



## **PRESS RELEASE**

### **WIIT S.p.A. Board of Directors approves 2019 separate financial statements and consolidated financial statements<sup>1</sup>**

**Sales rise further (+34.4%), driven by extensions to existing customer contracts, the winning of new customers and the consolidation of Matika from July 2019**

**Focus on higher added value products and continually expanding Cloud services market**

**Adjusted net profit up 73.9%**

**Significant long-standing Order Backlog increase of 55% to Euro 75.4 million at January 1st, 2020**

**The WIIT Group reports for 2019:**

- Consolidated revenues of Euro 33.9 million (Euro 25.2 million in 2018), +34.4% on the previous year; increase driven by organic growth, focus on higher added value products, continually expanding Cloud services market and the acquisition of Matika in July 2019.
- Consolidated Adjusted EBITDA of Euro 13.2 million (Euro 10.4 million in 2018), +26.7% on 2018, margin on revenue of 38.9%.
- Consolidated Adjusted EBIT of Euro 6.8 million (Euro 5.3 million in 2018), +27.3% on 2018, with a 20.1% margin on revenue.
- Adjusted Net profit of Euro 6.7 (Euro 3.8 million in 2018), +73.9% on the previous year, thanks to the operating result and the Patent Box effect in 2019.
- Net Financial Position (excluding the impact from the application of IFRS 16 for Euro 5.5 million): debt of Euro 20.0 million (Euro 3.3 million in 2018); this value does not consider the valuation of treasury shares in the portfolio, quantified in approximately Euro 12 million at market value at December 31, 2019
- Tax benefit continues following "Patent Box" agreement signed for the 2020-2025 tax years.
- 2018-2019 pro-forma<sup>2</sup> numbers:
  - 2019 consolidated revenues up 3.4% to Euro 38,4 million on 2018 and 2019 pro-forma figures<sup>2</sup> and with Adelante and Matika both included for the entire years.
  - 2019 adjusted consolidated EBITDA +12.9% to Euro 14,1 , considering 2018 and 2019 pro-forma figures<sup>2</sup> with Adelante and Matika both included for the entire years; revenue margin of 36.6% significantly rising on 33.5% for 2018. WIIT's margin grows to 46.1% from 44.3% for 2018, with the margin of Adelante and Matika substantially improving, thanks to the

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<sup>1</sup> 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.

<sup>2</sup> 2018 and 2019 data provided by Adelante and Matika management and not approved by WIIT's Board of Directors or management, nor subject to audit or other checks by the latter.



**concentration on Cloud services, reduced low added value product revenue and optimised process and operating services organisation.**

- **Proposed dividend of Euro 1.5 for each WIIT share.**
- **Covid19 update:**
  - **the company has fully provided its services through remote working since February 25, 2020;**
  - **giving the recurring nature of WIIT's revenues no significant repercussions on the 2020 operating and financial performance are expected and the results for the initial months of the year confirm this.**
- **Ordinary Shareholders' Meeting called for April 29, 2020.**
- **The Board of Directors of WIIT approved, on a voluntary basis, the "Sustainability report" for 2019**

**Milan, March 19, 2019** – The Board of Directors of WIIT S.p.A ("WIIT" or the "**company**"; ISIN IT0004922826; WIIT.MI), a leading Italian player in the Cloud Computing market of enterprises demanding uninterrupted Hybrid Cloud and Hosted Private Cloud services for critical applications, meeting today approved the separate financial statements and the 2019 consolidated financial statements - drawn up as per IFRS - and the Directors' Report.

The **Chief Executive Officer**, Alessandro Cozzi, stated: "We are greatly satisfied with the WIIT Group's 2019 results which report substantial improvements for all operating and financial indicators and are in line with our expectations. The pro-forma figures indicate, in particular, the effectiveness of our acquisition-led growth strategy and the capacity to integrate the acquired companies, focusing the business on higher added value services to support margin growth, which rose from 33.5% in 2018 ("pro-forma" figure) to a "pro-forma" 36.6% in 2019. Despite the Covid19 impact which is limiting mobility in Europe, M&A's continue on schedule both in Italy and overseas".

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### **2019 Consolidated results**

The Group headed by WIIT (the "WIIT Group") reports **consolidated revenues** for 2019 of Euro 33.9 million, significantly up (+34.4%) on Euro 25.2 million in 2018.

This increase was mainly driven by organic growth, with the acquisition of new contracts, the extension of existing contracts and the contribution of Adelante and Matika, which is in line with expectations.

