WIIT

Company Update

BUY ord. *(Unchanged)*
Target: **€ 24.00** *(Prev.: €22.00)*
Risk: Medium

STOCKDATA	ORD
Price (as of 23 Sep 2025)	19.5
Bloomberg Code	WIIT IM
Market Cap (€ mn)	509
Free Float	42%
Shares Out (mn)	26.1
52 week Range	€ 13.6 - 23.3
Daily Volume	38,652

Performance (%)	1M	3M	1Y
Absolute	7.2	29.7	-13.2
Rel to FTSE Italia All-Share	9.2	18.6	-31.0

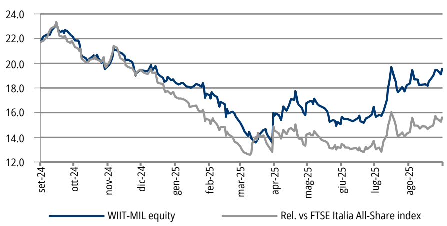
MAIN METRICS	2024	2025E	2026E
SALES Adj	159	172	176
EBITDA Adj	58.0	66.8	70.6
EBIT Adj	29.0	33.3	37.6
NET INCOME Adj	14.8	17.8	20.6
EPS Adj - €c	56.8	68.6	79.5
DPS Ord - €c	30.0	30.0	30.0

MULTIPLES	2024	2025E	2026E
P/E ord Adj	34.1x	28.5x	24.6x
EV/EBITDA Adj	12.7x	11.0x	10.1x
EV/EBIT Adj	25.3x	22.0x	19.0x

REMUNERATION	2024	2025E	2026E
Div. Yield ord (A)	1.5%	1.5%	1.5%
FCF Yield Adj	2.0%	3.9%	5.2%

INDEBTEDNESS	2024	2025E	2026E
NFP Adj	-213	-207	-188
D/Ebitda Adj	3.7x	3.1x	2.7x

PRICE ORD LAST 365 DAYS



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GOOD MARGIN EVOLUTION. TIME FOR BOND REFINANCING

WIIT reported 2Q25 results slightly ahead of expectations, net of a positive one-off triggered by the release of earn-outs. All three regions (Italy, Germany and Switzerland) delivered very solid margin expansion thanks to revenue clean-up and cost synergies. This led us to raise our target to € 24PS (12x EV/EBITDA 2026). Company intends to issue a new 5-year bond to address well in advance the refinancing of the bond maturing in Oct-26 and to support M&A.

■ 1H25 results: strong margin expansion

On August 4th WIIT reported Q2 results well above expectations in terms of revenues and profitability, but which benefited from € 2.3mn of positive one-off related to the release of earn-outs (mainly due to the churn of a large client in the recently acquired Edge&Cloud). **Looking at 1H**, for sake of comparability, **and net of € 2.3mn of positive one-off, the results were in any case slightly better than expected** and confirmed group ability to **grow organically** (Annualized Recurring Revenues or ARR +4.9% in 1H) and to **strongly improve profitability** (EBITDA margin +240bps to 39.1% in 1H25) thanks to **operating leverage** and **synergies from acquired companies.** Key 1H25 figures:

- **Sales** +17% to € 85.3mn or **+14% to € 83mn** ex one-off vs. €83.2mn exp.;
- **Adj. EBITDA** +30% to € 34.8mn or **+22% to € 32.5mn** ex one-off vs. €32mn exp.;
- **Adj. EBIT** +33% to € 18.5mn or **+16% to € 16.2mn** ex one-off vs. €15.5mn exp.;

■ Good commercial pipeline in all countries. Ample investment opportunities

WIIT's management, after having progressed in the last 12M on **integration of acquired companies** and **renewal of the main contracts**, is now focused on **1) revamping ARR growth**, upselling its service portfolio to existing and new logos (i.e. clients); 2) scouting for new **M&A opportunities** and 3) evaluating strategic investments thanks to the potential **support of the German Infrastructure Plan** recently approved by the German parliament. As regards these drivers, in the call management highlighted that: 1) **the commercial pipeline is strong** both in Italy, Germany and Switzerland; 2) management is looking at **a couple of targets in Germany**, a bolt-on in Düsseldorf (€ 3mn sales) and a larger deal in central Germany (€ 20-25mn sales), but negotiations are in the early stages (announcements not before 4Q25); 3) **the expansion of capacity in Germany in 2026** (currently utilized at 70-75% vs. 40-50% in Italy) is being assessed, partly dedicated to AI, with CAPEX of € 4/6mn, but room to accelerate and scale up in the event of government subsidies linked to the announced German Infrastructure plan.

■ A new bond to refinance the € 150mn notes maturing in Oct-26 and support M&A

WIIT's management has announced its intention to issue a new Senior Unsecured bond of minimum € 150mn, with upsize option of additional € 150mn, 5NC2 term and minimum rate of 4.000%. **The new notes will provide funding ahead of the next WIITIM 2 ⅜ 10/07/26 maturity in October 2026 and, in the event of an upsize, would finance other growth opportunities, including M&As.** This report presents a detailed analysis of both WIIT capital structure and the new bond T&C, alongside a broader comparison with WIIT main business peer OVH.

■ Estimates basically unchanged, with focus on optimizing profitability

The messages from Q2 results and from the call led us to **substantially confirm our estimates in terms of Adj. EBITDA, EBIT and NI for 2026-27,** despite a lower revenue base (reflecting the churn effect on E&C and clean-up of low-value indirect sales in Italy), thanks to **solid margin expansion delivered in 1H25** and **efficiencies implemented** at group level in 1H25 (1H labor cost was well below expectations due to structural reorganization).

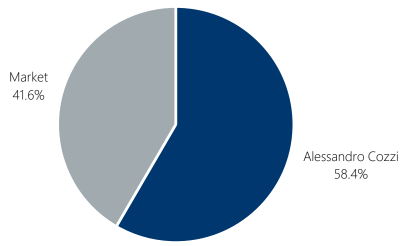
■ Valuation raised to € 24PS. Current multiples in the low end of the historical range

We raise our target on WIIT to € 24€ PS, supported by both a DCF approach (target € 24PS, based on WACC = 7.0%, g = 2.5%) and market multiples (based on 12x EV/EBITDA 2026 discounted to 12M from now). Even after the recent rebound, **the stock is still trading at 10x EV/EBITDA 2026,** in the lowest part of the historical range (12M forward EV/EBITDA 10-19x over the last 5 years).

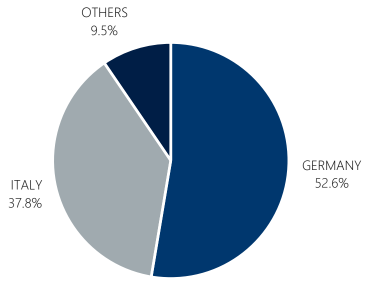
MAIN FIGURES - EURmn	2022	2023	2024	2025E	2026E	2027E
SALES Adj	119	130	159	172	176	185
Growth	54.1%	9.5%	21.9%	8.2%	2.7%	5.1%
EBITDA Adj	42.2	50.8	58.0	66.8	70.6	75.8
Growth	43.1%	20.4%	14.2%	15.2%	5.7%	7.3%
EBIT Adj	23.2	28.0	29.0	33.3	37.6	43.8
Growth	49.7%	20.7%	3.6%	14.9%	12.9%	16.3%
PBT Adj	17.6	20.2	20.4	24.8	28.7	34.5
Growth	37.5%	14.8%	1.1%	21.2%	15.7%	20.5%
Net Income Adj	12.5	15.1	14.8	17.8	20.6	24.9
Growth	51.8%	20.5%	-1.9%	20.6%	15.7%	20.5%
MARGIN - %	**2022**	**2023**	**2024**	**2025E**	**2026E**	**2027E**
EBITDA Adj Margin	35.5%	39.0%	36.6%	38.9%	40.1%	40.9%
Ebit Adj margin	19.5%	21.5%	18.3%	19.4%	21.3%	23.6%
Pbt Adj margin	14.8%	15.5%	12.9%	14.4%	16.3%	18.6%
Net Income Adj margin	10.5%	11.6%	9.3%	10.4%	11.7%	13.4%
SHARE DATA	**2022**	**2023**	**2024**	**2025E**	**2026E**	**2027E**
EPS Adj - €c	47.0	57.4	56.8	68.6	79.5	95.8
Growth	47.7%	22.0%	-1.0%	20.8%	15.9%	20.5%
DPS ord(A) - €c	30.0	30.0	30.0	30.0	30.0	30.0
BVPS	1.5	1.2	1.3	1.5	1.8	2.3
VARIOUS	**2022**	**2023**	**2024**	**2025E**	**2026E**	**2027E**
Capital Employed	242	254	264	263	253	244
FCF	-5.1	5.4	10.4	19.7	26.5	29.8
CAPEX	27.0	24.7	26.7	25.0	26.0	26.0
Working capital	4.9	4.7	-1.3	4.2	5.3	6.5
Trading Working capital	11.3	7.7	10.4	15.9	17.0	18.2
INDEBTNESS	**2022**	**2023**	**2024**	**2025E**	**2026E**	**2027E**
Nfp Adj	-183	-202	-213	-207	-188	-166
D/E Adj	4.59	6.22	6.24	5.42	4.00	2.76
Debt / EBITDA Adj	4.3x	4.0x	3.7x	3.1x	2.7x	2.2x
Interest Coverage	7.1x	6.0x	6.6x	7.9x	7.9x	8.2x
MARKET RATIOS	**2022**	**2023**	**2024**	**2025E**	**2026E**	**2027E**
P/E Ord Adj	38.3x	34.0x	34.1x	28.5x	24.6x	20.4x
PBV	14.6x	15.0x	15.0x	13.3x	10.8x	8.4x
EV FIGURES	**2022**	**2023**	**2024**	**2025E**	**2026E**	**2027E**
EV/Sales	5.7x	5.6x	4.6x	4.3x	4.0x	3.7x
EV/EBITDA Adj	16.1x	14.4x	12.7x	11.0x	10.1x	9.1x
EV/EBIT Adj	29.3x	26.0x	25.3x	22.0x	19.0x	15.8x
EV/CE	2.8x	2.9x	2.8x	2.8x	2.8x	2.8x
REMUNERATION	**2022**	**2023**	**2024**	**2025E**	**2026E**	**2027E**
Div. Yield ord	1.4%	1.6%	1.5%	1.5%	1.5%	1.5%
FCF Yield Adj	-0.9%	1.1%	2.0%	3.9%	5.2%	5.9%
Roce Adj	7.7%	8.4%	8.3%	9.4%	10.8%	13.0%

Source: Company data and Equita SIM estimates

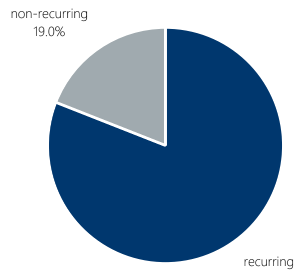
SHAREHOLDERS



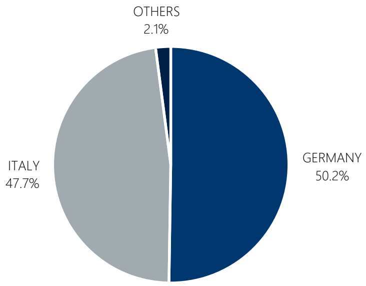
SALES BY GEOGRAPHY



SALES BY NATURE



EBITDA BY GEOGRAPHY



BUSINESS DESCRIPTION

WIIT is a leading Italian player in the Private and Hybrid Cloud market. The company is supporting its clients, operating in diversified end markets (manufacturing, fashion, utilities, energy, defence, etc) in the transition from a traditional on-premise IT infrastructure model to a premium cloud model for their mission-critical applications. WIIT supplies **recurring management services on the cloud** spanning from **Infrastructure** (servers, storage, etc.) to application **Platforms** (ERP management, security services, 24/7 assistance, disaster recovery and business continuity), to **Applications** (monitoring and fault management of critical Applications, with a strong focus on SAP).

WIIT business model can count on: 1) a **portfolio of tier1 customers**, with a **good diversification** in terms of clients and end-markets; 2) high visibility on sales and cashflow thanks to **multi-year contracts with very low churn rate**; 3) **strong reputation**, driven by i) a **redundant network of best-in-class data centers**, ii) a large set of **high-level certifications**, in particular related to **SAP** Outsourcing operations; iii) strong client **references**.

WIIT is operating in a sector experiencing a structural HSD growth, thanks to the benefit generated from the **new "as-a-service" model compared to the traditional "on-premise" model: 1) full flexibility to scale up/down systems and services**, based on actual needs; 2) **improved level of reliability and security**; 3) optimization of IT costs and switch of IT spending from capex to opex. In particular, **private cloud is providing an IT infrastructure developed for the specific needs of a single company**, usually for mission-critical applications.

WIIT is operating in **Italy**, **Germany** (since 2020) and **Switzerland** (since 2024). The first two markets are worth respectively around € 700mn and € 2,400mn and offer similarities in terms market structure (many mid-sized manufacturing companies with a large penetration of SAP as ERP).

WIIT has delivered an impressive **36% top-line CAGR and 34% Adj. EBITDA CAGR in 2019-2024**, driven by **double digit contribution of organic growth** and by **successful M&A** (in Italy Adelante in 2018, Matika in 2019, Etaeria and Aedera in 2020, ERP Tech in 2022; in Germany myLoc in 2020, Mivitec, Boreus and Gecko in 2021, Lanson in 2022, Global Access in 2023, Edge&Cloud and Michgehl&Partners in 2024, in Switzerland Econis in 2024).

