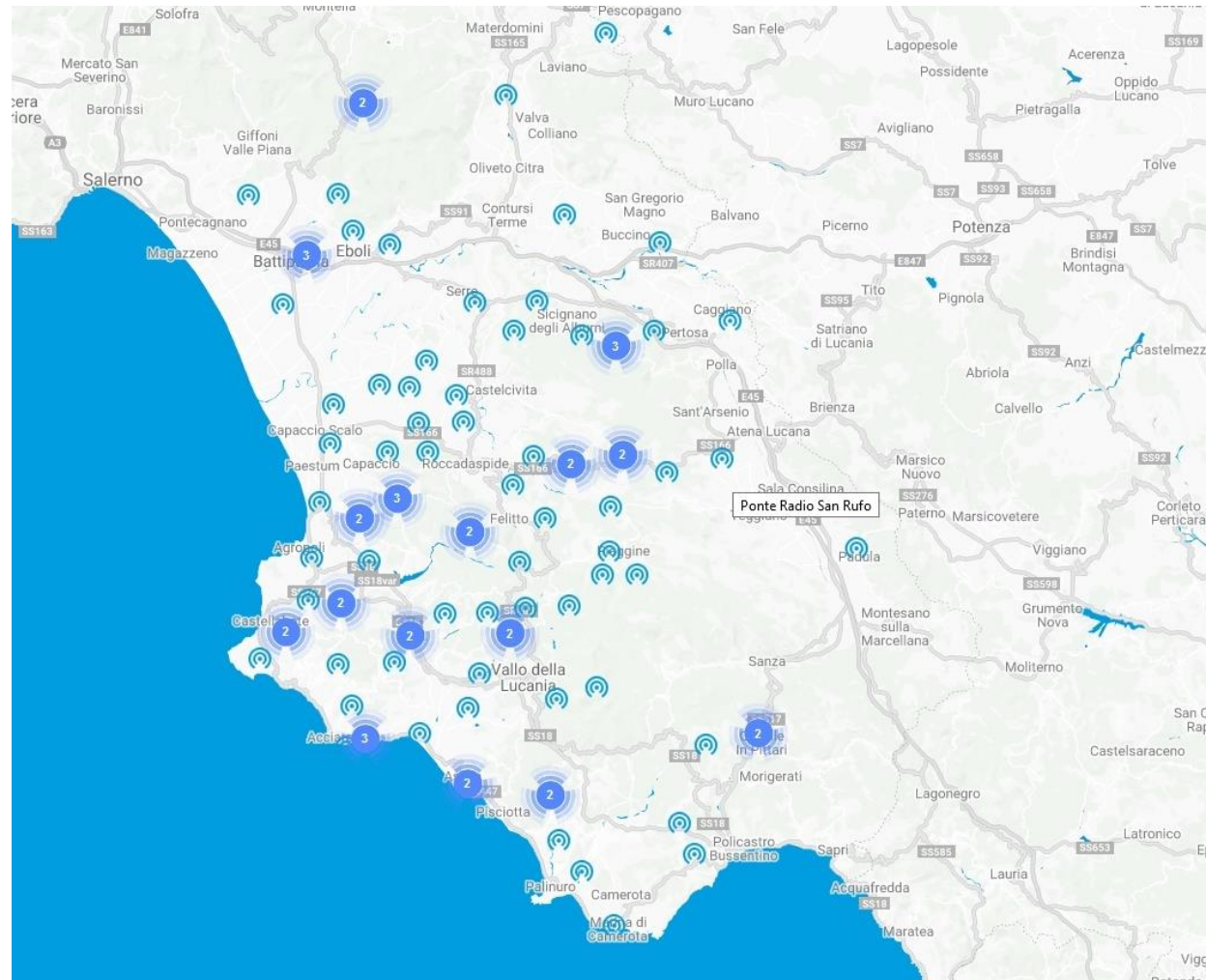
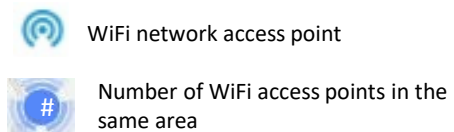
Convergenze's proprietary fibre optic network covers the following areas:

- Municipality of Capaccio-Paestum and the hamlets of Capaccio Scalo, Licinella, Borgonuovo, Cafasso, Torre di Mare, Laura and Rettifilo
- Municipality of Trentinara
- Municipality of Albanella and its hamlet Matinella

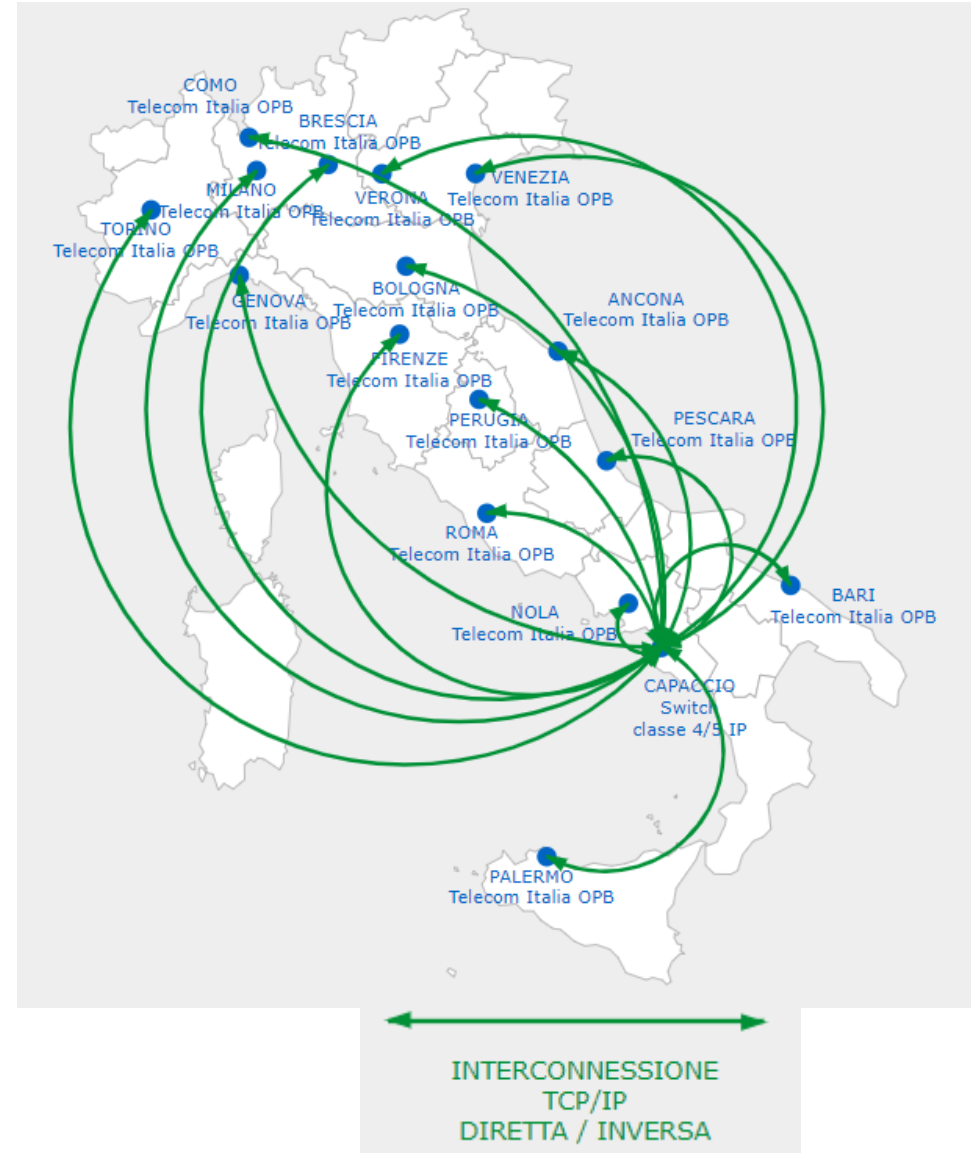
Wireless Infrastructure

In the regions where it is active, Convergenze owns more than 100 radio links powered by UWA (Ultra Broad band Wireless Access) technology.