Consolidated **Adjusted EBITDA** in 2019 was Euro 13.2 million (+26.7%) on Euro 10.4 million in 2018, with a margin of 38.9%.

WIIT's margin in 2019 grows to 46.1% from 44.3% for 2018, with the margin of Adelante increasing from 15% in 2018 to 17.7% in 2019 and Matika's margin up from 20.1% in 2018 to 25.6% in 2019, thanks to the concentration on Cloud services, reduced low added value product revenue and optimised process and operating services organisation. The Group's pro-forma EBITDA margin rose from 33.5% in 2018 to 36.6% in 2019.

The 2019 **EBITDA** adjustment concerns the non-recurring costs incurred for the STAR segment listing, M&A operations and the impact of the PPA (Euro 0.5 million) for a total of approx. Euro 1.6 million.



**Adjusted EBIT** was Euro 6.8 million in 2019 (Euro 5.3 million in 2018), with a 20.1% margin.

**Adjusted Net Profit** in 2019 of Euro 6.7 million, compared to Euro 3.8 million in 2018, growth of 73.9% - mainly thanks to the operating results and also the "Patent Box" tax benefit, estimated following the agreement signed by the company with the Tax Agency, which generated a positive net income tax balance in 2019 of approx. Euro 1 million.

The **Net Financial Position (debt)**, considering the IFRS 16 impact of approx. Euro -5.5 million in the period, increased from a debt of Euro 4.4 million at December 31, 2018 to Euro 25.5 million at December 31, 2019 (this amount includes, in particular, all of the earn-outs from the acquisitions of Adelante and Matika for a total of Euro 7.9 million, of which Euro 6.0 million payable through the granting of treasury shares already in portfolio).

Strong cash flows were generated from operating activities in 2019. Cash and cash equivalents were approx. Euro 11.8 million, despite CAPEX of approx. Euro 5 million in IT infrastructure related to new orders signed in the year, and in part related to improvements at the new Headquarters, the non-recurring costs incurred for the transfer to the STAR segment and M&A operations for approx. Euro 1.1 million, the purchase of treasury shares for Euro 4.3 million and the amount for the acquisition of Matika in cash of Euro 6.4 million.

The value of treasury shares at December 31, 2019 was approx. Euro 12.0 million.

#### **Separate financial statements of the parent company WIIT S.p.A.**

##### **Proposal for the distribution of a dividend.**

The Board of Directors approved a proposal to the Shareholders' Meeting to distribute a gross dividend of Euro 1.5 for each outstanding WIIT share (excluding treasury shares), according to the following schedule: dividend coupon date of May 4, 2020 (ex date), record date of May 5, 2020 and payment date of May 6, 2020.

##### **Outlook and subsequent events**

2019 was a strong year in which the WIIT Group expanded further through the acquisitions in the second half of 2019 of Matika S.r.l., of Etaeria S.r.l. and of the owner of Aedera S.r.l., and through renewing major long-term contracts and winning new customers.

In recent months, the visibility for 2020 significantly reduced due to the COVID-19 emergency. Despite the major uncertainties and fears in terms of the social and economic repercussions of the health emergency, WIIT - thanks to its business model based on long-term orders and recurring revenues, does not expect significant impacts on business levels, which may emerge only where this contingent situation extends beyond the first half of the year, whereby an impact may be felt in terms of sales related to the acquisition of new customers. Strong interest has been seen to date from existing and new customers in the "smart working" and "cyber security" services provided through WIIT's Cloud platform.

In this environment however, the WIIT Group is taking all necessary measures to contain any impact on the Cloud market in order to protect its operating results and cash generation and constantly monitors the credit worthiness of its smaller customers.



## **Other motions**

### **Corporate Governance and Ownership Structure Report**

The Board of Directors approved the “Corporate Governance and Ownership Structure Report” and the “Remuneration policy and report”. This latter, in accordance with Article 123-ter of Legislative Decree No. 58/1998, shall be submitted for the approval of the Shareholders' Meeting; in this regard, both sections of the report shall be submitted for the consideration of the Shareholders' Meeting, which shall be binding only for the first section of the report regarding, in particular, the company's remuneration policy.

