



NextGems
micro cap conference

October 22, 2024



Convergenze[®]
internet - phone - TV - energie



SPEAKERS



Rosario Pingaro
Chairman and CEO



Grazia Pingaro
Vice- Chairman and
Director BU Energy



Carmine Malito Rebecco
CFO



Agenda

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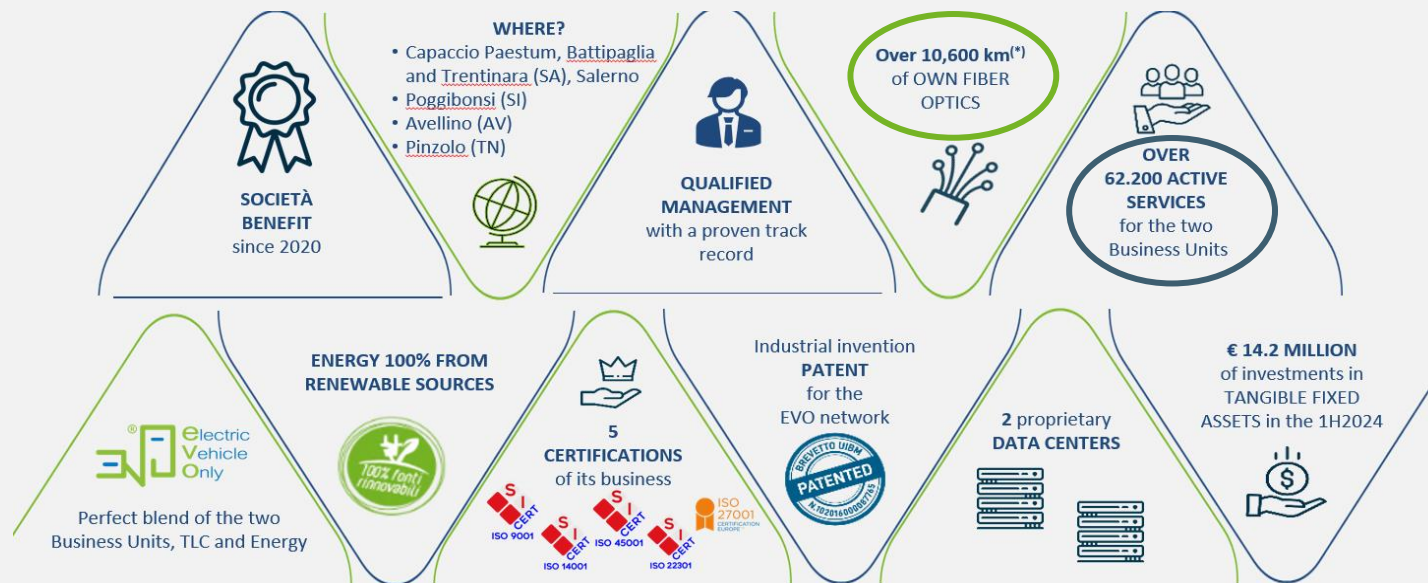


AT A GLANCE

CONVERGENZE: INNOVATION AND SUSTAINABILITY DRIVING THE FUTURE

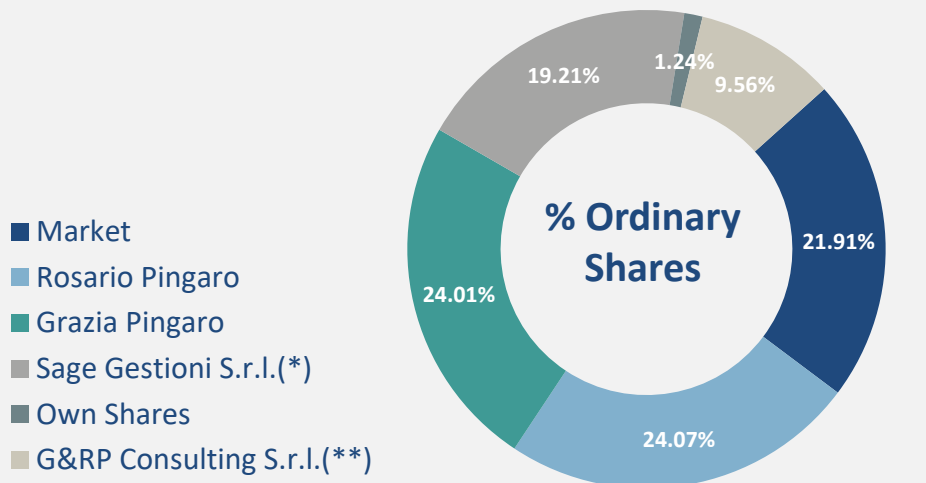
Convergenze S.p.A. Benefit Corporation is an integrated technology operator, active nationwide in the **Telecommunications** and **100% Green Energy** sectors, with charging points for electric vehicles through its patented **EVO network** with a strong commitment in sustainability and innovation.

