WIIT
THE PREMIUM CLOUD

PRESS RELEASE

BOD of WIIT S.p.A. approves 9M 2021 results[1]

Adjusted Revenues continue to grow at Euro 53.0 million (+52%), driven by organic growth (+11%) due to the extension of contracts, the winning of new customers and the contribution of myLoc and of Mivitec

Adjusted EBITDA of Euro 21.8 million (+75.2%)

Margin up further to 41.1%, thanks to operating efficiencies, the focus on higher added value services and the increasing contribution of myLoc

Adjusted net profit of Euro 7.4 million, up 73.3%

Completed for a total value of Euro 77.7 million the acquisition of Boreus Gmbh and Gecko in Germany

The WIIT Group reports for 9M 2021:

- **Adjusted consolidated revenues of Euro 53.0 million, +52% on Euro 34.8 million in 9M 2020, driven by organic growth of approx. 11%, with a focus on higher added value services, increased cross selling on the customers of the acquired companies and the entry of new customers, in addition to the contribution of myLoc for Euro 14.6 million and of Mitivec for Euro 0.7 million.**
- **Consolidated Adjusted EBITDA of Euro 21.8 million (+75.2% on Euro 12.4 million in 9M 2020), thanks to operating efficiencies, the concentration on Cloud services and the relative contribution of the myLoc margin. Margin on revenues rises sharply to 41.4%, from 35.7% in the first nine months of 2020 and 40.5% in the first half of 2021.**
- **Consolidated Adjusted EBIT of Euro 11.8 million, +83.3% on Euro 6.4 million for 9M 2020, with a margin on revenues of 22.3%, further improving on 18.5% for 9M 2020 and on Q1 (22.1%).**
- **Adjusted net profit of Euro 7.4 million, up 73.3% on Euro 4.3 million for 9M 2020.**
- **Adjusted Net Financial Position presents a net debt of Euro 76.2 million (including IFRS 16 effect for Euro 8.8 million, Euro 9.0 million at December 31, 2020), decreasing on Euro 95.9 million at December 31, 2020. This decrease particularly reflects the capital increase carried out in June 2021 for Euro 25 million and good cash generation, despite capex spend of Euro 13.1 million, treasury share purchases for Euro 6.4 million, dividends for Euro 3.2 million and the acquisition of Mivitec for Euro 2.7 million. This amount does not include the valuation of treasury shares in portfolio for approx. Euro 39.5 million at market value at September 30, 2021.**

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[1] For the definitions of EBITDA, Adjusted EBITDA, EBIT, Adjusted EBIT, Net Financial Position/Net Debt, Adjusted net profit, reference should be made to the "Alternative performance measures" at the end of this Press Release.

- **January 1-September 30, 2021 myLoc figures[2]:**
  - **Adjusted Revenues of Euro 14.6 million;**
  - **Adjusted EBITDA of Euro 7.3 million, with a margin on revenues of 49.6%;**
  - **Adjusted EBIT of Euro 4.4 million, with a margin on revenues of 29.7%;**

- **August 1-September 30, 2021 Mivitec figures[3]:**
  - **Adjusted Revenues of Euro 0.7 million;**
  - **Adjusted EBITDA of Euro 0.2 million, with margin in revenues of 27.8%;**

Milan, November 11, 2021 – The Board of Directors of WIIT S.p.A ("**WIIT**" or the "**company**"; ISIN IT0004922826; WIIT.MI), a leading European player in the Cloud Computing market of enterprises demanding uninterrupted Hybrid Cloud and Hosted Private Cloud services for critical applications, meeting today approved the consolidated results at September 30, 2021, drawn up as per IFRS.

The Chief Executive Officer Alessandro Cozzi, stated: *"All operating-financial indicators performed very strongly in the first nine months. We particularly highlight the increased margin for all companies acquired thanks to cross selling activities. These figures confirm our Cloud market leadership in Italy and is further to what we have achieved also in Germany, the largest added value services market in Europe. In this context, we continue to roll out our consolidation strategy on the German market, which following on from myLoc and Mivitec, continued with the completion of the acquisition at the beginning of November of Boreus and Gecko.*

We are in addition highly satisfied with the success of the placement of the Euro 150 million bond in support of our international expansion strategy under the Cloud4Europe project, which is testament to the belief among international investors in our project.

The booking of new orders successfully continues, driven by the acquisition of new customers, including the recent agreement with De Cecco, which will significantly contribute to Group results from 2022".

