



# SPAFID CONNECT

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Vedi allegato.



## PRESS RELEASE

### GO INTERNET: APPROVAL OF DRAFT FINANCIAL STATEMENTS AT 31 DECEMBER 2018 REVENUES AND EBITDA IN LINE WITH THE SAME PERIOD OF THE PREVIOUS YEAR, GROWTH IN OPERATING CASH FLOW, IMPROVEMENT IN FINANCIAL POSITION

- **Sales revenues Euro 6.63 million (Euro 6.58 million at 31 December 2017)**
- **EBITDA Euro 2.63 million (Euro 2.76 million at 31 December 2017), EBITDA Margin 40% (42% at 31 December 2017)**
- **Net profit Euro -1.17 million (Euro -255 thousand at 31 December 2017)**
- **Operating cash flow +75% to Euro 3.12 million (Euro 1.78 million at 31 December 2017)**
- **Net financial position Euro 2.87 million (Euro 4.47 million at 31 December 2017)**

Gubbio, 27 March 2019 - GO internet S.p.A. has announced that the Board of Directors that met today, has approved the draft financial statements (prepared according to IAS/IFRS and ITA GAAP) at 31 December 2018.

GO internet has reached a turnover of Euro 6,628 thousand, a slight increase of 1% compared to Euro 6,582 thousand recorded in 2017. The year 2018 showed stability in revenues from the provision of wireless broadband connectivity service and the process for transformation of the portion of the Wimax network into a 5G ready network has been started. The FTTH fiber segment performed well, recording an increase of +357% compared to the previous year. The company started the commercialization of the FTTH fiber service in the municipality of Perugia and also in the municipalities of Ancona and Bologna, following the FTTH network deployment plan of Open Fiber. The breakdown of revenues is as follows:

BREAKDOWN OF SALES REVENUES	2018		2017		Change	
<i>(Amounts in Euro/thousands)</i>						
Phone traffic reseller revenues	9	0%	11	0%	(2)	-20%
Fees 4G-LTE	6,438	97%	6,532	100%	(94)	-1%
Fees Fibre "FTTH"	182	3%	40		142	357%
<b>Sales revenues</b>	<b>6,628</b>	<b>100%</b>	<b>6,582</b>	<b>100%</b>	<b>46</b>	<b>1%</b>

*“2018 was characterized by a particularly competitive market and saw the company, by virtue of its partnership with Linkem, start the process for transformation of the portion of the Wimax network into a 5G ready network. Thanks to the extension of frequencies, we can plan the migration of the entire network into 5G, the technology that will characterize the next decade, with the aim of offering an increasingly innovative and competitive service”* stated Giuseppe Colaiacovo, President of GO internet.

EBITDA of Euro 2,632 thousand in 2018 compared to Euro 2,767 thousand in 2017 has recorded a slight decrease both in absolute terms (-5% compared to the previous year) and in terms of incidence on revenues (40% in 2018 compared to 42% in 2017).

Furthermore, EBIT, amounting to Euro -1,239 thousand (Euro -26 thousand in 2017), has been affected by both the increase in amortization in absolute terms due to new investments for the expansion of the 4G-



LTE network infrastructure and the incidence of the impairment of trade receivables.

As regards the equity and financial figures, at 31 December 2018, net invested capital amounted to Euro 13,838 thousand (Euro 12,709 thousand at 31 December 2017).

Cash flow from operations recorded an increase of +75% to Euro 3,084 thousand (Euro 1,781 thousand in 2017).

Net Financial Position amounted to Euro 2,871 thousand, a decrease of Euro 1,608 thousand compared to 31 December 2017 due to the finalization in May 2018 of the share capital increase of Euro 4 million including the premium to Linkem S.p.A. approved by the Meeting of Shareholders on 27<sup>th</sup> April 2018.