WIIT is controlled by WIIT Fin, a vehicle owned by Mr. Alessandro Cozzi, the founder of the company. Mr. Cozzi controls 58.4% of the share capital and more than 70% of the voting rights, thanks to a multiple voting right structure (double voting right for shareholders keeping the shares for at least 24 months and 1 additional voting right after every 12 months, up to maximum 10 votes).

6-YEAR HISTORICAL RESULTS

	2019	2020	2021	2022	2023	2024	CAGR 2019-24
SALES	33.9	52.9	77.1	118.8	130.1	158.6	36%
growth	34.4%	56.1%	45.6%	54.1%	9.5%	21.9%	
Adj. EBITDA	13.2	18.3	29.5	42.2	50.8	58.0	34%
growth	26.7%	38.8%	61.2%	43.1%	20.4%	14.2	
margin	38.9%	34.6%	38.3%	35.5%	39.0%	36.6%	

Source: Company data

STRENGTHS / OPPORTUNITIES

- Structurally growing market, with organic and external opportunities
- High percentage of recurring revenues, with very low churn and well-diversified client base
- High profitability and limited recurring capex
- High-quality tangible and intangible asset base (data centers, certifications, references)
- Strong M&A track record

WEAKNESSES /THREATS

- Limited size in the broad ICT market
- Limited geographical diversification
- Partial inflation protection in existing contracts
- High leverage
- Limited liquidity also due to limited free float
- Risk of asset failures

1H25 RESULTS: VERY SOLID MARGIN EXPANSION

On August 4th WIIT reported Q2 results well above expectations in terms of revenues and profitability, but which benefited from € 2.3mn of positive one-off due to the release of earn-outs (€ 2.0mn related to Edge & Cloud following a customer churn - an element contractually foreseen at the time of the acquisition as a trigger for the earn-out release - and € 0.3mnn related to Michgehl & Partner linked to FY24 results). The results also reflected the internal reorganization (€ 0.9mn of one-off costs in Q2) which generated a significant drop in labor costs, particularly in Q2.

Looking at the 1H, for sake of comparability, **and net of the € 2.3mn of positive one-offs, the results were in any case slightly better than expected**:
- **Sales** +17% to € 85.3mn or **+14% to € 83mn** ex one-off vs. €83.2mn exp.;
- **Adj. EBITDA** +30% to € 34.8mn or **+22% to € 32.5mn** ex one-off vs. €32mn exp.;
- **Adj. EBIT** +33% to € 18.5mn or **+16% to € 16.2mn** ex one-off vs. €15.5mn exp.;
- **Adj. NI** +37% to € 10.0mn or **we estimate +15% to € 8.4mn** ex one-off vs. € 8.3mn exp., due to a slightly higher tax rate, reducing the beat at Adj. EBIT level.

Results 1H25 overall benefitted from:
- **growing Annualized Recurring Revenues (ARR)** (+19.1% and +4.9% organic) and lower contribution of low-value HW/SW sales;
- **continued efforts in integrating and streamlining acquired companies,** both in Germany and in Switzerland. This is confirmed by group employees at the end of June at 605 vs. 678 at the end of 2024;
- **operating leverage** (WIIT operates a high fixed-cost business), explaining a **large improvement in profitability even excluding the positive one-off** (1H25 EBITDA **margin ex one-off +240bps** to 39.1% and 1H25 EBIT margin ex one-off +40bps to 19.5%, more than offsetting higher D&A related to investments for new clients and for the upgrade of data centres in Italy and Germany).

WIIT 2Q25 RESULTS (€ mn)

		EXPECTED		ACTUAL		ACT. EX ONE-OFF	
	Q2-24	Q2-25E	YoY gr. %	Q2-25E	YoY gr. %	Q2-25E	YoY gr. %
Revenues	39.2	42.1	+7%	44.2	+13%	41.9	+7%
Adjusted EBITDA	13.7	16.3	+19%	19.1	+39%	16.8	+22%
Margin	34.9%	38.6%	-	43.1%	-	40.0%	
Adj. EBIT	6.7	7.8	+15%	10.7	+59%	8.4	+25%
Margin	17.1%	18.4%	-	24.2%	-	20.0%	
Adj. net income	3.2	4.1	+26%	5.7	+78%	4.1*	+28%
Margin	8.2%	9.7%	-	13.0%	-	9.9%	
Net income	3.5	3.2	-6%	4.0	+14%		
Margin	8.8%	7.7%	-	8.9%	-		
NFP	-219.9	-220.5	0%	-224.1	+2%		

** Equita SIM estimate @ 30% tax rate*
Source: Equita SIM estimates and Company data

WIIT 1H25 RESULTS (€ mn)

		EXPECTED		ACTUAL		ACT. EX ONE-OFF	
	6M-24	6M-25E	YoY gr. %	6M-25E	YoY gr. %	6M-25E	YoY gr. %
Revenues	72.7	83.2	+14%	85.3	+17%	83.0	+14%
Adjusted EBITDA	26.7	32.0	+20%	34.8	+30%	32.5	+22%
Margin	36.7%	38.5%	-	40.8%	-	39.1%	
Adj. EBIT	13.9	15.5	+12%	18.5	+33%	16.2	+16%
Margin	19.1%	18.7%	-	21.6%	-	19.5%	
Adj. net income	7.3	8.3	+14%	10.0	+37%	8.4	+15%
Margin	10.1%	10.0%	-	11.7%	-	10.1%	
Net income	6.5	6.4	-2%	7.1	+9%		
Margin	9.0%	7.7%	-	8.3%	-		
NFP	-219.9	-218.8	-1%	-224.1	+2%		

** Equita SIM estimate @ 30% tax rate*
Source: Equita SIM estimates and Company data

From a geographical standpoint:

- **Italy performed very well**, with 1H revenues -3% to € 28.9mn, but **ARR (annualized recurring revenues) +8.2%** to € 27.1mn (entirely organic) **and Adj. EBITDA +14% to €15.5mn** (€14.1mn exp.) with a **margin of 53.5%** (from 45.5% in 1H24) benefiting from higher ARR, the reduction in low value-added sales and the internal reorganization;

- **Germany, ex € 2.3mn one-off** (boosting Adj. sales and Adj. EBITDA, but not impacting ARR) reported revenues +9% to €43.2mn, **ARR +8%** to € 34.4mn and **Adj. EBITDA +18%** to €15.6mn (€16.7mn exp.) with a **margin of 36.1% (+270bps YoY)**. Organic ARR growth was +0.5% with an underlying +4.7% almost entirely offset by churn impact on Edge&Cloud (consolidated as of April 2024 and therefore affecting organic ARR);

- **Switzerland improved sequentially,** with 1H revenues at € 10.9mn, ARR revenues at € 7.8mn, EBITDA of € 1.4mn (€1.2mn exp) and a margin of 13.3%.

WIIT KEY 1H FIGURES BY COUNTRY (€ mn)

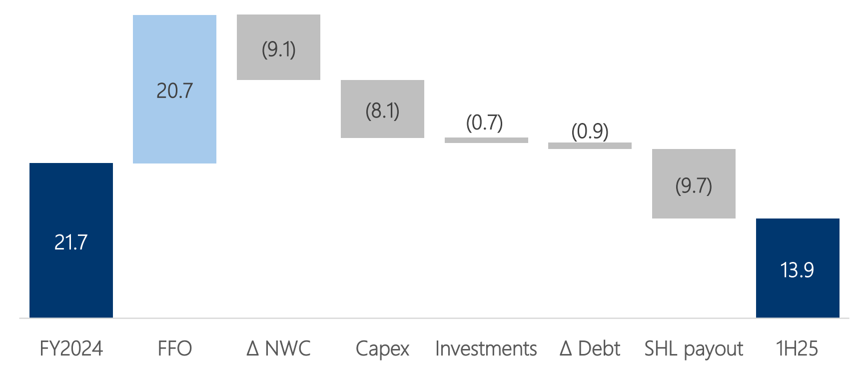
	Italy	Germany	Swiss
Revenues Adj.	**28.9 M€** **33.9%** of Group Revenues	**45.5 M€** **53.3%** of Group Revenues	**10.9 M€** **12.8%** of Group Revenues
EBITDA Adj.	**15.5 M€** **44.5%** Group EBITDA **53.5%** EBITDA Margin	**17.9 M€** **51.4%** Group EBITDA **39.3%** EBITDA Margin	**1.4 M€** **4.1%** of Group EBITDA **13.3%** EBITDA Margin
EBIT Adj.	**6.4 M€** **34.6%** of Group EBIT **22.1%** EBIT Margin	**11.9 M€** **64.2%** of Group EBIT **26.1%** EBIT Margin	**0.22 M€** **1.2%** of Group EBIT **2.0%** EBIT Margin

Source: Company presentation

Net Debt reached € 224.1mn including IFRS 16 impact of € 14.2mn (and excluding treasury shares worth € 31.6mn at the end of June). In 1H25 Net Debt increased by € 11.4mn, after € 7.8mn dividends and € 1.9mn buy-back. **Cashflow from operations was € 19.2mn (vs. € 17.4mn in 1H24)** after about € 3.0 TWC absorption (mainly from lower trade payables) and € 5mn from changes in other current assets/liabilities (payments for bonuses and reorganization, reduction in contract liabilities). **CAPEX were € 20.5mn**, of which € 13.1mn related to upgrade of infrastructure and acquisition of HW and SW to serve clients (client driven) and € 7.4mn related to rights of use, mainly due to the rent of the new building in Via Muzio Attendolo (new DC, new SOC and offices) and extension of the rent for offices in Via dei Mercanti in Milan.

The liquidity position (cash and cash equivalents) **by the end of the semester stood at € 13.9mn**, after some € 7.8mn cash uses in the semester, mainly due to shareholders remuneration. At Jun-25 the Group did not report any backup facility. Find below a representation of the cash generation over the 6M25. We highlight that we allocate in the cashflow bridge cash CAPEX represented by lease payment to FFO and therefore represent in the bridge only the additional cash CAPEX worth € 8.1mn in 1H25.

CASH FLOW BRIDGE (€ mn)



Source: Equita SIM estimates on Company data

FROM THE CALL: COMMERCIAL PIPELINE SUPPORTIVE

Main messages from the call:

- **The impact of E&C churn in Germany amounts to €4mn of revenues on an annual basis,** and management is not certain to entirely offset this headwind with organic growth in Q3 and especially Q4 (as instead happened in Q2, where organic was +0.5%), anticipating possible pressure on results in Germany in Q4;
- **Management commented that consensus of € 65mn FY25 EBITDA is visible**, including the € 2mn one-off;
- **The commercial pipeline is strong** both in Italy, Germany and Switzerland (where a new contract with a new important customer was signed in 1H25, with activation, however, in 2026);
- **NFP is expected to improve in 2H and € 200-203mn net debt by year-end** (including leases) is confirmed thanks to the reabsorption of NWC (€ 4-5mn impact in 1H) and lower CAPEX (€ 13mn cash CAPEX in 1H vs. € 10-12mn expected in 2H);
- **The expansion of capacity in Germany in 2026** (currently utilized at 70-75% vs. 40-50% in Italy) is being assessed, partly dedicated to AI, with CAPEX of € 4/6mn, but room to accelerate and scale up in the event of government subsidies linked to the announced German Infrastructure plan;
- **M&A**: management is looking at a couple of targets in Germany, a bolt-on in Düsseldorf (€ 3mn sales) and a larger deal in central Germany (€ 20-25mn sales), but negotiations are in the early stages (announcements not before 4Q25).

NEW OPPORTUNITIES: DATA SOVEREIGNITY AND GERMAN INFRA PLAN

Among the key opportunities not factored in our model we highlight the topic related to 1) **data sovereignty** and 2) the recently approved **German Infrastructure Plan**.

Data Sovereignty: from marketing to real business opportunity

As regards Data Sovereignty, WIIT has started to highlight a **growing awareness** (**particularly in Germany**) **by large and medium corporates of geopolitical risks linked to hosting critical data and applications on infrastructure offered by US hyperscalers (AWS, Microsoft, Google)**. A confirmation of the sensitivity of this topic in Germany is the launch on September 10, 2025 by Deutsche Telekom and T-Systems of **T-Cloud**, a **sovereign cloud platform** designed to meet rising demand for local control of data by German public administration and corporates. The offer is centred on compliance with European law and protection from extraterritorial rules such as the U.S. CLOUD Act and is jointly marketed by Deutsche Telekom and its IT arm T-System.

This concern is resonating also in Italy, even though at the moment mostly at institutional level as highlighted by the **National Strategic Hub initiative** (a private-public venture funded by NRRP to promote the migration of public administration data into an Italian-based, hybrid cloud infrastructure). We see growing political support for the mobilization of public resources to improve security of critical data also for large and medium corporates, even though this has not yet translated into a concrete initiative by the Italian government.

A first concrete example for WIIT of the increased sensitivity to data sovereignty was provided by the renewal and extension of a five-year contract worth € 9mn announced in April with a **leading German marketing technology operator**, which selected WIIT in competition with a hyperscaler already supplier of cloud services to the customer for the following competitive features of WIIT's offer: **economic convenience**, **lower risk of lock-in** thanks to the possibility of developing open source solutions and **greater guarantees of data control over a national infrastructure**.

WIIT is therefore already starting to benefit from this trend in Germany and will be one of the beneficiaries when it develops more concretely in Italy, given the strong presence in these two markets and the strong positioning with medium-sized corporates (while we remind that WIIT has a very limited exposure to the PA).