They represent Convergenze's first territorial presence and play a strategic role in the company's commercial development in new areas.



- Convergenze's network for the provision of voice services has undergone no minor evolution and is now based on a dual architecture: TDM SS7 and ITC-IP, the latter derived from SIP VoIP technology.
- Interconnection points with TIM's voice network are constantly expanding (4 new nodes/year) and include the following OPBs (Optical Packet Backbone): Rome, Pescara, Brescia, Nola, Ancona, Florence, Perugia, Milan, Bari, Verona, Palermo, Turin, Bologna, Genoa, Venice and Como.

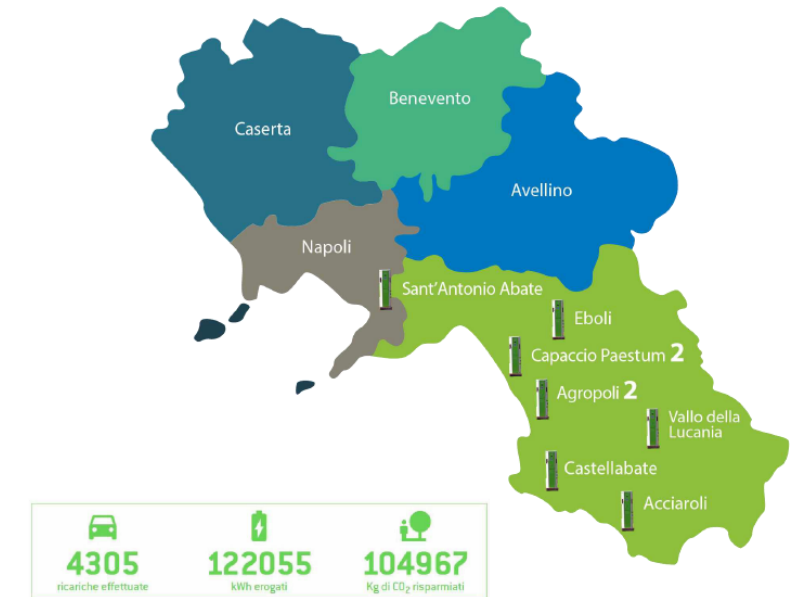


- A nationwide supplier of electricity and natural gas, Convergenze has set up a network of charging stations and points called EVO (Electric Vehicles Only), for which it has obtained a patent for an industrial invention, in support of electric mobility.
- ✓ The 9 EVO stations currently up and running are located in the provinces of Salerno and Naples, while 5* are being installed in the provinces of Salerno and Avellino.
- ✓ In addition to the EVO network, two EVO Stations have already been installed at hospitality facilities and at customers' premises in the province of Salerno.



- Punto di ricarica**
Accesso libero h24
SS 18 TIRRENA INFERIORE KM 79+250
Eboli (SA) - 84025 Presso Parcheggio
Cilento Outlet Village
- 2 Punti di ricarica**
Accesso libero h24
Via Seliano, 2
Capaccio Paestum (SA) - 84047
Presso Convergenze Innovation Center
- 2 Punti di ricarica**
Accesso libero h24
Piazza della Repubblica, 1
Agropoli (SA) - 84043
Presso Comune di Agropoli
- Accesso libero h24
Località Mattine
Agropoli (SA) - 84043
Presso Centro Commerciale LE TORRI
- Punto di ricarica**
Accesso libero h24
Piazza Paolo Matarazzo
Santa Maria di Castellabate (SA) - 84048
Presso Parcheggio Villa Matarazzo
- Punto di ricarica**
Accesso libero h24
Via Porto
Acciaroli-Pollica (SA) - 84048
Presso Parcheggio pubblico

- Punto di ricarica**
Accesso libero h24
Via Cafasso
Vallo della Lucania (SA) - 84048
Presso Parcheggio pubblico
- Punto di ricarica**
Accesso libero h24
Via Lettere
Sant'Antonio Abate (NA) - 80057
- Punto di ricarica pianificata**
Accesso libero h24
Comune di Trentinara (SA)
84070
- Punto di ricarica pianificata ***
Accesso libero h24
Stazione di servizio Missano
Lustra (SA) - 84050 C.da Corticelle



- In 2019, the Italian TLC sector has a turnover of €29.9 billion. Of this, €16.2bn comes from the fixed network and the remaining €13.7bn from the mobile one.
- In 2019, most of the revenue comes from data connectivity (€10.94bn), which provides a greater contribution than voice services (€7.36bn). In 2019, 90% of the Italian population has access to the internet.
- The most obsolete technologies such as ADSL are being abandoned to make room for new, higher-performance technologies such as FTTC (7.48 mln lines in 2019) and FTTH (1.11 mln lines in 2019) networks. Over the last year, FTTC lines have increased by 29.2% and FTTH lines by 46.1%.
- In 2019, broadband and ultrabroadband lines reached approximately 17.38 mln accesses. Ultrabroadband accesses (> 30 Mbps) represent 50% of total accesses.
- The first quarter of 2020 sees a turnover of €6.36bn.

| Driving factors |
|--|
| Multiplication of TLC services offered thanks to new technologies (fibre optics, cloud computing, IOT, data centres, VoIP) |
| National and European policies favouring digitisation |
| Growth of internet users and data consumption in general |
| Agreements with strategic partners |
| Growing digitisation of the economy, especially in the light of the recent healthcare crisis, which has encouraged the adoption of remote work |

- Italy's ultra-wideband strategy set the target of covering 85% of the population at 100Mbps by 2020 and financed the deployment of an ultra-wideband network in white areas.

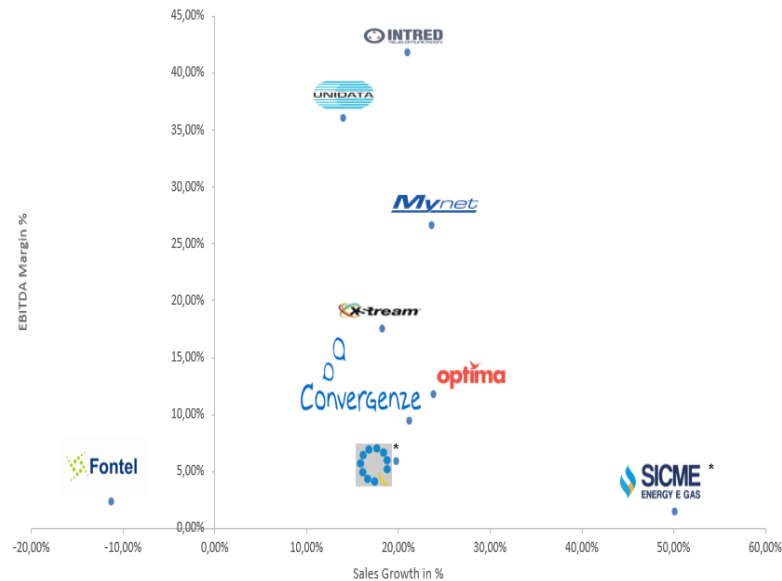
- In 2019, gross electricity production of 291.7 TWh was covered 60% by thermoelectric production and 40% by renewable sources.
- In 2019, 49.3% of the energy was supplied to the free market and the remaining 50.67% to the protected market. Between 2018 and 2019, the number of sellers on the free market increased by 88 and in 2019 there were 723 sellers.
- In 2019, around 41.8% of customers in the free market expressed a clear preference for the guarantee to purchase electricity produced from renewable sources.
- In 2019, global gas consumption grew by 3.6% compared to 2018. Italy imports most of its gas consumption from abroad, and the volume distributed in 2019 is 31.3 bcm. The share of volumes sold in the free market in 2019 was 69.4%, up from 68.3% in 2018, while the share of volumes in the protected market decreased.
- In the first months of 2020, following the Covid-19 crisis, a marked contraction in energy consumption occurred. According to ENEA's report on the Italian energy system for the second quarter of 2020, electricity demand fell by around 13% compared to the second quarter of 2019 (-10.4TWh). Overall, in the first half of the year, final energy consumption is estimated to have dropped by around 16%, a decrease that is primarily due to the slowdown in production activities.