### **Adelante Project: earn-out payment and achievement of MBO**

The Board of Directors, noting the achievement of the 2019 objectives fixed by the preliminary purchase contract of 100% of the shares of Adelante S.r.l., signed by Mr. Francesco Baroncelli and by WIIT on June 28, 2018 for the maturation of the right to receive the earn-out by Mr. Francesco Baroncelli and the MBO by Chiara Grossi (Adelante S.r.l. employee), approved the payment of: (i) to Mr. Francesco Baroncelli an amount of Euro 631,800 as earn-out; and (ii) to Mr. Chiara Grossi Euro 70,200 as MBO. These amounts shall be settled in WIIT shares at the average price over the last three months.

### **Remuneration plans**

The Board of Directors approved the submission for the approval of the Shareholders' Meeting of:

- the “2020-2025 Restricted Stock Unit Plan”, drawn up on the proposal of the Remuneration and Appointments Committee and reserved for employees of the WIIT Group. It is specified that the managers with strategic responsibilities and the directors of the WIIT Group are not among the Beneficiaries of this Plan;
- the “2019-2021 Monetary Incentive Plan” regarding the portion on which the WIIT share performance is also based. This plan, approved on June 19, 2019 by the Board of Directors of WIIT, on the proposal of the Appointments and Remuneration Committee - is reserved for executive directors and other senior executives of WIIT or other WIIT Group companies, as identified by the Board of Directors of WIIT; and
- the “2019-2021 Adelante MBO Plan”, drawn up [on the proposal of the Remuneration and Appointments Committee] and reserved for Ms. Chiara Grossi as a director of the subsidiary Adelante S.r.l.

The above plans are incentive instruments to remunerate the contribution provided by beneficiaries of the plans to achieve set company objectives for the respective periods. For further details, reference should be made to the disclosure documents prepared by the Board of Directors in accordance with Article 84-bis of the Issuers' Regulation and Annex 3A of the Issuers' Regulation, which shall be made available to the public in accordance with statutory law and regulations, at the registered office and on the company website (<http://www.wiit.cloud/>) in the “Investors” section, in addition to the “eMarket STORAGE” authorised storage mechanism ([www.emarketstorage.com](http://www.emarketstorage.com))

### **Authorisation of the purchase and utilisation of treasury shares**

The Board of Directors approved the submittal to the Shareholders' Meeting of the following proposals for the authorisation to purchase treasury shares so as to permit the company to continue to hold a stock of treasury shares to be used (i) as consideration for any corporate transactions and/or other



uses of financial-operating and/or strategic interest for the company, also for exchanges of investments with others to support operations of interest to the company, in addition to (ii) to service financial instrument based remuneration plans.

The authorisations to purchase treasury shares are requested according to the above limits: (i) up to a maximum 132.603 ordinary shares (corresponding to approx. 5% of the share capital of the company); (ii) for 18 months from the date of the approving Shareholders' Meeting motion and (iii) a purchase price for each share not less than the official WIIT share price of the day before that on which the purchase transaction shall take place, reduced by 15%, and not greater than the official price on the day on which the purchase transaction shall take place, increased by 15%, all in compliance with Article 3 of Regulation (EU) 2016/1052. The purchases of treasury shares should in any case be made while ensuring the equal treatment of Shareholders, according to the methods established by Article 144-bis of the Issuers' Regulation. In executing the purchase transactions, the methods established by the applicable regulation shall be observed, in addition to permitted market practices, i.e. the conditions indicated by Regulation (EU) No. 596/2014.

With regards to the disposal of treasury shares, this may take place: (i) without time limits and (ii) at a price which should not be lower than the average of the official share price over the five days preceding each disposal, reduced up to a maximum of 15%.

The company currently holds 131,061 treasury shares, equal to 4.94% of WIIT's ordinary shares.

### ***Calling of the Shareholders' Meeting***

The Board of Directors - subject to any updates, which should be announced in a timely manner, following any new provisions issued regarding the COVID-19 health emergency - has called the Ordinary Shareholders' Meeting of WIIT at ZABBAN - NOTARI -RAMPOLLA & Associati Via Metastasio, 5 - 20123 - MILANO, on April 29, 2020, at the time of 11:00, in single call, to discuss the following agenda:

1. Separate financial statements at December 31, 2019 and allocation of the net result; Directors' Report on the situation of the company and the operating performance, including the corporate governance and ownership structure report; Board of Statutory Auditors' Report; Independent Auditors' Report. Presentation of the consolidated financial statements at December 31, 2019. Resolutions thereon;
2. Remuneration Report as per Article 123-ter of Legislative Decree No. 58/1998. Resolutions thereon;
3. Authorisation to purchase and dispose of treasury shares as per Article 132 of Legislative Decree 58/1998 and the relative enacting provisions. Resolutions thereon;
4. Remuneration Report as per Article 123-ter of Legislative Decree No. 58/1998. Resolutions thereon; and
5. Approval as per Article 114-bis of Legislative Decree No. 58/1998 of financial instrument based remuneration plans. Resolutions thereon.