- **2005:** Founded in Capaccio Paestum (SA) as a local telecommunications operator



CORPORATE GOVERNANCE

Shareholding structure (14.10.2024)



Shareholder	N. total shares	% voting rights
Rosario Pingaro	1,805,000	24.07%
Grazia Pingaro	1,800,000	24.01%
Sage Gestioni S.r.l. (*)	1,440,000	19.21%
G&RP Consulting S.r.l. (**)	716,500	9.56%
Own Shares	93,000	1.24%
Market	1,643,009	21.91%
Total	7,497,509	100.00%

(*) Company attributable to the Prearo family

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

Corporate governance

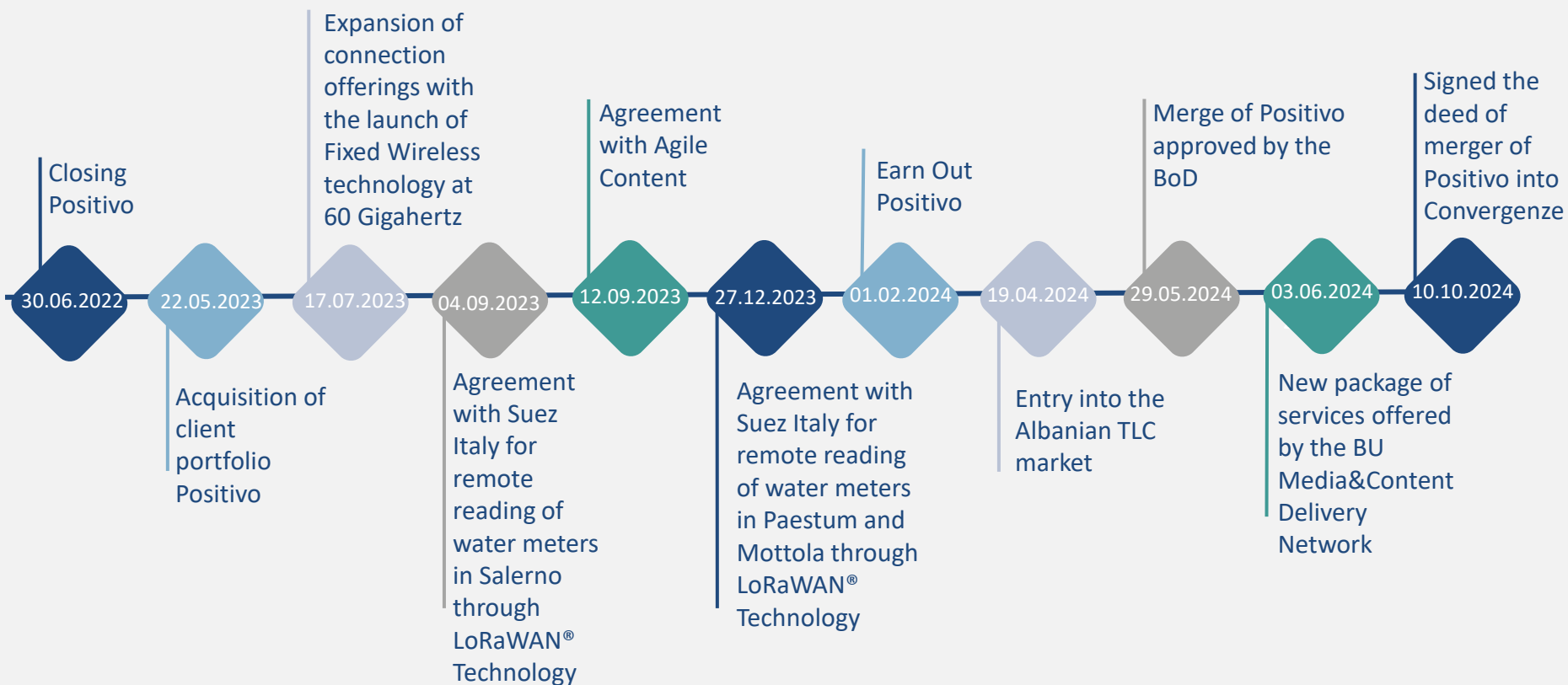
Board of Directors

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

Board of Statutory Auditors

Manguso Giosuè	Chairman
Spagnuolo Fabio	Auditor
Lo Giudice Simone	Auditor
Caliendo Domenico	Alternate Auditor
Bernardi Gerardo	Alternate Auditor

2022 – 2024: TRACK RECORD



GROWTH AND INTEGRATION

STRATEGIC DEVELOPMENT

M&A

Finalized the acquisition of **Positivo S.r.l.**, expanding into underserved areas. Between 2022 and 2024, the Earn-Out was defined, and the merger with Convergenze was approved, strengthening market position

STRATEGIC EXPANSION

Established a company in **Albania** to tap into a growing market and signed an agreement with **Agile Content** to offer entertainment across Italy, strengthening the company's position via Convergenze TV and the Media & Content Delivery Network

PRODUCT DEVELOPMENT

PRODUCT

Chosen by **Suez Italy S.p.A.** for smart metering solutions with **LoRaWan®** technology. In 2023, Convergenze launched its **60GHz Fixed Wireless** solution, providing up to 2.5Gb/s connectivity in areas not served by fiber optics



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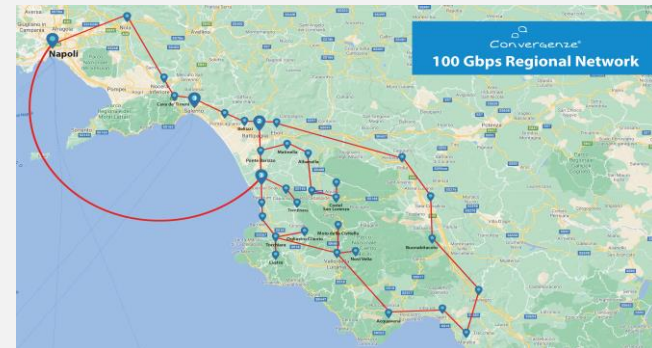
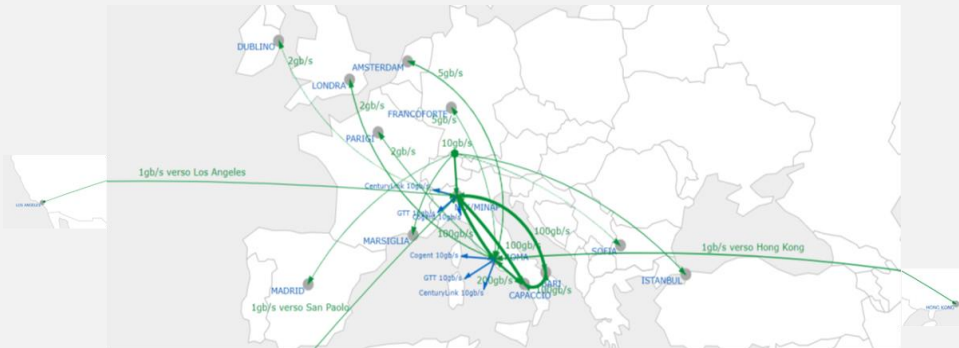
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SEAMLESS CONNECTIVITY AND CLOUD SOLUTION INFRASTRUCTURE