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<u>9M 2021 Consolidated results</u>

WIIT Group (the "**Group**" or "**WIIT**") **adjusted consolidated revenues** for 9M 2021 totalled Euro 53.0 million, rising considerably (+52%) on Euro 34.8 million for 9M 2020.

This increase is driven by organic development, the contribution of myLoc and Mivitec, a focus on higher added value services, the entry of new customers, cross-selling to customers of acquired companies and the consolidation of these companies.

Consolidated **Adjusted EBITDA** in 9M 2021 was Euro 21.8 million (+75.2%), compared to Euro 12.4 million in 9M 2019, with a margin on revenues of 41.1%.

WIIT's margin in 9M 2021 was 45.1%, compared to 42.9% in FY 2020; Matika S.p.A.'s margin also improved, from 27.2% for FY 2020 to 32.2% for 9M 2021, as did Etaeria S.p.A.'s margin, which rose from 19.5% for FY 2020 to 24.8% for 9M 2021 and Adelante S.r.l.'s margin from 21.1% in FY 2020 to 22.0% in 9M 2021. MyLoc's margin was 49.6%, compared to 43.9% in 2020.

[2] myLoc Management IT AG ("**myLoc**") – a company acquired on September 30, 2020.
[3] Mivitec GmbH ("**Mivitec**") – a company acquired on July 27, 2021.

The adjustment to **EBITDA** for 9M 2021 refers: for Euro 0.7 million to costs relating to the integration of the purchase price of 20% of the share capital of Matika S.p.A., for Euro 0.4 million to costs relating to stock option and stock grant plans and for Euro 0.3 million costs relating to M&A transactions.

Amortisation, depreciation and write-downs totalled approx. Euro 10.0 million, increasing Euro 4 million compared to the same period of the previous year and reflects the 9 months of myLoc not present in 2020 and the investments made.

Adjusted EBIT was Euro 11.8 million in 9M 2021, +83.3% on Euro 6.4 million in 9M 2020, with a 22.3% margin on revenues.

The adjustment to **EBIT** in 9M 2021 concerns the aforementioned EBITDA adjustments and the value of amortisation and depreciation concerning the PPA (Purchase Price Allocation) related to acquisitions for Euro 1.5 million.

Adjusted financial charges totalled Euro 1 million, compared to Euro 0.8 million in 9M 2020. The item mainly includes interest payable on loans for Euro 0.6 million and leasing charges relating to the right to use EDP, property rental and vehicle hire for Euro 0.2 million. Other charges refer to the recognition of the economic effect of derivatives.

The adjustment to 9M 2021 financial charges concerns the effect of the amortised cost of banking expenses regarding the syndicate loan, of an extraordinary nature, for Euro 1.6 million.

Adjusted net profit in 9M 2021 was Euro 7.4 million, up 73.3% on Euro 4.3 million in 9M 2020.

The Net Financial Position (debt), considering the IFRS16 impact of approx. Euro -8.8 million at September 30, 2021, decreased from Euro 95.9 million at December 31, 2020 to Euro 76.2 million at September 30, 2021; this amount reflects in particular the share capital increase executed in June 2021 for Euro 25 million and the significant generation of cash. This amount does not include the valuation of treasury shares in portfolio for approx. Euro 39.5 million at market value at September 30, 2021.

Strong cash flows were generated from operating activities in the first nine months of 2021 of approx. Euro 20.7 million. Cash and cash equivalents were Euro 32.4 million and reflect the capital increase of Euro 25 million, net of transaction related charges of approx. Euro 0.7 million, Capex of approx. Euro 13.1 million[4] in IT infrastructure related to new orders and technological upgrades, and the purchase of treasury shares for Euro 6.4 million, the payment of dividends for Euro 3.2 million and the acquisition of Mivitec for Euro 2.7 million.

Significant events in 9M 2021

On January 21, 2021, WIIT announced the five-year renewal of its existing contract with a leading international group in the business process outsourcing services sector for a total value of **approx. Euro 6.9 million.** The new scope of services also includes access to WIIT's "Smart Working as a service" platform for over 1,000 people.

On March 11, 2021, WIIT announced the four-year renewal of its existing contract with one of the main operators providing credit management services for a total value of approx. Euro 3.3 million.

On March 19, 2021, the Board of Directors of WIIT S.p.A. approved the statutory financial statements and the consolidated financial statements at December 31, 2020, drawn up as per IFRS - and the Directors' Report.