Disclosure concerning the means to hold the Shareholders' Meeting shall be announced in the call notice which shall be published and made available to the public in accordance with the applicable laws and regulations.



### ***Sustainability Report and Organisational Model as per Legislative Decree 231/2001***

The Board of Directors of WIIT also: [(i) approved, on a voluntary basis, the "Sustainability Report" (i.e. the consolidated non-financial statement) drawn up as per Legislative Decree 254/2016;] and (ii) reviewed the "Organisation, Management and Control Model" as per Legislative Decree 231/2001, whose updated version shall be made available on the company website (<http://www.wiit.cloud/>), in the "Governance" Section.

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The separate financial statements (with the relative reports) and the consolidated financial statements for 2019, submitted for the legally-required audit of Deloitte & Touche S.p.A., in addition to the documentation on the matters on the agenda, including the full text of the proposals together with the illustrative reports acquired by the applicable regulation, shall be made available to the public in accordance with applicable law and regulations at the registered office and the authorised storage mechanism "eMarket STORAGE" ([www.emarketstorage.com](http://www.emarketstorage.com)), on Borsa Italiana S.p.A.'s website ([www.borsaitaliana.it](http://www.borsaitaliana.it)) and on the company website (<http://www.wiit.cloud/>), in the "Investors" section.

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The reclassified consolidated financial statements of the WIIT Group at December 31, 2019 compared with December 31, 2018 are attached. The figures in this press release have not yet been fully audited, nor have they been verified by the Board of Statutory Auditors.

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### **Statement pursuant to Article 154-bis, paragraph 2 of Legislative Decree No. 58/98.**

The Corporate Financial Reporting Manager, Mr. Stefano Pasotto, declares, pursuant to Article 154-bis, second paragraph of Legs. Decree No. 58/98, that this press release corresponds to the underlying accounting documents, records and accounting entries.

\* \* \*

This press release contains certain forward-looking statements and forecasts reflecting the Group management's current views with respect to certain future events. Forward-looking statements are generally identifiable by the use of the words "may," "will," "should," "plan," "expect," "anticipate," "estimate," "believe," "intend," "project," "goal" or "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 operating results, strategy, plans, objectives, goals and targets and future developments on the markets in which the Group participates or is seeking to participate. As a result of these uncertainties and risks, readers are advised that they should not excessively rely on such forward-looking information as an indicator of actual results. The Group's ability to achieve its projected 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. The forecasts and estimates contained therein are 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 STAR segment of the Italian Stock Exchange organised and managed by Borsa Italiana S.p.A (WIIT.MI), is a leading Italian Cloud Computing market player, focused particularly on the Hybrid Cloud and Hosted Private Cloud for enterprises market. *The company focuses and specialises in Hosted Private and Hybrid*



The Private Cloud

Cloud services for enterprises requiring critical application management and business continuity and manages all the main international platforms (SAP, Oracle and Microsoft), providing an end-to-end approach. WIIIT manages its own data centers, with the main center "Tier IV" certified by the Uptime Institute LLC of Seattle (United States) - the highest level of reliability possible - and is among the SAP's best certified partners. For further details, reference should be made to the company website ([wiiit.cloud](http://wiiit.cloud)).

**For further information:**

**Investor Relations WIIIT 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@wiiit.cloud](mailto:ir@wiiit.cloud)

[www.wiiit.cloud](http://www.wiiit.cloud)

**Corporate & Finance Press Office**

Spriano Communication&Partners

Matteo Russo and Cristina Tronconi

Tel. 02 83635708 mob. 347/9834881

[mrusso@sprianocommunication.com](mailto:mrusso@sprianocommunication.com)

[ctronconi@sprianocommunication.com](mailto:ctronconi@sprianocommunication.com)

