THE PREMIUM CLOUD

PRESS RELEASE

The Board of Directors of WIIT S.p.A. approves the consolidated results as at 31 December 2023[1]

Revenues at Euro 130.1 million +9.5% compared to FY2022 (Euro 118.8 million) driven by organic growth in Italy and Germany and the acquisition of new customers in addition to the contribution of the acquired companies

Group recurring revenues at 89% of the total
Recurring revenues in Italy at 81% and in Germany at 95%

German market at 55.7% of overall turnover

Adjusted EBITDA at Euro 50.8 million +20.3% compared to FY2022 (Euro 42.2 million) with more than double of the increase in turnover due to cost synergies and the development of higher value-added services in Italy and Germany
German market at 48.3% of Group Adjusted EBITDA

Adjusted EBITDA margin at 39.0% (35.5% in FY2022) sustained growth, particularly from Italy at 45.5%

Adjusted EBIT at Euro 28.0 million +20.7% compared to FY2022 (Euro 23.2 million), at 21.5% of revenue, up from FY2022 (19.5%)

Adjusted Net profit at Euro 15.1 million +14.9% compared to FY2022 (Euro 13.1 million)

Multi-year order backlog as at 1 January, 2024 at Euro 150 million, up from the same period last year

Significant upselling on existing customers supported by numerous renewals of multi-year contracts and strong increase in new customers due to growth in Secure Cloud and Cyber Security services

Gross dividend proposal of €0.30 for each of WIIT's outstanding shares

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[1] For the definitions of the alternative performance indicators used (including EBITDA, Adjusted EBITDA, EBIT, Adjusted EBIT, Net Financial Position/Net Financial Debt and Adjusted Net Financial Debt, Adjusted Net Profit), please refer to the paragraph "Alternative performance indicators " at the end of this press release.

THE PREMIUM CLOUD

Approved proposals for (i) proxy to the Board of Directors to increase the share capital, (ii) enhancement of increased voting, and (iii) introduction of the possibility for attendance at the meeting to be exclusively through the designated representative to be submitted to the Shareholders' Meeting convened for 16 May 2024

Milan, 12 March 2024 – The Board of Directors WIIT S.p.A. ("**WIIT**" or the "**Company**"; ISIN IT0005440893; WIIT.MI), one of the leading European players in the market of Cloud Computing services for enterprises focused on the provision of continuous Hybrid Cloud and Hosted Private Cloud services for critical applications, met today and, *inter alia*, approved the results as at 31 December 2023 - prepared in accordance with IFRS international accounting standards – of the Company and the Group belonging to WIIT (the "**WIIT Group**" or "**Group**").

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"We are very pleased with the economic-financial performance in 2023, which closed with a new record high in sales in both Italy and Germany, supporting organic growth in 2024, which is expected to accelerate from 2023. The results in Italy benefited from the full integration of the acquired entities and all synergies assumed at the time of the acquisitions were realized, the EBITDA Margin therefore rose to 45.5% compared to 37.5% in FY2022. In Germany, the integration and merger process has begun and will be completed in the first half of the year, and we expect the same benefits as we have seen in Italy." **Commented Alessandro Cozzi CEO of WIIT**. *"It is clear that the acquisition of the Edge & Cloud asset that will be completed in the coming weeks is playing a significant role in strengthening our German subsidiary's position in the medium and large enterprise market. The skills acquired through this transaction, combined with the opening of the first TIER IV Data Center in Germany, are greatly helping to solidify our subsidiary's credibility with potential new clients. Group-wide 2023 booking figures, characterized by a trend of orders from new logos accounting for more than 40% of the total, demonstrate the Group's ability to offer high value-added services that meet the needs of medium-sized large companies both in Italy and in the* D-A-Ch *zone. Finally, we continue to explore new growth opportunities by external lines and expect to conclude more "accreative" M&A deals in the D-A-Ch zone in the coming months."*

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At 31 December 2023, the WIIT Group recorded:

Consolidated Revenues: Euro 130.1 million (Euro 118.8 million as at 31 December 2022, +9.5%);

Consolidated Adjusted EBITDA: Euro 50.8 million (Euro 42.2 million as at 31 December 2022, +20.3%) margin on revenue at 39.0%;

Consolidated Adjusted EBIT: Euro 28.0 million (Euro 23.2 million as at 31 December 2022, +20.7%) margin on revenue at 21.5%;

Adjusted Net Profit: Euro 15.1 million (Euro 13.1 million as at 31 December 2022, +14.9%);

WIIT

THE PREMIUM CLOUD

Adjusted Net Financial Position (debt): Euro -154.2 million[2] (Euro 140.6[2] million as at 31 December 2022).

WIIT Group Financial Review as at 31 December 2023

Revenues equal to **Euro 130.1 million (Euro 57,7 million in Italiy, Euro 72,4 million in Germany), up +9.5%** compared to Euro 118.8 million in FY2022. The increase is driven by organic growth, characterised by the development of higher value-added services, increasing cross-selling to customers of the acquired companies and the entry of new customers, of which in Italy about +11.0% (core revenue growth was +10.0%), accelerating compared with the first nine months of the year and in Germany about +6.0% (core revenue growth was +6.0%). The contribution of the companies acquired in 2022 and in 2023 was Euro 7.7 million relating to Lansol Datacenter GmbH ("**Lansol**") and Euro 4.5 million relating to Global Access Internet Services GmbH ("**Global Access**").

Adjusted Operating Costs equal to approximately Euro 43.3 million, which show a reduction of Euro 1.9 million compared to FY2022. This reduction is mainly attributable to cost synergies on the acquired companies and the parent company despite the increase in marketing and communication costs to support growth.

Adjusted personnel costs equal to approximately Euro 33.9 million, which show a growth of Euro 3.8 million compared to FY2022. This change is mainly attributable to the new consolidation perimeter, particularly in the German territory, mainly linked to investments in the corporate and commercial structure.

Consolidated Adjusted EBITDA equal to **Euro 50.8 million** (Euro 42.2 million in FY2022), **+20.3%** compared to the previous year thanks to the concentration in Cloud services, the level of optimisation achieved in the organisation of processes and operational services, cost synergies and the continuous improvement of the margin of the acquired companies. **Margin on revenue at 39.0%, a significant improvement over FY2022 (35.5%).**

As at 31 December 2023, the WIIT Group's margin in Italy was 45.5% and in Germany 33.8%, an improvement compared to FY2022, respectively in Italy due to the focus on value-added services and cost synergies (37.5% in FY2022) and in Germany, also thanks to the contribution of Lansol, characterised by higher value-added revenues (33.6% in FY2022).

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[2] Excluding the IFRS16 effect of Euro 10.6 million (Euro 10.3 million in 2022) and including the valuation of treasury shares in portfolio quantified at approximately Euro 37.5 million at market value on 31 December 2023 (market value as at 31 December 2022 Euro 28 million).

The adjustment carried out at the level of Gross Operating Margin (EBITDA) as at 31 December 2023 refers to the effects deriving from the extraordinary M&A transactions in the amount of Euro 1.5 million and to the costs related to incentive plans based on financial instruments for Euro 1.5 million and personnel reorganisation costs for approximately Euro 0.9 million.

Adjusted EBIT (Net Operating Margin) equal to **Euro 28.0 million** compared to Euro 23.2 million recorded in FY2022 **(+20,7%), representing 21.5% of revenue,** an improvement over FY2022 (19.5%). The value of amortisation, depreciation and impairment stood at approximately Euro 22.7 million, up by Euro 3.8 million compared to the same period of the previous year, and reflects the investments made.

The adjustment carried out at the level of EBIT at 31 December 2023 refers to the aforementioned adjustments at EBITDA level and to the value of the amortisation relating to the PPA ("Purchase Price Allocation") regarding acquisitions of Euro 4.7 million.