Convergenze offers **voice + data bundles locally, regionally, and nationally**, following General Authorization from the Ministry of Economic Development (MISE).

- **Since 2014**, authorized for electronic communication networks across Italy
- **In August 2021**, completed the interregional circuit, adding nodes in Buonabitacolo, Lagonegro, Sapri, and Maratea. Cloud services are also managed in the Company’s data centers
- **By June 2024**, built a 10,600 km proprietary FTTH network, with over 100 radio links



EMPOWERING THROUGH SUSTAINABLE ENERGY AND ELECTRIC MOBILITY

Convergenze promotes **electric mobility through its patented EVO network**, featuring 29 EVO charging stations and 3 EVO Hospitality stations across Naples, Salerno, Avellino, Siena, and Florence.

- **Since 2015**, **Convergenze** has offered energy and natural gas services through an independent business unit
- **In 2022**, part of the energy supplied came from renewable sources



A PATENT TO ENHANCE INNOVATION IN MOBILITY

- 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
- In addition to the **EVO Network**, **EVO Stations** and **EVO Wall Boxes** have already been installed in:



<p>PROVINCIA DI SALERNO</p> <p>ACCIAIROLI-POLLICA Via Porto Presso Parcheggio pubblico</p> <p>AGROPOLI Piazza della Repubblica, 1 Presso Comune di Agropoli</p> <p>Località Mattine Presso Centro Commerciale LE TORRI</p> <p>Via Dante Alighieri, 256 Presso Guardia di Finanza</p> <p>ALBANELLA Viale delle Mimose, 33</p> <p>AQUARA Via G. Garibaldi, 41 Presso Parcheggio comunale</p> <p>ASCEA Via Enea</p> <p>BATTIPAGLIA Via delle Industrie, SNC</p> <p>CAPACCIO PÆSTUM Via Seliano, 2 Presso Convergenze Innovation Center</p> <p>Strada Provinciale 13 Presso Borgo la Pietraia Country House</p> <p>Via Italia, 61</p>	<p>CASTELLABATE Piazza Paolo Matarazzo Presso Parcheggio Villa Matarazzo</p> <p>EBOLI SS 18 Tirrena Inferiore km 79+250 Presso Parcheggio Cilento Outlet Village</p> <p>LUSTRA C.da Corticelle Presso Stazione di servizio Missano</p> <p>OGLIASTRO CILENTO Via Alfredo Gorga</p> <p>SALERNO Viale Andrea De Luca, 23 Presso SIMILIS</p> <p>SAN GIOVANNI A PIRO Località Sario Presso Parcheggio in via Giardini</p> <p>SAN MAURO CILENTO Via Serre</p> <p>SICIGNANO DEGLI ALBURNI Piazza Biagio Germano</p> <p>TRENTINARA Via Roma, 153</p> <p>VALLO DELLA LUCANIA Via Cafasco Presso Parcheggio pubblico</p> <p>VIBONATI Località Villamare Via San Marco</p>	<p>PROVINCIA DI AVELLINO</p> <p>SERINO Via Roma, 23</p> <p>CALITRI Via Giocchino Rossini, 2</p> <p>ANDRETTA Via Francesco Crispi, 87</p>		
<p>PROVINCIA DI NAPOLI</p> <p>SANT'ANTONIO ABATE Via Lettere, 156</p>	<p>PROVINCIA DI FIRENZE</p> <p>CERTALDO Piazza Macelli, 6</p> <p>Via delle Mura, 3 Presso Parcheggio Certaldo Alto</p>			
<p>PROVINCIA DI SIENA</p> <p>CHIUSDINO Via Montecapino Presso Parcheggio abate</p> <p>Strada Comunale di San Galgano Presso Parcheggio Abbazia</p>				

BU MEDIA&CONTENT CONTINUE TO STRENGTH ITS EXPERTISE

In response to the rapid digital revolution and the increasing **convergence of entertainment, media, telecommunications, and Internet services**, **Convergenze** has launched a new Business Unit “Media & Content Delivery” to enhance its offerings and improve customer experiences.

- **Set-top box development**: designed to deliver the best possible online video content experience via ultra-fast connectivity
- **Integrated service bundles**: offering access to exclusive platforms and services at discounted rates, all in a single, simplified invoice
- **Advanced payment systems**: providing seamless and innovative methods for easier transactions
- **Access to online media platforms**: offering discounted subscriptions to popular streaming services for video content, available directly through Convergenze



SOLO SU CONNESSIONE CONVERGENZE

Convergenze TV

a soli 7,50 € al mese

- + Sconto su canone Internet
- + 1 mese di TV gratuita
- + Attivazione gratuita*

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GROWTH DUE TO: M&A AND CONSOLIDATION



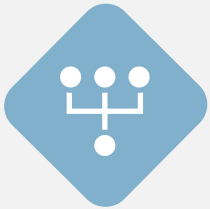
M&A

Possibility of growing through **M&A** by acquiring other TLC players with a complementary geographical location.