German Infrastructure Plan: an opportunity also for Digital Infrastructure

In March 2025, Germany approved a landmark €500bn Infrastructure Fund (2025–2036) marking a decisive shift in policy, targeting not only traditional assets (rail, bridges, energy) but also digital infrastructure. A key priority is expanding fiber, 5G, and sovereign data centers, anchoring the country's cloud capacity under EU jurisdiction.

According to press sources, the funds should be allocated as CAPEX subsidies, reduced permitting timelines and eligibility for sovereign cloud contracts via KTT fund (German Climate and Transformation Fund). At the moment, the detailed mechanism for awarding the funds is still unclear, but we expect clarifications by year end; **this will allow WIIT to evaluate the possibility to accelerate and scale up its asset base in Germany**.

Management is currently **planning to rent a 2,000 sqm area close to its existing infrastructure in Düsseldorf** and is considering some € 4-6mn investments for a new 1.5MW data center in the area. However, management has highlighted in the 2Q call the possibility to consider an investment in an AI-dedicated DC, typically requiring much larger capacity and upfront investments, especially in case of grants provided by the German state. We are not including this optionality in our model for the time being, waiting for more clarity on the German Infrastructure Plan and chances for WIIT to be eligible for state grants.

NO RELEVANT ESTIMATE CHANGES. FOCUS ON PROFITABILITY

The messages from Q2 results and from the call led us to **substantially confirm our estimates in terms of Adj. EBITDA, EBIT and NI for 2026-27,** despite a lower revenue base (reflecting the churn effect of E&C and clean-up of low-value indirect sales in Italy), thanks to **solid margin expansion delivered in 1H25** and **efficiencies implemented** at group level in 1H25 (1H labour cost was well below expectations due to structural reorganization).

On 2025, we have included the € 2.3mn positive one-off on Adj. EBITDA for sake of comparison with company reporting, with a 3% EBITDA impact on our estimates.

In terms of CAPEX, we have confirmed our estimate of € 33mn, of which € 25mn related to cash CAPEX and € 8mn related to higher leases for the new/extended rents in Milan as previously commented.

ESTIMATE REVISION (€ mn)

	2025E Prev.	2025E Curr.	2026E Prev.	2026E Curr.	2027E Prev.	2027E Curr.
Revenues	170.6	171.6	179.1	176.3	188.2	185.3
% chg		0.6%		-1.6%		-1.5%
Abs chg		1.0		-2.8		-2.9
Adj. EBITDA	65.0	66.8	70.6	70.6	76.3	75.8
% chg		2.9%		0.0%		-0.7%
Abs chg		1.9		0.0		-0.5
Adj. EBIT	31.0	33.3	36.6	37.6	44.3	43.8
% chg		7.7%		2.8%		-1.2%
Abs chg		2.4		1.0		-0.5
Adj. NI	16.1	17.8	20.2	20.6	24.9	24.9
% chg		10.6%		2.2%		0.0%
Abs chg		1.7		0.4		0.0
FCF	22.8	19.7	27.6	26.5	30.4	29.8
% chg		-13.4%		-4.0%		-2.1%
Abs chg		-3.1		-1.1		-0.7
CAPEX	33.0	33.0	30.0	30.0	30.0	30.0
% chg		0.0%		0.0%		0.0%
Abs chg		0.0		0.0		0.0
NFP	-202.1	-207.0	-182.3	-188.3	-159.6	-166.3
% chg		2.4%		3.3%		4.2%
Abs chg		-4.9		-6.0		-6.6

Source: Equita SIM estimates and company data

Here below we report historical data and our expectations on top-line and EBITDA contribution by country, excluding the € 2.3mn one-off.

SALES BREAKDOWN (€ mn)	2022	2023	2024E	2025E	2026E	2027E
Italy	59.2	57.7	60.0	61.2	66.1	70.7
Germany	60.8	72.4	83.5	87.4	89.9	94.1
Switzerland	0.0	0.0	15.1	20.8	20.3	20.5
TOTAL ex one-off	118.8	130.1	158.6	169.3	176.3	185.3
Italy	50%	44%	38%	36%	38%	38%
Germany	51%	56%	53%	52%	51%	51%
Switzerland	0%	0%	10%	12%	11%	11%
TOTAL ex one-off	100%	100%	100%	100%	100%	100%

Source: Company data and Equita SIM estimates

We also show here below organic ARR growth (not impacted by one-off), a key metric for understanding the group operating performance. German organic ARR performance in 2025 is affected by E&C large client churn, not fully compensated by underlying positive trend on a FY basis.

SALES GROWTH EX ONE-OFF AND ARR ORGANIC GROWTH	2022	2023	2024	2025E	2026E	2027E
Italy	14.9%	-0.5%	4.0%	2.0%	8.1%	6.8%
Germany	139.2%	19.1%	15.3%	4.7%	2.8%	4.7%
Switzerland					-2.4%	1.4%
Sales growth ex one-off	54.1%	9.5%	21.9%	6.8%	4.1%	5.1%
Italy	12.5%	7.8%	8.3%	6.0%	7.0%	7.5%
Germany	9.7%	7.1%	4.2%	-2.5%	4.0%	6.0%
Switzerland					0.0%	5.0%
ARR organic growth	11.0%	7.4%	6.1%	1.1%	4.8%	6.5%

Source: Company data and Equita SIM estimates

We report our projections on Adj. EBITDA, showing a good improvement in profitability in Germany in 2026 thanks to full synergies achieved from the integration of the two latest acquisitions (Edge&Cloud and Michgehl&Partners) and group reorganization implemented in 1H25. Switzerland is expected to progress in its path toward better profitability thanks to revenue optimization (reduction of low value-added services and implementation of WIIT upselling proposition) and integration synergies.

ADJ. EBITDA BREAKDOWN (€ mn)	2022	2023	2024	2025E	2026E	2027E
Italy	21.7	26.3	27.7	31.3	33.8	36.3
Germany	20.5	24.5	29.1	30.4	33.4	35.4
Switzerland	0.0	0.0	1.2	2.8	3.4	4.0
Adj. EBITDA ex one-off	42.2	50.8	58.0	64.5	70.6	75.8
One-off	0.0	0.0	0.0	2.3	0.0	0.0
Adj. EBITDA reported	42.2	50.8	58.0	66.8	70.6	75.8
Italy	36.7%	45.6%	46.1%	51.1%	51.2%	51.4%
Germany	33.6%	33.8%	34.9%	34.8%	37.2%	37.6%
Switzerland			7.9%	13.7%	16.6%	19.5%
Adj. EBITDA margin ex one-off	35.5%	39.0%	36.6%	38.1%	40.1%	40.9%
One-off						
Adj. EBITDA margin reported	35.5%	39.0%	36.6%	38.9%	40.1%	40.9%

Source: Company data and Equita SIM estimates

A DRILL DOWN ON WIIT CAPITAL STRUCTURE

In the next section we focus on the WIIT capital structure accounted for at 30 June 2025. The group **Consolidated Gross Debt sums to € 239mn**, mainly committed at WIIT SpA level (97.4% of total when excluding IFRS16):

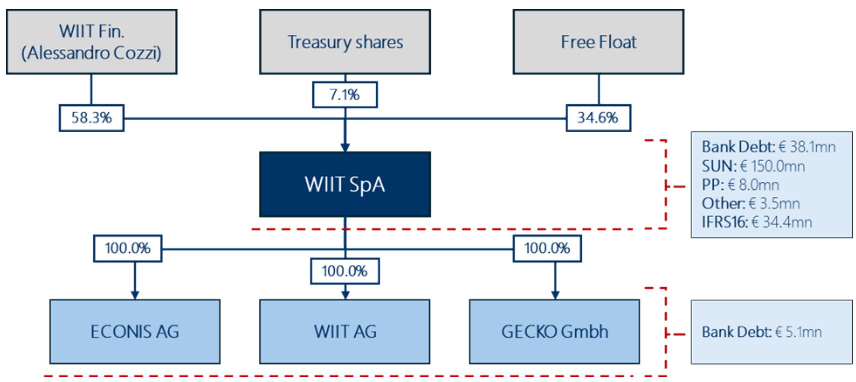
- **Financial covenants are in place on the WIITIM 2 3/8 10/07/26 notes alone** (Limitation on Indebtedness provision), while nor the Holding, nor any of the Group's companies provide financial guarantees to other entities;
- Although some 21.5% (€ 43mn equivalent) of the outstanding debt pays a floating rate, **the company does not hedge the interests rate risk**, except for a single bilateral banking facility (70.0% SACE guaranteed), whose effect on the broader cost of funding is meaningless;
- **Overall, the Gross Debt is short in maturity**, underpinned by an average tenor around 2.0y, mainly skewed by the Senior Unsecured Notes maturity scheduled in Oct-26, whilst the annual average cost of debt is close to 3.1%;
- **Liquidity is sufficient to cover the ST obligations**, counting some € 14mn in cash & cash equivalents, coupled with expectations of € 17mn of FCF generation (before debt service) over the 2H25 to cover around € 15mn of obligations by Dec-25 (ex. leases).

CAPITAL STRUCTURE – 30 June 2025

	Seniority	Adj. EBITDA € mn	2025E 66.8 Leverage	Maturity	Benchmark	Spread
Bank Debt		43.2		2026-2038	FIX / FLOAT	Avg. 3.185%
WIITIM 2 3/8 10/07/26	Senior	150.0		07-Oct-26		2.375%
Private Placement	Senior	8.0		29-Dec-26	Eur3M	2.780%
Others		3.5		12M		-
Leases		34.4				5.913%
Gross Debt		239.0	3.6x			3.077%
Cash		(13.9)				
Net Debt		225.1	3.4x			

Notes:
1) General assumption: liabilities are presented gross of amortized cost, worth ca. € 1.0mn
2) Bank Debt: natural hedge on the Euribor base rates, except for the 70% SACE guaranteed BPM / 2028 facility. No covenants in place
3) Private Placement presents a quarterly amortizing repayment schedule
4) "Other liabilities" includes accrued interests on the bond and Private Placement, as well as the residual Earn-out from the Edge & Cloud deal
Source: Equita SIM estimates on Company data

GROUP ORGANIZATION AND DEBT ALLOCATION



Source: Equita SIM estimates on Company data

HoldCo Debt – 97.4% of Gross Debt (ex IFRS16)

- WIITIM 2 3/8 10/07/26 Senior Unsecured Bond outstanding for € 150mn;
- Bank Debt worth € 38mn, amortizing, largely paying a floating rate;
- Private Placement committed in Dec-22 and paying a quarterly amortizing repayment profile, residual for € 8mn;
- "Others" mainly include € 2.9mn of accrued interests and € 0.5mn residual earn out related to Edge & Cloud (very likely to be released in our view).

Vehicles Debt – 2.6% of Gross Debt (ex IFRS16)

- OpCos debt worth ca. € 5mn related to the German leg of the business.

THE NEW OFFER – MIN. EUR 150MN / 5NC2 / 4.0% / SUN

The Group is **tapping the DCM market to place a new Senior Unsecured Bond,** intended to raise funds ahead of the next **WIITIM 2 3/8 10/07/26 maturity** in October 2026, by targeting a min. issue amount of € 150mn under a 5NC2 tenor.

Nevertheless, at Issuer's discretion, **the offer could be increased by max. € 150mn** ("Upsize Option"), in order to provide additional resources to cover the residual Private Placement installments and, last, for General Corporate Purposes ("GCP"), including potential M&As.

As such, **in the case of a final allocation in line with the minimum size, the new deal will be leverage-neutral compared to the current capital structure**, while, should the allocation exceed the initial target, the closing leverage would depend upon the final bond placement and the timing of the capital allocation.

SOURCES & USES (€ mn)

Sources		Uses	
New SUN 5NC2	150.0	WIITIM 2 3/8 10/07/26	150.0
Max Upsize	150.0	Private Placement	8.0
		GCP (incl. M&As)	142.0
Tot.	300.0	Tot.	300.0

Source: Equita SIM estimates on Company indications

LEVERAGE RATIO SENSITIVITY TO M&A

New SUN final size (€ mn)	150	200	250	300
PF ND / EBITDA	3.4x	3.7x	4.0x	4.3x

Notes:
- *Leverage ratio sensitivity assuming a final allocation above the min. size offered, to be allocated in full on M&A projects;*
- *M&As EVs computed as: New SUN – DCM refinancing (SUN + PP);*
- *EBITDA addition from M&As assumed at 8.0x EV/EBITDA multiple*

Source: Equita SIM estimates

All in, **the deal will have the benefit of extending the average debt maturity to ca. 5.0y**, in line with the new bond term which will represent most of the liabilities in place, while, regardless of the final allocation, **the new Notes will raise the average cost of funds**, as the min. annual interest rate of 4.0% is above the current average cost of debt. Nevertheless, an allocation above the min. € 150mn would strengthen the company liquidity profile, taking out the close due Private Placement (Dec-26) and easing the ST balance.

