

EQUITY RESEARCH

WIIT RESULTS REVIEW

BUY
TP 24.5€
Up/Downside: 29%

WIIT keeps the pace

9M25: In 3Q25, strong profitability, sales slightly below our expectations (churn effect from one client due to exogenous factors slightly higher than expected). With the extra financing from the bond, WIIT aims at a new AI-focused DC and M&A in the German area. We believe there are significant opportunities to capture in Germany.

- **3Q25 sales € 40.4mn vs. exp. c. € 41.5mn**, due to churn in Germany – news that (1) had already been anticipated for months and (2) stems from exogenous factors: M&A involving a bank that was a WIIT client. WIIT's top 20 clients account for c. 24% of sales (avg. € 2mn), so the situation is de-risked from over-concentration. Excl. churn, Recurring Revenues grew c. +12% YoY over 9 months (€ 102mn total), including churn c. +5% YoY;

- **3Q25 EBITDA Adj c. € 16.1mn vs. exp. c. € 16mn**, with margin +140bps vs. expectations in the quarter, thanks to (i) focus on high value-added products, (ii) synergies from consolidation of acquired companies. In 9M25, the big picture is EBITDA Adj. +19.5% YoY at c. € 51mn, margin 40.5% (c. +350bps YoY).

- **By geography, 9M25:** (1) Germany, top geography, c. € 67mn sales, c. € +6mn YoY, EBITDA margin 37.7%, +230bps YoY; (2) Italy down c. € 1mn YoY in sales, EBITDA +14% YoY but +c. 800bps margin improvement (c. 54% EBITDA margin in Italy now); (3) Swiss sales € +6mn, EBITDA € +2mn YoY. WIIT excl. Swiss would have c. 44% EBITDA margin over 9 months.

- **From the call:** (1) The € 65mn extra from the bond will be used for (i) building AI DC in Germany, CapEx c. € 5mn – with potential support from the German government, WIIT sees incoming demand and should already have 1 potential client, (ii) M&A in the DACH area, targeting small regional players; (2) Financial costs exp. FY25/26/27E c. € 9/11/10mn. We align by raising them; (3) Marketing expenses could increase from 2% of Recurring Revenues to 3% (est. c. € +1.5mn in 2026), WIIT wants to boost brand awareness in Germany; (4) Bookings in Germany in September +30% vs. 31.12.24 (very positive); (5) Management stated that Germany is accelerating and the trend is shifting from public hyperscalers to European players, for data privacy and cybersecurity reasons.

- **Outlook:** We believe that at group level, starting from 1Q/2Q 2026, growth in Germany will offset churn from Edge&Cloud (indeed, in Germany, c. € +6mn sales YoY in 9M25). We estimate 4Q25 EBITDA Adj. c. +1% YoY (+0.5mn vs. previous), in line with the implicit 3Q25 trend, leading to FY25E EBITDA at c. € 66.5mn vs. previous c. € 66mn – because the occupational rate of data centers in Italy is low, so sales increase would be positive for margins. At the same time, we slightly raise depreciation and financial costs, reaching NI Adj. of c. € 18.2mn vs. € 18.3mn previous in 2025. **BUY recommendation confirmed and TP € 24.5 maintained for more aggressive prospects in Germany/AI in the medium term.**

Key data

Price (€)	19.0
Industry	Technology Services
Ticker	WIIT-IT
Shares Out (m)	25.811
Market Cap (m €)	489.4
Average trading volumes (k shares / day)	34.626
Source: FactSet	

Ownership (%)

Alessandro Cozzi	58.7
WIIT S.p.a.	7.5
Market	33.8
Free float	41.3

Source: TPICAP Midcap estimates

EPS (€)	12/25e	12/26e	12/27e
Estimates	0.70	0.88	1.06
Change vs previous estimates (%)	-0.22	-7.29	-3.40

Source: TPICAP Midcap estimates

Performance (%)	1D	1M	YTD
Price Perf	-0.8	-5.4	-2.0
Rel FTSE Italy	-1.7	-11.8	-25.8



Source: FactSet

TP ICAP Midcap Estimates	12/24	12/25e	12/26e	12/27e	Valuation Ratio	12/25e	12/26e	12/27e
Sales (m €)	160.5	170.0	183.0	195.0	EV/Sales	4.1	3.7	3.4
Current Op Inc (m €)	21.3	33.2	41.5	47.1	EV/EBITDA	10.5	9.4	8.5
Current op. Margin (%)	13.3	19.6	22.7	24.1	EV/EBIT	20.9	16.4	14.0
EPS (€)	0.36	0.70	0.88	1.06	PE	26.9	21.7	17.8
DPS (€)	0.28	0.28	0.28	0.28	Source: TPICAP Midcap			
Yield (%)	1.5	1.5	1.5	1.5				
FCF (m €)	18.8	15.0	26.4	30.8				

Consensus FactSet - Analysts:na	12/25e	12/26e	12/27e
Sales	172.9	183.5	194.3
EBIT	34.7	41.4	46.4
Net income	15.0	19.9	23.8