Financial expenses equal to Euro 7.9 million, mainly attributable to the effect of interest on bonds in the amount of Euro 5.5 million and financial expenses for bank loans and other lenders. The increase compared to the previous year is due to the interest on the Euro 20.0 million variable-rate bond signed in December 2022.

Adjusted Net Profit equal to **Euro 15.1 million** compared to Euro 13.1 million in FY2022 **(+14.9%),** including the tax effect calculated on normalisations at the consolidated operating result level.

Analysis of the WIIT Group's Financial Performance as at 31 December 2023

Net Financial Position (debt) equal to **Euro -202.2 million** as at 31 December 2023 (Euro -180.8 million as at 31 December 2022), considering the IFRS16 impact of about Euro 10.6 million (Euro 10.3 million as at 31 December 2022) **and excluding the valuation of treasury shares in portfolio quantified at about Euro 37.5 million at market value as at 31 December 2023** (market value as at 31 December 2022 at Euro 28 million).

This change includes in particular:

- the price paid for the acquisition of Global Access in January 2023 in the amount of Euro 7.3 million (including price adjustment) and for the balance of the equity investment in ERPTech for Euro 0.7 million;
- the purchase of treasury shares for Euro 16.6 million, and the sale of treasury shares for Euro 6.7 million;
- dividends paid for Euro 7.8 million;
- the impact of **investments (CAPEX) of approximately Euro 24.7 million** for the purchase of IT infrastructures linked to the new orders stipulated

during the year both in Italy and abroad and of investments for rights of use of approximately Euro 5.3 million (IFRS16 lease and car fees).

Cash flows generated by operating activities were recorded in FY2023. Cash and cash equivalents amounted to Euro 13.7 million and showed a difference of Euro -17.8 million, compared to 31 December 2022 due to the use of cash for (i) the purchase of treasury shares for Euro 16.6 million, offset by the sale of treasury shares for about 6.7 million, (ii) dividends paid for Euro 7.8 million, (iii) the acquisition of Global Access for Euro 7.3 million (net of cash and cash equivalents), as well as (iv) the balance of the deferred price for the acquisition of ERPTech for Euro 0.7 million. Finally, considering the current interest rate situation on the market, the Group partially invested its liquidity, for Euro 10.9 million, in short-term Italian government bonds.

The value does not include the valuation of treasury shares in portfolio quantified in approximately Euro 37.5 million at market value at 31 December 2023 (Euro 19.5 per share).

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Significant events occurring as at 31 December 2023

On 16 January 2023, the transaction was finalised for the acquisition, through the subsidiary myLoc managed IT AG, of 100% of the shares of Global Access Internet Services GmbH ("Global Access"), a company active in the private cloud and managed services sector with revenues consisting almost entirely of recurring revenues, in line with the business model of the WIIT Group. Global Access is based in Munich and this acquisition will therefore strengthen the Group's presence in Bavaria, an extremely important geographical area from an economic point of view, which had already seen the acquisition of cloud operator Mivitec GmbH in July 2021. With 9 employees, Global Access offers managed services to medium-sized customers operating mainly in the digital market (software vendors, technology-related companies, digital providers for local public administration, etc.) and who use Global Access's services and technology within their value chain. The price paid for the acquisition was Euro 7.4 million. In particular, the amount paid includes an additional component of Euro 964 thousand contingent upon the achievement of certain results in the year 2022.

On 16 March 2023, the WIIT Group became Cloud and Cyber Security Partner of the Luna Rossa Prada Pirelli team in the 37th edition of the America's Cup, scheduled for October 2024 in Barcelona, Spain. WIIT will support the Italian Challenger through the provision of cloud and cyber security services, while benefiting from the visibility and resonance of such a prominent and prestigious international stage as the America's Cup. WIIT provides its technological know-how and services that boast a high standard of safety and quality.

On 20 March 2023, WIIT signed a five-year agreement, for a total value of approximately Euro 2.1 million, with an important Italian company operating in the healthcare sector, specialised in services dedicated to prevention, diagnosis and treatment (the "**Client**"). The Client chose WIIT as its partner for the next five years. WIIT, through its facilities and expertise, will enable the Client to benefit from highly resilient cloud services, thanks to a high reliability configuration on its two proprietary Tier 4 Data Centers in Milan, the second of which has just been certified by Uptime Institute, together with a Disaster Recovery service in its own secondary Data Center. The services will then be made available to its users with a Zero Data Center logic that will allow, in addition to resilience, maximum flexibility, scalability and the use of the latest technologies available on the market. All systems will then be hosted within the WIIT Data Center network with H24 support.

On 21 March 2023, WIIT signed the deed of merger by incorporation of ERPTech S.p.A. into WIIT. The merger was effective for statutory purposes as of 1 April 2023 and for accounting and tax purposes as of 1 January 2023. The merger, which began on 20 December 2022 with the resolution of the Board of Directors of WIIT, made it possible to concentrate the activities previously carried out through the merged company within WIIT. More generally, the merger had the objective of optimising the coordination, operation and synergies of the structures, as well as reducing the fixed structural costs arising from the existence of separate legal entities, with consequent advantages in terms of functionality and operational and economic efficiency, thus enabling the WIIT Group to strengthen its position as a leading European player in the sectors in which it operates.

On 28 March 2023, WIIT signed a five-year contract, for a total value of approximately Euro 2.7 million, with an important Italian company active in the distribution of consumer goods and general consumer goods, specialised in the sale of personal and household care products (the "**Client**"). The customer has chosen WIIT as its cloud partner for the next five years, during which it will provide highly resilient and innovative digital services by implementing a dedicated multi-cloud model through its own facilities and established competencies. Thanks to WIIT's support, the Client will be able to offer services to its users according to a Zero Data center logic, which will allow the company to choose the best way to deliver them, thus following a business-driven approach. All of the most critical systems will be accommodated within WIIT's European Data Center network, which will also extend its 24-hour management services to the Azure Cloud platform, dedicated to hosting others. The "journey to Cloud" project undertaken by the Client will also allow the consolidation of the IT services of all Group companies in a single provider that will guarantee their operability thanks to a highly structured management model.

On 6 April 2023, the new WIIT Milan Data Center ("**MIL2**") obtained Tier IV Certification of Constructed Facility (TCCF), thus becoming the company's second Tier IV Certified Data Center in Italy. Tier IV Certification characterises the data center as fault tolerant: this prevents individual equipment failures or distribution outages from impacting IT Operations. This architecture makes it possible to cope with extraordinary maintenance and major technical incidents on any equipment without ever interrupting its operation. The certification strengthens the WIIT multi-country network of data centers located in the European Union: 19 proprietary data centers, 3 located in Italy and 16 in Germany, serving the business continuity of companies.

On 13 April 2023, WIIT obtained an important result in the sustainability assessment conducted by Gaïa Research, a French company of the EthiFinance Group specialising in assessing the ESG profile of small and medium-sized European companies. The ESG rating is a synthetic assessment that certifies the environmental, social and governance performance of an organisation, complementing traditional ratings defined solely on the basis of economic-financial indicators. In order to consolidate its ESG commitment and make the most of sustainable finance opportunities, WIIT took part in the sustainability assessment process offered by Gaïa Research in 2022. This rating helps validate WIIT's ESG Plan to 2030, which was drawn up with the aim of measuring its performance and to identify tangible short- and medium-term objectives. The assessment process conducted by the French company, for the third year in a row, highlighted the improvement of WIIT's ESG performance, particularly on indicators such as governance, social sphere and the relationship with external stakeholders, recording an overall score of 71/100 in 2022, a positive increase of 14 points compared to 2019. Thanks to this result, WIIT is about 23 points above the IT industry average out of a sample of 157 rated companies.