NEW SENIOR UNSECURED NOTES - TERMS & CONDITIONS

Issuer	WIIT S.p.A.
ISIN	XS3183135717
Offering period	6-10 October 2025
Issue Date	16 October 2025
Issue Price	100% of the nominal value
Ranking	Senior Unsecured
Rating Notes	Unrated
Amount (EUR mn)	150.0 (with potential upsize up to additional € 150.0mn)
Coupon	Min. 4.000%
Int. Period	Annual
UoP	Corporate treasury purposes: considering the outstanding € 150.0mn WIIT 2 3/8 10/07/2026 maturity in Oct-26 and the residual € 8.0mn of Private Placement due in Dec-26; Support of the growth strategy (including M&A): in the case of upsize
Maturity	16 October 2030 (5NC2)
Early Redemption (min. 30dd notice)	up to 15/10/2027: Non-Call Period from 16/10/2027 to 15/10/2028: @100% + 50% coupon from 16/10/2028 to 15/10/2029: @100% + 25% coupon from 16/10/2029 to 15/10/2030: @100%
Mandatory repayment	CoC@100%; Events of Default according to Prospectus definitions
Incurrence Covenants (tested on YE figures)	Additional Indebtedness: i) Cons. Net Leverage < 4.0x or i) Cons. Net Leverage < 5.0x in the case of M&A with EV > € 50.0mn Others: Negative Pledge; Pari Passu
Exchange	Borsa Italiana - MOT
Applicable law	English Law

Source: Bond Prospectus

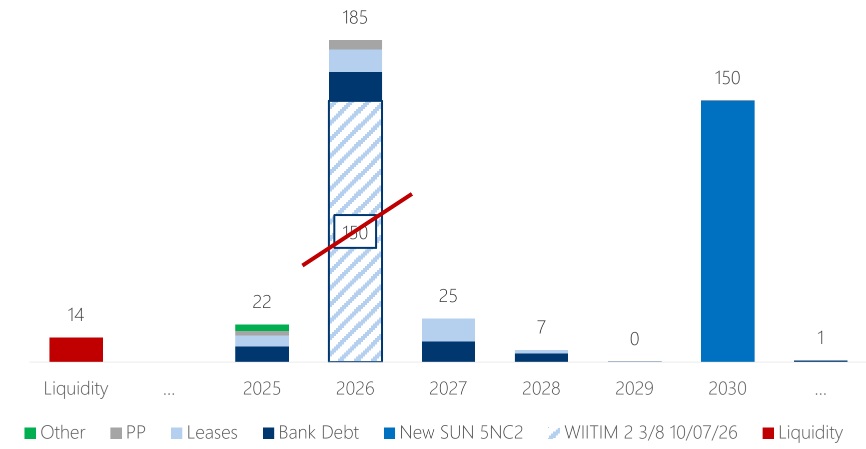
We do not anticipate an early refinancing of the existing notes at the next call date of 7th Oct-25. Therefore, over the short term, both bonds will be outstanding within the Group capital structure. The following table plot a **Pro Forma representation** of the Group Capital Structure following the full reimbursement of the outstanding WIITIM 2 ⅜ 10/07/26, which, at latest, will take place by October 2026.

PRO FORMA CAPITAL STRUCTURE (€ mn)

	Seniority	Adj. EBITDA € mn	2025E 66.8 Leverage	Maturity	Benchmark	Spread
Bank Debt		43.2		2026-2038	FIX / FLOAT	Avg. 3.185%
~~WIITIM 2 3/8 10/07/26~~	~~Senior~~	~~150.0~~		~~07-Oct-26~~		~~2.375%~~
New SUN 5NC2	Senior	150.0		2030		4.000%
Private Placement		8.0		Dec-26	Eur3M	2.780%
Others		3.5		12M		
Leases		34.4				5.913%
Gross Debt		239.0	3.6x			4.097%
Cash		(13.9)				
Net Debt		225.1	3.4x			

Notes:
The New Senior Unsecured Notes (SUN) is represented at min. approved amount of € 150.0mn and min. coupon rate of 4.000%.
Source: Equita SIM estimates on Company data

PRO FORMA DEBT SCHEDULE (€ mn)



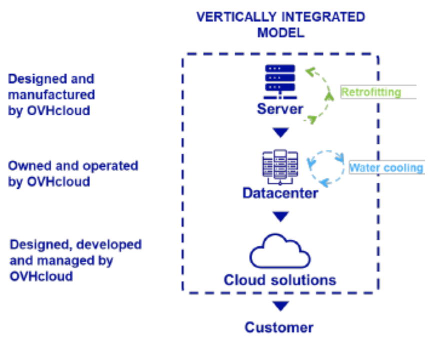
Source: Equita SIM estimates on Company data

CREDIT PEER ANALYSIS: A COMPARISON WITH OVH

We present in the Appendix (page 18-26) an analysis of WIIT business model compared to other relevant international providers of cloud services, ranging from hyperscalers, to large colocation players, to system integrators. Among players providing benchmarks on the credit side, we believe the closest peer to WIIT is OVHcloud ("OVH"), a French global player vertically integrated across the value chain.

■ OVH - BUSINESS MODEL

BUSINESS MODEL

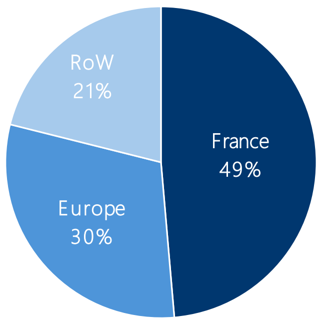


Source: OVH Bond Prospectus

Founded in 1999, **OVHcloud is a leading European cloud service provider**, serving a global audience of corporates, as well as public entities by mean of a comprehensive suite of private, public and web solutions. Pivotal is a v**ertically integrated business model across the value chain**, from the engineering to the manufacturing of servers and clouding, set on a global network of 43 datacenters (Europe, US, Singapore and Australia), hosting +450k self-produced servers.

1H25LTM revenues reached € 1.0bn, showing a strong growth path underpinned by a +10.7% CAGR 2021-25 and a **solid profitability at EBITDA level of 38.4%**, improved by +90bps vs. FY2024. At the same time, the capital structure remains under control, with **Net Debt of € 1.2bn or 3.1x leverage LTM** (€ 840mn / 2.3x in FY2024) and liquidity of € 307mn in cash and undrawn RCF (due in 2030), ahead of the **closest refinancing wall in 2030**. To be noted how **part of the re-leverage served to fund the € 350mn shares buyback completed over the semester**. Guidance points to a 10.0% yearly like-for-like avg. sales growth, up to 150bps marginality accretion and a positive levered FCF from 2026.

REVENEUS BY GEOGRAPHY



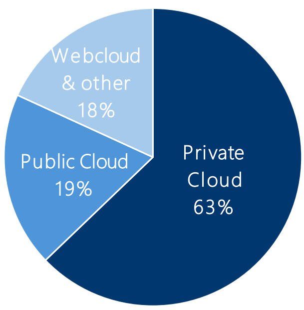
Source: Equita SIM estimates on Company data

The customer's base counts +1.6mn users globally, thereof the top 50 are worth ca. 10.0% of sales, claiming a **low 2.0% churn**. The #**1 market remains France**, worth ca. 48.9% of revenues, ahead of Europe (30.1%) and RoW (21.0%).

Revenues offer a certain degree of predictability, basing on base fees paid monthly or pay-for-usage formulas, with extras billed for additions. **Three main types of services**:

1. **Private Clouding** (62.8% of revenues): generally based on a monthly fee set on the choice of performance levels and service options. Within this group, OVH offers two type of options, notably the i) "**Bare Metal" clouding,** where the customers receive a fully automated access to dedicated servers which are operated by customers' teams (typically used for SaaS application and website hosting) and the ii) "**Hosted" Private clouding,** where customers are provided with a fully automated and dedicated servers, whose platforms such as the operating system and virtualization stack are selected and managed by OVH;
2. **Public Clouding** (18.4% of revenues), offer a "pay-for-consumption" formula in which the computing and data storage are hosted on shared servers, typical case for processing applications with significant demand bursts and peak loads, such as e-commerce or large requirements, such as mass-consumption video and music;
3. **Web Clouding & Others** (18.8% of revenues) includes a wide array of possibilities such as i) web hosting and ii) domain registration, iii) telecommunications and iv) internet access, as well as a "marketplace" of third-party softwares. Customers generally pay a fixed monthly fee, plus extras for additional solutions on demand.

REVENUES BY PRODUCT



Source: Equita SIM estimates on Company data

By channels, i) **Digital represent the main source of revenues**, or 44.0%, consisting of SMEs using OVH e-commerce platform to purchase cloud or web services on a fully digital basis, without human contact, ii) **Enterprise** (18.0% of revenues) represents the direct and indirect sales strategy for large corporates, SMEs and public entities, relying on a network of +1,300 IT partners, including consulting firms such as Accenture and Capgemini and last iii) **Tech** (38.0%), consisting of direct sales operated by the internal sales force, to those clients (generally digital companies), seeking high-performances.

COMPARING BUSINESS AND FINANCIAL PROFILES: OVH VS. WIIT

The following tables summarize a comparison between WIIT and its peer OVHcloud, highlighting both business and financial KPIs:

KPIs COMPARISON (1H25)

	OVH Cloud		WIIT SpA	
Industry / Subsector	IT / Cloud		IT / Cloud	
Data centers	48		19 (thereof 3 Tier IV)	
Servers	450,000		n.m.	
Customers	> 1,600,000		580 top clients	
Footprint	Global		Germany, Italy & Switzerland	
#1 Region (% sales)	France	48.6%	Germany	51.6%
#1 BU	Private Cloud	62.8%	Private Cloud	100.0%
Client concentration (% sales)	Top 50	10.0%	Top 50	36.0%
Churn rate	2.0%		n.a.	
#1 Shareholder	BlackRock	7.2%	A. Cozzi	58.4%

Key Financials

ARPAC (Avg. Rev. Per Active Customer) Euro	1H25LTM
Private Cloud	5,682
Public Cloud	693
Web Cloud	144

Average contract size Euro	2024
Top 10 clients	2,600,000
Top accounts (213)	405,000

EUR m	OVH FY2023	OVH FY2024	OVH 1H25LTM	WIIT FY2023	WIIT FY2024	WIIT 2025E
Sales	897.3	993.1	1,043.0	130.1	158.6	171.6
% yoy	*13.9%*	*10.7%*	*5.0%*	*9.5%*	*21.9%*	*8.2%*
% LfL	*13.9%*	*10.7%*	*5.0%*	*7.4%*	*6.1%*	*4.2%*
EBITDA	317.4	372.0	401.0	50.8	58.0	66.8
Marginality	*35.4%*	*37.5%*	*38.4%*	*39.0%*	*36.6%*	*38.9%*
EBIT (rep.)	(1.7)	28.9	60.2	19.5	21.3	27.3
Marginality	-	*2.9%*	*5.8%*	*15.0%*	*13.4%*	*15.9%*
FFO	260.7	311.1	334.7	36.4	40.2	54.2
Δ NWC	29.1	2.8	20.0	(1.0)	(0.1)	(5.5)
OCF (A)	289.8	313.8	354.7	35.4	40.1	48.7
Capex (B)	(357.8)	(343.1)	(373.9)	(30.0)	(31.5)	(33.0)
% sales	*39.9%*	*34.6%*	*35.9%*	*23.1%*	*19.9%*	*19.2%*
ow growth	(211.8)	(217.0)	(246.5)	(22.4)	(22.3)	(23.0)
% sales	*23.6%*	*21.9%*	*23.6%*	17.2%	14.0%	13.4%
ow maint.	(146.0)	(126.1)	(127.4)	(7.6)	(9.2)	(10.0)
% sales	*16.3%*	*12.7%*	*12.2%*	5.8%	5.8%	5.8%
FCF (C=A+B)	(68.0)	(29.3)	(19.2)	5.4	8.6	15.7
EBITDA - Capex	(40.4)	28.8	27.1	20.8	26.5	33.8
% EBITDA	-	*7.8%*	*6.8%*	*40.9%*	*45.7%*	*50.6%*
Tot. Equity	411.0	393.0	55.4	32.4	34.1	38.2
Gross Debt	799.4	881.0	1,331.9	228.1	234.8	217.9
Cash	(49.0)	(40.9)	(106.9)	(25.3)	(21.7)	(10.9)
Net Debt	750.4	840.0	1,225.0	202.8	213.1	207.0
Undrawn Lines			200.0			
Ratios						
FCCR (EBITDA/Inter.)	15.2x	12.4x	13.1x	6.5x	6.8x	8.4x
EBIT / Interests	-	1.0x	2.0x	2.5x	2.5x	3.4x
ND / EBITDA	2.4x	2.3x	3.1x	4.0x	3.7x	3.1x
(EBITDA - Capex) / ND	-	3.4%	2.2%	10.3%	12.4%	16.3%
ND / Equity	1.8x	2.1x	22.1x	6.3x	6.2x	5.4x
Cash / ST Debt	1.9x	1.1x	2.6x	1.2x	0.8x	0.5x

Source: Company data on Equita SIM estimates

1. **The scale of operation is a major difference**, with OVH's global footprint opposite to WIIT Italy / Germany focus, reflecting in **OVH's > € 1.0bn sales** being nearly 6.0x that of WIIT. Nevertheless, both companies generate a marginality (EBITDA margin) around 39.0%, with **WIIT premium services** (mostly PaaS for critical applications vs. colocation/web services for OVH) **complementing the scale gap**. From a **client standpoint, OVH is enjoying a better diversification,** although the customer's granularity (>1.6mn) is a consequence of **OVH more "commodity-like" business offer**; as reference, OVH generates Annual Revenue Per Active Client ("ARPAC") around i) € 5,682 for Private Cloud, ii) € 693 for Public Cloud and iii) € 144 for Web Cloud services compared to an yearly average of around € 100,000 per direct account or more than € 405,000 for Top Client at WIIT;

2. The different service proposition (colocation/IaaS-focused for OVH vs. PaaS for WIIT) is reflected on the cashflow, with **OVH much larger Capex intensity** (ca. 36.0% of sales / year) resulting in a **much weaker EBIT margin** (5.8% for OVH LTM vs. 15.9% for WIIT in 2025 or 19.4% on Adjusted basis – excluding PPA amortization) and **negative FCF**, pressuring the capital structure. Capital intensity is also reflected in the cash conversion, with **OVH conversion of EBITDA into FCF at around 7.0% in 1H25LTM compared to a much stronger result at WIIT**, which is expected to close the year around 51.0%.