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FINANCIAL DATA

Income Statement	12/22	12/23	12/24	12/25e	12/26e	12/27e
Sales	118.8	130.1	160.5	170.0	183.0	195.0
Changes (%)	54.1	9.5	23.3	5.9	7.6	6.6
Gross profit	118.7	130.1	160.5	170.0	183.0	195.0
% of Sales	99.9	100.0	100.0	100.0	100.0	100.0
EBITDA	42.2	50.8	56.3	66.5	72.5	78.1
% of Sales	35.5	39.0	35.1	39.1	39.6	40.0
Current operating profit	23.3	28.1	21.3	33.2	41.5	47.1
% of Sales	19.6	21.6	13.3	19.6	22.7	24.1
Non-recurring items	-0.1	-0.1	0.0	0.0	0.0	0.0
EBIT	23.2	28.0	21.3	33.2	41.5	47.1
Net financial result	-4.7	-7.7	-8.6	-8.9	-11.0	-10.0
Income Tax	-5.3	-5.2	-3.4	-6.2	-7.9	-9.6
Tax rate (%)	-28.9	-25.5	-26.9	-25.5	-26.0	-26.0
Net profit, group share	13.1	15.1	9.3	18.2	22.6	27.4
EPS	0.51	0.58	0.36	0.70	0.88	1.06
Financial Statement	12/22	12/23	12/24	12/25e	12/26e	12/27e
Goodwill	115.2	121.1	124.6	131.1	131.1	131.1
Tangible and intangible assets	108.7	113.2	126.4	113.3	106.9	100.0
Right of Use	10.3	11.9	11.9	11.9	11.9	11.9
Financial assets	0.0	0.0	0.0	0.0	0.0	0.0
Working capital	7.8	7.6	8.3	19.3	22.4	26.2
Other Assets	2.2	2.4	2.0	2.4	2.4	2.4
Assets	244.2	256.2	273.3	278.0	274.6	271.6
Shareholders equity group	40.1	32.4	34.1	48.6	60.2	77.6
Minorities	0.1	0.2	0.2	0.2	0.2	0.2
LT & ST provisions and others	0.5	0.6	1.1	1.1	1.1	1.1
Net debt	181.0	202.4	224.1	206.8	191.7	171.2
Other liabilities	22.4	20.7	13.8	21.4	21.5	21.5
Liabilities	244.2	256.2	273.3	278.0	274.6	271.6
Net debt excl. IFRS 16	181.0	202.4	212.7	206.8	191.7	171.2
Gearing net	4.5	6.2	6.5	4.2	3.2	2.2
Leverage	4.3	4.0	4.0	3.1	2.6	2.2
Cash flow statement	12/22	12/23	12/24	12/25e	12/26e	12/27e
CF after elimination of net borrowing costs and taxes	31.1	35.3	38.9	49.5	59.1	66.3
ΔWCR	-7.0	0.1	3.5	-4.7	-2.7	-3.5
Operating cash flow	24.1	35.4	42.5	44.8	56.4	62.8
Net capex	-20.2	-21.0	-19.1	-29.8	-30.0	-32.0
FCF	3.9	14.4	18.8	15.0	26.4	30.8
Acquisitions/Disposals of subsidiaries	-19.5	-7.3	0.0	-0.3	0.0	0.0
Other investments	0.0	0.0	5.5	0.0	0.0	0.0
Change in borrowings	1.7	20.7	-4.0	0.0	0.0	0.0
Dividends paid	-8.4	-7.8	-7.8	-8.9	-11.0	-10.0
Repayment of leasing debt	-10.0	-11.0	-13.5	0.0	0.0	0.0
Equity Transaction	-8.6	-10.2	0.0	0.0	0.0	0.0
Others	14.9	-1.8	-1.8	0.0	0.0	0.0
Change in net cash over the year	-6.0	-13.8	1.7	5.8	15.4	20.8
ROA (%)	5.4%	5.9%	3.4%	6.5%	8.2%	10.1%
ROE (%)	32.7%	46.6%	27.1%	37.4%	37.6%	35.4%
ROCE (%)	10.7%	12.3%	8.9%	13.7%	17.5%	20.2%