| Driving factors |
|--|
| Growing attention to eco-sustainability issues |
| Decreasing share of the protected market in favour of the free market for both electricity and natural gas |
| Impact of the economic cycle, policies promised by the government and climate conditions |
| Ongoing expansion of the gas network in Italy (in 2019 it grew by about 1,692 km in low pressure) |
| Liberalisation of the energy and gas market expected for 1 January 2022 |

Market positioning

Market positioning by provinces

- Convergenze's market positioning compared to other operators active in the province is shown below

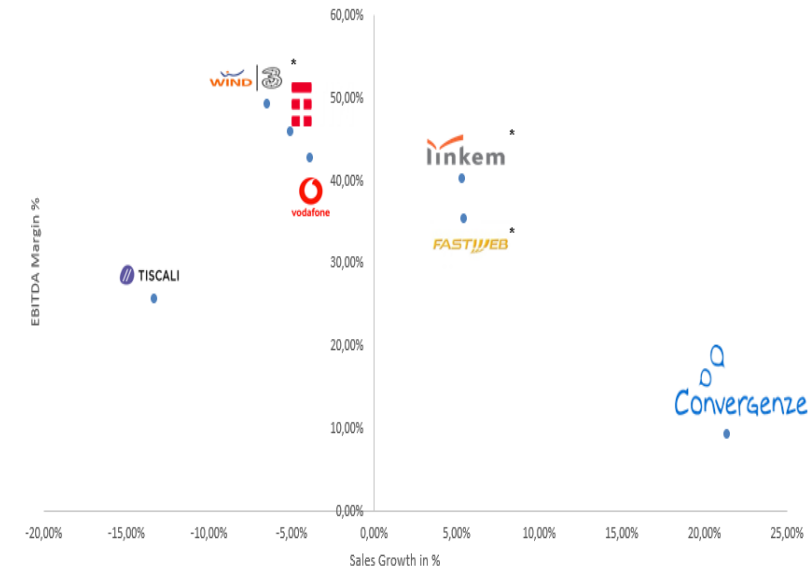


* Data for the 2018 financial year

Source: Management processing of competitors' balance sheet data

Market positioning on a national level

- Although they are located in provincial areas, the main national players are also direct competitors for Convergenze.



* Non-consolidated financial statement data

Source: Management processing of competitors' balance sheet data



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Proprietary fibre optics and Wifi

Extension of the proprietary fibre-optic network (FTTH) in municipalities where the company has reached a 'critical mass' of customers served by wireless technology

Diversification of supply

- In order to offer its customers an increasingly complete and integrated bundle of services, Convergenze aims at diversifying its product portfolio through the introduction of the BU Media & Content Delivery.
- Furthermore, the Company will continue to expand its commercial proposition and implement its infrastructure by offering new value-added services such as cloud, datacenter as a service and virtualization services (servers and virtual machines).

Cross selling and increasing active services BU Energy

Increase in the number of Energy customers served as dispatching operator, thanks to the increase in cross-selling between the TLC and Energy BUs, both at local level - also taking advantage of the extension and subsequent conversion of customers to proprietary fibre - and throughout the country - through e-commerce portals, as well as targeted marketing actions. In addition, further cross-selling opportunities will be possible following the planned opening of the new BU Media & Content Delivery

Network expansion and consolidation

One of Convergenze's strategic objectives is to be recognised as a national operator by expanding its presence throughout Italy. In 2020, the Company opened an additional branch office in Poggibonsi (SI), a commercial presence in Pinzolo, Madonna di Campiglio (TN) and a commercial presence in Atripalda (AV).

IOT and Mobile Virtual Operator

- The company is ready to seize the important development opportunities expected in the IoT sector, especially following the transition from experimental to production technology of the LoRaWAN project. In this regard, the Company has already taken important steps by investing, for example, in research to perfect metering technologies and by entering into an agreement with the Faculty of Computer Engineering of the University of Salerno.
- Furthermore, one of the company's objectives is to offer its own proprietary network to national and international providers that do not have their own in the area, since a fibre optic backbone is an essential requirement for the future implementation of 5G technology.

M&A

Convergenze's management highlighted the possibility of growing through M&A by acquiring other TLC players with a complementary geographical location.

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Jan 12th 2021

Opening of a new **Wholesale division** within its TLC Business Unit

Jan 25th 2021

Opening of two new **e-commerce websites** for the sale of ConFIBRA and ConGAS services

Mar 22th 2021

Signing of an **interoperability agreement with Enel X** to allow its customers to recharge their vehicles on Enel X's public network

May 19th 2021

The **first sustainability report** has been approved

Jan 19th 2021

Implementation of the **Amazon Pay solution** to enable its customers to complete in a few steps the purchase of all Convergenze services

Feb 8th 2021

Convergenze has become operational **in its new Tuscany office in Poggibonsi**, in the province of Siena, which opened in October 2020.

May 3th 2021

Received by Cerved Rating Agency **S.p.A. the upgrade of public rating**, passed from B1.2 a B 1.1, and the **confirm of public rating of B 1.1 on minibond** issued on 14th April 2020



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Main events FY 2020

Apr 14th 2020

Signed a bond issue with **Unicredit Bank** for € 1,000,000.00 with a duration of 84 months

Jul 4th 2020

Starting of its territorial **expansion outside Cilento**: first direct presence in Trentino-Alto Adige (Pinzolo, Hamlet of Madonna di Campiglio)

Aug 7th 2020

Achieving a nationwide **coverage of its voice network**, thanks to the testing of the latest interconnection in Venice

Dec 28th 2020

Received from Borsa Italiana S.p.A. the **notice of admission to trading** of its ordinary shares and warrants **on the AIM Italia market**: placement of its ordinary shares with a total capital raise of €2.8 million

Apr 23rd 2020

Signing of a technical peering agreement with **Sky Italia** to allows Convergenze's ultra-broadband customers to subscribe to Sky's pay-per-use offer "Sky via Fibra".

Jul 28th 2020

RedFish LongTerm Capital S.p.A. has joined its capital and the Pingaro family's stake in the Company has increased

Sep 14th 2020

Transformation of the company into a "**Benefit Corporation**" and the related amendment to its articles of association". Convergenze's company name has changed to "**Convergenze S.p.A. Società Benefit**"

Dec 30th 2020

Trading of Convergenze shares and warrants **began on the AIM Italia market**. The shares closed at € 2.625, up 50% on the offer price of € 1.75.



NEGATIVE IMPACT ON BU ENERGY



CAUSE:

- Demand for energy and natural gas down by 5.3% year-on-year, with peaks of -30%
- Slowdown in new customer acquisition activities due to lockdown and stoppage of production activities

CONSEQUENCE:

- Decrease in **turnover** for the BU Energy of approx. EUR 0.9 million
- Despite this, **EBITDA Adjusted** for the BU Energy increased by 39.7% compared to 2019 thanks to better management of procurement costs and the gradual switch of customers to the dispatching market

POSITIVE IMPACT ON BU TLC



CAUSE:

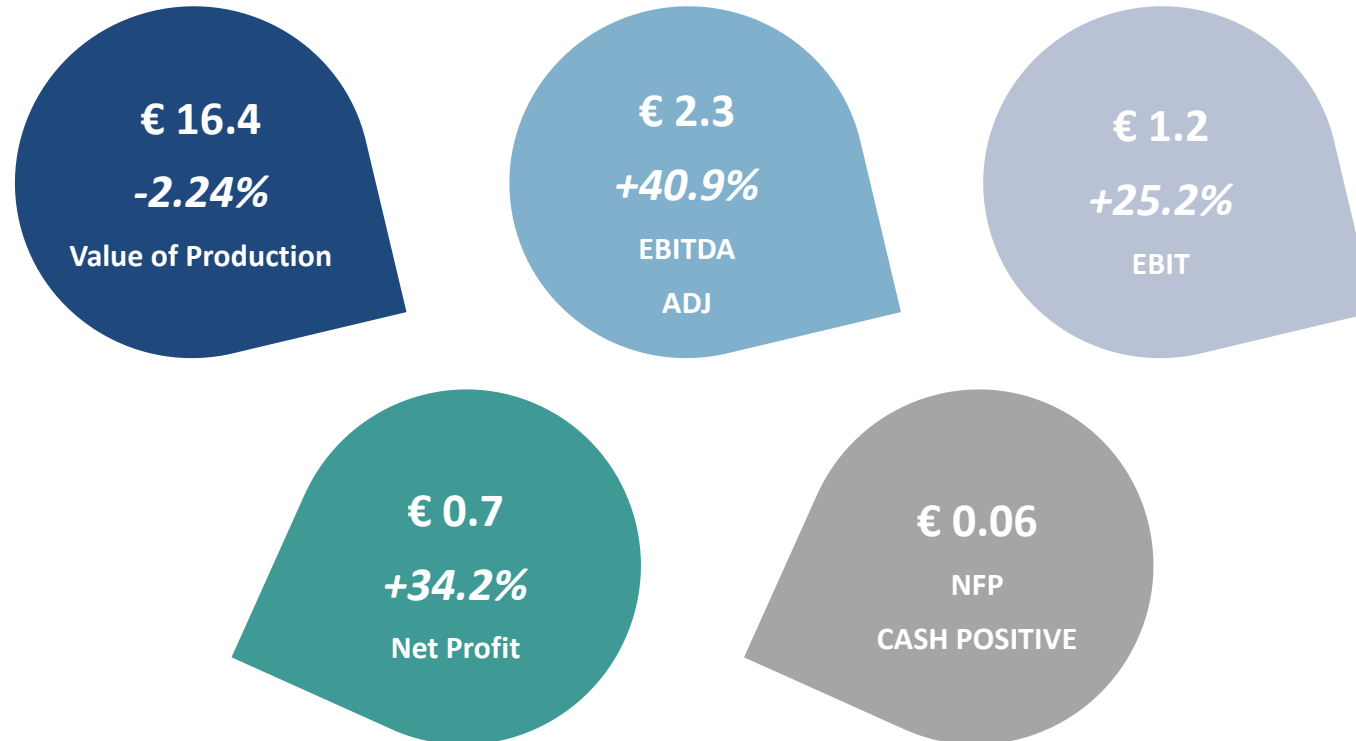
- Demand for faster and more high-tech services, hence higher added value
- Boom of remote working and increased data consumption

CONSEQUENCE:

- Increase in **turnover** for the BU TLC of around EUR 0.6 million
- 13% increase in **services** offered and **EBITDA Adjusted** up 41,2%