The following are the most significant events that occurred in 2018: (i) in May was the completion of the share capital increase of Euro 4 million including the share premium reserved for Linkem S.p.A. with entry of the latter in the capital of GO internet with a share of 21.22%; (ii) in July, the Ministry of Economic Development gave its approval to the frequency sharing agreement between GO internet and Linkem for the shared use of the frequencies assigned to both companies in the 3.4.-3.6 GHz band in the regions Marche and Emilia Romagna; (iii) also in July, the Ministry of Economic Development informed GO internet that the extension of the rights to use the BWA frequencies in the 3.4.-3.6 GHz band may be granted - following the administrative procedure and in compliance with the conditions prescribed by the Italian Communications Authority - until 31 December 2029; (iv) in November, the Ministry of Economic Development, at the end of the extension procedure, requested the payment of approximately Euro 2.7 million by 31 January 2019 as a contribution for the rights to use the frequencies in the 3.4 - 3.6 GHz band, for the period 1 July 2023 - 31 December 2029; (v) in December, the Extraordinary Shareholders' Meeting resolved to increase the share capital against payment in divisible form for a maximum of Euro 5 million, inclusive of any share premium, with the aim of providing the Company with financial resources necessary for the payment, in a single installment, of the contributions reconnected to the extension of the rights to use the 5G frequencies and to find new resources for the pursuit of the strategic objectives envisaged by the 2019-2023 business plan and, in particular, to allow the Company to continue in the implementation and expansion of the 5G ready in overlay network infrastructure also by exploiting the synergies deriving from the frequency sharing agreement signed with Linkem S.p.A..

### **Significant Events after 31 December 2018**

After the close of 2018 financial year, instead, the following is recalled: (ii) at the end of January was the successful completion of the Capital Increase of approximately Euro 5 million, subscribed 100% and that led Linkem, which exercised its rights in full, to become the largest shareholder of GO internet with a 21.22% share, while the free float was equal to 54.21% of the share capital; (iii) also in January, GO internet made the payment for the extension of the rights to use the 3.4-3.6 GHz band in the regions Marche and Emilia Romagna for the period 1 July 2023 - 31 December 2029, completing the process of extension of the rights to use 5G frequencies.

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Annexed are the reclassified accounting statements from the draft Financial Statements at 31 December 2018 (according to ITA GAAP) and from the Financial Statements at 31 December 2018 (according to IAS/IFRS) compared with the economic, equity and financial figures at 31 December 2017. With reference to the accounting figures outlined in this press release, it is noted that the Board of Statutory Auditors has not yet completed the audit of said figures and the Auditing Firm has not yet completed the statutory audit.

The Financial Statements drawn-up in accordance with IAS/IFRS have been prepared solely for the purpose of communication to the financial market.

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The draft Financial Statements at 31 December 2018 are available at the registered office and on the Company's website ([www.gointernet.it](http://www.gointernet.it)), in the Investor Relations section, in the terms of law.

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The Board of Directors that met today, after having approved the draft Financial Statements for 2018, therefore resolved to convene the Shareholders' Meeting for 29 April 2018, on first call, as indicated in the notice that will be made available in compliance with applicable legal and regulatory terms together with the documentation regarding the items on the agenda.

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**GO internet S.p.A.**

GO internet S.p.A. is an Italian company in the Internet Mobile sector. Since 2011 it has operated mainly in the market of mobile and Internet broadband telecommunications through the use of Broadband Wireless Access (BWA) technology and offers households and businesses Internet and voice connection services, using fourth generation (4G) wireless technologies through the Wimax and LTE protocols. The target market is currently Marche and Emilia Romagna, where GO internet S.p.A. owns the rights of use of the frequencies for the Broadband Wireless Access systems in the 3.5 GHz band. Go internet offers also Fiber To The Home services in Perugia, Ancona and Bologna. ISIN code GO internet shares: IT0005038002 Ticker: "GO"

**GO internet S.p.A.**

Chiara Migliarini  
Tel: +39 075 7829 190  
Mob: +39 348 6431609  
[c.migliarini@gointernet.it](mailto:c.migliarini@gointernet.it)

**EnVent Capital Markets Ltd – Nomad**

Paolo Verna  
Tel. +44 (0) 2035198451 /  
+39 06 896841  
[pverna@enventcapitalmarkets.co.uk](mailto:pverna@enventcapitalmarkets.co.uk)