On May 5, 2021, the Shareholders' Meeting met in ordinary and extraordinary session and, among other matters, appointed the new Board of Directors and the new Board of Statutory Auditors for the

4 Capex totals Euro 13.1 million, including Euro 7.2 million, with an impact on the Net Financial Position and Euro 5.9 million relating to leasing contracts.

2021-2023 period. The Shareholders' Meeting also approved the 1:10 stock split of 2,652,066 ordinary shares (no par value) into 26,520,660 newly issued ordinary shares, having the same characteristics as the issued ordinary shares; this split operation was carried out on May 24, 2021.

On May 8, 2021, WIIT announced the positive conclusion of the placement of 2,100,000 WIIT ordinary shares, representing approx. 7.92% of the company's share capital (at that date and after the increase), carried out through an accelerated bookbuild offering to institutional investors. The majority shareholder WIIT Fin S.r.l. also participated in the transaction. Specifically: (i) WIIT placed 1,500,000 new shares resulting from the share capital increase (equal to approx. 5.66% of the shares issued); (ii) WIIT Fin S.r.l. sold 600,000 WIIT shares (equal to approx. 2.26% of the shares issued). The placement of the shares was made at a price of Euro 17.00 per share. Following the share capital increase, WIIT issued 1,500,000 ordinary shares for a total value of Euro 25,500,000.00. Following this transaction, WIIT's share capital amounts to Euro 2,802,066.00, comprising 28,020,660 ordinary shares, without nominal value. WIIT Fin S.r.l. retained 14,776,600 Company shares, maintaining legal control of the Company.

On June 24, 2021, the minority shareholders of Matika S.p.A. exercised the put option for the sale of their 20% shareholding in the company, as provided for in the option agreement signed as part of the transaction for WIIT's acquisition of 60% of the share capital of Matika S.p.A. The exercise value of the option was originally set at Euro 4.2 million. During the price determination phase, the Net Financial Position at December 31, 2020 was established as a reference. As this result was better than was forecast at the acquisition date, an extra cost of Euro 0.722 million was added and recognised to the income statement. Payment of the option was settled 50% in cash and 50% through the use of treasury shares with a lock-up period of 12 months.

On July 23, 2021, A&C Holding S.r.l., a minority shareholder of Etaeria S.p.A., exercised its PUT option to sell its 20% stake in accordance with the terms of the option agreement. The option was exercised for a total of Euro 1.696 million, of which Euro 0.401 million has already been paid on account. The option payment made in cash amounted to Euro 1.295 million.

On July 27, 2021, the acquisition was concluded of 100% of the share capital of Mivitech GmbH ("Mivitech"), a German cloud operator specialising in managed services for businesses, with registered office in Munich, through its German subsidiary myLoc managed IT AG. The transaction is designed to consolidate WIIT's presence in Germany and to enable increasing economies of scale with its subsidiary myLoc. Mivitech is an operator of modest size, but boasts a proprietary data center, a significant client portfolio, value added services and a strategic geographic location. Munich is one of the country's most important business regions, and as such strengthens WIIT's strategic position in Germany. Based on an enterprise value of approx. Euro 4 million, equivalent to eight times 2020 EBITDA, the initial price was set at approx. Euro 4.5 million, and will be adjusted on the basis of the December 31, 2021 figures. The transaction was concluded with the signing of a binding agreement for the purchase of 100% of the share capital of Mivitec. 70% of the initial price was paid in cash on July 27, 2021, while the remaining 30% is held as a guarantee against the price adjustment to be carried out following the approval of Mivitech's 2021 annual financial statements. Should performance be lower than expected, the final price may be reduced by up to 50% of the initial price.

Subsequent events to H1 2021

On October 7, 2021, trading began of the bonds of the Parent Company WIIT S.p.A. following the issue of a senior, non-convertible, unsubordinated and unsecured bond with a total nominal value of Euro 150,000,000, approved by the Company's Board of Directors on September 7, 2021 and named "Up to €150,000,000 Senior Unsecured Fixed Rate Notes due October 7, 2026".

The issue of the Bond was subject to the necessary approvals from the Central Bank of Ireland (CBI) for the publication of the prospectus and the listing of the relative Bonds, from the Euronext Dublin and Euronext Milan, and to the success of the Bond offer, also taking into account market conditions. The Bond has a term of five years from the issue date (October 7, 2021), at a fixed interest rate of 2.375% per annum. The Early Redemption Prices will be 101.188% for the period from October 7, 2023 to October 6, 2024 (inclusive) and 100.594% for the period from October 7, 2024 to October 6, 2025 (inclusive) (and 100% for the period from October 7, 2025 to October 6, 2026 (inclusive)).