NETWORK EXPANSION AND CONSOLIDATION

Convergenze aims at being recognized as a national operator by expanding its presence throughout Italy.



DIVERSIFICATION OF SUPPLY

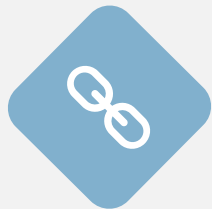
Convergenze is diversifying its product portfolio with the **introduction of the BU Media & Content Delivery Network**, offering new value-added services such as cloud, datacenter as a service, and virtualization. The company will also showcase innovations like antivirus solutions and its cybersecurity division.

VERTICALLY AND HORIZONTALLY INTEGRATED OPERATOR



PROPRIETARY FIBRE OPTICS AND WIFI

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



CROSS SELLING AND INCREASING ACTIVE SERVICES

Increase in the number of **Energy customers**, taking advantage of the cross-selling opportunities between the **TLC** and **Energy BUs**, through e-commerce portals, as well as targeted marketing actions. Further cross-selling possibilities will be possible thank to the opening of the new **BU Media & Content Delivery Network**.



IOT AND MOBILE VIRTUAL OPERATOR

Convergenze is set to capitalize on **IoT sector opportunities**, particularly with the **LoRaWAN project's** shift to production technology. The Company will offer its proprietary network to national and international providers, acknowledging the crucial role of a fiber optic backbone for future 5G implementation. The aim of the Company is to launch the Mobile Virtual Operator to integrate the TLC portfolio in a comprehensive manner.

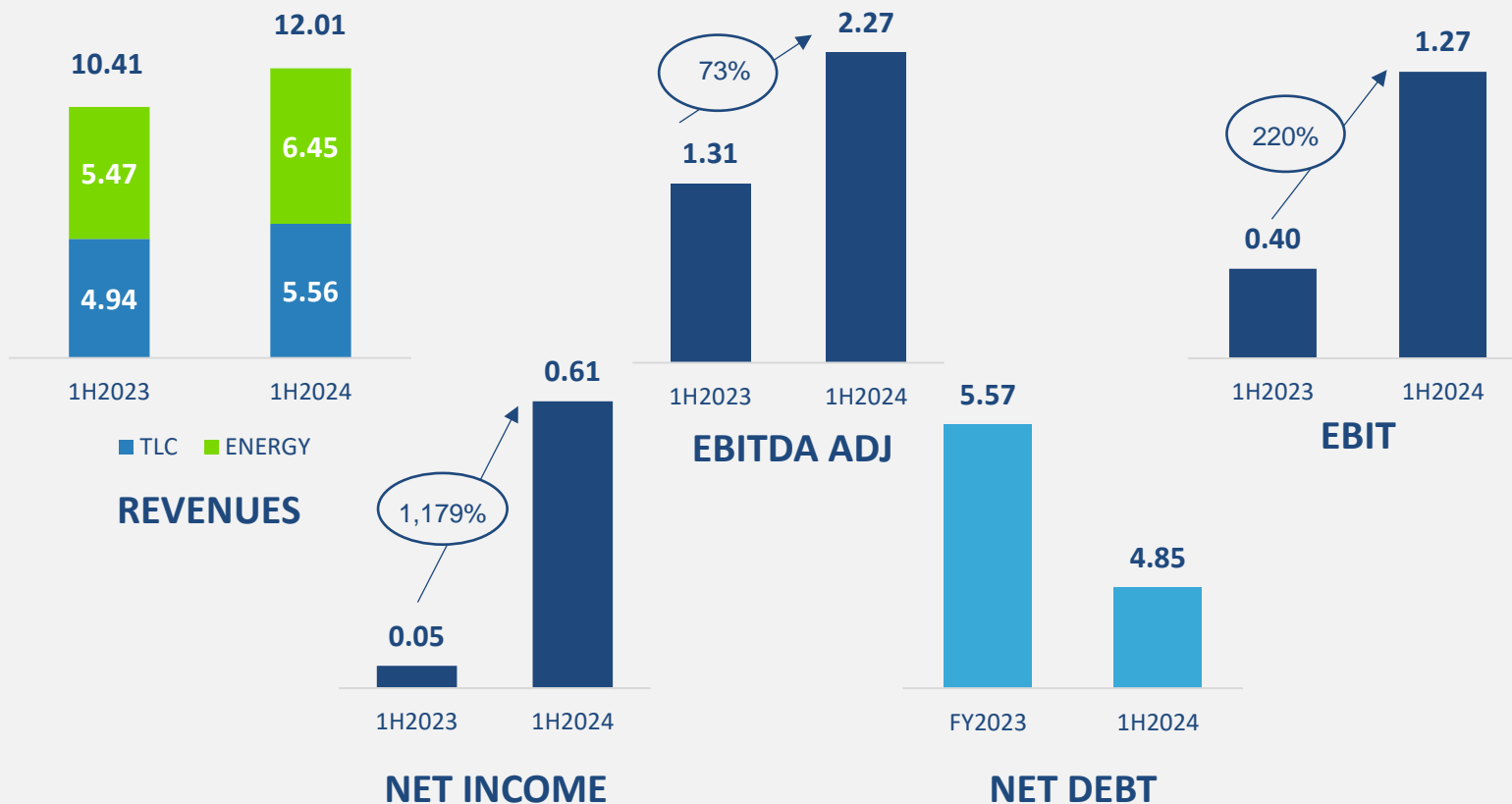


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KPI 1H2024 VS 1H2023

STRONG RESULT IN VOLUME AND PROFITABILITY LEVERAGING SYNERGIES

€/million



- Growth in BU TLC and Energy, with EBIT +220% and net income up, driven by strong management actions