On 3 May 2023, the settlement was finalised of the put option granted - as part of the transaction for the acquisition by WITT of Boreus GmbH and Gecko Gesellschaft für Computer und Kommunikationssysteme m.b.H. finalised on 2 November 2021 - to the seller JBM Technology Deutschland ("**JMB**") for 327,654 WIIT shares at a price per share equal to the price at which the shares were assigned to JBM and, therefore, for a total of Euro 10 million, The contractual agreements stipulated that the planned price for the acquisition of Boreus GmbH would be partly paid through WIIT shares and would be subject to a possible downward adjustment based on the 2022 results. Therefore, the aforementioned shares subject to the put option were initially allocated to the seller as a component of consideration in kind and represented a guarantee of the payment of any price adjustment. Since Boreus GmbH achieved the targets set in terms of relevant turnover, no adjustment occurred, without prejudice to the seller's right, under the contractual agreements, to request the substitution of the payment in kind with a cash payment through the put option granted to it.

On 4 May 2023, the Ordinary Shareholders' Meeting of WIIT, in its ordinary session, *inter alia,* (i) approved the financial statements for the year ended 31 December 2022, the allocation of the result of the year and the distribution of a dividend of Euro 0.30 per share, (ii) confirmed the appointment as board director of Ms. Chiara Grossi, co-opted by the WIIT Board of Directors on 13 September 2022, who will remain in office until the expiry of the current board of directors and, therefore, until the meeting called to approve the financial statements as at 31 December 2023, as well as (iii) approved an incentive plan based on financial instruments called "RSU Plan 2023-2027".

On 8 May 2023, Mr. Igor Bailo, executive director of the Company and Chief Operating Officer of WIIT, following the termination of his executive employment, has resigned from his position as director of WIIT, for professional reasons.

On 11 May 2023, the Board of Directors of WIIT resolved to initiate the plan to purchase treasury shares in execution of the authorisation granted by the Shareholders' Meeting on 4 May 2023. The execution of the buy-back plan will allow the Company to have a stock of treasury shares to be used (i) as consideration in the context of extraordinary finance transactions and/or for other uses considered of financial-managerial and/or strategic interest for the Company, also for exchange, trade, swap, contribution or other deed that includes the use of treasury shares, and (ii) for the service of incentive plans based on financial instruments intended for employees and/or directors of WIIT Group companies. The purchase of treasury shares will take place for a period of 18 months from the effective date of the authorisation (i.e. 4 May 2023), also in several tranches.

Also on 11 May 2023, the WIIT Board of Directors, having acquired the assessments of the "Appointments and Remuneration Committee" and with the approval of the Board of Statutory Auditors, resolved to co-opt Stefano Pasotto to replace director Igor Bailo, who resigned on 8 May 2023. On the basis of the information provided, the Board of Directors of WIIT verified that Mr. Pasotto met the legal and statutory requirements for the office. Mr. Pasotto will remain in office until the next Shareholders' Meeting of the Company, which will be called to pass the consequent resolutions pursuant to the law.

On 11 June 2023, WIIT launched its new institutional advertising campaign on SKY. The 2023 campaign encapsulates in 15 seconds the distinctive elements of WIIT and the company's ability to support and meet the needs of its customers. After the three on-air commercials that, since 2021, have recounted the company's commitment to ESG and its mission, WIIT's new campaign aims to consolidate the brand's notoriety among the general public, emphasising WIIT's concept of Italianity and premium quality as a cloud partner.

On 4 August 2023, WIIT signed an eight-year agreement, with a total value of approximately Euro 3 million, with a major Italian company (the "**Client**"), part of an international group, operating in the pharmaceutical sector. The customer chose WIIT as its cloud partner for the next eight years, thus accessing the possibility of embarking on a joint path to adopt Secure Cloud services with very high resilience. The customer's critical applications will be fully managed and hosted in high reliability in the Premium Zones that are part of the Italian Regions (among the 6 Regions provided by WIIT). The services provided by the Premium Zone Italy North-West are joined by the Disaster Recovery service from the Standard Zone North-East. Premium Cloud services are integrated into the Cyber Security monitoring and protection systems provided by the WIIT SOC, in a Premium Hybrid Secure Cloud model. Clients will therefore make processes and applications available to their users in a manner that will allow not only resilience, but also maximum flexibility, scalability and security. All the Clients' systems will then be hosted within the WIIT Data Center network with H24 support.

On 5 September 2023, WIIT signed a six-year contract, for a total value of over Euro 6 million, with PAM Panorama S.p.A. ("**PAM**"), part of the PAM Group, a leading Italian company from the north-east in the large-scale retail trade sector, specialising in the sale of consumer goods. PAM has chosen WIIT as cloud partner for the next six years, entrusting the company with the complete management of its information systems and confirming WIIT's ability to support customers in heterogeneous and complex sectors by offering them sophisticated, state-of-the-art solutions that meet their needs for systems integration and application platforms. Through WIIT's structured service model, which is based on resilient and secure infrastructures as well as on its specialised expertise, PAM will be able to benefit from highly resilient and innovative digital services by implementing a dedicated multi-cloud model. Thanks to WIIT's support, PAM will be able to implement its digital transformation process, which will enable the company to optimise data, process and security management, ensuring operability and maximum availability. PAM's critical services will be hosted in high reliability with a 24-hour service model in the Premium Zones from which WIIT's Cloud services are delivered and which are part of the Italian Regions (among the 6 European Regions provided by the WIIT Group).

On 19 September 2023, the subsidiary myLoc Managed IT AG signed a five-year contract, with a total value of approximately Euro 2.3 million, with one of the largest international "multichannel" beauty retailers with a turnover of more than Euro 3 billion and 1,800 points of sale (the "**Client**"). The Client chose WIIT as its strategic partner in Germany for the next five years, beginning its journey to the Cloud and outsourcing, for the first time, its infrastructure that is the technological foundation of its "omnichannel" strategy. Enabling a multi Data Center strategy, within the Germany North West region, in Düsseldorf, the Client will benefit from WIIT's Campus technology infrastructure and Managed Network and Private Cloud services. Finally, thanks to WIIT's support, the Client will be able to manage its infrastructure in a cost-effective, secure and environmentally friendly manner; this represents the first step towards a secure and managed Cloud model and a complete refocusing of IT on activities that are more related to its Core Business.

In October 2023, the merger of LANSOL into LANSOL GmbH was finalised, effective 1 January 2023.

In November 7, 2023, WIIT S.p.A. has signed a new five-year contract to expand the existing one for a total value of approximately 3.7 million euros, of which 2.2 million euros for new Premium Cloud services, with an extension of the perimeter and adoption of the Secure Cloud model, with an important Italian company (the "Client"), specialized in offering legal and tax services.
The Customer has chosen WIIT for the next five years, confirming the partnership already active and consolidated over the years for Cyber Security services to protect its data, processes and endpoints with Enterprise SOC services, physical perimeter and logical security. Furthermore, the

Customer reaffirms its trust in WIIT and in its ability to provide highly competitive services and solutions with a very high security profile, extending the collaboration with the aim of allowing a transition towards

On November 28, 2023, subsidiary WIIT AG signed a five-year contract in Germany with a new customer in the Cloud Gaming sector with a total value of Euro 7.5 million. The customer is one of the world's largest providers of Cloud Gaming platforms and has chosen WIIT as a Premium Cloud partner for its entry into the German market. Using WIIT's scalable, high-performance services, the customer intends to lay the foundation for further expansion in Europe. Cloud gaming is a growing market in Germany and around the world, as more and more users appreciate the benefits of continuous access to high-quality, high-performance video games without the need to purchase expensive hardware.