## RECLASSIFIED FINANCIAL STATEMENTS – IAS/IFRS

RECLASSIFIED INCOME STATEMENT	2018		2017		Change	
<i>(Amounts in thousands of Euro)</i>						
Sales revenue	6,628	100%	6,582	100%	46	1%
Other income net of non-recurring items	13	0%	30	0%	(17)	-57%
<b>Production value</b>	<b>6,641</b>	<b>100%</b>	<b>6,612</b>	<b>100%</b>	<b>29</b>	<b>0%</b>
(Purchases)	(3,368)	-51%	(3,220)	-49%	(148)	5%
(Other external charges net of non-recurring items)	(82)	-1%	(47)	-1%	(35)	74%
Personnel costs (Including BoD remuneration)	(558)	-8%	(578)	-9%	20	-3%
<b>EBITDA</b>	<b>2,632</b>	<b>40%</b>	<b>2,767</b>	<b>42%</b>	<b>(134)</b>	<b>-5%</b>
(amortisation and depreciation)	(3,002)	-45%	(2,660)	-40%	(342)	13%
(other provisions and impairment losses)	(862)	-13%	(374)	-6%	(487)	130%
Non-recurring income (charges)	0	0%	242	-8%	(242)	-100%
<b>EBIT</b>	<b>(1,231)</b>	<b>-19%</b>	<b>(26)</b>	<b>0%</b>	<b>(1,205)</b>	<b>4689%</b>
Financial income (charges)	(353)	-5%	(279)	-4%	(74)	26%
<b>Pre-tax profit (loss)</b>	<b>(1,584)</b>	<b>-24%</b>	<b>(305)</b>	<b>-5%</b>	<b>(1,279)</b>	<b>419%</b>
(Income taxes for the year)	407	6%	50	1%	357	708%
<b>PROFIT (LOSS) FOR THE YEAR</b>	<b>(1,177)</b>	<b>-18%</b>	<b>(255)</b>	<b>-4%</b>	<b>(922)</b>	<b>362%</b>

RECLASSIFIED STATEMENT OF FINANCIAL POSITION	2018		2017		Change	
<i>(Amounts in thousands of Euro)</i>						
Trade receivables	2,670	19%	2,114	17%	556	26%
(Trade payables and advances)	(6,089)	-44%	(4,311)	-34%	(1,778)	41%
Final inventories	0	0%	0	0%	0	-
Other short-term operating assets (liabilities)	412	3%	619	5%	(207)	-33%
<b>Net working capital</b>	<b>(3,007)</b>	<b>-22%</b>	<b>(1,578)</b>	<b>-12%</b>	<b>(1,429)</b>	<b>91%</b>
Intangible assets	4,382	32%	3,851	30%	531	14%
Tangible assets	12,700	92%	12,469	98%	231	2%
Investments and securities	0	0%	0	0%	0	0%
(Employee benefits)	(172)	-1%	(151)	-1%	(21)	14%
Other net assets (liabilities)	(65)	0%	(1,882)	-15%	1,817	-97%
<b>Invested capital net of financial receivables</b>	<b>13,838</b>	<b>100%</b>	<b>12,709</b>	<b>100%</b>	<b>1,129</b>	<b>9%</b>
<b>Equity</b>	<b>10,967</b>	<b>79%</b>	<b>8,230</b>	<b>65%</b>	<b>2,737</b>	<b>33%</b>
(Cash, Banks and similar items)	(1,932)	-14%	(1,026)	-8%	(906)	88%
Due to banks and other lenders	4,803	35%	5,505	43%	(702)	-13%
<b>Net financial position</b>	<b>2,871</b>	<b>21%</b>	<b>4,479</b>	<b>35%</b>	<b>(1,608)</b>	<b>-36%</b>
<b>Equity + Net financial position</b>	<b>13,838</b>	<b>100%</b>	<b>12,709</b>	<b>100%</b>	<b>1,129</b>	<b>9%</b>