Highlights 2020

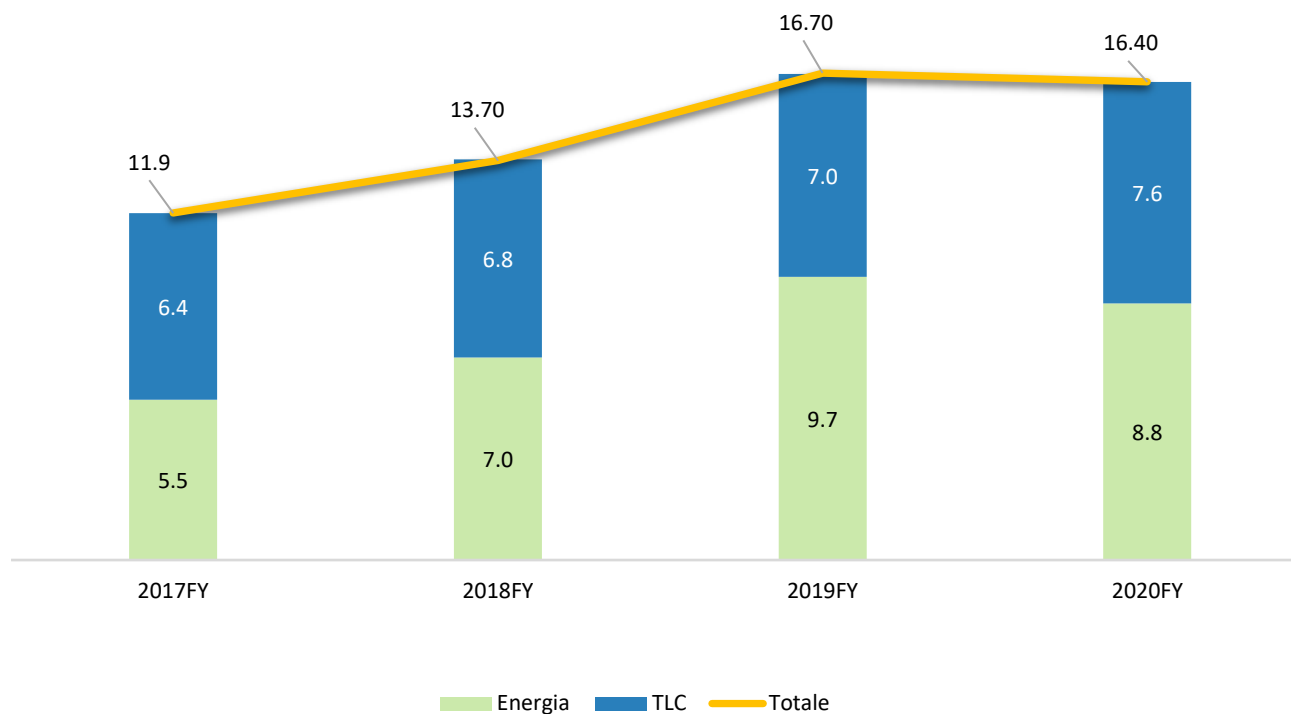
€/million



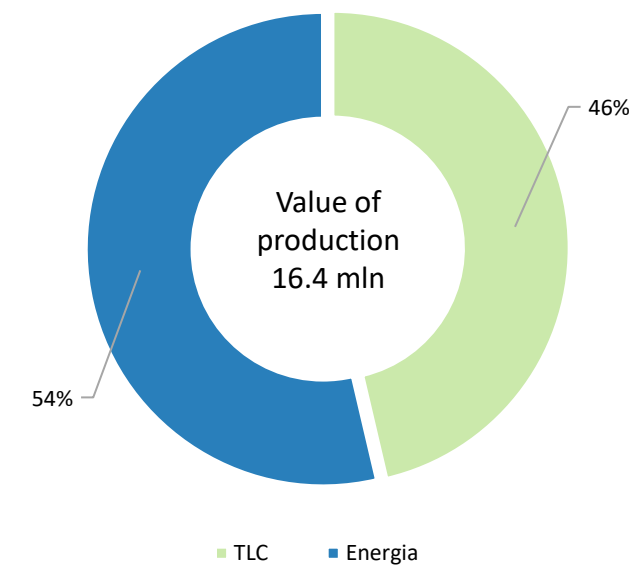
Value of production: performance

€/million

Value of Production 2017-2020

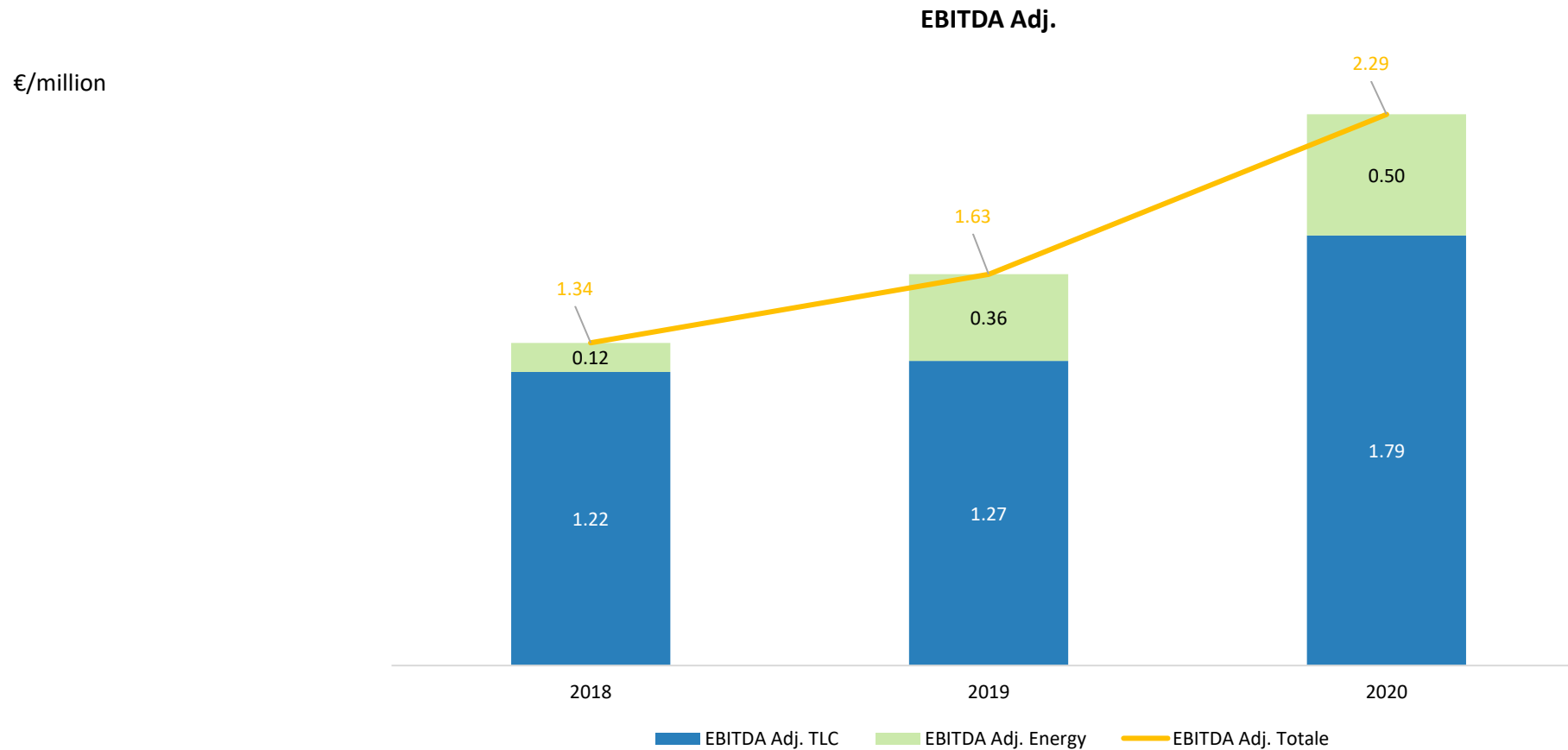


Value of production 2020FY breakdown



The CAGR 2017-2020 of the value of production amounts to about 11%, driven by the BU Energy (CAGR 2017-2020 of 17%)

EBITDA Adj: performance



The CAGR 2018-2020 of EBITDA Adj amounts to 31%, driven by BU TLC

Income statement highlights

| INCOME STATEMENT HIGHLIGHTS | | |
|-----------------------------|-------------------|-------------------|
| | FY2020 | FY2019 |
| Revenues from sales | 16.298.883 | 16.675.030 |
| Value of Production | 16.358.116 | 16.733.278 |
| Total operating costs | (14.068.600) | (15.107.850) |
| EBITDA Adj | 2.289.516 | 1.625.428 |
| EBITDA margin adj | 14,0% | 9,7% |
| EBIT | 1.236.042 | 987.452 |
| EBT | 1.019.802 | 773.419 |
| Net income | 694.642 | 517.678 |

- Value of production (revenues from sales and services and other revenues) at 31 December 2020 amounted to € 16.4 million, a decrease of 2.24% compared to FY2019 (€ 16.7 million). This drop is closely related to the reduction in revenues experienced by the BU Energy, as the business unit was massively penalised by the fall in consumption by business customers following the closures and production slowdowns of commercial and industrial activities to contain the impact of Covid-19. The decrease in sales in the energy sector was partially offset by the rise recorded by the BU TLC (+7.9% year-on-year), also thanks to a renewed commercial action and the expansion in the proprietary WiFi and FTTH infrastructure achieved with the investments made in previous years and in 2020
- **EBITDA Margin Adj.** of 14% on value of production compared to 9.7% in FY 2019, thanks to the sizeable contribution to margins of both the TLC and Energy BUs. Specifically: the EBITDA Adj of the BU TLC reported a y-o-y growth of 41.2%, with an EBITDA Margin Adj of 14% (9.7% in FY 2019); the EBITDA Adj of the BU Energy grew sharply marking a +39.7% y-o-y, with an EBITDA Margin Adj of 5.7% (3.7% in FY 2019)
- **EBIT** was positive at € 1.2 million, up 25.2% compared to the € 1.0 million figure at 31 December 2019, with an EBIT Margin of 7.6% (5.9% in FY 2019)
- **The net result** as at 31 December 2020 stood at € 0.7 million, up 34.2% compared to € 0.5 million in the previous year

Income statement highlights - BU

INCOME STATEMENT HIGHLIGHTS - BU TLC

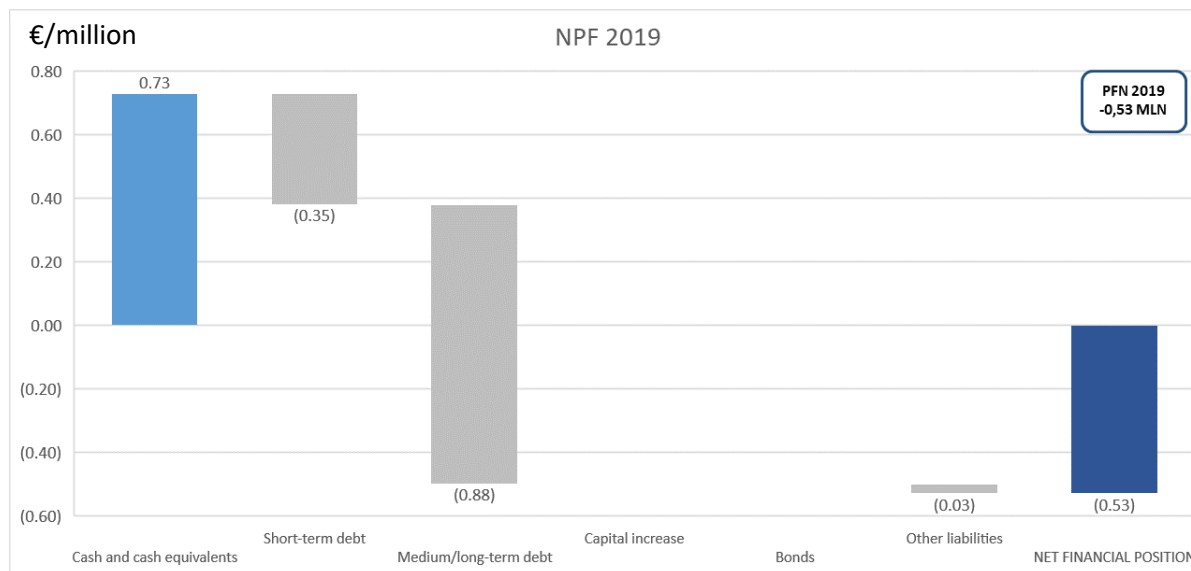
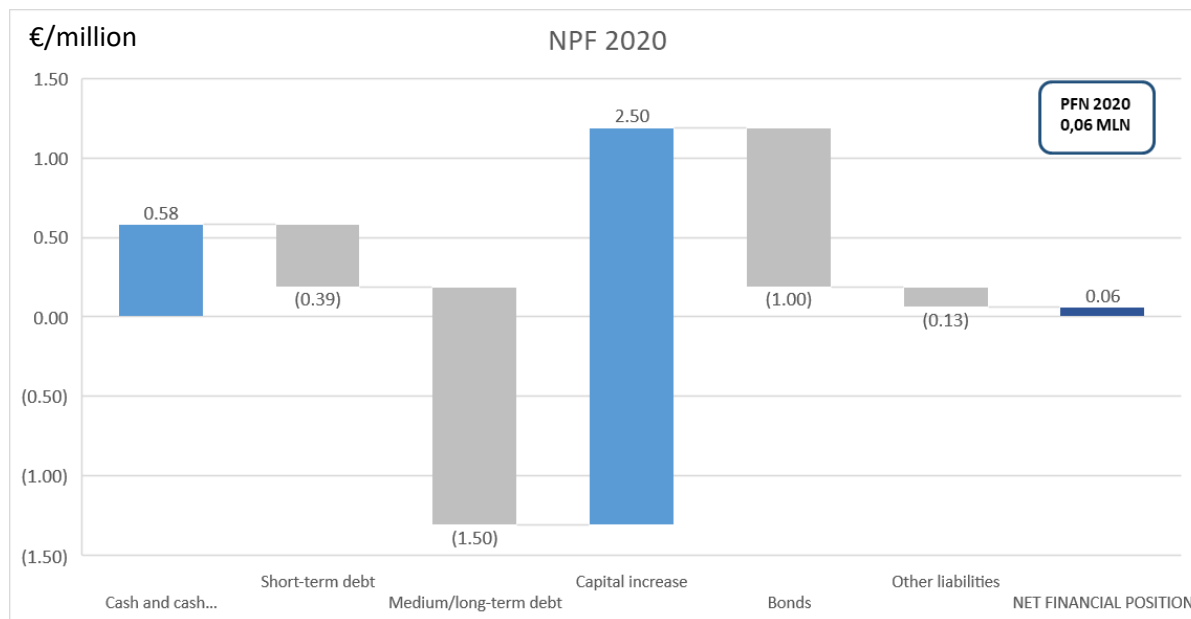
| | FY2020 | FY2019 |
|----------------------------|------------------|------------------|
| Revenues from sales | 7.512.732 | 6.961.492 |
| Value of Production | 7.566.146 | 7.007.901 |
| Total operating costs | (5.779.580) | (5.742.512) |
| EBITDA Adj | 1.786.566 | 1.265.389 |
| EBITDA margin adj | 23,6% | 18,1% |