@SprianoComm





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

## CONSOLIDATED BALANCE SHEET

	31.12.19	Riesposto 31.12.18 (*)
<b>ASSETS</b>		
Other intangible assets	13.341.905	6.718.275
Goodwill	17.604.960	10.551.265
Rights of use	5.706.817	1.326.694
Property, plant and equipment	3.208.450	3.955.437
Other tangible assets	10.147.369	9.867.552
Deferred tax assets	727.459	0
Equity investments and other non-current financial assets	60.861	68.062
Other non-current assets deriving from contracts	440.499	709.823
Other non-current assets	291.779	333.666
<b>NON-CURRENT ASSETS</b>	<b>51.530.099</b>	<b>33.530.774</b>
Inventories	82.628	0
Trade receivables	6.442.595	4.699.371
Trade receivables from group companies	35.567	460.965
Current financial assets	0	0
Current assets deriving from contracts	269.325	329.905
Other receivables and other current assets	2.325.204	1.404.458
Cash and cash equivalents	11.836.359	17.930.107
<b>CURRENT ASSETS</b>	<b>20.991.678</b>	<b>24.824.805</b>
<b>TOTAL ASSETS</b>	<b>72.521.777</b>	<b>58.355.579</b>

(\*) The amounts at December 31, 2018 have been restated to take into account the net assets identified following the completion of the purchase price allocation process of the company Adelante, acquired on July 18, 2018, whose values had therefore not been included in the financial statements at December 31, 2018, in accordance with IFRS 3.



## CONSOLIDATED BALANCE SHEET

	31.12.19	31.12.18 (*)
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
Share Capital	2.652.066	2.652.066
Share premium reserve	19.248.704	19.248.704
Legal reserve	530.414	513.214
Other reserves	(9.305.339)	(4.921.971)
Reserves and retained earnings (accumulated losses)	2.273.486	1.241.408
Translation reserve	11.579	13.698
Net profit for the period	5.250.033	3.344.738
of which Result for the period (third parties)	155.577	0
<b>SHAREHOLDERS' EQUITY</b>	<b>20.660.943</b>	<b>22.091.857</b>
<i>SHAREHOLDERS' EQUITY (third parties)</i>	<i>1.325.406</i>	<i>0</i>
Payables to other lenders	6.611.209	4.801.538
Bank payables	7.192.300	6.144.430
Other non-current financial liabilities	12.890.437	6.397.259
Employee benefits	1.983.999	1.259.295
Deferred tax liabilities	2.872.152	1.328.643
Non-current liabilities deriving from contracts	851.125	1.339.529
Other payables and non-current liabilities	8.394	0
<b>NON-CURRENT LIABILITIES</b>	<b>32.409.616</b>	<b>21.270.694</b>
Payables to other lenders	4.000.234	3.922.970
Short-term loans and borrowings	5.443.457	3.817.932
Current income tax liabilities	715.453	669.451
Other current financial liabilities	1.479.663	1.410.000
Trade payables	4.478.794	3.802.103
Payables to group companies	42.293	0
Current liabilities deriving from contracts	488.404	765.604
Other payables and current liabilities	2.802.920	1.290.378
<b>CURRENT LIABILITIES</b>	<b>19.451.218</b>	<b>15.678.438</b>
<b>LIABILITIES HELD-FOR-SALE</b>	<b>0</b>	<b>0</b>
<b>TOTAL LIABILITIES</b>	<b>72.521.777</b>	<b>59.040.990</b>