INCOME STATEMENT 1H2024 BU

GROWING TREND IN TLC AND EFFECTIVE MANAGEMENT ACTIONS IN ENERGY

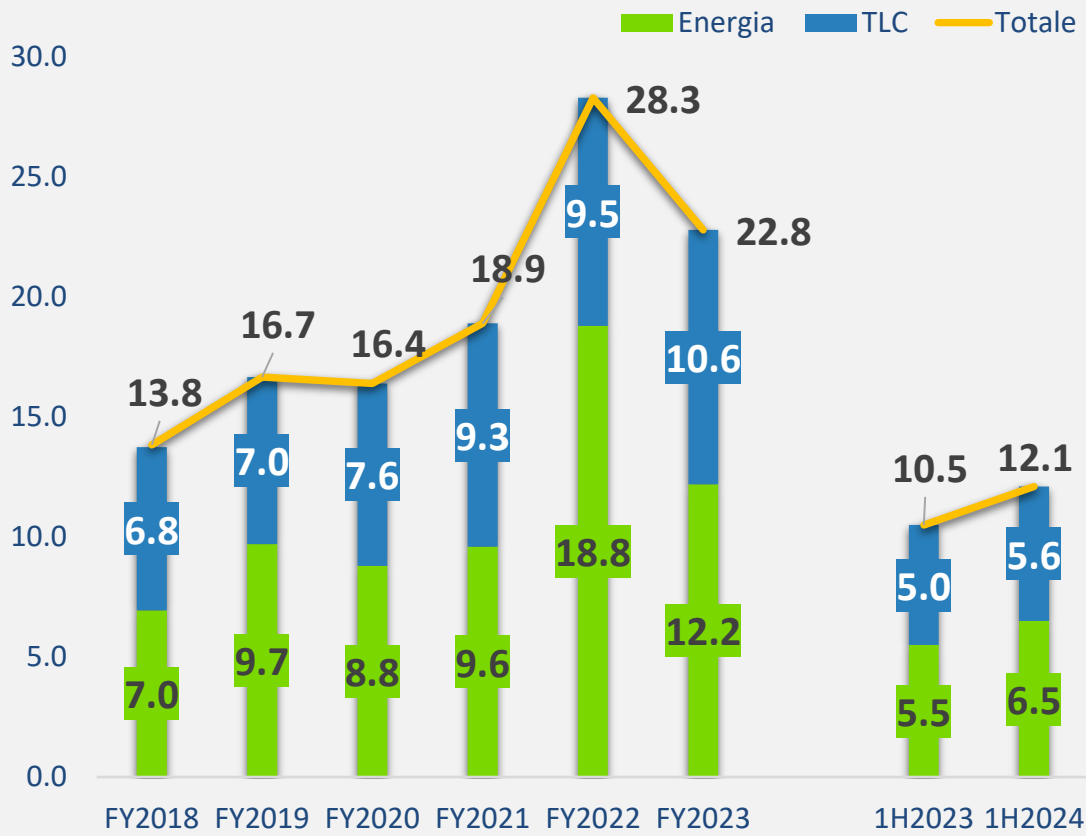
INCOME STATEMENT HIGHLIGHTS					
BU TLC			BU ENERGY		
€	1H2023	1H2024	€	1H2023	1H2024
Sales Revenue	4,944,786	5,558,539	Sales Revenue	5,472,502	6,450,333
Value of Production	5,012,823	5,636,250	Value of Production	5,480,231	6,459,823
Total Operating Costs	(3,670,082)	(3,921,483)	Total Operating Costs	(5,512,971)	(5,908,802)
EBITDA Adj.	1,342,742	1,714,767	EBITDA Adj.	(32,742)	551,021
EBITDA Margin Adj.	26.8%	30.4%	EBITDA Margin Adj.	n.a.	8.5%