On December 27, 2023 WIIT S.p.A. signed the early renewal and extension with additional Cyber Security services of the four-year contract for a total value of approximately Euro 6.4 million, with a major Italian multinational company (the "Client") active in the research, design, production and sale of tools for creative expression. The Client confirmed the trust placed in WIIT's Private Cloud services by anticipating the renewal of the contract, with respect to its natural expiration, thus guaranteeing the continuity of the existing activities and confirming the collaboration for the next 4 years. The Client once again entrusted WIIT to manage its information systems with Disaster Recovery solutions with a very high security profile.

Significant events occurring after 31 December 2023

On January 18, 2024 WIIT obtained a Euro 10 million loan, assisted by SACE's Green Guarantee. The intervention is part of Intesa Sanpaolo's broader plan to support companies' investments in environmental transition and goals related to the NRP. The financing will support the pursuit of the Environmental Goals (WIIT4Climate), specifically for the purchase of new servers, storage and software. Indeed, the exponential increase in digital traffic volumes is forcing ICT companies to adopt energy-efficient solutions and move toward renewable energy production and procurement. In line with this need, Cloud Providers and companies that own data centers are looking for innovative technological solutions to reduce business energy consumption.

On January 19, 2024, WIIT announced pursuant to Article 2-ter, paragraph 2, of Consob Regulation No. 11971/1999, that it no longer qualifies as a "Small and Medium Enterprise" ("SME") pursuant to Article 1, paragraph 1, letter w-quater.1), of Legislative Decree No. 58/1998 (the "TUF") as of January 1, 2024, having exceeded the market capitalization threshold of €500.0 million for three consecutive years (2021, 2022 and 2023).

On January 24, 2024, WIIT AG, a wholly owned subsidiary of WIIT, has signed an agreement to acquire to acquire the business unit named "Edge & Cloud" with the German company German Edge Cloud GmbH & Co. KG, which belongs to the Fridhelm Loh Group. The acquisition agreement provides for the payment of a base amount of Euro 2.5 million, upon closing of the deal, and by earn-out components up to a maximum aggregate amount of Euro 4 million, payable upon achievement of certain revenue-based targets.

Business outlook

WIIT Group, thanks to the positive performance of the commercial pipeline characterized by the acquisition of new customers and renewal of multi-year contracts, expects a year 2024 in continuous growth and in line with market expectations. The focus on improving the EBITDA margin remains due to the growth in core revenues and value-added services, the level of optimization achieved in the organization of processes and operational services, cost synergies and the continued margin improvement as a result of the mergers of the German subsidiaries into WIIT AG, despite a conservative forecast of energy costs expected to be in line with the previous year. Finally, M&A scouting in the "D-A-CH zone" continues in line with the growth strategy, and the German market continues to represent a significant opportunity for the Group's expansion in Europe.
As of 31 December, 2023, the WIIT Group has marginal exposure to the Russian, Ukrainian, and Israeli markets; the Group has revenues to Russia as of 31 December, 2023 of Euro 125 thousand, (0.10% of revenues) to Ukraine of Euro 228 thousand (0.18% of revenues) and to Israel of Euro 5 thousand (0.004% of revenues). The directors do not believe that any risks may arise from these trade relations either directly or indirectly, despite the fact that the Russian-Ukrainian and Israeli conflict is generally accentuating the cost of raw materials.

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Proposed dividend distribution

The Board of Directors resolved to propose to the Shareholders' Meeting the distribution of a gross dividend of Euro 0.30 for each of the outstanding WIIT shares (excluding treasury shares), according to the following schedule: ex-dividend date 20 May 2024, record date 21 May 2024 and payment date 22 May 2023.

Other relevant resolutions

Corporate Governance Report and Remuneration Report

The Board of Directors approved the "Report on Corporate Governance and Ownership Structure" pursuant to Article 123-bis of the Consolidated Finance Act and the "Report on Remuneration Policy and Remuneration Paid" pursuant to Article 123-ter of the Consolidated Finance Act.

Incentive plan based on financial instruments

The Board of Directors resolved to submit to the Shareholders' Meeting for approval, pursuant to Article 114-*bis* of the Consolidated Financial Act, a long-term monetary incentive plan denominated "2024-2026 monetary incentive plan" ("Piano di Incentivazione monetaria 2024-2026"), considering that it is also based on the performance of WIIT shares (the "**LTI Plan**"). Such plan – reserved for WIIT executive directors to be identified by the Board of Directors of WIIT on proposal of the Nomination and Remuneration Committee – is aimed at pursuing the following objectives (i) to link the remuneration of WIIT key resources to the actual economic performance of the Group and to the creation of value for the same; (ii) to orient the Company key resources toward strategies for the pursuit of medium-long term results; (iii) to align the interests of the Company key resources with the interests of the shareholders; (iv) to apply retention policies aimed at retaining the key resources and encouraging their permanence in the Company.

The maximum cash prize payable to each beneficiary pursuant to the LTI Plan equals to 30% of the total monetary remuneration (*i.e.*, fixed and variable short-term components) received during the three-years period 2024-2025-2026, in the event of achievement of all performance targets (the "**Maximum Amount**").

The amount of the prize under the LTI Plan is divided into three components (Component A, Component B and Component C), to which the beneficiary will be entitled based on the achievement of the performance targets associated with the same. Namely: (i) Component A (50% of the Maximum Amount) is linked to the VWAP (so-called Volume Weighted Average Price) of the WIIT share referring to the period between 1 September 2026 and 30 November 2026 (both included); (ii) Component B (25% of the Maximum Amount) is linked to the value of the Group's consolidated EBITDA adjusted resulting from the consolidated financial statement approved by the Board of Directors of the Company for each financial period considered by the Group's plan (2024-2025-2026); and (iii) Component C (25% of the Maximum Amount) is linked to the value of the Group's consolidated EBIT adjusted resulting from the consolidated financial statement approved by the Board of Directors of the Company for each financial period considered by the Group's plan (2024-2025-2026).

For further details, reference should be made to the information document that will be made available to the public, within the terms set out by law and regulations, at the registered office and on the Company's website (http://www.wiit.cloud/), in the "Company - Governance - Shareholders' Meeting" section, as well as at the authorised storage mechanism "eMarket STORAGE" (www.emarketstorage.com).

Authorisation to buy and dispose of treasury shares

The Board of Directors resolved to submit to the Shareholders' Meeting, subject to revocation, for the non-executed portion, of the authorisation approved by resolution of the Shareholders' Meeting of 4 May 2023, a proposal for authorisation to purchase and dispose of treasury shares, to be carried out in compliance with applicable EU and national legislation, including Regulation (EU) 596/2014, and market practices recognised, from time to time, by Consob.

The purchase authorisation is targeted mainly at providing the Company with a stock of treasury shares to be used (i) as consideration in the context of eventual extraordinary finance transactions and/or for other uses considered of financial-managerial and/or strategic interest for the Company, also for exchange, trade, swap, contribution or other deed that includes the use of treasury shares, and (ii) for the service of incentive plans based on financial instruments intended for employees and/or directors of Group companies.

Specifically, authorisation for the purchase, on one or more occasions, on a revolving basis, of ordinary shares of the Company would be sought from the Shareholders' Meeting within the limits set forth below: (i) taking into account the shares held from time to time in the Company's portfolio, up to the maximum number permitted by law (equal, at the date hereof, to 20% of the share capital) and, in any case, within the limits of the distributable profits and available reserves resulting from the latest financial statements approved at the time each transaction; (ii) for a duration of 18 months starting from the date of authorisation, with the power of the Board to carry out the authorised transactions on one or more occasions and at any time, to an extent and at a time freely determined in compliance with the applicable law, with the gradualness deemed appropriate in the interest of the Company; (iii) for each transaction, at a purchase price of each share that is not lower than the official price of WIIT stock on the day prior to the day on which the purchase transaction will be carried out, decreased by 15%, and not higher than the official price on the day prior to the day on which the purchase transaction will be carried out, increased by 15%, in compliance with applicable EU and national regulations, including Regulation (EU) 596/2014, and market practices recognised, from time to time, by Consob; (iv) purchases will be made, from time to time, by one of the methods referred to in Article 144-*bis*, paragraph 1, letters b), c), d), d-*ter*), and paragraph 1-*bis*, of the Issuers' Regulations as identified by the Board of Directors from time to time.