## CONSOLIDATED INCOME STATEMENT

	Adjusted 31.12.19	Adjusted Resposed 31.12.18 (*)	Var %
<b>RICAVI E PROVENTI OPERATIVI</b>			
Ricavi delle vendite e della prestazione di servizi	33.726.729	24.391.369	
Altri ricavi e proventi	184.728	845.726	
<b>Totale ricavi e proventi operativi</b>	<b>33.911.458</b>	<b>25.237.095</b>	<b>34,4%</b>
<b>COSTI OPERATIVI</b>			
Acquisti e prestazioni di servizi	(14.174.533)	(10.121.181)	
Costo del lavoro	(6.228.704)	(4.394.889)	
Ammortamenti e svalutazioni	(6.392.512)	(5.068.397)	
Accantonamenti	0	0	
Altri costi e oneri operativi	(381.993)	(309.479)	
Variaz. Rimanenze di mat.prima, suss., consumo e merci	65.913	0	
<b>Totale costi operativi</b>	<b>(27.111.828)</b>	<b>(19.893.947)</b>	
<b>RISULTATO OPERATIVO</b>	<b>6.799.629</b>	<b>5.343.148</b>	<b>27,3%</b>
Svalutazione di partecipazioni	(7.200)	0	
Proventi finanziari	251.945	6.941	
Oneri finanziari	(439.221)	(508.034)	
Utili (perdite) su cambi	(40.021)	(89.545)	
<b>RISULTATO PRIMA DELLE IMPOSTE</b>	<b>6.565.132</b>	<b>4.752.511</b>	
Imposte sul reddito	84.001	(929.591)	
<b>UTILE (PERDITA) DA ATTIVITA' OPERATIVE IN ESERCIZIO</b>	<b>6.649.133</b>	<b>3.822.920</b>	<b>73,9%</b>
Risultato da attività operativa cessate	0	0	
<b>UTILE (PERDITA) DI PERIODO</b>	<b>6.649.133</b>	<b>3.822.920</b>	<b>73,9%</b>
<b>EBITDA</b>	<b>13.192.141</b>	<b>10.411.546</b>	<b>26,7%</b>
	<b>38,9%</b>	<b>41,3%</b>	
<b>EBIT</b>	<b>6.799.629</b>	<b>5.343.148</b>	<b>27,3%</b>
	<b>20,1%</b>	<b>21,2%</b>	



## CONSOLIDATED INCOME STATEMENT

	Reported 31.12.19	Resposed 31.12.18 (*)
<b>REVENUES AND OPERATING INCOME</b>		
Revenues from sales and services	33.726.729	24.391.369
Other revenues and income	184.728	845.726
<b>Total revenues and operating income</b>	<b>33.911.458</b>	<b>25.237.095</b>
<b>OPERATING COSTS</b>		
Purchases and services	(15.237.262)	(10.263.621)
Personnel costs	(6.228.704)	(4.677.486)
Amortisation, depreciation, and write-downs	(6.903.267)	(5.318.664)
Provisions	0	0
Other costs and operating charges	(381.993)	(309.479)
Change Inventories of raw mat., consumables and goods	65.913	0
<b>Total operating costs</b>	<b>(28.685.313)</b>	<b>(20.569.250)</b>
<b>EBIT</b>	<b>5.226.144</b>	<b>4.667.845</b>
Write-down of equity investments	(7.200)	0
Financial income	251.945	6.941
Financial expenses	(439.221)	(508.034)
Exchange gains/(losses)	(40.021)	(89.545)
<b>PROFIT BEFORE TAXES</b>	<b>4.991.648</b>	<b>4.077.207</b>
Income taxes	258.383	(732.469)
<b>NET PROFIT FROM CONTINUING OPERATIONS</b>	<b>5.250.031</b>	<b>3.344.738</b>
<b>Net profit from discontinued operations</b>	<b>0</b>	<b>0</b>
<b>NET PROFIT</b>	<b>5.250.031</b>	<b>3.344.738</b>
<b>EBITDA</b>	<b>12.129.411</b>	<b>9.986.508</b>
	<b>35,8%</b>	<b>39,6%</b>
<b>EBIT</b>	<b>5.226.144</b>	<b>4.667.845</b>
	<b>15,4%</b>	<b>18,5%</b>

	31/12/2019 Consolidato	31/12/2018 Consolidato Riesposto (*)
Current financial assets	0	0
Cash and cash equivalents	11.836.359	17.930.107
<b>Cash and cash equivalents and treasury shares</b>	<b>11.836.359</b>	<b>17.930.107</b>
Payables to other lenders	(4.000.234)	(3.922.970)
Short-term loans and borrowings	(5.443.457)	(3.817.932)
Other current financial liabilities	(1.479.663)	(1.410.000)
<b>Short-term financial payables</b>	<b>(10.923.354)</b>	<b>(9.150.902)</b>
<b>Short-term net financial position</b>	<b>913.005</b>	<b>8.779.205</b>
Other non-current financial assets	291.779	333.666
Payables to other lenders	(6.611.209)	(4.801.538)
Bank payables	(7.192.300)	(6.144.430)
Other non-current financial liabilities	(12.890.437)	(6.397.259)
<b>Net financial position - Medium/long-term</b>	<b>(26.402.168)</b>	<b>(17.009.562)</b>
<b>Net financial position - Short/long-term</b>	<b>(25.489.163)</b>	<b>(8.230.357)</b>
Lease payables IFRS 16 (current)	1.239.369	614.104
Lease payables IFRS 16 (non-current)	4.231.069	470.127
<b>Net financial position - Short/long-term (excluding IFRS 16 impact)</b>	<b>(20.018.725)</b>	<b>(7.146.126)</b>