3. The two capital structures reflect the operational differences, counting over **€ 1.2bn / 3.1x of Net Debt / leverage ratio at OVH** (1H25LTM) compared to **€ 207mn / 3.1x at WIIT 2025E**. Nevertheless, it is important to note the path divergence, with OVH re-leveraging to fund the shares buyback and WIIT scaling-up through M&A;

4. Liquidity shows the main differences, with **OVH claiming a healthy € 307mn in cash and RCF ahead of a 2030 refinancing wall**, compared to WIIT € 14mn cash and cash equivalents by the end of June, expected to move to € 11mn at the end of 2025E in front of the next 2026 maturities, condition well represented by the Cash / ST Debt ratio of 2.6x at OVH (1.1x in 2024) vs. 0.5x for WIIT. **The lack of a liquidity backup for WIIT is a credit weakness**.

DCM SECONDARY MARKET TREND AND BENCHMARKING

OVH metrics are summarized by a BB- / Stable and Ba3 / Stable rating assessment from S&P and Moody's respectively, a creditworthiness which we could consider consistent to WIIT metrics (unrated), with **OVH i) global footprint, ii) scale of operation** and **iii) liquidity profile** being balanced by the **i) greater criticality of the premium services managed by WIIT with its clients, ii) it's lower Capex intensity** and **iii) better FCF and EBITDA to cash conversion**.

Here below a summary of OVH 4 3/4 02/05/31 terms and secondary performance since placement.

OVH 4 3/4 02/05/31 NOTES KPIs

Security	EUR mn	Coupon (%)	Maturity	Next Call Date	Call Px.	Last Px.	YTM (%)	YTW (%)	Spread (bps)
OVH 4 3/4 02/05/31	500	4.750	05/02/2031	05/02/2027	102.4	102.4	4.3	4.0	174

Source: Bloomberg

A SELECTION OF UNRATED RETAIL BONDS

Find below a selection of **retail unrated** Italian **bonds,** not business peers but similar in terms and conditions (excluding sustainability-linked or green bonds):

MAIN TERM AND CONDITIONS

Issuer	Issue Date	Eur m	Min. Piece (Eur)	Coupon (%)	Maturity	Next Call Date	Call Price	S&P	Moody's	Fitch	Last Price	YTM	YTW	Z-Spread
WIIT	07/10/2021	150	1,000	2.375	07/10/2026	24/10/2025	100.0	- / -	- / -	- / -	99.4	2.9	2.9	87
CARRARO	17/04/2025	266	1,000	5.250	17/04/2030	17/10/2026	102.6	- / -	- / -	- / -	102.7	4.6	4.3	224
TIP	21/06/2024	401	1,000	4.625	21/06/2029	21/06/2026	102.3	- / -	- / -	- / -	102.7	3.8	3.6	156
ALERION	11/12/2024	250	1,000	4.750	11/12/2030	11/12/2027	102.4	- / -	- / -	- / -	102.3	4.3	4.2	198
ALPERIA	05/06/2024	250	1,000	4.750	05/06/2029	05/06/2026	102.4	- / -	- / -	BBB / STABLE	103.4	3.7	3.1	107
OVS	10/11/2021	160	1,000	2.250	10/11/2027	24/10/2025	100.6	- / -	- / -	- / -	98.7	2.9	2.9	87
MAIRE	05/10/2023	200	1,000	6.500	05/10/2028	24/10/2025	103.3	- / -	- / -	- / -	105.2	4.6	-	-
NEWPRINCES	12/02/2025	350	1,000	4.750	12/02/2031	12/02/2028	102.4	- / -	- / -	- / -	101.3	4.5	4.4	215

Source: Bloomberg

VALUATION RAISED TO € 24 PS

We raise our target on WIIT to € 24€ PS, calculated as the average between DCF approach (target € 24, based on WACC = 7.0%, g = 2.5%) and market multiples (based on 12x EV/EBITDA 2026 discounted to 12M from now).

TARGET PRICE (€ PS)

Method	Target	Weight
DCF	24	50%
Multiple	24	50%
Target	24	100%

Source: Equita SIM estimates

DCF (€ mn)

Assumptions	
g	2.5%
WACC	7.0%
Valuation	
NPV of Free Cash Flows (2025-29)	145
NPV of Terminal Value	711
Estimated Enterprise Value	857
NFP 2024A	-213
M&A, dividends paid/buy-back	-7
Equity value	637
Peripherals, risks & others	-4
Total Equity	633
# of shares fully diluted (mn)	26.0
Target Price (€ PS)	24

	2025E	2026E	2027E	2028E	2028E	beyond
Sales	171.6	176.3	185.3	194.6	204.3	209.4
Change %	*8.2%*	*2.7%*	*5.1%*	*5.0%*	*5.0%*	*2.5%*
EBITDA	66.8	70.6	75.8	79.9	84.3	85.0
Change %	*15.2%*	*5.7%*	*7.3%*	*5.5%*	*5.5%*	*0.8%*
Margin	38.9	40.1	40.9	41.1	41.3	40.6
D&A	-33.5	-33.0	-32.0	-32.0	-32.0	-31.8
EBIT	33.3	37.6	43.8	47.9	52.3	53.1
Change %	*14.9%*	*12.9%*	*16.3%*	*9.5%*	*9.2%*	*1.5%*
Margin	19.4	21.3	23.6	24.6	25.6	25.4
Taxes	-8.3	-9.4	-10.9	-12.0	-13.1	-13.3
EBIT after Tax	25.0	28.2	32.8	36.0	39.3	39.9
Change %	*14.9%*	*12.9%*	*16.3%*	*9.5%*	*9.2%*	*1.5%*
Capex (including new leases)	-33.0	-30.0	-30.0	-30.6	-31.2	-31.8
(increase) decrease in NWC	-5.5	-1.1	-1.2	0.0	0.0	0.0
Free Cash Flow before minorities	20.0	30.1	33.6	37.4	40.0	39.9
FCF Minorities	0.0	0.0	0.0	0.0	0.0	0.0
Free Cash Flow after minorities	20.0	30.1	33.6	37.4	40.0	39.9
Discount Factor	0.95	1.02	1.09	1.17	1.25	1.25
PV of FCF	21.0	29.5	30.8	32.0	32.0	31.9

Source: Equita SIM estimates

WIIT VALUATION - DCF SENSITIVITY (€ PS)

		Perpetuity growth		
		2.0%	2.5%	3.0%
WACC	6.5%	24	28	32
	7.0%	21	24	27
	7.5%	18	21	23

Source: Equita SIM estimates

WIIT EV/EBITDA MULTIPLE VALUATION AND SENSITIVITY (€ mn)

(A) 2026E multiple	12.0 x
(B) 2026E EBITDA	71
(C)=(A)x(B) EV	**847**
(D) NFP 2026E	-188
(E) minorities and others	-18
(F)=(C)+(D)+(E) Stock value (€)	**642**
(G) Dividends to be cashed-in (€)	8
(H) = (F)+(G) Total stock value (€)	**649**
(I) # shares outstanding (mn)	26
(J) Discount $(1+Ke)^t$	1.02
(K)=(H)/(I)/(J) Target (€ PS)	**24**

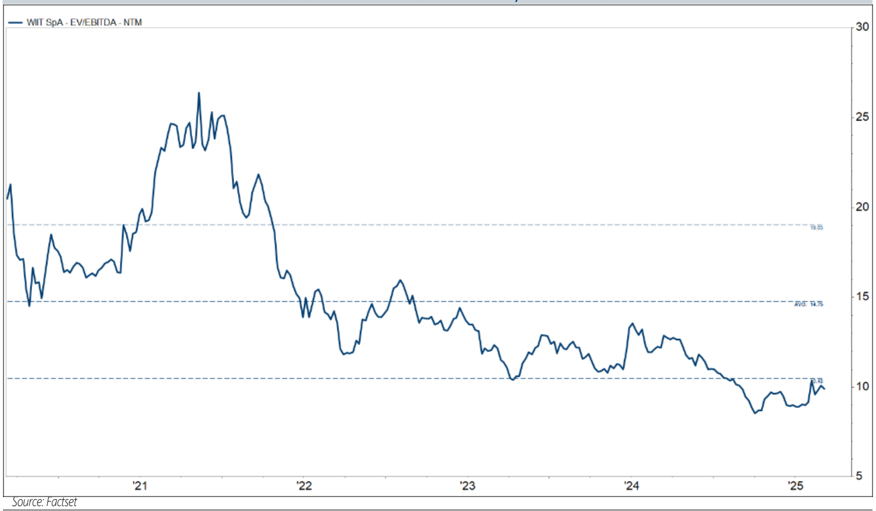
(A) 2026E multiple	10.0 x	11.0 x	12.0 x	13.0 x	14.0 x
(B) 2026E EBITDA	71	71	71	71	71
(C)=(A)x(B) EV	**706**	**777**	**847**	**918**	**989**
(D) NFP 2026E	-188	-188	-188	-188	-188
(E) minorities and others	-18	-18	-18	-18	-18
(F)=(C)+(D)+(E) Stock value (€)	**500**	**571**	**642**	**712**	**783**
(G) Dividends to be cashed-in (€)	8	8	8	8	8
(H) = (F)+(G) Total stock value (€)	**508**	**579**	**649**	**720**	**791**
(I) # shares outstanding fully diluted	26	26	26	26	26
(J) Discount $(1+Ke)^t$	1.02	1.02	1.02	1.02	1.02
(K)=(H)/(I)/(J) Target (€ PS)	**19**	**22**	**24**	**27**	**30**

Source: Equita SIM estimates

The implied multiple at our target price of 12x-11x 2026-27 EV/EBITDA **is well below the average 12m-forward EV/EBITDA multiple of around 15x** (range 10x-19x) recorded in the period 2020-2025.

Even after the recent rebound, the stock is still trading at 10x EV/EBITDA 2026, at the bottom of the historical range, as visible in the following chart.

WIIT - HISTORICAL 1-YR FORWARD EV/EBITDA MULTIPLE



Source: Factset

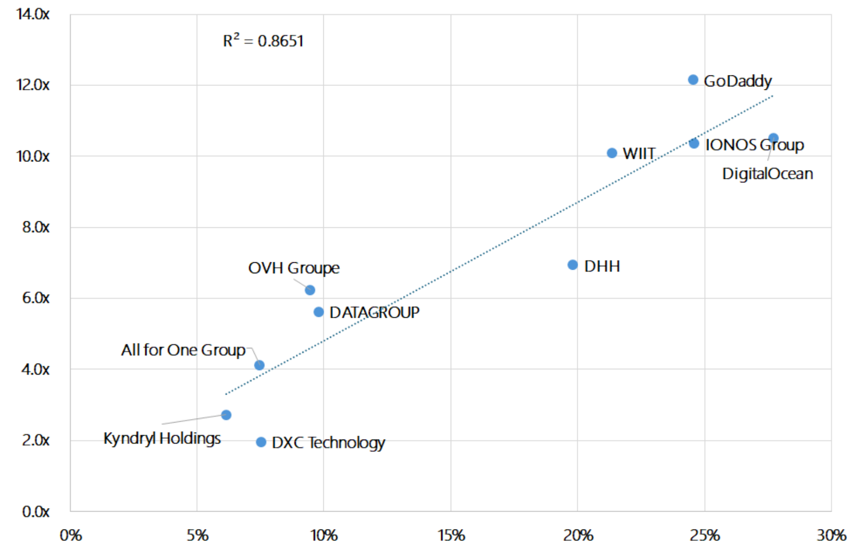
In terms of multiple comparison, we struggle to identify proper listed peers for WIIT and we compare the stock to companies offering cloud services but more focused on system integration (and typically recording EBITDA margin in the mid-teens area) or infrastructure/colocation services (running with higher EBITDA margin but bearing also high CAPEX and therefore with EBIT margin in the HSD area like OVH). We highlight the good correlation between EV/EBITDA multiples and 2026 EBIT margin for the stocks in the panel.