As regards the disposal of treasury shares, the authorisation is requested (i) without time limits and (ii) at a consideration that must not, nonetheless, be lower than the arithmetic mean of the official price of the shares in the five days prior to each individual sale, reduced by a maximum of 15%.

As of the date hereof, the Company holds n. 1,921,207 treasury shares, equal to 6.86% of WIIT' ordinary shares.

<u>Proposal of proxy to the Board of Directors to increase the share capital</u>

The Board of Directors, also considering that on 30 November 2023 the proxy to increase the share capital granted by the Meeting of 30 November 2018 has expired, resolved to propose to the extraordinary Meeting of the Company to grant to the Board of Directors a proxy to increase the share capital, against contribution and divisible, in one or more tranche, pursuant to Article 2441, paragraph 4, second sentence, of the civil code, for a maximum total amount of Euro 280,206.60 par value (plus share premium) by issuing a maximum of 2,802,066 ordinary shares with no indication of par value and having the same characteristics as WIIT existing shares.

The proposed proxy, in line with the one granted in 2018 (which has been partially executed), is consistent with the Company's strategy of growth by external lines through acquisition transactions. As of the date hereof, an immediate exercise of the proxy is not envisaged, but the Board of Directors reserves the possibility of having access, in a rapid and flexible manner, to the financial resources necessary to seize any opportunities offered by the market.

<u>Proposal to enhance the Loyalty Shares</u>

The Board of Directors, following the promulgation ("*promulgazione*") of the so-called "DDL Capitali" and pending its publication and entry into force, resolved to propose to the Extraordinary Shareholders' Meeting the amendment of the by-laws (Article 7) in order to allow the enhancement of the loyalty shares system pursuant to Article 127-quinquies of the Consolidated Finance Act as replaced by Article 14, paragraph 2 of the "DDL Capitali" (the "**Loyalty Shares Enhancement**").

The so-called "DDL Capitali", approved by the Italian Parliament, promulged by the President of the Republic and to be published in the Italian Official Journal (*Gazzetta Ufficiale*), contains a series of measures aimed at fostering the competitiveness of companies and the capital market.

In particular, the DDL Capitali addressed the institute of the loyalty shares, allowing the implementation of a by-laws amendment (such as the clause on loyalty shares enhancement) that allows to assign to the so-called loyalty shareholders who have accrued the right to 2 votes for each share held uninterruptedly for a period of 24 months, 1 additional vote at the end of each 12-months period of uninterrupted holding, up to a total maximum of 10 votes per share, on the assumption that the shareholder has maintained the relevant requirements during the period of accrual of the additional voting rights.

As known, the Company has already implemented in its by-laws the loyalty shares mechanism, believing that the instrument of loyalty shares is a way to incentivise the stability of its shareholder base by giving a benefit to those shareholders who believe in the Company's long-term project and prove to be "loyal" to it.

The long-term commitment of shareholders and the incentive to stability of a part of the shareholder base through the introduction of a loyalty shares is undoubtedly in the Company's interest as it offers greater flexibility of share capital, which, on the one hand, allows the Company to have a solid and long-term oriented historical shareholder base (thus different from speculative and momentum logics) and, on the other hand, can encourage future issues of new shares and share exchanges to support the Company's organic and external growth.

Shareholders who do not concur in the adoption of the resolution on the Loyalty Shares Enhancement (shareholders who will oppose, will be absent or will abstain) will have the right to exercise their withdrawal right within 15 days of the registration of the shareholders' meeting resolution with the Company Register of Milan. In this regard, it should be noted that the unitary liquidation value of the Company's shares, in relation to which the right of withdrawal should be exercised, will be determined in accordance with the provisions of Article 2437-ter, paragraph 3, of the Civil Code with reference to the arithmetic average of the daily closing prices of the Company's shares in the six months preceding the publication of the notice of call of the Shareholders' Meeting (publication which will take place tomorrow).

The effectiveness of the amendment to the by-laws relating to the Loyalty Shares Enhancement is subject to the condition that the amount of money that WIIT may have to pay (the "**Withdrawal Amount**") for the purchase of the Withdrawal Shares by the withdrawing shareholders (the "**Withdrawing Shareholders**") does not exceed an aggregate amount of Euro 5 million (unless the Company waives this condition), it being understood, in any case and for the sake of clarity, that the Withdrawal Amount will be calculated net of the amounts due to the Withdrawing Shareholders by the shareholders exercising their option and pre-emption rights pursuant to Article 2437-quater of the Civil Code.

The Loyalty Shares Enhancement will be effective only when the condition precedent is fulfilled or, as the case may be, waived by the Company.

The liquidation price will be paid to the Withdrawing Shareholders after the effective date of the amendment to the by-laws relating to the Loyalty Shares Enhancement expected by the end of July 2024. In the meantime, the Withdrawing Shareholders will not be able to sell or otherwise dispose of any of the shares in respect of which they have exercised their right of withdrawal. If the amendment to the by-laws relating to the Loyalty Shares Enhancement does not become effective, the withdrawal by the Withdrawing Shareholders will not be effective as well and the shares in respect of which the right of withdrawal has been exercised will continue to be owned by the Withdrawing Shareholders, without any payment being made to such shareholders.

Further details on the exercise of the right of withdrawal and the relevant procedure will be provided in accordance with the laws and regulations.

Proposal to amend the by-laws to introduce the possibility that participation in the shareholders' meeting and the exercise of voting rights may only take place through the designated representative (rappresentante designato)

The Board of Directors also resolved to propose to the Company's Extraordinary Shareholders' Meeting to amend the by-laws to provide that attendance at the Shareholders' Meeting and the exercise of voting rights take place exclusively through the designated representative (*rappresentante designato*) pursuant to Article 135-undecies of the Consolidated Finance Act.

The practice has shown that the information, debate and discussion function of the shareholders' meeting in attendance, for the purpose of defining the voting decision to be made, has progressively diminished. Participation in the shareholders' meeting is now reduced to the mere exercise of the right to vote, based on the wealth of knowledge that is formed also and above all through a continuous dialogue between the Company and shareholders, and which intensifies in the period immediately preceding the shareholders' meeting event. In this sense, in fact, the DDL Capitali has provided that, should there be a specific provision in the by-laws, shareholders' meetings of Italian listed companies may be held through a designated representative appointed by the company. This provision thus makes permanent the possibility of holding ordinary and extraordinary shareholders' meetings in the same manner that has been used in recent years to allow the expression of voting rights also in the context of the COVID-19 pandemic.

Calling of the Shareholders' Meetings

The Board of Directors resolved to convene the WIIT Shareholders' Meeting, in ordinary and extraordinary session, on 16 May 2024, in a single call, to pass resolutions:

- in the ordinary session, in relation to (i) the financial statements for the year ended 31 December 2023, the allocation of the profit for the year and the distribution of dividends, (ii) the renewal of corporate bodies, (iii) the LTI Plan, (iv) the Report on the remuneration policy and remuneration paid, and (v) the authorisation to purchase and dispose of treasury shares; and
- in extraordinary session, in relation to (i) the Proxy to increase the share capital, (ii) Loyalty Shares Enhancement, and (iii) the amendment of the by-laws to introduce the possibility that participation in the Shareholders' Meeting and the exercise of voting rights take place exclusively through the designated representative.

The notice of call will be published in excerpts in the daily newspaper "Milano Finanza", on 13 March 2024, and will be made available to the public, in its entirety, on the same date, at the Company's registered office and on the Company's website (http://www.wiit.cloud/), in the "Company - Governance - Shareholders' Meeting" section, as well as, at the authorised storage mechanism "eMarket STORAGE" (www.emarketstorage.com).