The Private Cloud

## WIIT S.p.A. BALANCE SHEET

	31.12.19	<i>Restated</i> 31.12.18(*)	CHANGE %
<b>ASSETS</b>			
Other intangible assets	3.474.109	2.100.650	65,4%
Goodwill	2.521.040	1.315.026	91,7%
Rights-of-use	5.235.724	1.099.816	376,1%
Property, plant and equipment	2.877.027	3.570.059	-19,4%
Other assets	8.984.386	9.814.432	-8,5%
Equity investments and other non-current financial assets	19.973.062	14.037.471	96,0%
Other non-current assets deriving from contracts	440.499	709.823	-37,9%
Other non-current assets	279.312	279.312	0,0%
<b>NON-CURRENT ASSETS</b>	<b>43.785.159</b>	<b>32.926.589</b>	<b>50,6%</b>
Inventories	0	0	
Trade receivables	3.882.782	2.684.301	44,6%
Trade receivables from group companies	116.791	675.029	-82,7%
Current financial assets	647.000	0	
Deferred tax assets	625.195	673.530	-7,2%
Current assets deriving from contracts	269.324	329.905	-18,4%
Other receivables and other current assets	2.108.330	1.105.943	90,6%
Cash and cash equivalents	8.990.107	14.225.320	-36,8%
<b>CURRENT ASSETS</b>	<b>16.639.529</b>	<b>19.694.028</b>	<b>-15,5%</b>
<b>ASSETS HELD-FOR-SALE</b>	<b>0</b>	<b>0</b>	
<b>TOTAL ASSETS</b>	<b>60.424.688</b>	<b>52.620.617</b>	<b>23,9%</b>

	31.12.19	31.12.18 (*)	CHANGE %
<b>EQUITY AND LIABILITIES</b>			
Share capital	2.652.066	2.652.066	0,0%
Share premium reserve	19.248.704	19.248.704	0,0%
Legal reserve	530.413	513.214	3,4%
Other reserves	(9.305.343)	(4.921.971)	89,1%
Reserves and retained earnings (accumulated losses)	87.605	61.592	42,2%
Translation reserve			
Net profit	6.240.515	2.371.787	163,1%
<b>SHAREHOLDERS' EQUITY</b>	<b>19.453.961</b>	<b>19.925.393</b>	<b>-2,4%</b>
Payables to other lenders	6.075.111	4.552.575	33,4%
Bank payables	7.092.425	6.144.430	15,4%
Other non-current financial liabilities	5.822.758	6.397.259	128,3%
Employee benefits	1.282.889	1.075.333	19,3%
Deferred tax liabilities	212.782	41.245	415,9%
Non-current liabilities deriving from contracts	851.125	1.339.529	-36,5%
Other payables and non-current liabilities	0	0	
<b>NON-CURRENT LIABILITIES</b>	<b>21.337.090</b>	<b>19.550.370</b>	<b>35,9%</b>
Payables to other lenders	3.824.059	3.250.740	17,6%
Current bank payables	5.273.589	3.814.345	38,3%
Current income tax liabilities	149.743	256.143	-41,5%
Other current financial liabilities	6.181.406	1.410.000	338,4%
Trade payables	1.804.310	1.482.127	21,7%
Payables to group companies	10.972	1.105.836	-99,0%
Current liabilities deriving from contracts	488.404	765.604	-36,2%
Other payables and current liabilities	1.901.154	1.060.058	79,3%
<b>CURRENT LIABILITIES</b>	<b>19.633.638</b>	<b>13.144.854</b>	<b>49,4%</b>
<b>LIABILITIES HELD-FOR-SALE</b>	<b>0</b>	<b>0</b>	
<b>TOTAL LIABILITIES</b>	<b>60.424.688</b>	<b>52.620.617</b>	<b>23,9%</b>