The Bonds are traded on the Regulated Market of the Official List of the Irish Stock Exchange - Euronext Dublin and on the Electronic Bond Market (MOT) organised and managed by Euronext Milan.

Following the issue of the bond on October 7, 2021, it should be noted that on the same date the syndicated loan with IntesaSanpaolo and BPM for a total nominal amount of Euro 61.9 million, recorded in current bank debt, was fully repaid.

On November 2, 2021, WIIT S.p.A. completed the acquisition of 100% of the share capital of Boreus Gmbh ("Boreus") and Gecko Gesellschaft für Computer und Kommunikationssysteme m.b.H. ("Gecko") in execution of the agreements signed on October 18, 2021. The price for the two acquisitions was set at a total of approx. Euro 77.7 million, of which approx. Euro 59.8 million for the acquisition of Boreus (partly paid through WIIT shares for a countervalue of Euro 10 million) and approximately Euro 18 million for the acquisition of Gecko. These amounts are without prejudice to the price adjustment mechanisms, which for Boreus - in addition to those relating to the net financial position and the level of working capital at closing - will be subject to a possible downward adjustment where Boreus does not achieve certain core turnover levels in the financial year ending December 31, 2022. Any adjustment will be guaranteed by the price component in WIIT shares to be deposited to an escrow account and shall not exceed the value of such shares. In addition, the signing of reciprocal put agreements in favour of the sellers of Boreus is stipulated as part of the transaction, and of call options in favour of WIIT to reacquire the WIIT shares which shall represent, in application of the adjustment, the component in kind of the consideration.

Boreus Gmbh, a cloud provider, and Gecko Gesellschaft für Computer und Kommunikationssysteme m.b.H., which focuses on developing DevOps software solutions with a focus on kubernetes technologies. The group has a strong specialisation in e-commerce platforms, mission critical applications that require high resilience, which is guaranteed by its two proprietary data centers, and provides private and hybrid cloud services to leading German e-commerce companies with whom it has had strategic relationships for over 15 years.

With forecast 2021 aggregate revenue of approx. Euro 27.6 million, aggregate EBITDA of approx. Euro 8.9 million, a 32.2% margin, and aggregate EBIT of approx. Euro 7.8 million and a 28.3% margin, the total price was set on the basis of a total enterprise value of approx. Euro 70.8 million and an implied multiple of approx. 7.9 times aggregate EBITDA pre-synergies.

Boreus, with registered office in Stralsund, owns two data centers that are in line with WIIT's security and resilience standards and offers Cloud and managed services to medium and large enterprises. The current year is forecast to close with revenues of Euro 14.1 million, EBITDA of Euro 5.6 million, a 39.7% margin, and EBIT of Euro 4.6 million, a 32.6% margin.

Gecko, based in Rostock, focuses on the development of data management and analysis applications for large enterprises. The current year is forecast to close with revenues of Euro 13.5 million, EBITDA of Euro 3.3 million, a 24.4% margin, and EBIT of Euro 3.2 million, a 23.7% margin.

Although Boreus and Gecko are both headquartered in North-East Germany, their customer base is distributed across Germany. The geographic positioning is strategic, not only as differing from previous acquisitions (myLoc, Düsseldorf, and Mivitec, Munich), but also and particularly as these enterprises are unique in their region and can benefit from a high level of staff loyalty, which is considered a major plus in the digital world in which staff turnover is always relatively high.

COVID-19 update and Outlook

Despite the ongoing effects and concerns regarding the social and economic repercussions of the pandemic, 2021 is proving to be a year of significant revenue and margin growth for WIIT, thanks to a business model based on multi-year orders and recurring revenues, in addition to the excellent market positioning of the WIIT Group's Cloud services, which are key to the digital transformation of businesses.

Group operations continue in terms of marketing activities to build the brand, supported also by the launch of the new logo and an innovative advertising campaign.

Strong interest is evident once again in 2021 not only for the Hybrid Cloud services, but also the smart working and cyber security services provided through the WIIT Cloud platform by existing and new customers.

The variety of sectors in which the Group operates and its good financial standing, in addition to its access to liquidity (also considering the treasury shares in portfolio) and lines of credit approved by credit institutions but not drawn down are elements of further solidity.