WIIT AND PEERS MULTIPLES

						EV/EBITDA		EV/EBIT		P/E		EBITDA margin		EBIT margin		ND/ Ebitda
Company	Curr.	Price	Mkt cap (€mn)	EV (€ mn)	PERF YTD	2025E	2026E	2025E	2026E	2025E	2026E	2025E	2026E	2025E	2026E	2025E
WIIT	EUR	19.5	507	732	1%	11.0x	10.1x	22.0x	19.0x	28.5x	24.6x	39%	40%	19%	21%	3.1x
Go Daddy	USD	143.0	16,783	18,586	-28%	14.1x	12.2x	19.8x	16.3x	23.8x	19.9x	32%	33%	22%	25%	1.4x
DigitalOcean	USD	37.0	2,852	3,755	8%	12.4x	10.5x	18.2x	15.3x	17.7x	17.4x	40%	40%	27%	28%	3.0x
IONOS Group	EUR	40.7	5,691	6,337	86%	12.1x	10.4x	15.6x	13.1x	23.4x	19.3x	30%	31%	23%	25%	1.2x
DHH	EUR	22.4	117	116	-3%	8.5x	6.9x	14.1x	11.2x	25.0x	20.7x	32%	32%	19%	20%	-0.1x
OVH Groupe	EUR	12.8	1,938	3,080	46%	7.0x	6.2x	36.0x	26.4x	85.6x	46.2x	39%	40%	8%	9%	2.6x
Datagroup	EUR	63.1	527	527	36%	6.0x	5.6x	9.9x	9.0x	18.6x	15.7x	15%	16%	9%	10%	1.6x
DXC Technology	USD	13.7	2,074	3,716	-32%	2.3x	2.0x	4.5x	3.7x	4.2x	4.4x	15%	14%	8%	8%	1.0x
All for One Group	EUR	43.7	218	1,380	-25%	5.2x	4.1x	8.6x	6.2x	12.9x	8.9x	10%	11%	6%	7%	1.0x
Kyndryl Holdings	USD	31.6	6,184	7,093	-9%	3.2x	2.7x	12.3x	8.4x	15.9x	10.1x	18%	19%	5%	6%	0.5x

Source: Equita SIM estimates and Factset consensus, calendarized data

EV/EBITDA 2026 vs. EBIT MARGIN 2026



Source: Equita SIM estimates and Factset consensus

APPENDIX: WIIT KEY BUSINESS MODEL HIGHLIGHTS

We are reproducing in this appendix a summary of our note n° 149, dated April 23rd, 2025 (LINK) where we fully describe the key features of WIIT business model.

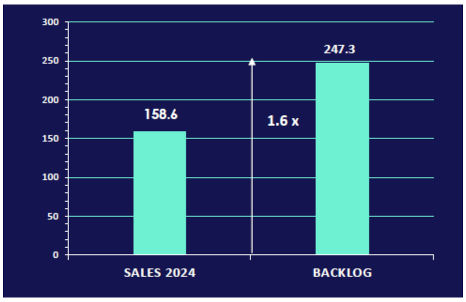
■ Revenue resiliency and visibility

One of the reasons for WIIT resilient business model is its **limited dependence on any client** and **sector**, its **multi-year contract duration** (usually 4-5 years) and its high level of **client stickiness**. We are therefore focusing in this section on the composition of WIIT top-line, supported by the recently released information related to 2024 figures.

■ Recurring multi-year contracts

If we exclude the sales generated by German consultancy company Gecko (€ 16mn sales in 2024), **around 90% of group sales are generated by recurring revenues** (multi-year contracts for cloud managed services), while the remaining cloud-related business is generated by **activation fees** (the payment for the migration of client's IT platforms to WIIT cloud infrastructure) and by **lower value-added HW/SW resale activity** (non-core activity for WIIT, sometime requested by the client as an add-on service).

WIIT BACKLOG AS AT JAN 1st, 2025 (€mn)



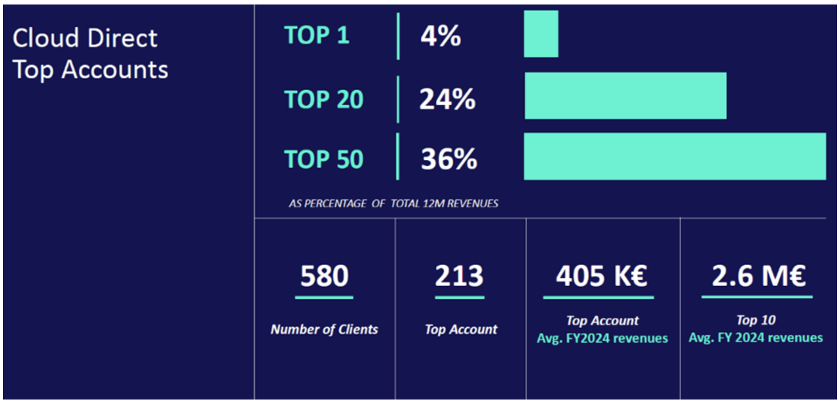
Source: Company presentation

The multi-year nature of WIIT contracts is confirmed by the size of its backlog (disclosed at the end of each year), accounting for 1.6x yearly sales in 2024 (€ 247.3mn), up from € 158.6 in 2023 thanks to major contract renewals, continuing also in the first months of 2025 (see contract announcement in the following chapter).

■ Client base made of medium-sized corporates looking for premium cloud services

WIIT is focused on mid-to-large corporate clients, i.e. companies usually generating sales in the € 200-4,000mn range, operating worldwide and with already quite sophisticated IT requirements (therefore interested in private cloud solutions offered by premium players). This is confirmed by the limited number of clients served (580 direct clients at the end of 2024, of which 213 "top accounts") and the relevant average size of contracts (**€ 400+k generated annually on average by top clients**).

WIIT RECURRING CLOUD SALES ANALYSIS BY CLIENTS

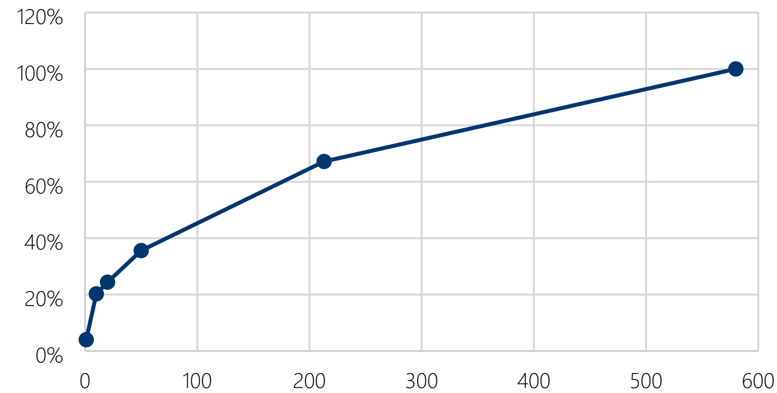


Source: Company presentation

- **Well diversified client base**

WIIT recurring cloud sales (ARR) are quite fragmented, with largest client accounting for just 4%, top 20 clients reaching 24%, top 50 generating 36% and top 213 accounts (out of 580 total direct clients) generating around 2/3 of group ARR sales.

WIIT RECURRING CLOUD SALES CLIENT CONCENTRATION

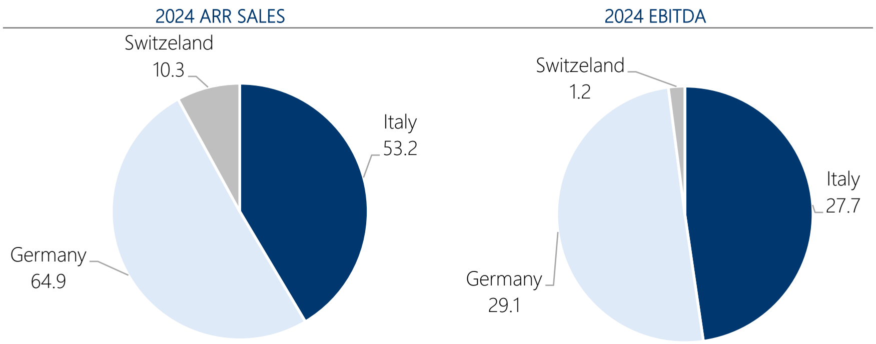


Source: Equita SIM elaboration on Company data

- **Italy already skewed to PaaS, Germany business model progressing well**

41% of group cloud recurring sales (ARR) were generated in Italy and 51% in Germany in 2024, with the remaining 8% generated in recently entered Switzerland.

WIIT SALES AND EBITDA BREAKDOWN BY COUNTRY



Source: Equita SIM elaboration on Company data

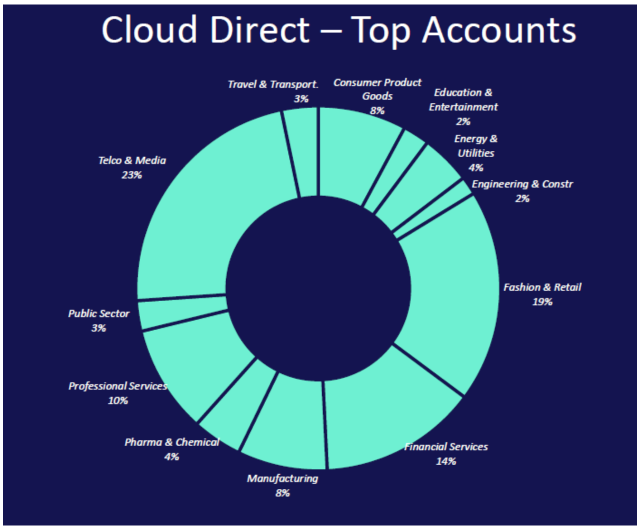
The business in **Germany is slightly more concentrated and enjoyed in 2024 lower profitability compared to Italy:** 34.9% EBITDA margin vs. 46.1% in Italy (with EBITDA in Germany therefore accounting for 50% of group EBITDA, just marginally above Italy). The lower profitability in Germany is partially due to dilution brought by lower-margin consulting company Gecko and by recent acquisitions (**WIIT AG** – i.e. Germany excluding Gecko and acquisition completed in 2024 – was indeed **already at 41.1% EBITDA margin in 2024**). The other reason for the lower profitability is the nature of the services currently offered in Germany, still **more skewed to lower value-added services** (colocation, IaaS) **compared to Italy** (mainly focused on PaaS). This is due to the longer presence of WIIT **in Italy, where the business model has started to move to PaaS already more than 10 years ago vs. a more recent development in Germany**, where WIIT entered in 2020 acquiring companies more focused on co-location/IaaS and is progressively pushing these companies to upsell PaaS services. The recent announcement of a large € 9mn **multi-year contract for PaaS services on Cloud Native platform awarded to WIIT by a large German customer** after a competitive bid against Hyperscalers is an indication in our view of the **good progress in the transition** of the German business to higher value-added services (from co-location to PaaS services).

Switzerland is a restructuring story just started (acquired in April 2024), and already brought to positive EBITDA in 4Q24 and with a target of positive EBIT for 2025.

■ Good diversification in terms of end markets

Another key feature of WIIT is its **good diversification in terms of end markets**, with direct top accounts generating 23% of sales in Telco&Media, 19% in Fashion&Retail, 14% in Financial Services, 10% in Professional Services, 8% in Consumer Products and 8% in Manufacturing.

WIIT SALES GENERATED BY TOP ACCOUNTS BY END MARKETS



Source: Company presentation

■ Supportive news flow on contract renewals and new logos

The news flow has been quite supportive over the last 12 months, both in terms of contract renewals/extensions and in terms of new logos (i.e. new clients). Here below we report a list of recent announcements, suggesting a very good visibility on organic growth for 2025, particularly in Italy (rather lively in terms of new logos/upselling). We remind that WIIT is communicating contracts worth more than € 2mn only.

WIIT - CONTRACT ANNOUNCEMENT OVER THE LAST 12 MONTHS (€ mn)

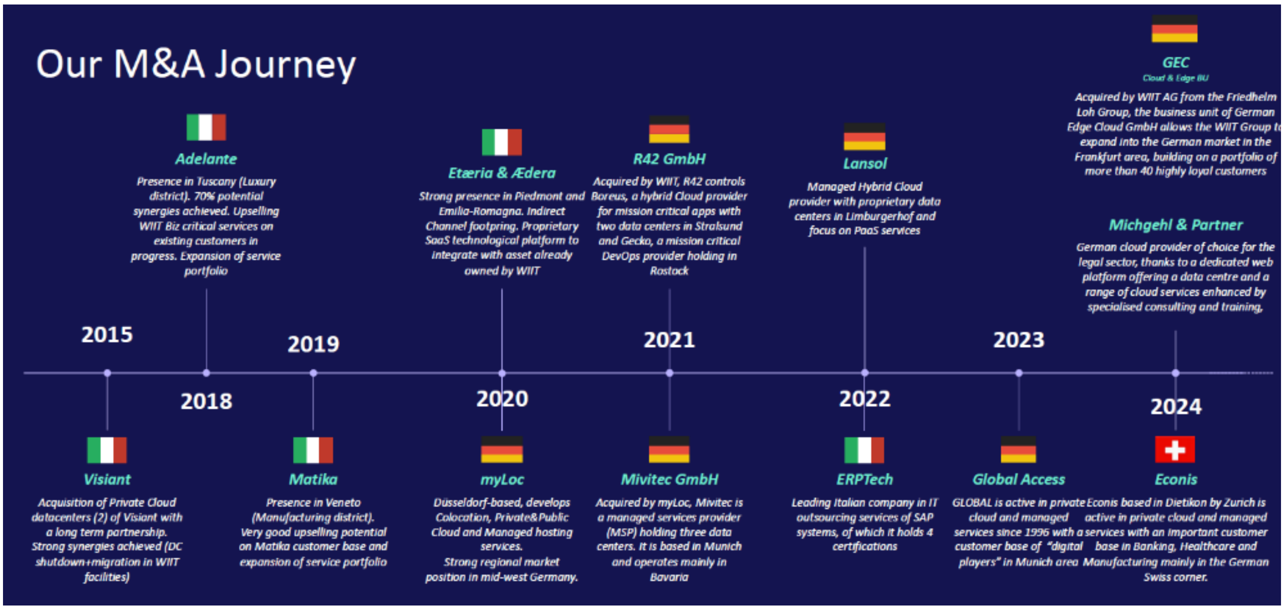
Client sector	Country	Value	Years	Annual sales	New/ upselling	Renewal	Date
Healthcare	Italy	7	5	1.4	1.4	0	May 15, 2024
Electrical distribution	Italy	4.7	4	1.175	0	1.175	Jul 31, 2024
IP protection	Italy	1.9	5	0.38	0.2	0.18	Aug 5, 2024
Manufacturing	Italy	2.8	5	0.56	0.56	0	Oct 21, 2024
Manufacturing	Italy	2.6	5	0.52	0.4	0.12	Oct 31, 2024
System integration	Italy	2.6	5	0.52	0	0.52	Nov 18, 2024
digital marketing	Germany	3.5	5	0.7	0.3	0.4	Dec 11, 2024
PA	Germany	7.5	4	1.875	0.25	1.625	Dec 11, 2024
Fashion	Italy	11.4	5	2.28	0	2.28	Dec 27, 2024
Professional Services	Italy	5	6	0.83	0.3	0.53	Jan 9, 2025
Digital trust	Italy	2.9	5	0.58	0.58	0.00	Mar 24, 2025
digital marketing	Germany	9	5	1.80	0.6	1.20	Apr 7, 2025
TOTAL		60.9		12.6	4.6	8.0	

Source: Equita SIM elaboration on Company data

■ A very effective buy-and-build M&A strategy

WIIT boasts a very effective M&A strategy, with an impressive track record both on restructuring stories and add-ons.