## WIIT S.p.A. INCOME STATEMENT

	31.12.19	31.12.18 (*)	CHANGE %
<b>REVENUES AND OPERATING INCOME</b>			
Revenues from sales and services	22.369.288	19.988.618	
Other revenues and income	132.994	669.961	
<b>Total revenues and operating income</b>	<b>22.502.281</b>	<b>20.658.578</b>	<b>8,9%</b>
<b>OPERATING COSTS</b>			
Purchases and services	(9.012.934)	(7.916.444)	
Labour costs	(4.257.374)	(4.112.540)	
Amortisation, depreciation & write-downs	(5.851.714)	(4.994.259)	
Provisions	0		
Other operating costs and charges	(293.183)	(295.099)	
Change Inventories of raw mat., consumables and goods	0	0	
<b>Total operating costs</b>	<b>(19.415.205)</b>	<b>(17.318.342)</b>	<b>12,1%</b>
<b>EBIT</b>	<b>3.087.077</b>	<b>3.340.236</b>	<b>-7,6%</b>
Write-down of equity investments	0	0	
Financial income	2.773.805	1.690	
Financial expenses	(428.276)	(488.117)	
Exchange gains/(losses)	0	0	
<b>PROFIT BEFORE TAXES</b>	<b>5.432.605</b>	<b>2.853.809</b>	<b>90,4%</b>
Taxes on income	807.909	(482.022)	
<b>NET PROFIT FROM CONTINUING OPERATIONS</b>	<b>6.240.515</b>	<b>2.371.787</b>	<b>163,1%</b>
Net profit from discontinued operations	0	0	
<b>NET PROFIT</b>	<b>6.240.515</b>	<b>2.371.787</b>	<b>163,1%</b>
<b>EBITDA</b>	<b>8.938.791</b>	<b>8.334.496</b>	<b>7,3%</b>
	39,72%	40,34%	
<b>EBIT</b>	<b>3.087.077</b>	<b>3.340.236</b>	<b>-7,6%</b>
	13,72%	16,17%	
<b>NFP (Cash)</b>	<b>28.954.671</b>	<b>12.148.773</b>	<b>138,3%</b>
<b>ADJUSTED EBITDA</b>	<b>10.001.520</b>	<b>8.334.496</b>	<b>20,0%</b>
	44%	40%	





\* \* \*

### **Alternative performance indicators**

**Adjusted EBITDA** - A non-GAAP measure used by the Group to measure performance. It equates to EBITDA gross of the following accounts: "IPO process costs", merger & acquisition costs and labour costs as per IFRS 2 regarding performance shares and the PPA impact. Adjusted EBITDA is not recognised as an accounting measure within IAS/IFRS adopted by the European Union. Consequently, the criteria applied by the Company may not be uniform with the criteria adopted by other groups and, therefore, its value for the Company may not be comparable with that calculated by such groups.

**EBITDA** - A non-GAAP measure used by the Group to measure performance. EBITDA is calculated as the sum of the net profit for the period gross of taxes, income (including exchange gains and losses), financial expenses and amortisation, depreciation and write-downs. EBITDA is not recognised as an accounting measure within IAS/IFRS adopted by the European Union. Consequently, the criteria applied by the Company may not be uniform with the criteria adopted by other groups and, therefore, its value for the Company may not be comparable with that calculated by such groups.

**EBITDA margin** - ratio in percentage terms between EBITDA and total revenues and income.

**EBIT Adjusted margin** - ratio in percentage terms between EBITDA and total revenues and income.

**EBIT** - A non-GAAP measure used by the Group to measure performance. EBIT is the sum of the net profit for the period, gross of taxes, income (including exchange gains) and losses and financial expenses. EBIT is not recognised as an accounting measure within IAS/IFRS adopted by the European Union. Consequently, the criteria applied by the Company may not be uniform with the criteria adopted by other groups and, therefore, its value for the Company may not be comparable with that calculated by such groups.

**Adjusted EBIT** - is Adjusted EBITDA, net of amortisation, depreciation and write-downs.

**EBIT margin** - ratio in percentage terms between EBIT and total revenues and income.

**The adjusted profit attributable to the owners of the Parent** is the result for the period attributable to the owners of the Parent, as published in the Consolidated Income Statement, net of the relative adjustment items. Adjustment items: earnings items are considered for adjustment where they: (i) derive from non-recurring events and operations or from operations or events which do not occur frequently; (ii) derive from events and operations not considered as in the normal course of business operations.

**Net Financial Position (debt)** - this is a valid measure of the Group's financial structure. It is calculated as the aggregate of the current and non-current financial debt, net of cash and cash equivalents and current financial assets regarding derivative instruments, excluding financial liabilities (current and non-current) relating to operating leases recognised to the financial statements as per IFRS 16.

**Total Net Financial Position (debt)** includes also financial liabilities for leases recognised to the financial statements as per IFRS 16, previously classified as operating leases.