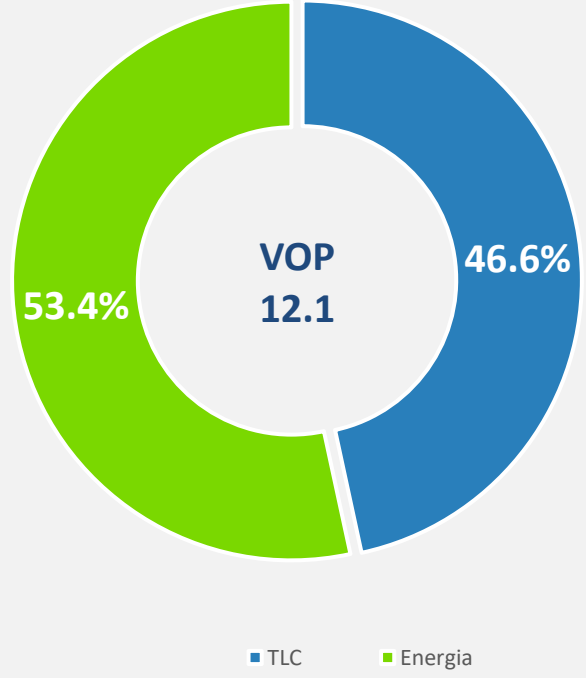
VOP: PERFORMANCE

VALUE OF PRODUCTION TREND INFLUENCED BY ENERGY PRICES

€/million



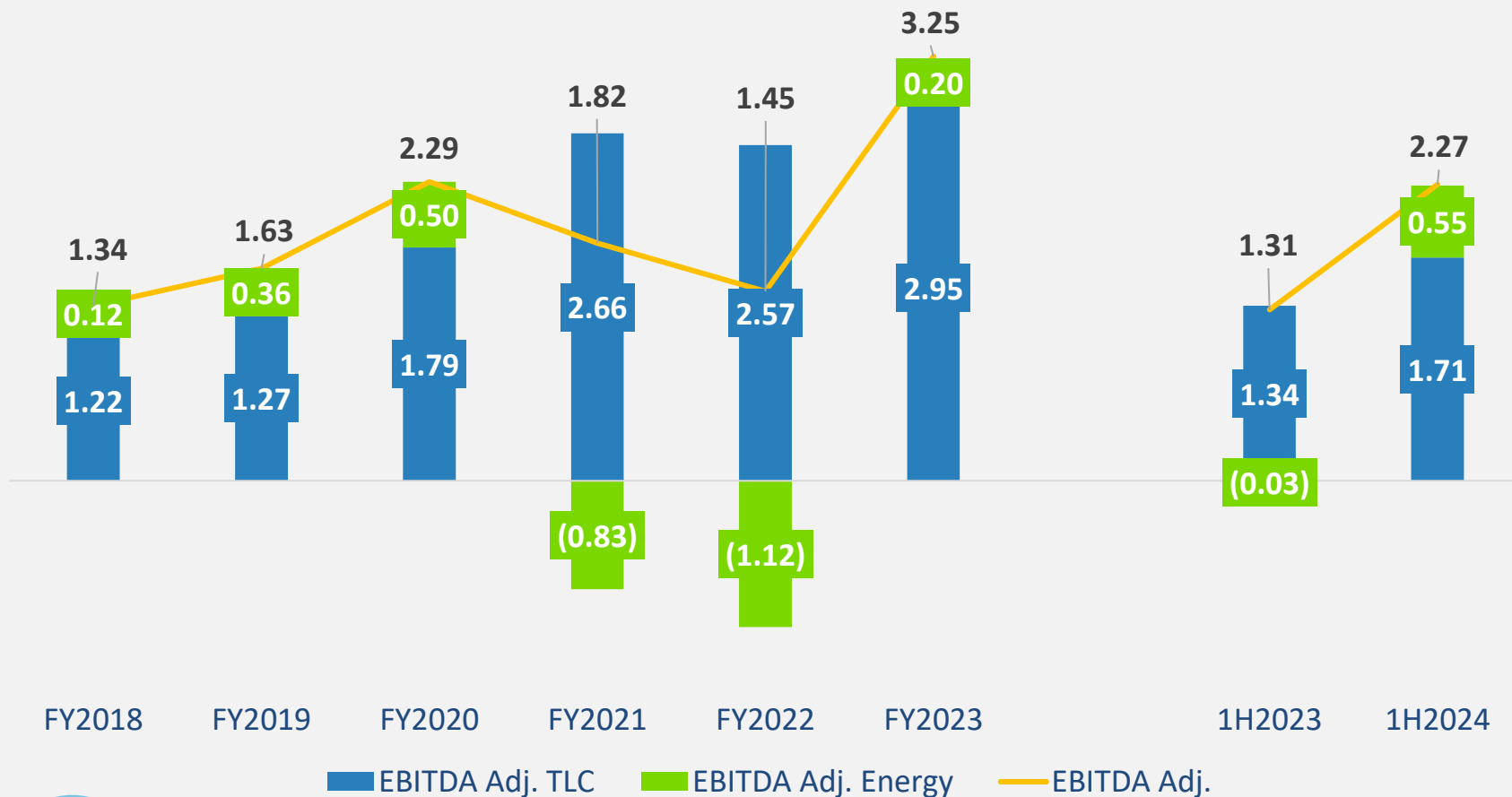
VALUE OF PRODUCTION BREAKDOWN (1H2024)