WIIT: ACQUISITION TRACK RECORD

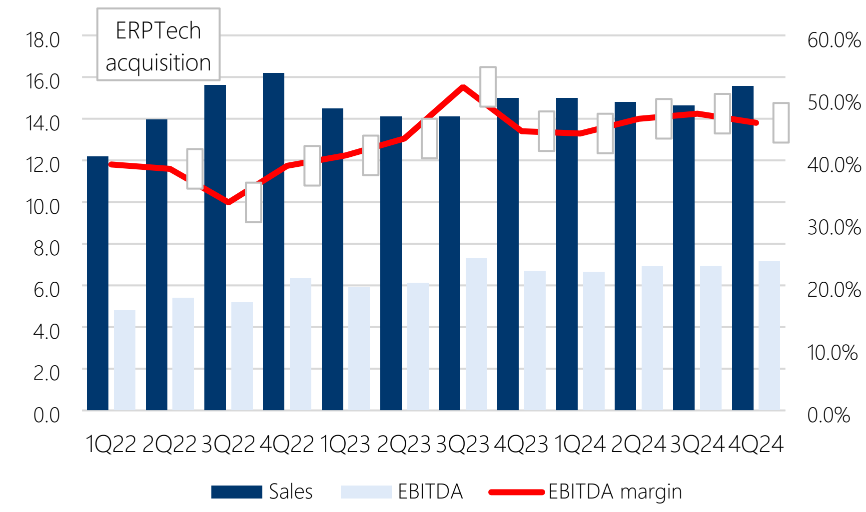


Source: Company presentation

■ Italy: leading position with opportunistic M&A approach

In Italy, the most recent deal was the **acquisition of ERP Tech** (deal closed on March 31st, 2022), a provider of IT outsourcing services for SAP systems at around break-even in terms of EBITDA at the time of the acquisition and **very rapidly integrated in the Italian business**, with country profitability above pre-deal levels in less than 12 months.

ITALIAN SALES/EBITDA EVOLUTION (€ mn) 1Q22-4Q24



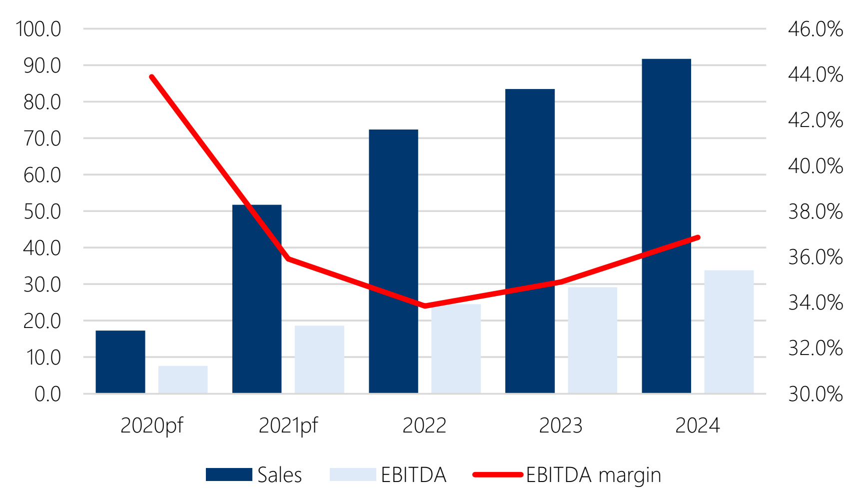
Source: Company data

■ **Germany: a rapid Buy&Build strategy to acquire size. Now the focus is on upselling**

The company entered the German market in 2020 with the acquisition of myLoc and since then has completed 6 other deals:

- **Mivitec (July 2021):** a Munich-based cloud operator specializing in managed services;
- **Release 42 (October 2021):** consisting of Strasund-based hybrid cloud provider Boreus and Rostock-based DevOp provider Gecko;
- **Lansol (September 2022):** a Limburgerhof-based operator specialized in private cloud and Platform as a Service (PaaS) solutions, particularly serving the tax and accounting sectors via an indirect channel;
- **Global Access (January 2023):** a Munich-based private cloud and managed services provider focused on digital players;
- **Edge&Cloud (January 2024):** a Frankfurt area-based operator with competencies in cloud native solutions and Kubernetes;
- **Michgehl&Partner (October 2024)**: a Nordwalde-based player with focus on cloud solutions for the legal sector.

GERMAN SALES/EBITDA EVOLUTION (€ mn) 2020-2024



Source: Company data

Though the business model in Germany, as previously mentioned, is still less focused on value-added services compared to Italy and more skewed to colocation and IaaS solutions (therefore offering lower margin, lower contract duration and lower protection to churn), **Germany boasts already an interesting size** (€ 83.5mn sales, of which € 64.9mn ARR, € 29.1mn EBITDA) **and profitability** (34.9% EBITDA margin), **and has benefitted from a strong integration effort over the last few years**, with all companies offering cloud services **merged in WIIT AG in the summer 2024** and operating under a **unified WIIT brand**. As mentioned before, this effort has already led WIIT AG to an EBITDA margin of 41.1% in 2024, up +500bps compared to 2023. The IT consultant and software development company Gecko, part of Release42 deal, remains a separate legal entity given its different business model.

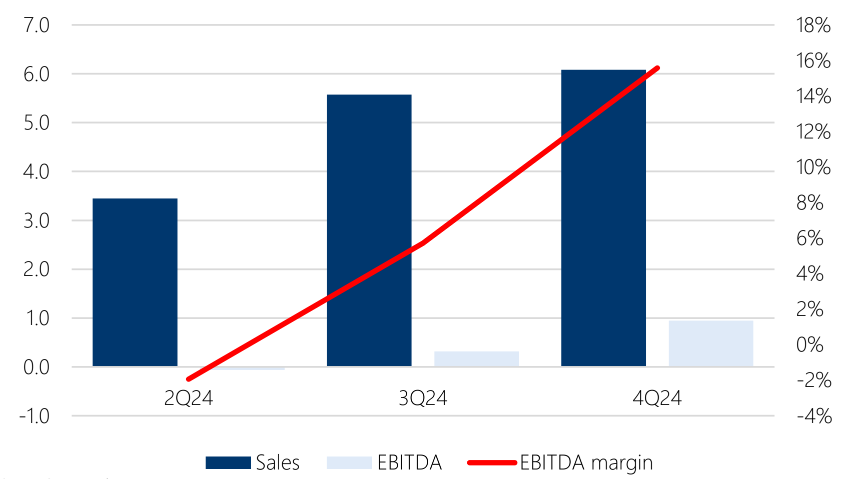
WIIT is still looking for small but strategic M&A targets in Germany offering **interesting assets** (a loyal customer base, skilled resources, infrastructure) and **room for cost synergies**. **From an organic standpoint, the main focus is on upselling** managed cloud services to the existing customer base and in signing contracts with new logos in order to exploit the recently revamped DC infrastructure and benefit from the high operating leverage.

Switzerland: a turnaround story in a new attractive market

In March 2024 WIIT entered the **Swiss market** with the acquisition of Econis, a Zurich-based company offering cloud services mainly to financial, large software and industrial clients. **Econis was generating almost zero EBITDA at the time of the acquisition** (€ -0.1mn EBITDA in 2Q24, first period of consolidation) and has moved to a **modest profitability at EBITDA level in 2024** (€ 1.2mn in FY24) with a target to reach **positive EBIT in 2025**, thanks to effective effort on retaining key customers and cutting costs.

Switzerland is an attractive market for WIIT given its size (USD 2bn hybrid cloud market in 2024, not far from Italy at USD 2.91bn), national regulation requiring the provision of certain cloud services from Swiss-based assets and large presence of mid-sized corporates operating in WIIT key end markets. This is therefore an area where WIIT is looking for new M&A opportunities in order to improve its scale and asset base and activate synergies, as done in Italy and Germany in the past few years.

SWISS SALES/EBITDA EVOLUTION (€ mn) 2Q24-4Q24



Source: Company data

M&A strategy: very consistent, well executed and value accretive

Since 2020, we calculate that **WIIT has acquired more than € 100mn sales**, generating around € 24mn EBITDA before synergies (24% EBITDA margin) and paying an EV of around € 155mn (including earn-outs) or **around 6.5x EV/EBITDA**.

Germany in particular, though not yet at the optimal level in terms of business proposition, **is expected to generate in 2025 € 90mn sales and € 30mn EBITDA** excl. one-off (35% EBITDA margin) **after € 152.5mn invested in M&A and some € 9mn cash-out for the upgrade of the German data center infrastructure**. The return on investment has been quite impressive in such a short time period and from greenfield.

M&A DEALS SINCE 2020 (€ mn)

Target	Country	Stake	EV**	Sales*	EBITDA*	Margin*	EV/EBITDA	date
MyLoc	Ger	100%	48.3	17.3	8.3	48%	5.8x	2020
Mivitec	Ger	100%	3.0	3.9	0.5	13%	5.9x	2021
Boreus	Ger	100%	53.6	14.6	6.8	47%	7.9x	2021
Gecko	Ger	100%	14.6	13.2	2.1	16%	6.9x	2021
Erptech	It	100%	2.6	7.8	0.5	6%	5.1x	2022
Lansol	Ger	100%	17.3	6.6	2	30%	8.7x	2022
Global Access	Ger	100%	7.3	4.5	1	22%	7.3x	2023
Edge&Cloud	Ger	100%	3.1	9.0	neg	neg	n.m.	2023
Econis	Switz	100%	0.0	20	2	10%	n.m.	2024
Michgehl & Partner	Ger	100%	5.3	4.5	0.8	18%	6.6x	2024
TOTAL			155.0	101.4	24.0	24%	6.5x	

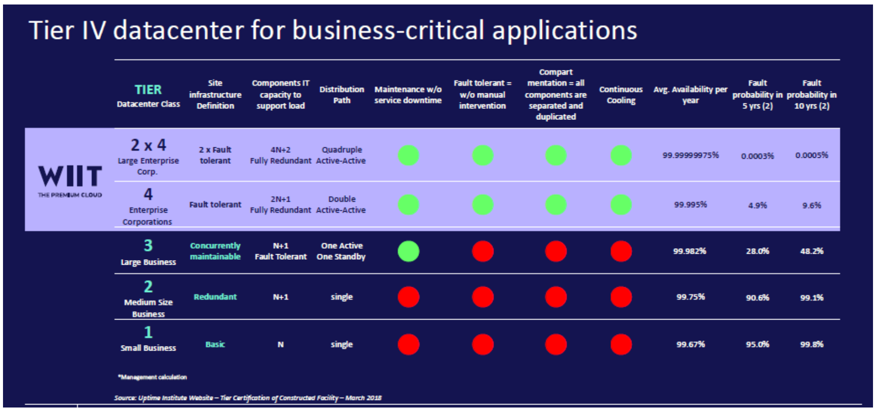
** results related to the fiscal year before the acquisition, excl. Michgehl&Partner (results related to current fiscal year)*
*** including earn-outs and leases*
Source: Company data

■ A premium positioning underpinned by premium assets

At the heart of WIIT's premium service strategy are its **3 data centers (2 in Milan and 1 in Dusseldorf)**, certified as Tier IV, the most advanced certification level awarded by the Uptime Institute. These facilities:

- Are **fault-tolerant** and built with **quadruple redundancy** (4N+2 architecture);
- Guarantee **99.995% availability**, i.e. less than 30 minutes of downtime per year;
- Are equipped with **fully duplicated and isolated systems**, including power, cooling, and connectivity;
- Ensure **zero service interruption during maintenance or component failure.**

DATA CENTER TIERING ACCORDING TO UPTIME INSTITUTE

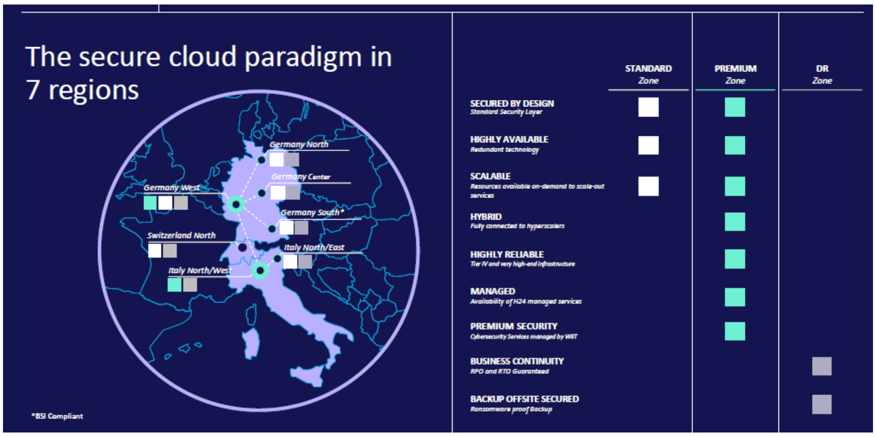


Source: Company data

WIIT's data centers are **strategically distributed across 7 European regions**, allowing proximity to clients and low-latency service. Its infrastructure includes:

- **2 Premium Zones based on Tier IV DC in Germany** (West) and **Italy** (North-West);
- **5 Standard Zones, of which 3 in Germany** (North, Center, South), **1 in Italy** (North-East), **and 1 in Switzerland** (North);
- **Disaster Recovery capabilities in all 7 zones**;
- Full compliance with **BSI** standards in Germany and **GDPR** across the EU, with a focus on **data sovereignty** and **cloud independence** from U.S.-based providers.