RECLASSIFIED STATEMENT OF CASH FLOWS		2018	2017
<b>A) Cash and cash equivalents at the beginning of the period:</b>		<b>1,026</b>	<b>2,405</b>
<b>B) Cash flows from operating activities</b>		<b>3,117</b>	<b>1,781</b>
Profit/(loss) for the year		(1,177)	(255)
Change in working capital (gross of bad debt provision)		834	(1,002)
Change in receivables/payables regarding deferred taxes		(407)	(56)
Amortisation, depreciation, write-downs, provisions and other non-monetary income statement items		3,888	3,063
Change in employee post-employment benefits		(21)	31
<b>C) Cash flows from investing activities</b>		<b>(3,837)</b>	<b>(3,905)</b>
Investment in (tangible and intangible) assets for the year		(3,797)	(3,893)
Other changes in non-current assets		(36)	0
Other changes in reserves not generating financial transactions		(4)	(12)
<b>D) Cash flows from financing activities</b>		<b>1,626</b>	<b>745</b>
Changes in payables due to banks for loans		(992)	807
Changes in short-term payables due to banks		187	0
Changes in lease payables		(167)	250
Other changes in current payables		0	0
Other changes in long-term payables due to third parties		(1,319)	(312)
Change in equity due to capital increase		4,000	0
Change in equity following share capital increase costs		(83)	0
<b>E) Cash flows for the period (B+C+D):</b>		<b>906</b>	<b>(1,379)</b>
<b>F) Cash and cash equivalents at the end of the period (A+E):</b>		<b>1,932</b>	<b>1,026</b>



## RECLASSIFIED FINANCIAL STATEMENTS – ITA GAAP

RECLASSIFIED INCOME STATEMENT	2018		2017		Change	
<i>(Amounts in thousands of Euro)</i>						
Sales revenue	5,972	72%	6,048	79%	(76)	-1%
Other income	2,278	28%	1,623	21%	655	40%
<b>Production value</b>	<b>8,250</b>	<b>100%</b>	<b>7,671</b>	<b>100%</b>	<b>579</b>	<b>8%</b>
(Purchases)	(4,127)	-50%	(3,413)	-44%	(714)	21%
(Other external charges)	(2,541)	-31%	(2,931)	-38%	390	-13%
<b>Value added</b>	<b>1,582</b>	<b>19%</b>	<b>1,327</b>	<b>17%</b>	<b>255</b>	<b>19%</b>
Personnel costs	(566)	-7%	(587)	-8%	21	-4%
<b>EBITDA</b>	<b>1,016</b>	<b>12%</b>	<b>740</b>	<b>10%</b>	<b>276</b>	<b>37%</b>
(amortisation and depreciation)	(1,977)	-24%	(1,717)	-22%	(260)	15%
(other provisions)	(861)	-10%	(374)	-5%	487	130%
<b>EBIT</b>	<b>(1,822)</b>	<b>-22%</b>	<b>(1,352)</b>	<b>-18%</b>	<b>(470)</b>	<b>35%</b>
Financial income (charges)	(182)	-2%	110	1%	(292)	-265%
Extraordinary income (charges)		0%		0%	0	-
Investment revaluations/impairments		0%		0%	-	0%
<b>Pre-tax profit (loss)</b>	<b>(2,004)</b>	<b>-24%</b>	<b>(1,242)</b>	<b>-16%</b>	<b>(762)</b>	<b>61%</b>
(Income taxes for the year)	524	6%	314	4%	210	67%
<b>PROFIT (LOSS) FOR THE YEAR</b>	<b>(1,479)</b>	<b>-18%</b>	<b>(928)</b>	<b>-12%</b>	<b>(552)</b>	<b>59%</b>