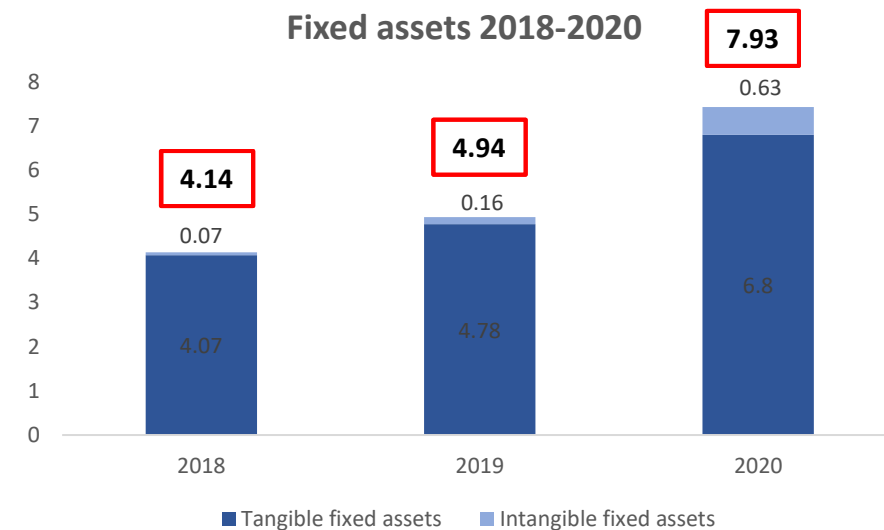
INCOME STATEMENT HIGHLIGHTS - BU ENERGY

| | FY2020 | FY2019 |
|----------------------------|------------------|------------------|
| Revenues from sales | 8.786.151 | 9.713.539 |
| Value of Production | 8.791.970 | 9.725.376 |
| Total operating costs | (8.289.020) | (9.365.338) |
| EBITDA Adj | 502.950 | 360.038 |
| EBITDA margin adj | 5,7% | 3,7% |