The WIIT Group continues to monitor the developing situation in order to minimise its social and workplace health and safety impacts, in addition to the operating, equity and financial situation, by drawing up and rolling out flexible and timely action plans.

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The limited audit on the figures in this press release has not yet been fully completed. The consolidated financial report at September 30, 2021 will be published in accordance with legal and regulatory requirements.

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Statement pursuant to Article 154-*bis*, paragraph 2 of Legislative Decree No. 58/1998.

The Corporate Financial Reporting Manager, Mr. Stefano Pasotto, declares, pursuant to Article 154-*bis*, second paragraph of Legislative Decree No. 58/1998, that this press release corresponds to the underlying accounting documents, records and accounting entries.

* * *

This announcement may contain certain forward-looking statements, estimates and forecasts reflecting management's current views with respect to certain future events. Forward-looking statements, estimates and forecasts are generally identifiable by the use of the words "should," "expect," "estimate," "believe," "intend," "plan," "target" or the negative of these words or other variations on these words or comparable terminology. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts, including, without limitation, those regarding the group's future financial position and results of operations, strategy, plans, objectives, goals and targets and future developments in the markets where the group participates. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements as a prediction of actual results. The Company's ability to achieve its projected objectives or results is dependent on many factors which are outside management's control. Actual results may differ materially from (and be more negative than) those projected or implied in the forward-looking statements. Such forward-looking information involves risks and uncertainties that could significantly affect expected results and is based on certain key assumptions. It is based on information available to the Group as of today. The Group assumes no obligation to publicly update or revise forecasts and estimates as a result of the availability of new information, future events or otherwise, subject to compliance with applicable laws.

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WIIT S.p.A.

WIIT S.p.A., listed on the Euronext STAR segment of the Euronext Milan market, organised and managed by Borsa Italiana S.p.A (WIIT.MI), is a leading European Cloud Computing market player, focused particularly on the Hybrid Cloud and Hosted Private Cloud for enterprises market. This company specialises in Hosted Private and Hybrid Cloud services for enterprises requiring critical application and business continuity management, with all the main international application platforms managed (SAP, Oracle and Microsoft) using an end-to-end approach. WIIT manages proprietary data centers, with the main center Tier IV level certified by the Uptime Institute LLC of Seattle (USA). This is the highest possible level of reliability, while the company is also among the world's most certified SAP partners. For further details, reference should be made to the Company website (wiit.cloud).

For further information:

Investor Relations WIIT S.p.A.:

Stefano Pasotto – CFO & Investor Relations Director

Francesca Cocco – Lerxi Consulting – Investor Relations

T +39.02.3660.7500

Fax +39.02.3660.7505

ir@wiit.clou

www.wiit.cloud

Media Relations:

Image Building

T +39 02 89011300

wiit@imagebuilding.it

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The following tables have been prepared in accordance with IAS/IFRS.

ALTERNATIVE PERFORMANCE MEASURES

In accordance with the ESMA recommendation on alternative performance measures (ESMA/2015/1415), as implemented by Consob Communication No. 0092543 at December 3, 2015, the Alternative Performance Measures used to monitor the Group's operating and financial performance are outlined below.

EBITDA - A non-GAAP measure used by the Group to measure performance. EBITDA is the sum of the net profit for the year, gross of taxes, financial income and expenses (including exchange gains and losses and deriving from the measurement at equity of investments) and amortisation, depreciation and write-downs. EBITDA is not recognised as an accounting measure within IAS/IFRS adopted by the European Union. Consequently, the determination criterion applied by the Company may not be homogeneous with that adopted by other groups and, therefore, the amount obtained by the Parent Company may not be comparable with that determined by the latter.

EBITDA Margin - *measures the Group operating profitability as a percentage of consolidated revenues reported in the year and is defined as the ratio between EBITDA and Total revenues and operating income.*