EBITDA ADJ: PERFORMANCE

CONSISTENT MANAGEMENT ACTIONS ALLOW AN INCREASE IN EBITDA

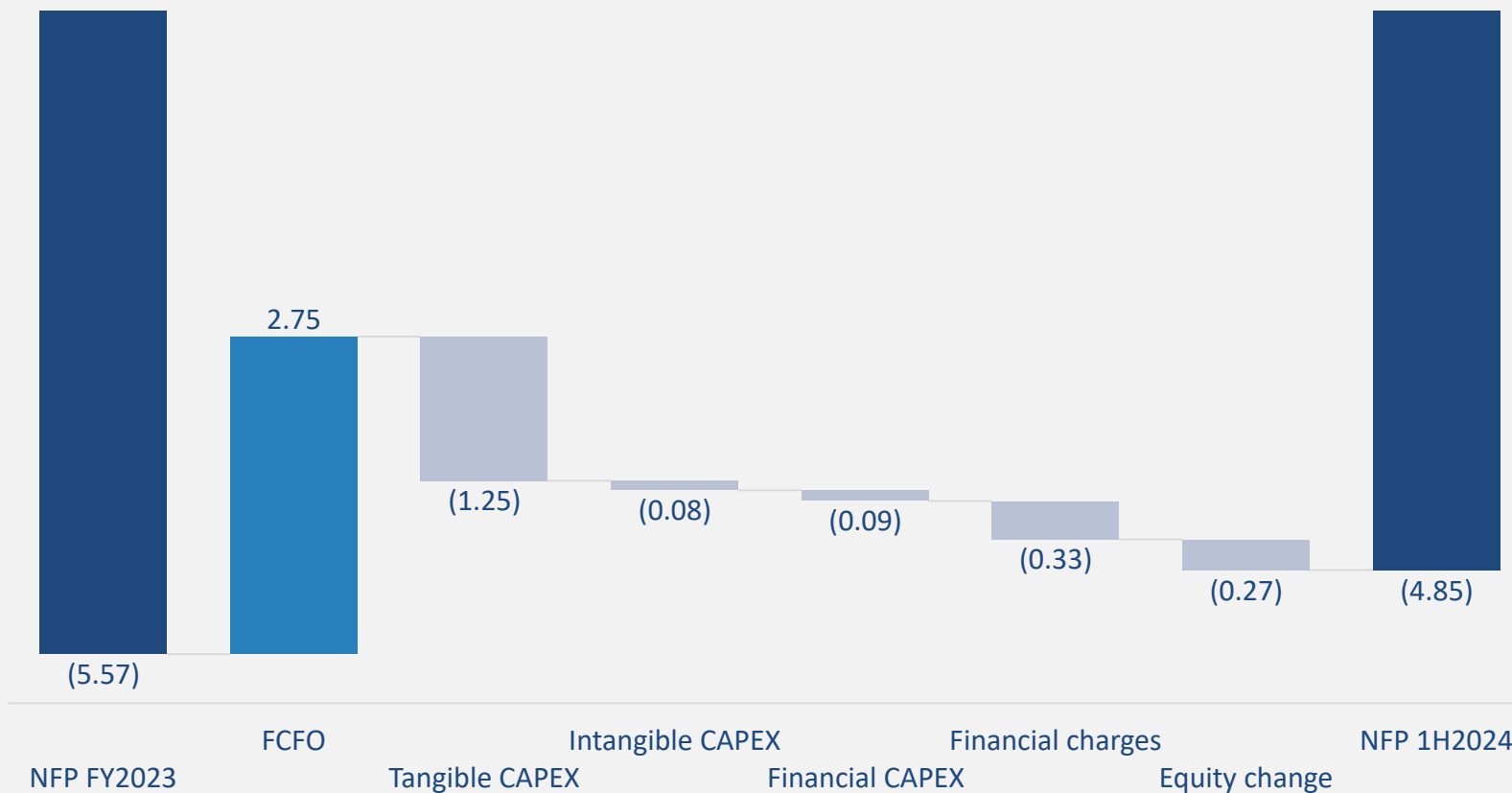
€/million



NFP BRIDGE (1H2024)

FCFO EXCEEDING CAPEX ALLOWING IMPROVEMENT IN NET DEBT

€/million



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BENEFIT CORPORATION

Convergenze became a **Benefit Corporation** on 2020 thanks to the focus on sustainability and corporate social responsibility.



SUSTAINABILITY

Headquarters fully provided by renewable electricity to make **Convergenze** completely green



GROWTH OF LOCAL AREAS AND EMPLOYEES

Sports and cultural events to support inclusive policies and work-life balance within the Company



RESEARCH AND DIGITALIZATION

Promotion of research and technological development of services and energies through digitalization



GREEN MOBILITY

Promotion of green mobility by providing electric company cars to all employees (EVO Network)



FUNDRAISING

Adhesion to the Italian Code of Self-Regulation allowing customers to donate to NGOs without remuneration

CONVERGENZE'S ESG TARGETS



Spread and promote the **culture of eco-sustainability and green mobility**



Support the territories through the **promotion of sports and cultural events and initiatives**



Fostering **digitization** via ultra-broadband electronic networks



Promote **R&D of innovation** toward a **sustainable use of energy and improvement of the life of people**



Spread the **culture of sustainable energy management** and educate on renewable energy sources and energy consumption



Promote the satisfaction of employees by practicing **high quality of work** policies supporting **work-life balance**



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FINAL REMARKS

- **The merger of Positivo** and the expansion in **Albania** and the supply diversification with the new **Media & Content Delivery BU** confirm the strategic evolution of **Convergenze**
- Actions in **Energy BU** through **renewable energy** created a more **sustainable offering**, whilst the **Media & Content Delivery BU** by integrating multimedia content and ultra-fast connectivity **improved group competitiveness**
- **Strategic development** may include **network expansion and consolidation** in order to become a national operator
- **The integration of mobile** into **Convergenze's** business will position the company as the first regional company to offer a **comprehensive product portfolio in telecommunications**
- **Management action** brought **Energy BU back to profit** with a visible turnaround at all levels
- Group Revenues grew by 15%, EBITDA rose substantially pushing *EBITDA margin about 19%*: all this led to a reduction of **Net Debt**

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CONVERGENZE'S HISTORY

2005
Establishment of Convergenze S.p.A. with headquarters in Capaccio Paestum (SA) and business start as a broadband connectivity provider in the Cilento area.

2008
Convergenze obtains General Authorisation from MISE to operate as a local telecommunications operator

2011
Convergenze obtains General Authorisation from MISE to operate as a regional telecommunications operator

2012
Inauguration of the Convergenze Innovation Center on 22 September

2014
General Authorisation obtained for the deployment of electronic communication networks on the national territory, in order to implement the proprietary fibre network

2015
General Authorisation from the MISE obtained to offer fixed telephony services to the public as a national telecommunications operator.

Diversification of the services offered by approaching the energy (as a reseller) and natural gas markets

2018
Convergenze joins the Borsa Italiana's ELITE programme for the results achieved in terms of economic growth.

Convergenze becomes a Dispatching Operator in the Energy Market.