The documents for the Shareholders' Meeting required by the applicable regulations (including the illustrative reports prepared by the Board of Directors and the new text of the by-laws) will be made available to the public within the terms of the law and regulations at the Company's registered office and on the Company's website (http://www.wiit.cloud/), "Company -

Governance - Shareholders' Meeting" section, as well as at the authorised storage mechanism "eMarket STORAGE" (www.emarketstorage.com).

Declaration pursuant to article 154-bis, paragraph 2 of Legislative Decree no. 58/1998.

The Manager in charge of drawing up the corporate accounting documents, Mr. Stefano Pasotto, hereby declares, pursuant to article 154-bis, paragraph 2 of Legislative Decree no. 58/1998, that the accounting information contained in this press release corresponds to the documented results, books and accounting records.

* * *

The consolidated financial statements of the WIIT Group as at 30 September 2023 are attached. With reference to the figures presented in this press release, it is specified that said figures are not subject to legal audit nor examined by the Company's Board of Statutory Auditors.

Attached are the consolidated financial statements of the WIIT Group and individual financial statements of WIIT as of December 31, 2023. With reference to the figures presented in this press release, it should be noted that these are figures for which the statutory audit and verification activities by the Board of Statutory Auditors have not yet been completed. The draft financial statements and consolidated financial statements as of December 31, 2023 will be made available to the public at the Company's registered office and on the Company's website (http://www.wiit.cloud/), in the "Company - Governance - Shareholders' Meeting" Section, as well as, at the authorized storage mechanism "eMarket STORAGE" (www.emarketstorage.com).

* * *

This press release contains forecasts and estimates that reflect the current views of the Group's management regarding future and uncertain events. Forecasts and estimates are typically identified by expressions such as "it is possible", "it should be", "it is forecast", "it is expected", "it is estimated", "it is believed", "it is intended", "it is planned", "objective" or by the negative use of these expressions or other variations of these expressions or by the use of comparable terminology. These forecasts and estimates include, but are not limited to, all information other than factual information, including, without limitation, that relating to the Group's future financial position and operating results, strategy, plans, objectives and future developments in the markets in which the Group operates or intends to operate. As a result of such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking information as a prediction of actual results. The Group's ability to achieve its expected results depends on many factors beyond management's control. Actual results may differ significantly from (and be more negative than) those predicted or implied by the forecast data. These forecasts and estimates involve risks and uncertainties that could have a material impact on expected results and are based on basic assumptions. The forecasts and estimates made therein are based on information available to the Group as of today. The Group does not undertake any obligation to publicly update and revise forecasts and estimates as a result of the availability of new information, future events or otherwise, except as provided for.

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WIIT S.p.A.

WIIT S.p.A., a company listed on the Euronext Star Milan ("STAR") segment, is a leader in the Cloud Computing market. The company has a pan-European footprint and is present in key markets, such as Italy and Germany, positioning itself among the leading players in the provision of innovative Hosted Private and Hybrid Cloud technology solutions. WIIT operates through its own data centers spread across 6 Regions: 4 in Germany and 2 in Italy, 2 of which are Premium Zone enabled, i.e. with Tier IV certified data centers by the Uptime Institute and the highest levels of security by design. WIIT has 6 SAP certifications at the highest level of specialisation. Its end-to-end approach enables the company to provide its partner companies with customised, high value-added services with the highest security and quality standards for the management of critical applications and business continuity, while guaranteeing maximum reliability in the management of the main international application platforms (SAP, Oracle and Microsoft). Since 2022, the WIIT Group has joined the UN Global Compact. (www.wiit.cloud).

For more information:

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THE PREMIUM CLOUD

It should be noted that the data in the tables shown hereunder were prepared in compliance with the international accounting standards (IAS/IFRS).

CONSOLIDATED BALANCE SHEET

	31.12.2023	31.12.2022
ASSETS		
Other intangible assets	58.224.012	58.113.828
Goodwill	121.077.831	115.155.615
Rights of use	11.870.441	10.267.121
Property, plant and equipment	8.737.760	9.216.120
Other tangible assets	46.250.182	41.355.990
Deferred tax assets	1.724.090	1.637.180
Equity investments and other non-current financial assets	5	17.098
Other non-current assets deriving from contracts	24.356	65.508
Other non-current assets	686.944	542.315
NON-CURRENT ASSETS	**248.595.622**	**236.370.774**
Inventories	166.980	186.703
Trade receivables	25.842.136	25.177.311
Trade receivables from associates	0	6.003
Current financial assets	11.602.736	901.133
Current assets deriving from contracts	0	0
Other receivables and other current assets	9.195.557	8.869.224
Cash and cash equivalents	13.690.212	31.458.080
CURRENT ASSETS	**60.497.621**	**66.598.454**
TOTAL ASSETS	**309.093.243**	**302.969.228**

THE PREMIUM CLOUD

CONSOLIDATED BALANCE SHEET

	31.12.2023	31.12.2022
SHAREHOLDERS' EQUITY AND LIABILITIES		
Share Capital	2.802.066	2.802.066
Share premium reserve	44.598.704	44.598.704
Legal reserve	560.413	560.413
Other reserves	5.576.744	2.692.252
Treasury shares in portfolio reserve	(30.566.915)	(19.410.233)
Reserves and retained earnings (accumulated losses)	1.074.273	1.028.475
Translation reserve	22.610	(4.022)
Net profit for the period	8.285.649	7.845.609
SHAREHOLDERS' EQUITY	**32.353.545**	**40.113.264**
	60.982	*(5.567)*
	195.037	*134.056*
SHAREHOLDERS' EQUITY	*32.548.583*	*40.247.320*
Payables to other lenders	13.289.335	14.074.473
	157.442.669	167.683.547
Bank payables	27.805.467	13.384.703
Other non-current financial liabilities	331.938	1.061.814
Employee benefits	3.042.572	2.719.278
	567.886	522.277
Deferred tax liabilities	14.779.476	16.434.674
Non-current liabilities deriving from contracts	109.882	195.414
Other payables and non-current liabilities	60.566	0
NON-CURRENT LIABILITIES	**217.429.793**	**216.076.180**
Payables to other lenders	7.695.550	7.553.375
	7.897.960	903.324
Short-term loans and borrowings	12.120.143	5.580.914
Current income tax liabilities	2.857.006	3.268.246
Other current financial liabilities	948.035	2.943.671
Trade payables	18.294.275	14.918.435
Payables to associates	0	(0)
Current liabilities deriving from contracts	3.492.306	5.143.779
Other payables and current liabilities	5.809.591	6.333.984
CURRENT LIABILITIES	**59.114.866**	**46.645.728**
LIABILITIES HELD-FOR-SALE	**276.544.659**	**262.721.908**
TOTAL LIABILITIES	**309.093.243**	**302.969.228**