Adjusted EBITDA - *A non-GAAP measure used by the Group to measure performance.* Adjusted EBITDA is the sum of the net profit for the period, gross of taxes, financial income and expenses (including exchange gains and losses and deriving from the measurement at equity of investments), amortisation, depreciation and write-downs, costs for professional merger & acquisition (M&A) services, MTA listing costs, the tax credit for MTA listing costs and Stock Option/Stock Grant incentive plan costs.
With regards to Adjusted EBITDA, the Group states that the adjustment (which defines Adjusted EBITDA) was made for the purposes of reflecting the Group's operating performance, net of the effects of certain events and transactions. This adjustment on certain expenses was necessary for improved comparability with the historic figures for the years under review, as such include cost items relating to company developments not concerning the normal operating management of the Group's business and related to professional services costs for M&A's. In order to improve the comparability of operating performance, the Group also excludes from the calculation of Adjusted EBITDA the MTA listing costs, the tax credit for MTA listing costs and the costs of accounting for stock options and stock grants (IFRS2). Adjusted EBITDA is not recognised as an accounting measure within IAS/IFRS adopted by the European Union. Consequently, the determination criterion applied by the Group may not be homogeneous with that adopted by other groups and, therefore, the amount obtained by the Group may not be comparable with the determined by the latter.

Adjusted EBITDA Margin - *measures the Group operating profitability as a percentage of consolidated revenues reported in the year and is defined as the ratio between Adjusted EBITDA and Adjusted total revenues and operating income.*

EBIT - A non-GAAP measure used by the Group to measure performance. EBITDA is the sum of the net profit for the period, gross of taxes, financial income and expenses (including exchange gains and losses and deriving from the measurement of investments at equity). EBIT is not recognised as an accounting measure within IAS/IFRS adopted by the European Union. Consequently, the determination criterion applied by the Group may not be homogeneous with that adopted by other groups and, therefore, the amount obtained by the Group may not be comparable with the determined by the latter.

EBIT Margin - measures the earning capacity of Group sales. It is calculated as the ratio between EBIT and Total revenues and operating income.

Adjusted EBIT - A non-GAAP measure used by the Group to measure performance. Adjusted EBIT is the sum of the net profit for the period, gross of taxes, financial income and expenses (including exchange gains and losses and deriving from the measurement at equity of investments), amortisation, depreciation and write-downs, costs for professional merger & acquisition (M&A) services, MTA listing costs, the tax credit for MTA listing costs, Stock Option/Stock Grant incentive plan costs and the amortisation of intangible assets deriving from the Purchase Price Allocation relating to acquisitions.
With regards to Adjusted EBIT, the Group states that the adjustment (which defines Adjusted EBIT) was made for the purposes of reflecting the Group's operating performance, net of the effects of certain events and transactions. This adjustment on certain expenses was necessary for improved comparability with the historic figures for the years under review, as such include cost items relating to company developments not concerning the normal operating management of the Group's business and related to professional services costs for M&A's. The Group excludes from the Adjusted EBIT calculation also the MTA listing costs, the tax credit for MTA listing costs, the costs for the accounting of Stock options and Stock Grants (IFRS2) and the amortisation of intangible assets from the Purchase Price Allocation from the acquisitions, in order to improve the comparability of the operating performance.

Adjusted EBIT Margin - measures the earning capacity of Group sales. It is calculated as the ratio between Adjusted EBIT and Adjusted total revenues and operating income.

Adjusted net profit or loss – A non-GAAP measure used by the Group to measure its performance. The Adjusted net profit or loss is calculated as the net profit or loss for the period, gross of M&A costs, MTA listing costs, the tax credit for MTA listing costs, the costs for the accounting of Stock options and Stock Grants (IFRS2) and the amortisation of intangible assets arising from the Purchase Price Allocation for the acquisitions and the related tax effects on the excluded items.

Net financial debt – this is a valid measure of the Group's financial structure. It is calculated in accordance with the provisions of Consob Communication No. 5/21 of April 29, 2021 and the ESMA 32-382-1138 recommendations.

Adjusted Net financial debt – this is a valid measure of the Group's financial structure. It is calculated in accordance with the provisions of Consob Communication No. 5/21 of April 29, 2021 and the ESMA 32-382-1138 recommendations, less, where applicable, other non-current assets relating to security deposits and the effects of IFRS 16.

Total adjusted revenues and operating income - A non-GAAP measure used by the Group to measure performance. Total adjusted operating revenues and income is calculated as Total operating revenues and income as per the income statement, in accordance with IFRS, less the non-recurring item regarding the tax credit classified to "Other revenues and income". Total adjusted revenues and operating income is not recognised as an accounting measure within IAS/IFRS adopted by the European Union. Consequently, the determination criterion applied by the Group may not be homogeneous with that adopted by other groups and, therefore, the amount obtained by the Group may not be comparable with the determined by the latter.