RECLASSIFIED STATEMENT OF FINANCIAL POSITION	2018		2017		Change	
<i>(Amounts in thousands of Euro)</i>						
Trade receivables	2,660	29%	2,102	24%	558	27%
(Trade payables and advances)	(7,083)	-76%	(6,987)	-80%	(96)	1%
Final inventories		0%		0%	0	-
Other short-term operating assets (liabilities)	2,330	25%	2,373	27%	(43)	-2%
<b>Net working capital</b>	<b>(2,093)</b>	<b>-22%</b>	<b>(2,512)</b>	<b>-29%</b>	<b>420</b>	<b>-17%</b>
Intangible assets	4,114	44%	3,770	43%	345	9%
Tangible assets	7,429	80%	7,581	87%	(152)	-2%
Investments and securities	34	0%		0%	34	0%
Other net assets (liabilities)	4	0%	(0)	0%	4	-1187%
Other net assets (liabilities)	(165)	-2%	(149)	-2%	(16)	11%
<b>Invested capital net of financial receivables</b>	<b>9,323</b>	<b>100%</b>	<b>8,689</b>	<b>100%</b>	<b>634</b>	<b>7%</b>
<b>Equity</b>	<b>9,090</b>	<b>98%</b>	<b>6,568</b>	<b>76%</b>	<b>2,523</b>	<b>38%</b>
(Cash, Banks and similar items)	(1,932)	-21%	(1,026)	-12%	(906)	88%
Due to banks and other lenders	2,165	23%	3,147	36%	(982)	-31%
<b>Net financial position</b>	<b>233</b>	<b>2%</b>	<b>2,121</b>	<b>24%</b>	<b>(1,889)</b>	<b>-89%</b>
<b>Equity + Net financial position</b>	<b>9,323</b>	<b>100%</b>	<b>8,689</b>	<b>100%</b>	<b>634</b>	<b>7%</b>



STATEMENT OF CASH FLOWS (INDIRECT METHOD)	2018	2017
<i>(Amounts in thousands of Euro)</i>		
<b>A) Cash flows from operating activities</b>		
Profit/(loss) for the year	(1,479)	(928)
Income tax	(525)	(315)
Interest expense (income)	182	(95)
capital (gains)/losses from sale of assets	(448)	(342)
<b>1) Profit/(loss) for the year before income tax, interest, dividends and capital gains/losses from sale</b>	<b>(2,270)</b>	<b>(1,680)</b>
Allocations to provisions	230	199
Amortisation and depreciation of assets	1,977	1,717
Other adjustments	662	204
<b>Total adjustments for non-monetary items not recognised in net working capital</b>	<b>2,869</b>	<b>2,120</b>
<b>2) Cash flows before changes in net working capital</b>	<b>599</b>	<b>440</b>
Decrease/(increase) in inventories	-	839
Decrease/(increase) in due from customers	(1,420)	(1,192)
Increase /(decrease) in due to suppliers	495	420
Decrease/(increase) in prepayments and accrued income	244	(351)
Increase /(decrease) in accrued expenses and deferred income	38	(6)
Other decreases/(increase) in net working capital	(131)	(217)
<b>Total change in net working capital</b>	<b>(774)</b>	<b>(507)</b>
<b>3) Cash flows after changes in net working capital</b>	<b>(175)</b>	<b>(67)</b>
Interest collected/(paid)	(182)	94
(Income tax paid)	0	0
Other collections/(payments)	0	0
<b>Total other adjustments</b>	<b>(182)</b>	<b>94</b>
<b>Cash flows from operating activities (A)</b>	<b>(357)</b>	<b>27</b>
<b>B) Cash flows from investing activities</b>		
Tangible assets (investments)	(484)	(1,428)
Intangible assets (investments)	(1,238)	(866)
Financial assets (investments)	(35)	0
Current financial assets	-	96
<b>Cash flows from investing activities (B)</b>	<b>(1,757)</b>	<b>(2,198)</b>
<b>C) Cash flows from financing activities</b>		
<b>Third party financing</b>		
Increase/(Decrease) in short-term payables due to banks	12	1.736
(Loan redemption)	(994)	(934)
<b>Own equity</b>		
Share capital increase	4,000	(9)
Other changes in reserves	2	
<b>Cash flows from financing activities (C)</b>	<b>3,020</b>	<b>793</b>
<b>Increase/decrease in liquidity (A+-B+-C)</b>	<b>906</b>	<b>(1,379)</b>
<b>Cash and cash equivalent at the beginning of the period</b>	<b>1,026</b>	<b>2,405</b>
<b>Total bank and post deposits at the end of the period</b>	<b>1,932</b>	<b>1,026</b>



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