THE PREMIUM CLOUD

CONSOLIDATED INCOME STATEMENT

	31.12.2023	31.12.2022	31.12.2023 Adjusted	31.12.2022 Adjusted
REVENUES AND OPERATING INCOME				
Revenues from sales and services	128.922.399	116.602.494	128.922.399	116.602.494
Other revenues and income	1.184.109	2.203.644	1.184.109	2.203.644
Total revenues and operating income	**130.106.508**	**118.806.138**	**130.106.508**	**118.806.138**
OPERATING COSTS				
Purchases and services	(45.886.593)	(47.329.710)	(43.347.886)	(45.231.196)
Personnel costs	(35.269.163)	(30.439.526)	(33.937.863)	(30.113.136)
Amortisation, depreciation, and write-downs	(27.370.799)	(23.484.910)	(22.690.953)	(18.923.838)
Provisions	(56.310)	(50.000)	(56.310)	(50.000)
Other costs and operating charges	(2.044.655)	(1.162.950)	(2.044.655)	(1.162.950)
Change Inventories of raw mat., consumables and goods	(19.722)	(111.371)	(19.722)	(111.371)
Total operating costs	**(110.647.242)**	**(102.578.466)**	**(102.097.389)**	**(95.592.491)**
EBIT	**19.459.266**	**16.227.672**	**28.009.119**	**23.213.647**
Write-down of equity investments	(14.366)	(28.858)	(14.366)	(28.858)
Financial income	214.441	15.960	214.441	15.960
Financial expenses	(7.944.079)	(4.755.276)	(7.944.079)	(4.755.276)
Exchange gains/(losses)	(34.396)	(12.863)	(34.396)	(12.863)
PROFIT BEFORE TAXES	**11.680.866**	**11.446.635**	**20.230.719**	**18.432.610**
Income taxes	(3.334.235)	(3.606.593)	(5.167.206)	(5.318.155)
NET PROFIT	**8.346.631**	**7.840.042**	**15.063.513**	**13.114.455**

WIIT

THE PREMIUM CLOUD

CONSOLIDATED NET FINANCIAL POSITION

	31.12.2023	31.12.2022
A - Cash and other cash and cash equivalents	13.690.212	31.458.080
B - Securities held for trading	0	0
C - Current financial assets	11.602.736	901.133
D - Liquidity (A + B + C)	**25.292.948**	**32.359.213**
E - Current payables due to banks	(12.120.143)	(5.580.914)
F - Other current financial liabilities	(948.035)	(2.943.671)
G - Payables due to other lenders	(7.695.550)	(7.553.375)
H - Current bond	(7.897.960)	(903.324)
I - Current financial debt (E + F + G + H)	**(28.661.688)**	**(16.981.283)**
J - Current net financial debt (I - D)	**(3.368.740)**	**15.377.930**
K - Payables due to banks	(27.805.467)	(13.384.703)
L - Payables due to other lenders	(13.289.335)	(14.074.473)
M - Non-current bond	(157.442.669)	(167.683.547)
N - Other non-current financial liabilities	(331.938)	(1.061.814)
O - Trade payables and other non-current payables	0	0
P. Non-current financial debt (K + L + M + N + O)	**(198.869.409)**	**(196.204.536)**
Q - Group net financial debt (J + P)	**(202.238.149)**	**(180.826.606)**
- Payables for leases IFRS 16 (current)	2.938.106	2.416.446
- Payables for leases IFRS 16 (non-current)	8.027.691	7.839.241
R - Net financial debt excluding Group IFRS16 impact	**(191.272.352)**	**(170.570.920)**

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THE PREMIUM CLOUD

CONSOLIDATED CASH FLOW STATEMENT

Net profit from continuing operations	8.346.631	7.840.043
Adjustments for non-cash items:		
Amortisation, depreciation, revaluations and write-downs	27.427.109	23.534.910
Financial assets adjustments	-	-
Change in employee benefits	323.294	27.996
Financial charges	(56.309)	(50.000)
Income taxes	7.764.033	4.752.179
Other non-cash changes	3.334.235	3.606.593
Cash flow generated from operating activities before working capital changes	**47.599.858**	**38.661.646**
Changes in current assets and liabilities:		
Decrease (increase) in inventories	19.724	20.104
Decrease (increase) in trade receivables	(814.572)	(9.080.735)
Increase (decrease) in trade payables	3.153.387	2.107.636
Increase (decrease) in tax payables	(585.452)	912.242
Decrease (increase) other current assets	314.263	(2.259.870)
Increase (decrease) in current liabilities	(241.586)	(359.198)
Decrease (increase) in other non-current assets	(109.114)	(98.645)
Increase (decrease) in other non-current liabilities	60.566	0
Decrease (increase) in assets deriving from contracts	41.152	26.495
Increase (decrease) in liabilities deriving from contracts	(1.738.532)	1.728.079
Income taxes paid	(5.346.281)	(3.628.996)
Interest paid/received	(6.987.551)	(4.968.354)
Net cash flow generated from operating activities (a)	**35.365.860**	**23.060.405**
Net increase intangible assets	(6.569.182)	(7.103.314)
Net increase tangible assets	(14.427.344)	(13.085.257)
Decrease (increase) other financial current assets	(10.757.996)	20.000.000
Cash flows from business combinations net of cash and cash equivalents	(7.333.214)	(19.505.806)
Net cash flow used in investing activities (b)	**(39.087.736)**	**(19.694.377)**
New financing	26.850.000	6.198.075
Repayment of loans	(6.143.349)	(4.532.927)
Repayment of other lenders	(4.014.450)	0
Lease payables	(10.995.695)	(9.952.660)
Payment of deferred fees for business combinations	(1.752.073)	(4.772.376)
Increase / (decrease) other financial payables	(243.437)	
Distribution of dividends	0	19.654.795
(Purchase) Use of treasury shares	(7.818.114)	(8.367.415)
Net cash flow from financing activities (c)	**(14.045.994)**	**(9.352.991)**
Net increase/(decrease) in cash and cash equivalents a+b+c	**(17.767.868)**	**(5.986.962)**
13.690.212	31.458.080	26.256.271
31.458.080	37.445.042	37.445.042
Net increase/(decrease) in cash and cash equivalents	**(17.767.868)**	**(5.986.962)**

WIIT

THE PREMIUM CLOUD

BALANCE SHEET

	31.12.2023	31.12.2022
ASSETS		
Other intangible assets	25.916.662	23.976.944
Goodwill	25.382.164	24.664.060
Right-of-use	4.925.304	4.004.219
Property, plant and equipment	4.236.926	4.697.060
Other tangible assets	15.898.525	12.429.953
Deferred tax assets	1.634.042	1.342.932
Equity investments and other non-current financial assets	131.748.950	134.356.774
Other non-current assets deriving from contracts	24.356	65.508
Other non-current assets	20.285.626	12.530.140
NON-CURRENT ASSETS	**230.052.555**	**218.067.590**
Trade receivables	15.533.929	15.564.433
Trade receivables from associates	169.841	1.321.721
Current financial assets	12.355.997	298.775
Other receivables and other current assets	6.509.435	5.867.438
Cash and cash equivalents	5.906.036	23.576.352
CURRENT ASSETS	**40.475.238**	**46.628.719**
TOTAL ASSETS	**270.527.793**	**264.696.309**

WIIT

THE PREMIUM CLOUD

BALANCE SHEET

	31.12.2023	31.12.2022
SHAREHOLDERS' EQUITY AND LIABILITIES		
Share capital	2.802.066	2.802.066
Share premium reserve	44.598.704	44.598.704
Legal reserve	560.413	560.413
Other reserves	4.953.356	2.145.156
Treasury shares in portfolio reserve	(30.566.915)	(19.410.233)
Reserves and retained earnings (accumulated losses)	2.945.731	4.752.099
Net profit for the profit	6.363.140	6.011.746
SHAREHOLDERS' EQUITY	**31.656.495**	**41.459.951**
Payables to other lenders	6.166.636	6.677.366
Bank payables	24.199.322	9.965.842
Other non-current financial liabilities	318.963	1.048.963
Employee benefits	3.042.572	2.576.912
Provision for risks	57.410	66.509
Deferred tax liabilities	3.152.364	3.726.810
Non-current liabilities deriving from contracts	108.357	195.415
NON-CURRENT LIABILITIES	**194.488.293**	**191.941.364**
Payables to other lenders	4.088.356	4.159.238
Short-term loans and borrowings	11.264.992	4.763.153
Current income tax liabilities	372.158	888.244
Other current financial liabilities	935.676	2.863.995
Trade payables	12.200.269	8.482.574
Trade payables to associates	57.916	0
Current liabilities deriving from contracts	3.492.306	5.143.779
Other payables and current liabilities	4.073.370	4.090.687
CURRENT LIABILITIES	**44.383.005**	**31.294.994**
TOTAL LIABILITIES	**238.871.298**	**223.236.358**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**270.527.793**	**264.696.309**