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CONSOLIDATED BALANCE SHEET

	30.09.2021	31.12.2020
ASSETS		
Intangible assets	29,859,912	29,157,680
Goodwill	60,257,422	56,660,268
Plant and machinery	1,770,978	2,417,428
Other tangible assets	27,287,557	23,033,145
Rights-of-use	8,895,614	9,050,928
Deferred tax assets	1,109,386	1,209,368
Equity investments and other non-current financial assets	177,061	81,863
Other non-current assets deriving from contracts	147,067	217,174
Other non-current assets	349,168	306,533
NON-CURRENT ASSETS	**129,854,165**	**122,134,387**
		56,191
Inventories	29,296	85,487
Trade receivables	4,750,391	7,965,156
Trade receivables from associates	35,702	35,713
Current financial assets	3,400,305	13,482
Current contract assets	125,938	223,325
Other receivables and other current assets	3,846,042	3,601,378
Cash and cash equivalents	32,435,848	18,242,212
CURRENT ASSETS	**44,623,523**	**30,166,753**
TOTAL ASSETS	**174,477,688**	**152,301,140**

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	30.09.2021	31.12.2020
SHAREHOLDERS' EQUITY AND LIABILITIES		
LIABILITIES		
Share Capital	2,802,066	2,652,066
Share premium reserve	44,598,704	19,248,704
Legal reserve	530,413	530,422
Other reserves	(15,783,014)	(13,166,035)
Reserves and retained earnings (accumulated losses)	2,412,837	3,389,210
Translation reserve	(3,432)	(8,638)
Group net profit	3,631,297	1,594,498
GROUP SHAREHOLDERS' EQUITY	**38,188,872**	**14,240,227**
Result attributable to non-controlling interests	*442,973*	*878,591*
Non-controlling interests capital and reserves	*771,214*	*878,591*
TOTAL SHAREHOLDERS' EQUITY	*38,960,086*	*15,118,818*
Payables to other lenders	12,524,582	11,409,366
Bank payables	11,986,399	72,984,366
Other non-current financial liabilities	1,392,889	10,945,144
Employee benefits	3,031,070	2,842,413
Deferred tax liabilities	7,985,328	8,624,975
Non-current contract liabilities	329,508	447,960
Other payables and non-current liabilities	335,574	0
NON-CURRENT LIABILITIES	**37,585,350**	**107,254,224**
Payables to other lenders	7,328,637	6,517,799
Short-term loans and borrowings	65,064,839	3,885,074
Current income tax liabilities	2,550,785	1,138,913
Other current financial liabilities	13,457,377	8,124,085
Trade payables	5,056,179	6,166,928
Payables to associates	41,482	43,135
Current contract liabilities	219,243	403,165
Other payables and current liabilities	4,213,707	3,648,998
CURRENT LIABILITIES	**97,932,250**	**29,928,097**
TOTAL LIABILITIES	**135,517,600**	**137,182,321**
TOTAL LIABILITIES	**174,477,688**	**152,301,140**

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CONSOLIDATED INCOME STATEMENT

	9M 2021	9M 2020	Adjusted 9M 2021	Adjusted 9M 2020
REVENUES AND OPERATING INCOME				
Revenues from sales and services	52,734,177	34,730,619	52,734,177	34,730,619
Other revenue and income	232,869	510,560	232,869	107,511
Total revenues and operating income	**52,967,045**	**35,241,179**	**52,967,045**	**34,838,130**
OPERATING COSTS				
Purchases and services	(21,077,813)	(17,017,291)	(19,816,477)	(14,912,044)
Personnel costs	(10,757,804)	(7,088,880)	(10,593,109)	(7,088,880)
Amortisation, depreciation & write-downs	(11,467,030)	(6,562,833)	(9,967,629)	(5,984,766)
Provisions	0	0	0	0
Other costs and operating charges	(701,263)	(415,800)	(701,263)	(415,800)
Change in Inventories of raw mat., consumables and goods	(82,405)	5,889	(82,405)	5,889
Total operating costs	**(44,086,315)**	**(31,078,916)**	**(41,160,883)**	**(28,395,602)**
EBIT	**8,880,730**	**4,162,263**	**11,806,162**	**6,442,528**
Profit (loss) from equity-accounted investee	0	29,497	0	29,497
Financial income	2,121	60,566	2,121	60,566
Financial expenses	(2,576,352)	(780,509)	(964,099)	(780,509)
Exchange gains/(losses)	(11,498)	(19,781)	(11,498)	(19,781)
PROFIT BEFORE TAXES	**6,295,002**	**3,452,036**	**10,832,686**	**5,732,301**
Income taxes	(2,220,733)	(833,889)	(3,445,908)	(1,470,083)
NET PROFIT	**4,074,269**	**2,618,147**	**7,386,779**	**4,262,219**