WIIT DATA CENTER INFRASTUCTURE



Source: Company data

Each data center is monitored 24/7 through a **Security Operations Center (SOC)**.

Thanks to the relevant investments executed over the past 5 years, WIIT has still ample spare capacity in its existing data centers (more than 50% in Italy and 25% in Germany), allowing for an almost doubling of current sales with no needs of major DC expansion.

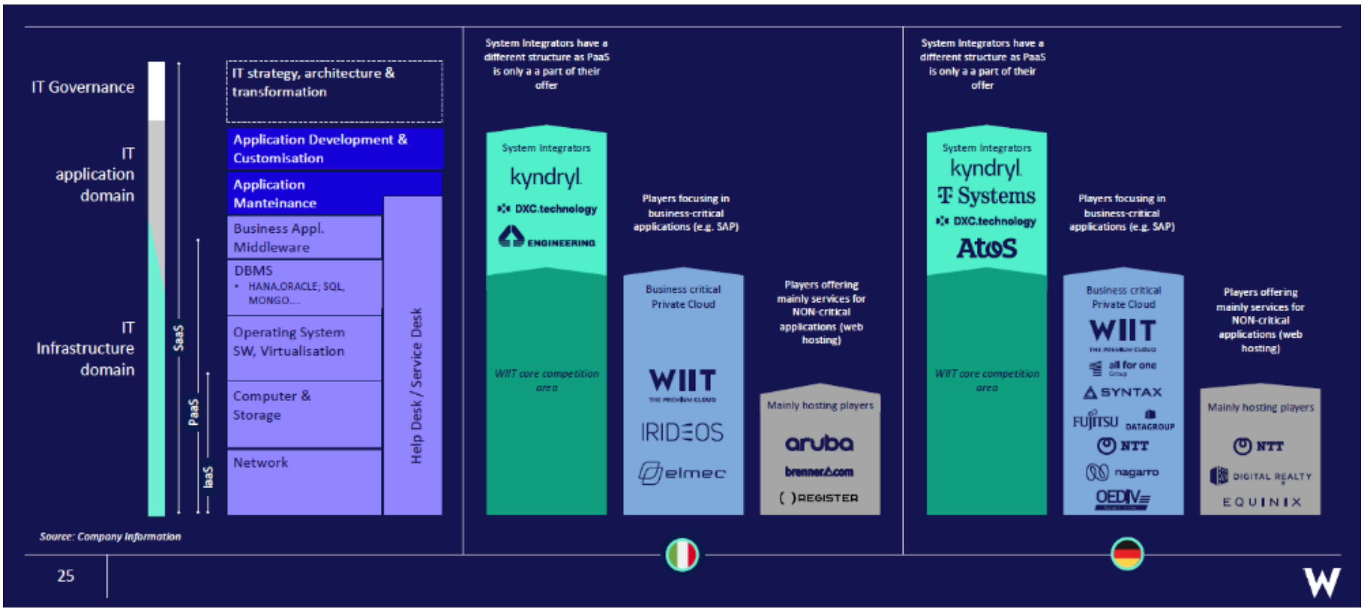
Competitive positioning and peer comparison

WIIT's main competitors are provided in the chart below, for both Italy and Germany. They typically are:

- **System integrators having also a cloud offer** (like DXC, Atos, Engineering in Italy, All-for-one and Datagroup in Germany) or divisions of TLC players focused on system integration/cloud services (like T-System in Germany – part of DT, or Fastweb in Italy);
- **Kyndrill**, the spin-off of IBM offering managed services mostly for corporates using IBM legacy infrastructure;
- Companies more focused on efficient large scale **co-locations/hosting services**, like global players Digital Realty or Equinix or more regional players like Aruba, Register.it, Brenner.Com

If we compare, when available, profitability of these players with WIIT, we find that players more focused on system integration are typically generating an EBITDA margin in the mid-to-high teens level while colocators are typically positioned in the 40-50% margin range.

WIIT COMPETITIVE LANDSCAPE



Source: Company presentation

We have identified some additional peers, not directly competing with WIIT because they mainly offer different services (web hosting, domain management, connectivity) or because they serve mainly retail clients or small-medium enterprises:

- **Ionos**, German player operating mainly in web hosting and with a small cloud offer
- **Digital Ocean**, US players operating in cloud services and managed services
- **Go Daddy**, US players operating mainly in domain and web hosting services
- **OVH**, French player operating in the hybrid and public cloud services for consumers/small enterprises
- **DHH**, Italian player offering mainly IaaS services in Italy and in Eastern European countries.

WIIT is sometime competing also with hyperscalers (Amazon WS, Google Cloud, Microsoft Azure), which are more focused on public cloud and on standard services offered at a global scale, supported by an extensive infrastructure of hyperscale DC. We think WIIT business model and proposition is however focused on different selling points vs. hyperscalers, as summarized in the following table.

COMPETITIVE POSITIONING: WIIT VS. HYPERSCALERS

Dimension	WIIT	Hyperscalers (AWS/Azure/GCP)
Business Focus	Boutique cloud provider for **mission-critical**, regulated workloads	Global-scale public cloud platforms
Client Segment	Enterprise clients	All segments
Service Customization	☑ High (tailor-made hybrid/private cloud)	✕ Low (self-service, standardized)
Managed Services	☑ Full-stack managed services incl. apps & security	✕ Limited; partners provide management layers
Data center Tier	☑ Tier IV certified	⚠ Mostly Tier III
Geographic Reach	Italy + DACH focus	Global
Recurring Revenue	☑ recurring revenue from long-term contracts	⚠ Usage-based, less predictable per client
CapEx Model	Moderate (acquisitions, premium infrastructure)	Very high (data centers at global scale)
Security & Sovereignty Appeal	☑ Strong, especially in regulated EU sectors	⚠ Questioned for US-based jurisdiction (Cloud Act concerns)

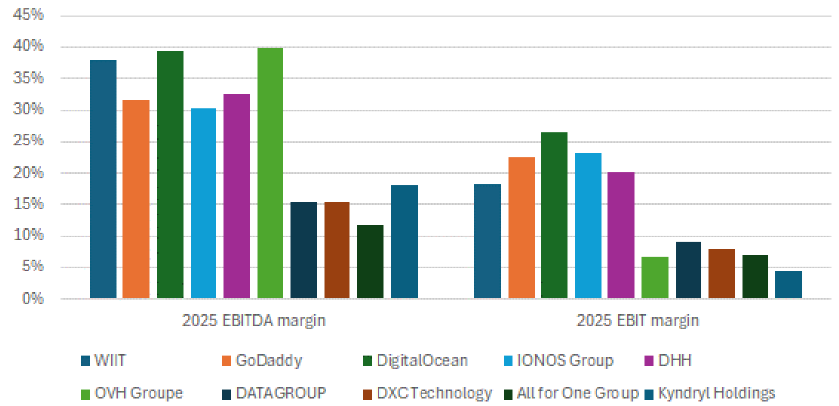
Source: Equita SIM elaboration

In terms of valuation metrics, in the absence of listed pure peers, we are comparing WIIT with the players described above - excluding Hyperscalers, given their global breadth and totally different business model.

As highlighted by the chart below:

- **peers operating mostly as consultants/system integrators are showing a much lower EBITDA/EBIT margin compared to WIIT** and other cloud providers and deserve much lower EV/EBITDA multiples;
- **OVH is showing an EBITDA margin similar to WIIT and other cloud providers but much lower EBIT margin** due to the lower value-added services provided to its client base and higher capital intensity required to sustain growth. For this reason, the stock is trading at much lower EV/EBITDA multiples compared to cloud players;
- **Ionos, Go Daddy, Digital Ocean and DHH are more comparable to WIIT in terms of EBITDA/EBIT margins and growth profile**, even though they have a different positioning (**Ionos and Go Daddy are more focused on web hosting services**, **Digital Ocean is more focused on standard public cloud services** for SMEs, **DHH is more focused on connectivity/infrastructure services** and geographically more exposed to the Balkan region).

PEER COMPARISON: EBITDA/EBIT MARGIN



Source: Equita SIM estimates and Factset consensus

STATEMENT OF RISKS FOR WIIT

The primary factors that could negatively impact the stock include:

- Risk of asset failure causing damages to clients or hit on reputation;
- Inability to integrate announced acquisitions and to deliver projected synergies;
- Inability to find and execute new accretive M&A deals;
- Higher-than-expected cost inflation on opex and capex, impacting margins and FCF generation;
- Market share gains by software vendors distributed on the cloud on which WIIT could have a lower credibility/know how compared to existing portfolio;
- Deterioration in the geopolitical risk;
- Inability to attract new talents and retain key managers.

P&L - €mn	2022	2023	2024	2025E	2026E	2027E
SALES Rep	119	130	159	172	176	185
Growth	54.1%	9.5%	21.9%	8.2%	2.7%	5.1%
EBITDA Rep	39.8	46.9	56.3	66.8	70.6	75.8
Growth	70.7%	18.0%	20.0%	18.7%	5.7%	7.3%
Margin	33.5%	36.0%	35.5%	38.9%	40.1%	40.9%
D&A	-23.5	-27.4	-35.0	-39.5	-39.0	-38.0
EBIT Rep	16.2	19.5	21.3	27.3	31.6	37.8
Growth	218.2%	19.9%	9.5%	28.3%	15.7%	19.4%
Margin	13.7%	15.0%	13.4%	15.9%	17.9%	20.4%
Net Interest Charges	-5.6	-7.8	-8.6	-8.5	-9.0	-9.2
Equity & Financials	0.0	0.0	0.0	0.0	0.0	0.0
Other Financials	0.8	0.0	0.0	0.0	0.0	0.0
Financial Expenses	-4.8	-7.8	-8.6	-8.5	-9.0	-9.2
Non Recurrings	0.8	0.0	0.0	0.0	0.0	0.0
PBT Rep	11.4	11.7	12.7	18.9	22.7	28.5
Growth	1356.4%	2.0%	8.6%	48.7%	20.1%	26.0%
Income Taxes	-3.6	-3.3	-3.4	-5.0	-6.0	-7.6
Tax rate	-31.5%	-28.5%	-26.7%	-26.7%	-26.7%	-26.7%
Minority Interest	0.0	-0.1	0.0	0.0	0.0	0.0
Discontinued Operations	0.0	0.0	0.0	0.0	0.0	0.0
Net Income Rep	7.8	8.3	9.3	13.8	16.6	20.9
Growth	n.m.	5.6%	12.2%	48.7%	20.1%	26.0%
Margin	6.6%	6.4%	5.9%	8.1%	9.4%	11.3%
Net Income Adj	12.5	15.1	14.8	17.8	20.6	24.9
Growth	51.8%	20.5%	-1.9%	20.6%	15.7%	20.5%
Margin	10.5%	11.6%	9.3%	10.4%	11.7%	13.4%

CF Statement	2022	2023	2024	2025E	2026E	2027E
FFO	30.0	36.4	45.9	54.2	57.6	61.0
Chg. in Working Capital	-6.9	-1.0	-5.8	-5.5	-1.1	-1.2
Other chg. in OCF	0.0	0.0	0.0	0.0	0.0	0.0
NCF from Operations	23.1	35.4	40.1	48.7	56.5	59.8
CAPEX	-27.0	-24.7	-26.7	-25.0	-26.0	-26.0
Financial Investments	-27.4	-10.5	-13.2	2.3	0.0	0.0
Other chg in investments	-1.2	-5.3	-4.8	-8.0	-4.0	-4.0
NCF from Investments	-55.6	-40.5	-44.7	-30.7	-30.0	-30.0
Dividends paid	-8.4	-7.8	-7.8	-7.8	-7.8	-7.8
Capital Increases	-5.3	-9.9	-1.4	-1.9	0.0	0.0
Other changes in financing	3.2	3.6	3.3	-2.6	0.0	0.0
NCF from Financing	-10.5	-14.1	-5.9	-12.3	-7.8	-7.8
CHG IN NFP	-43.0	-19.2	-10.5	5.7	18.7	22.0

Source: Company data and Equita SIM estimates

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Date	Rec.	Target Price	Risk.	Comment
April 23, 2025	Buy	22.00	Medium	change in upside/downside potential because of stock performance
March 24, 2025	Hold	24.00	Medium	-
October 18, 2024	Hold	26.00	High	-

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