WIIT

THE PREMIUM CLOUD

INCOME STATEMENT

	2023	2022
REVENUES AND OPERATING INCOME		
Revenues from sales and services	57.746.012	52.588.316
Other revenues and income	527.486	654.576
Total revenues and operating income	**58.273.498**	**53.242.892**
OPERATING COSTS		
Purchases and services	(18.931.865)	(20.739.903)
Personnel costs	(15.398.841)	(11.956.417)
Amortisation, depreciation, and write-downs	(14.524.485)	(11.790.193)
Provisions	0	(50.000)
Other costs and operating charges	(371.096)	(599.535)
Change Inventories of raw mat., consumables and goods	0	(53.871)
Total operating costs	**(49.226.286)**	**(45.189.919)**
EBIT	**9.047.212**	**8.052.973**
Write-down of equity investments	0	(28.858)
Financial income	4.706.580	3.365.459
Financial expenses	(7.238.517)	(4.208.527)
Exchange gains/(losses)	(1.097)	1.592
PROFIT BEFORE TAXES	**6.514.177**	**7.182.640**
Income taxes	(151.037)	(1.170.894)
NET PROFIT FROM CONTINUING OPERATIONS	**6.363.140**	**6.011.746**
NET PROFIT	**6.363.140**	**6.011.746**

WIIT
THE PREMIUM CLOUD

NET FINANCIAL POSITION

	31.12.2023	31.12.2022
A - Cash and other cash and cash equivalents	5.906.036	23.576.352
B - Securities held for trading	0	0
C - Current financial assets	12.355.997	298.775
D - Liquidity (A + B + C)	**18.262.032**	**23.875.127**
E - Current payables due to banks	(11.264.992)	(4.763.153)
F - Other current financial liabilities	(935.676)	(2.863.995)
G - Payables due to other lenders	(4.088.356)	(4.159.238)
H - Current bond	(7.897.960)	(903.324)
I - Current financial debt (E + F + G + H)	**(24.186.985)**	**(12.689.710)**
J - Current net financial debt (I - D)	**(5.924.953)**	**11.185.417**
K - Payables due to banks	(24.199.322)	(9.965.842)
L - Payables due to other lenders	(6.166.636)	(6.677.366)
M - Non-current bond	(157.442.669)	(167.683.547)
N - Other non-current financial liabilities	(318.963)	(1.048.963)
O - Trade payables and other non-current payables	0	0
P. Non-current financial debt (K + L + M + N + O)	**(188.127.590)**	**(185.375.718)**
Q - Group net financial debt (J + P)	**(194.052.543)**	**(174.190.301)**
- Payables for leases IFRS 16 (current)	1.574.238	1.398.560
- Payables for leases IFRS 16 (non-current)	1.686.889	2.380.151
R - Net financial debt excluding Group IFRS16 impact	**(190.791.416)**	**(170.411.590)**

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THE PREMIUM CLOUD

CASH FLOW STATEMENT

	2023	2022
Net profit from continuing operations	6.689.741	6.011.746
Adjustments for non-cash items:		
Amortisation, depreciation, revaluations and write-downs	14.524.485	11.790.193
Financial assets adjustments	0	0
Change in employee benefits	465.661	39.195
Increase (decrease) provisions for risks and charges	0	50.000
Financial charges	2.533.033	841.476
Income taxes	(175.562)	1.170.894
Other non-cash changes	681.548	(2.512.708)
Cash flow generated from operating activities before working capital changes	**24.718.905**	**17.390.795**
Changes in current assets and liabilities:		
Decrease (increase) in inventories	0	53.871
Decrease (increase) in trade receivables	2.410.819	(7.519.769)
Increase (decrease) in trade payables	2.761.045	(2.379.722)
Increase (decrease) in tax payables	(609.538)	560.602
Decrease (increase) other current assets	230.082	433.325
Increase (decrease) in current liabilities	(1.213.876)	2.300.645
Decrease (increase) in other non-current assets	(255.486)	19.017
Increase (decrease) in other non-current liabilities	0	(38.332)
Decrease (increase) in assets deriving from contracts	41.152	31.483
Increase (decrease) in liabilities deriving from contracts	(1.738.531)	1.000.945
Income taxes paid	(506.416)	(1.586.394)
Dividend received	4.000.000	3.241.735
Interest paid/received	(5.757.296)	(3.523.136)
Net cash flow generated from operating activities (a)	**24.080.861**	**9.985.066**
Net increase intangible assets	(6.564.782)	(7.004.036)
Net increase tangible assets	(7.256.907)	(6.091.934)
Decrease (increase) other financial current assets	(10.757.996)	20.000.000
Cash flows from business combinations net of cash and cash equivalents	0	(2.486.410)
Net cash flow used in investing activities (b)	**(24.579.685)**	**4.417.620**
New financing	26.000.000	4.000.000
Repayment of loans	(9.447.942)	(3.900.204)
Intercompany Loans	(7.500.000)	(9.000.000)
Lease payables	(5.445.468)	(5.049.091)
Bond Issue	0	19.654.795
Increase / (decrease) other financial payables	(176.245)	785.761
Payment of deferred fees for business combinations	(1.752.073)	(5.467.267)
Share capital increase	0	0
Intercompany Cash Pooling	(1.400.000)	0
Distribution of dividends	(7.818.114)	(7.994.876)
(Purchase) Use of treasury shares	(9.928.875)	(7.580.483)
Net cash flow from financing activities (c)	**(17.468.718)**	**(14.551.363)**
Net increase/(decrease) in cash and cash equivalents a+b+c	**(17.967.542)**	**(148.677)**
Cash and cash equivalents at end of the period	5.906.036	23.576.352
Cash and cash equivalents from mergers	297.225	6.118.235
Cash and cash equivalents at beginning of the period	23.576.352	17.606.794
Net increase/(decrease) in cash and cash equivalents	**(17.967.542)**	**(148.677)**

WIIT
THE PREMIUM CLOUD

ALTERNATIVE PERFORMANCE INDICATORS

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, write-downs and provisions. 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 Parent Company may not be comparable with the 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, write-downs and provisions, professional merger & acquisition (M&A) services, personnel internal reorganisation costs, Put&Call option 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 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, professional merger & acquisition (M&A) services, personnel internal reorganisation costs, Put&Call option costs and Stock Option/Stock Grant incentive plan costs and the amortisation/depreciation of the fixed assets from the Purchase Price Allocation from the 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. In order to improve operating performance comparability, the Group also excludes from the Adjusted EBIT the costs for the accounting of Stock options and Stock Grants (IFRS2) and the amortisation and depreciation of assets from the Purchase Price Allocation; customer list, exclusive contracts and platform and Data Center amortisation, related to the acquisitions.

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, personnel internal reorganisation costs, Put&Call options costs, the costs for the accounting of Stock options and Stock Grants (IFRS2), the financial expense for the closure of the loan contracts, and the amortisation and depreciation of assets arising from the Purchase Price Allocation; customer list, exclusive contracts and platform and Data Center amortisation, related to 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. It is presented in the notes to the financial statements.

Adjusted Net Financial Position – this is a valid measure of the Group's financial structure. It is determined in accordance with Consob Communication No. 5/21 of April 29, 2021 and in accordance with ESMA Recommendations 32-382-1138, including, where applicable, other non-current assets related to security deposits and excluding trade and other non-current payables. It is also presented net of the effects of IFRS 16. This measure is presented in the Directors' Report.

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 in 2020 the non-recurring item regarding the tax credit on listing 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.