Net financial position and fixed assets

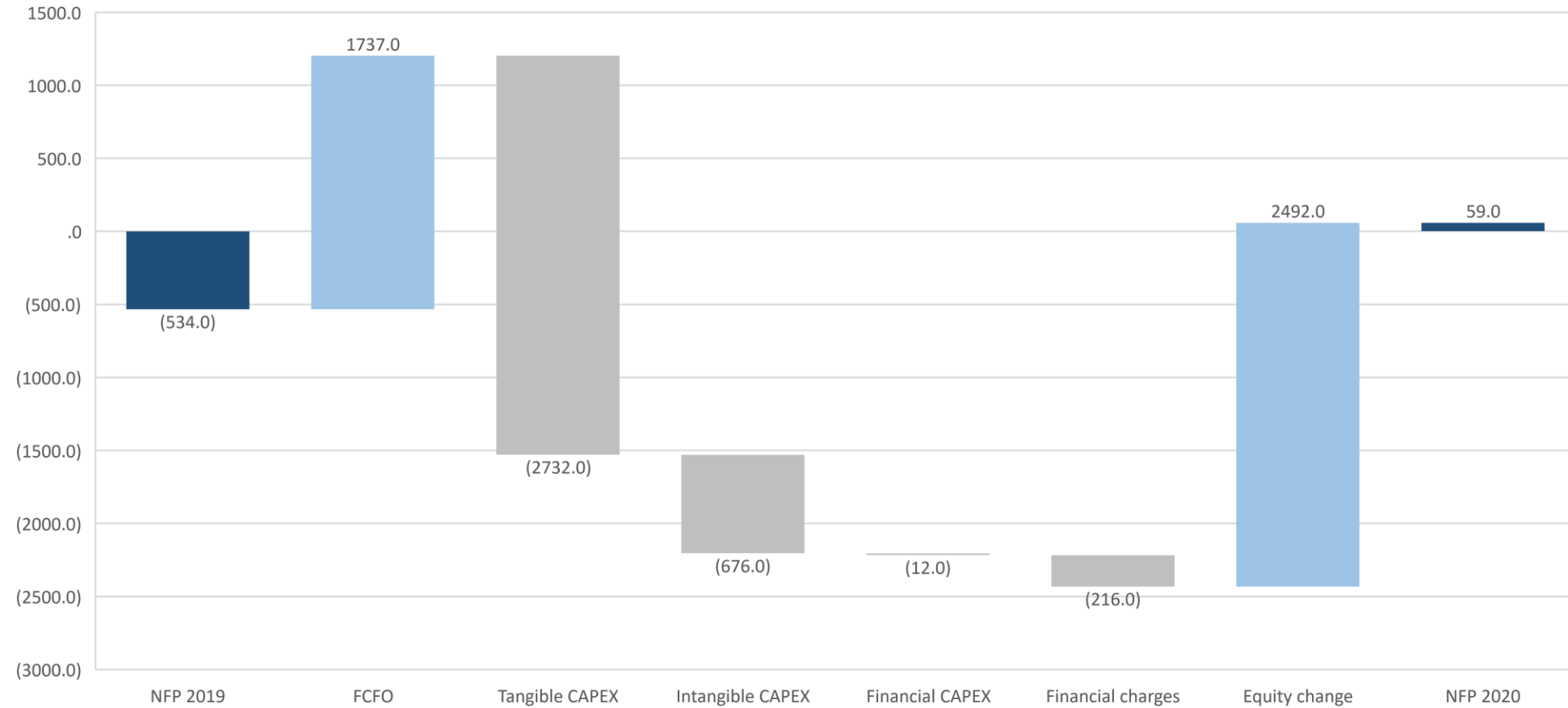


€/million



NFP bridge

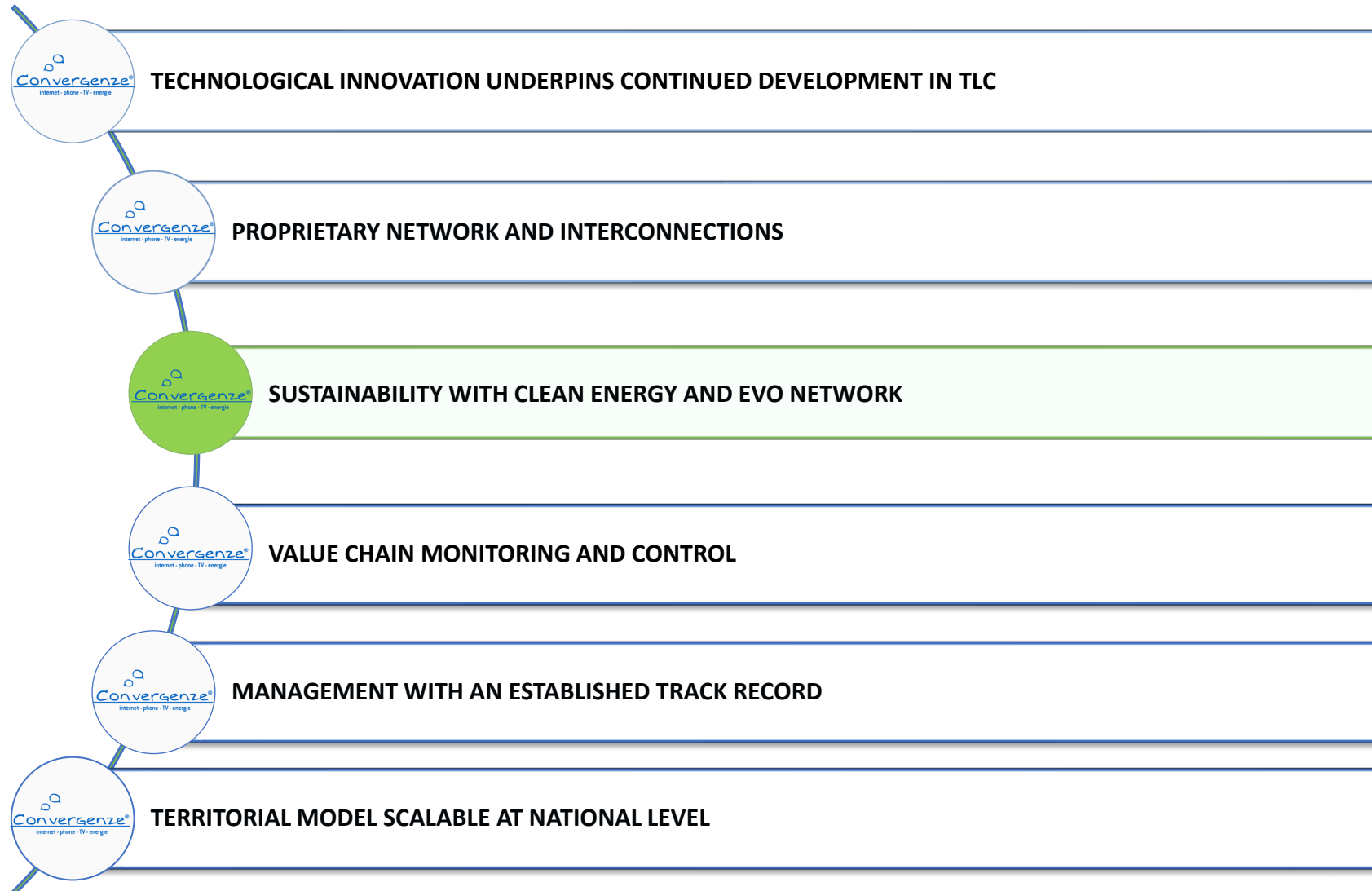
€/000



Balance sheet highlights

| BALANCE SHEET HIGHLIGHTS | | | | |
|-----------------------------|--------------------|--------------------|-------------------------------|----------------------------|
| ASSETS | | | LIABILITIES AND NET | |
| | FY2020 | FY2019 | | |
| Fixed assets | 7.498.716 | 4.992.831 | Net financial position | (59.135) 534.253 |
| Net Working Capital | (2.047.203) | (2.126.819) | Net assets | 5.040.781 1.853.603 |
| Severance and other funds | (469.867) | (478.156) | | |
| NET INVESTED CAPITAL | 4.981.646 | 2.387.856 | TOTAL SOURCES AND PN | 4.981.646 2.387.856 |

- The **net financial position (NFP)** was cash positive by € 0.06 million, an improvement of € 0.59 million compared to the net financial position of € 0.5 million at 31 December 2019. This improvement is mainly attributable to the credit that the Company has with its shareholders following the proceeds raised during the share placement carried out at the end of the IPO process. The amount of subscriptions from new shareholders was €2,500,750.00 as of 28 December 2020 (trading began on 30 December 2020). It should also be noted that the capital increase was accompanied by the exercise of the greenshoe option granted to the Global Coordinator. The latter was subsequently exercised on 28 January 2021, raising a further € 299,250 on the market, bringing the number of shares placed on the market to a total of 1,600,000. It should be noted that, on 14 April 2020, the Company issued a bond (Minibond), fully subscribed by Unicredit Bank for a value of € 1 million, with a duration of 84 months (12 p.a.), guaranteed by FCG 80%; on 30 April 2020 Cerved Rating Agency issued a B1.1 rating on the bond and confirmed on May 3, 2021.
- **Shareholders' equity** amounted to € 5 million, a significant rise compared to € 1.9 million as at 31 December 2019, ascribable to the capital increase for the IPO transaction completed on 30 December 2020 and the profit for the year as at 31 December 2020
- **Fixed assets** amounted to € 7.5 million compared to € 5.0 million at 31 December 2019, an increase of approximately € 2.5 million. The growth is linked to the investments made during the year, which mainly concerned the implementation of the proprietary FTTH infrastructure in the Municipality of Trentinara (SA), within which Convergenze S.p.A. also installed its own power station. At the same time, work continued on the expansion of this infrastructure in the municipalities of Capaccio Paestum (SA), Albanella (SA) and Castel San Lorenzo (SA). Finally, in December 2020, the design and authorisation phase for the laying of fibre in the industrial district of the municipality of Ogliastro Cilento (SA) was completed. The overall investment for the work on this network involved a commitment of €1.3 million, resulting in a net increase in property, plant and equipment of the same amount at 31 December 2020. Similarly, the company continued to modernise and upgrade the WiFi Ultrabroadband infrastructure, the corporate interconnection network and the implementation of the proprietary data centre.