Convergenze acquires new headquarters in Trentinara (SA): 200 square metres of working space

2019
Granting of an industrial invention patent for the EVO (Electric Vehicle Only) network

2020
IPO
Convergenze starts the listing process to raise financial resources to accelerate its growth

On 14 September Convergenze becomes a Benefit Corporation.

2020
Reorganisation of the shareholding structure, with the exit of non-operating shareholders and the entry of the industrial holding company RFLTC, with a 12.5% stake.

2022
Convergenze acquires Positivo, strategically expanding into new "Digital divide" areas

2023
Convergenze signed an Agreement with Agile Content: the activity of the Media&Content Delivery network BU starts with impelling

INCOME STATEMENT HIGHLIGHTS

INCOME STATEMENT HIGHLIGHTS		
€	1H2023	1H2024
Sales Revenues	10,417,288	12,008,872
Value of Production	10,493,054	12,096,073
Total Operating Costs	(9,183,052)	(9,830,285)
EBITDA Adj.	1,310,002	2,265,788
EBITDA Margin Adj.	12.5%	18.7%
EBIT	398,055	1,273,308
EBT	127,147	941,182
NET RESULT	47,306	605,748

BALANCE SHEET HIGHLIGHTS

BALANCE SHEET HIGHLIGHTS					
ASSETS			LIABILITIES AND EQUITY		
€	FY2023	1H2024	€	FY2023	1H2024
Fixed assets	13,730,664	14,188,776	Net Financial Position	5,573,053	4,848,825
Net working Capital	(1,619,733)	(2,393,880)	Equity	5,656,523	5,994,312
Provisions and other funds	(881,355)	(951,759)			
NET INVESTED CAPITAL	11,229,576	10,843,137	TOTAL LIABILITIES AND EQUITY	11,229,576	10,843,137

ESTABLISHMENT OF A COMPANY IN ALBANIA TO SEEK STRATEGIC EXPANSION

On April 19, 2024 - **Convergenze** has approved the establishment of a limited liability company under Albanian law. This operation has in its geographical expansion in **Albania** its strategic reasoning; **a market still small in size but with strong growth prospects** where **Convergenze** will soon realize the opening of a new Point of Presence.

In this context, **Convergenze** will start offering the **service only on a wholesale basis to operators interconnected to ANIX** (the internet interchange point of the **Academic Network of Albania**).

The transaction involves total formation costs of about € 2,000 to € 3,000 and a share capital endowment of about € 2,000.





POSITIVO

POWERED BY CONVERGENZE S.P.A. SB

POSITIVO OFFERS TECHNOLOGY SOLUTIONS OF INTERNET CONNECTIONS COVERING "DIGITAL DIVIDE" AREAS IN SALERNO

- 30.06.2022** - The **closing** regarding the acquisition of the 100% of the share capital of Positivo S.r.l. has taken place. The transaction enables expansion into currently uncovered territories, creating greater added value through the exploitation of cross-selling on Positivo's current customer portfolio.
- 22.05.2023** - The **acquisition** of the client portfolio of Positivo has been finalized
- 01.02.2024** - Defined the supplementary amount of the purchase price ("**Earn-Out**") in Euro 35,282.00, equal to 50% of the EBITDA recorded as of December 31, 2022.
- 29.05.2024** - Approved the plan to **merge** the wholly owned subsidiary Positivo into Convergenze S.p.A. S.B..

agile content

BU MEDIA&CONTENT DELIVERY NETWORK BECOMES ACTIVE

- 12.09.2023** - Signed an agreement to offer entertainment content starting in the first quarter of 2024 to its subscribers and throughout Italy, with the Spanish company **Agile Content**, an international reality of on-demand and live pay streaming services through the "**Agile TV**" platform by increasing the content offering both to its own customers, consolidating its position, as well as to new customers by increasing market share, through the penetration capacity of "**Convergenze TV**".
- 03.06.2024** - Presented the new package of services offered by the BU Media&Content Delivery Network, thanks to the agreement signed in 2023 with the Spanish company **Agile Content**. Users will be able to access the bouquet composed by Agile Content: more than 1,000 on-demand assets including movies, series, documentaries and children's content and an extensive selection of Italian and international entertainment channels.



CONVERGENZE'S GROWTH PROJECTS IN SMART METERING SELECTED BY SUEZ ITALY

- 04.09.2023** - It has been selected by **Suez Italy S.p.A.**, which was awarded the tender in a grouping with other companies in the area, to provide a network solution and IT platform for remote reading of water meters. The solution will be offered **through LoRaWan® Technology**, a wireless communication protocol on which Convergenze has developed a management software platform to enable communication between electronic devices.
- 27.12.2023** - Signed a new collaboration agreement with **Suez Italy S.p.A.** for the implementation and management of a smart metering system **with LoRaWan® Technology** for the automation of meter reading and management processes

CONVERGENZE LAUNCHES THE 60GHZ FIXED WIRELESS SOLUTION ON A PROPRIETARY WIFI NETWORK WHICH ALLOWS A VERY HIGH-PERFORMANCE CONNECTION

On July 17, 2023 - Convergenze expands its offering of connection solutions with the launch of 60 Gigahertz Fixed Wireless technology, capable of offering users **up to 2.5Gb/s of wireless connection speed** and **wider accessibility even in geographical areas not covered by others performing technologies.**

The technology will allow Convergenze to reach new customers and offer new solutions to existing customers even in areas not reached by fiber optics.

After an initial test in the Municipality of Novi Velia (SA), Convergenze is now able to offer the high speed and high capacity (up to 10 times higher than that of traditional UWA WI-FI).



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