WIIT

THE PREMIUM CLOUD

	30.09.2021	31.12.2020
A - Cash and cash equivalents	32,435,848	18,242,212
B - Securities held for trading	0	0
C - Current financial assets	3,400,305	13,482
D - Liquidity (A + B + C)	**35,836,153**	**18,255,694**
E - Current bank payables	(65,064,839)	(3,885,074)
F - Other current financial liabilities	(13,457,377)	(8,124,085)
G - Payables to other lenders	(7,328,637)	(6,517,799)
H - Current financial debt (E + F + G)	**(85,850,853)**	**(18,526,958)**
I - Current net financial debt (H - D)	**(50,014,700)**	**(271,264)**
J - Bank payables	(11,986,399)	(72,984,366)
K - Payables to other lenders	(12,524,582)	(11,409,366)
L - Other non-current financial liabilities	(1,392,889)	(10,945,144)
M - Trade payables and other non-current payables	(269,770)	(269,770)
N - Non-current financial liabilities (J + K + L + M)	**(26,173,640)**	**(95,608,647)**
O - Group Net Debt (I + N)	**(76,188,340)**	**(95,879,910)**
- Lease payables IFRS 16 (current)	1,911,280	1,833,287
- Lease payables IFRS 16 (non-current)	6,896,438	7,174,990
O - Net financial debt excluding the impact of IFRS 16 for the Group	**(67,380,622)**	**(86,871,633)**

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THE PREMIUM CLOUD

CONSOLIDATED STATEMENT OF CASH FLOW	**30.09.2021**	**30.09.2020**
Net profit from continuing operations	4,074,269	2,618,147
Adjustments for non-cash items:		
Amortisation, depreciation, revaluations and write-downs	11,467,030	6,562,833
Financial assets adjustments	0	(29,497)
Change in employee benefits	187,656	431,155
Increase (decrease) provisions for risks and charges	0	0
Financial expenses	2,576,352	780,509
Income taxes	2,220,733	833,889
Other non-cash changes	172,842	(422,846)
Cash flow generated from operating activities before working capital changes	**20,698,881**	**10,774,189**
Changes in current assets and liabilities:		
Decrease (increase) in inventories	56,191	(6,620)
Decrease (increase) in trade receivables	2,172,152	1,380,873
Decrease (increase) in tax receivables	0	13,066
Increase (decrease) in trade payables	(1,262,200)	888,699
Increase (decrease) in tax payables	(572,948)	(733,015)
Decrease (increase) other current assets	(3,284,489)	48,276
Increase (decrease) in current liabilities	2,077,868	(1,077)
Decrease (increase) in other non-current assets	(42,635)	(59,754)
Increase (decrease) in other non-current liabilities	335,574	(8,394)
Decrease (increase) in contract assets	167,494	201,994
Increase (decrease) in contract liabilities	(302,374)	(366,303)
Cash flow generated from operating activities		
Income taxes paid	(687,722)	0
Interest paid/received	(995,970)	(407,800)
Net cash flow generated from operating activities (a)	**18,359,821**	**11,724,135**
Net increase intangible assets	(3,021,347)	(2,487,297)
Net increase tangible assets	(4,167,583)	(3,934,331)
Cash flows from business combinations net of cash and cash equivalents	(2,671,419)	(52,281,225)
Net cash flow used in investing activities (b)	**(9,860,348)**	**(58,702,852)**
New financing	0	61,340,926
Repayment of loans	(3,505,616)	(1,133,087)
Lease payables	(2,048,030)	(759,308)
Payment of deferred fees for business combinations	(4,064,841)	(558,666)
Share capital increase	24,868,763	0
Distribution of dividends	(3,179,719)	(4,111,159)
(Purchase) Use of treasury shares	(6,376,395)	(1,961,674)
Net cash flow from financing activities (c)	**5,694,162**	**52,817,033**
Net increase/(decrease) in cash and cash equivalents a+b+c	**14,193,636**	**5,838,316**
Cash and cash equivalents at end of the period	32,435,847	17,674,676
Cash and cash equivalents at beginning of the period	18,242,212	11,836,360
Net increase/(decrease) in cash and cash equivalents	**14,193,636**	**5,838,316**