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Methodology

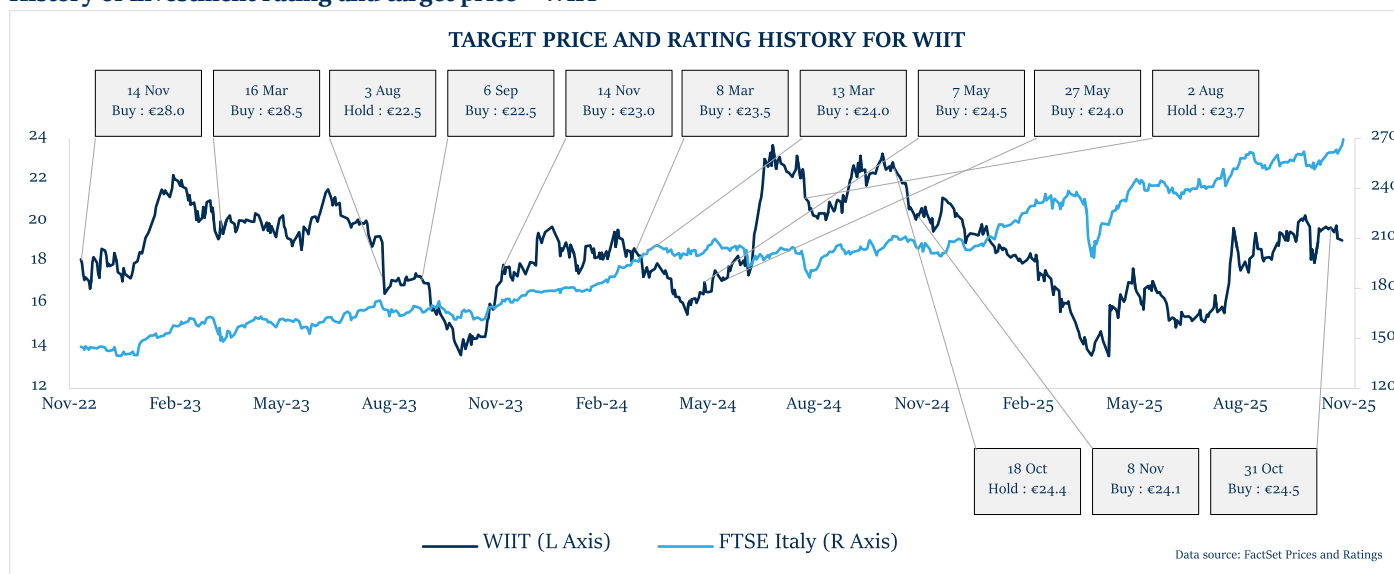
This Report may mention evaluation methods defined as follows:

1. DCF method: discounting of future cash flows generated by the company's operations. Cash flows are determined by the analyst's financial forecasts and models. The discount rate used corresponds to the weighted average cost of capital, which is defined as the weighted average cost of the company's debt and the theoretical cost of its equity as estimated by the analyst.
2. Comparable method: application of market valuation multiples or those observed in recent transactions. These multiples can be used as references and applied to the company's financial aggregates to deduce its valuation. The sample is selected by the analyst based on the characteristics of the company (size, growth, profitability, etc.). The analyst may also apply a premium/discount depending on his perception of the company's characteristics.
3. Assets and liabilities method: estimate of the value of equity capital based on revalued assets adjusted for the value of the debt.
4. Discounted dividend method: discounting of estimated future dividend flows. The discount rate used is generally the cost of capital.
5. Sum of the parts: this method consists of estimating the various activities of a company using the most appropriate valuation method for each of them, then realizing the sum of the parts.

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No conflict of interests between TP ICAP Midcap and the Issuer

History of investment rating and target price – WIIT



Historical recommendations and target price (-1Y)

Date	Analyst	Old Target Price	New Target Price	Closing Price	Old Recommendation	New Recommendation
07 Nov 25 - 18:56:46	Michele Mombelli	€ 24.50	€ 24.50	€ 19.20	Achat	Buy
06 Nov 25 - 18:09:12	Michele Mombelli	€ 24.50	€ 24.50	€ 19.80	Achat	Buy
05 Nov 25 - 08:13:04	Michele Mombelli	€ 24.50	€ 24.50	€ 19.42	Achat	Buy
03 Nov 25 - 19:21:27	Michele Mombelli	€ 24.50	€ 24.50	€ 19.72	Achat	Buy
30 Oct 25 - 16:53:38	Michele Mombelli	€ 24.10	€ 24.50	€ 19.64	Achat	Buy
20 Oct 25 - 15:18:50	Michele Mombelli	€ 24.10	€ 24.10	€ 18.04	Achat	Buy
27 Aug 25 - 19:35:00	Michele Mombelli	€ 24.10	€ 24.10	€ 19.02	Achat	Buy
04 Aug 25 - 19:21:03	Michele Mombelli	€ 24.10	€ 24.10	€ 16.14	Achat	Buy
28 Jul 25 - 10:10:44	Michele Mombelli	€ 24.10	€ 24.10	€ 15.66	Achat	Buy
30 May 25 - 08:03:10	Michele Mombelli	€ 24.10	€ 24.10	€ 16.70	Achat	Buy
18 May 25 - 22:15:34	Michele Mombelli	€ 24.10	€ 24.10	€ 16.64	Achat	Buy
14 May 25 - 08:30:40	Michele Mombelli	€ 24.10	€ 24.10	€ 17.74	Achat	Buy
09 Apr 25 - 08:15:55	Michele Mombelli	€ 24.10	€ 24.10	€ 13.72	Achat	Buy
12 Mar 25 - 08:08:16	Michele Mombelli	€ 24.10	€ 24.10	€ 15.68	Achat	Buy

Distribution of Investment Ratings

Rating	Recommendation Universe*	Portion of these provided with investment banking services**
Buy	76%	69%
Hold	18%	67%
Sell	4%	0%
Under review	3%	100%

Midcap employs a rating system based on the following:

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Hold: expected performance between -10% and +10% compared to the market over a 6 to 12 months horizon.

Sell: Stock is expected underperform the markets by 10% or more over a 6 to 12 months horizon.

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