1

Company Overview

2

Core Business & Market Overview

3

Strategic Guidelines

4

Business update 2021

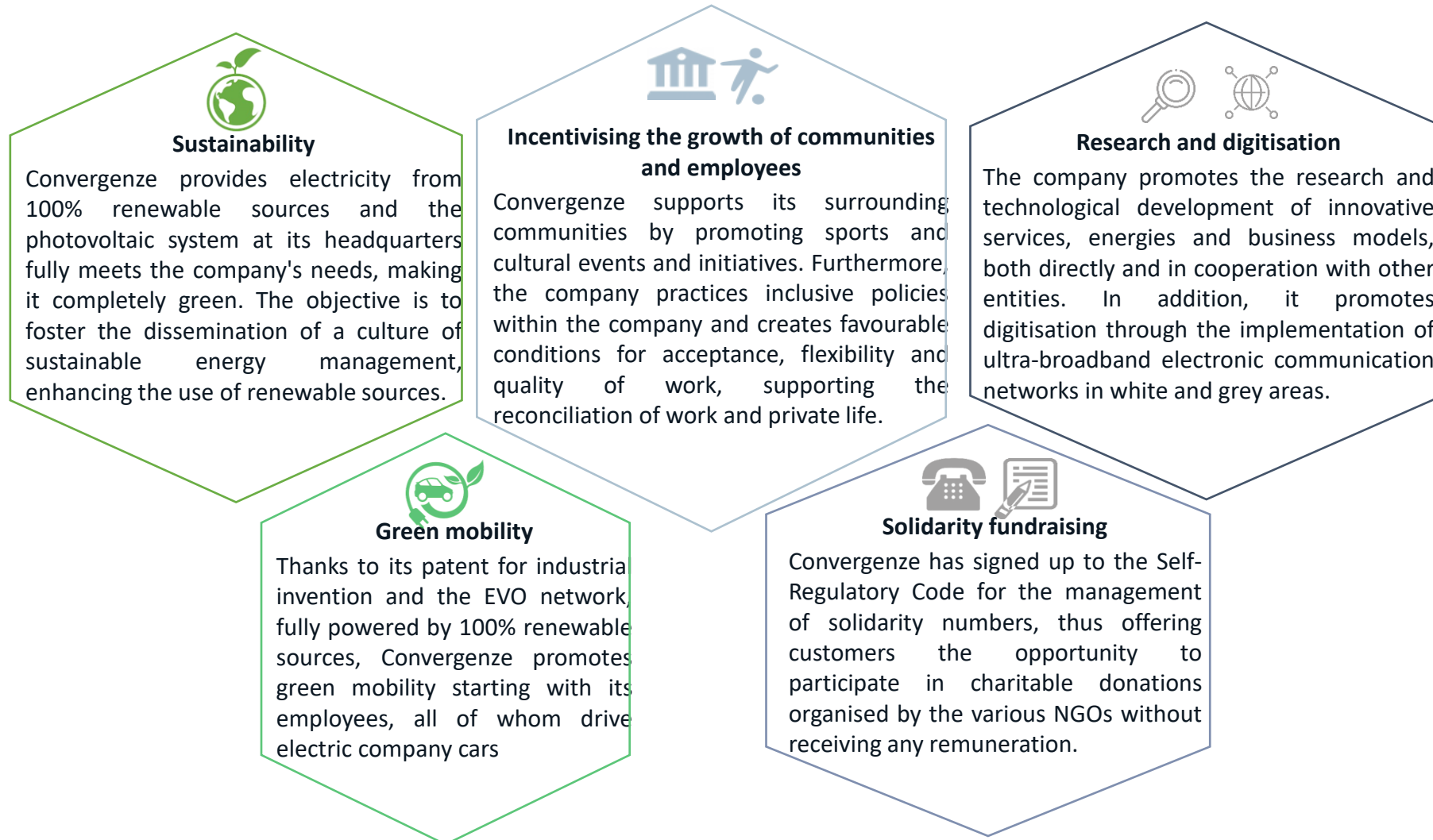
5

Main events & FY2020

4

Appendix

The focus on sustainability and corporate social responsibility enabled Convergence to become a Benefit Corporation on 14 September 2020. As such, Convergence, while doing business, pursues one or more goals of common good in addition to profit, operating in a responsible, sustainable and transparent manner towards its territory and its community.



Convergenze has obtained 4 certifications:



- ✓ ISO 9001, certifying the efficiency and proper management of company processes



- ✓ ISO 14001 for environmental quality, which certifies concrete efforts to limit direct company impacts



- ✓ ISO 45001 related to the international standard ISO 9001:2015 that Convergenze S.p.A. Società Benefit has obtained, guarantees the quality and continuous improvement of its telecommunications services and all the company's internal procedures.



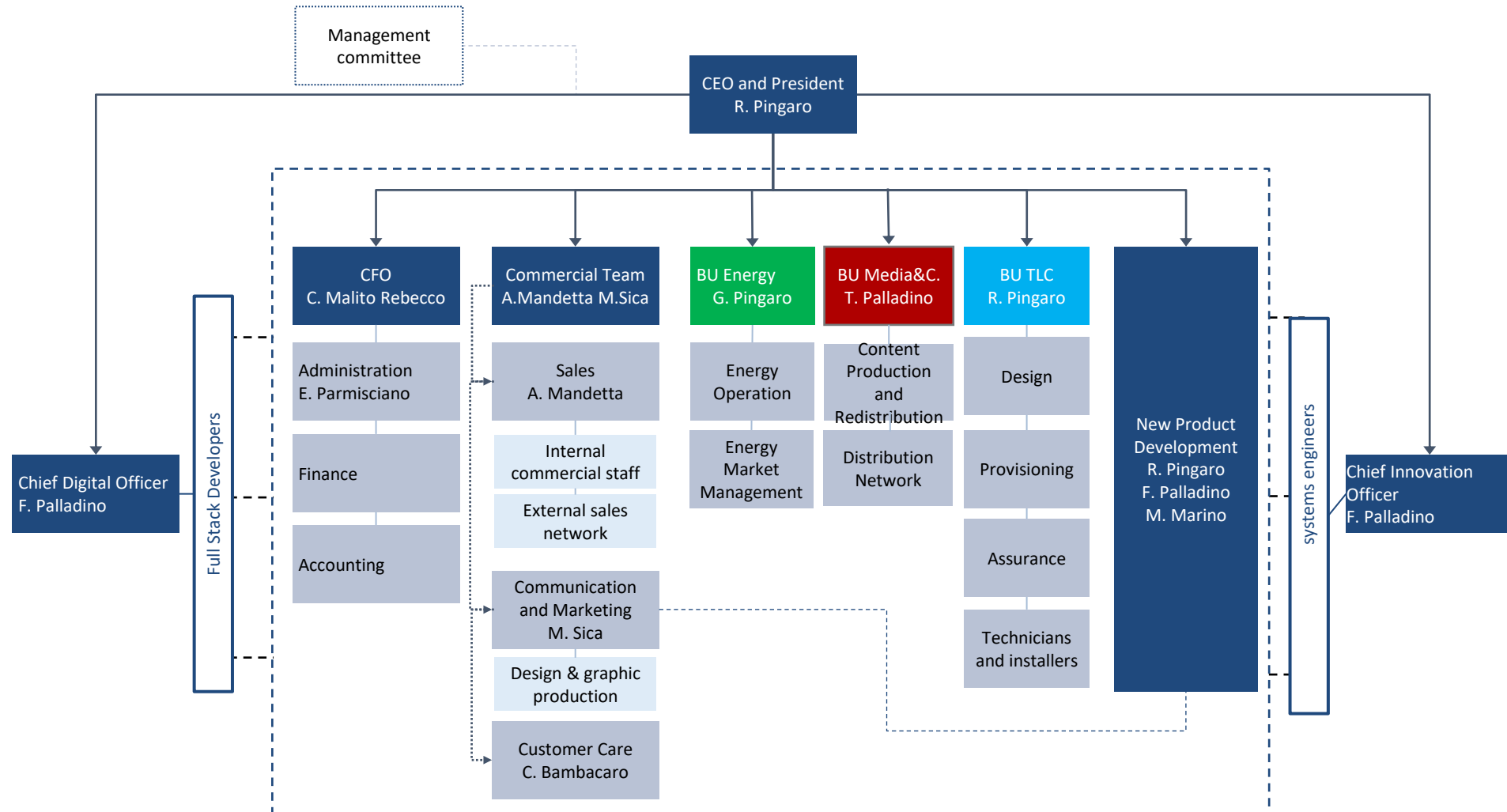
- ✓ ISO 27001, certifying the efficiency of the information security management system and ensuring the integrity, confidentiality and management of all sensitive data



- ✓ Convergenze supplies certified green energy through the annulment of Guarantees of Origin (GO). The Guarantee of Origin (GO) is an electronic certification issued by GSE, certifying the renewable origin of the sources used by IGO qualified plants.
- ✓ In 2019, the Company obtained from the Ministry of Economic Development a patent for industrial invention for the creation and implementation of the EVO (Electric Vehicle Only) network.

(*) OHSAS 18001 certification will be replaced in the incoming legislation by 45001 certification.

Organisational structure



68 employees
as at 31 December 2020

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