



## **PRESS RELEASE**

**The Board of Directors of WIIT S.p.A. approves the consolidated results as at 30 September 2023<sup>1</sup>**

**Revenues at Euro 96.2 million +12.7% compared to 9M 2022 (Euro 85.3 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 87% of the total  
Recurring revenues in Italy at 83% and in Germany at 92% of the total  
German market at 55.7% of overall turnover**

**Adjusted EBITDA at Euro 37.7 million +26.5% compared to 9M 2022 (Euro 29.8 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 48.0% of Group Adjusted EBITDA**

**Adjusted EBITDA margin at 39.2% (35.0% in 9M 2022) sustained growth, particularly from Italy at 46.0% in 9M significantly accelerating in Q3 to 52%**

**Adjusted EBIT at Euro 21.0 million +36.8% compared to 9M 2022 (Euro 15.4 million), at 21.9% of revenue, up from 1H 2022 (20.9%)**

**Adjusted Net profit at Euro 11.6 million +21.6% compared to the same period of the previous year (Euro 9.6 million)**

**The growth of the Commercial Pipeline continues in the Pharma, Professional Services and Retail sectors, where the Group is increasing its market share to support future development**

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<sup>1</sup> 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.



**Milan, 13 November 2023** – 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 30 September 2023 – prepared in accordance with IFRS international accounting standards – of the group belonging to WIIT (the “WIIT Group” or “Group”).

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**The Chief Executive Officer, Alessandro Cozzi, said:** *“I am very satisfied with the results achieved in 9M of the year, both in terms of sales and EBITDA, which grew more than proportionally to revenues and above our expectations, particularly in Italy, thanks to the positive mix and the achievement of cost synergies to support the margin. Finally, the scouting activity in Central Europe of possible targets of small and medium-sized regional operators to support the consolidation project in this area continues”.*

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**At 30 September 2023, the WIIT Group recorded:**

**Consolidated revenues: Euro 96.2 million** (Euro 85.3 million as at 30 September 2022, +12.7%);

**Consolidated Adjusted EBITDA: Euro 37.7 million** (Euro 29.8 million as at 30 September 2022, +26.5%) margin on revenue at 39.2%;

**Consolidated Adjusted EBIT: Euro 21.0 million** (Euro 15.4 million as at 30 September 2022, +36.8%) margin on revenue at 21.9%;

**Adjusted net profit: Euro 11.6 million** (Euro 9.6 million as at 30 September 2022, +21.6%);

**Adjusted Net Financial Position (debt): Euro -160.6 million<sup>2</sup>** (Euro 140.6<sup>2</sup> million as at 31 December 2022).

## **WIIT Group Financial Review as at 30 September 2023**

**Revenues** equal to **Euro 96.2 million (Euro 42,7 million in Italy, Euro 53,5 million in Germany), up +12.7%** compared to Euro 85.3 million in 9M 2022. 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 +6.0% (core revenue growth was +10%<sup>3</sup>) and in Germany about +5.1% (core revenue growth was +8%). The contribution of the companies acquired in 2022 and in 9M 2023 was Euro 5.7 million relating to Lansol Datacenter GmbH (“**Lansol**”) and Euro 3.5 million relating to Global Access Internet Services GmbH (“**Global Access**”).

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<sup>2</sup> Excluding the IFRS16 effect of Euro 11.0 million (Euro 10.3 million in 2022) and including the valuation of treasury shares in portfolio quantified at approximately Euro 27.9 million at market value on 30 September 2023 (market value as at 31 December 2022 Euro 28 million).

<sup>3</sup> The comparison for the nine months of 2023 refers to pro forma data, including ERPTech. Comparable pro forma Core revenue growth for 1H 2023 was 10%.

## Adjusted Operating Costs

equal to approximately Euro 31.8 million, which show a reduction of Euro 1.8 million compared to 9M 2022. 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 25.0 million, which show a growth of Euro 4.0 million compared to 9M 2022. 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 37.7 million** (Euro 29.8 million in 9M 2022), **+26.5%** compared to 9M 2022 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 39.2%, a significant improvement over FY2022 (35.5%) and a further increase over 1H of the year.**

As at 30 September 2023, the WIIT Group's margin in Italy was 46.0% and in Germany 33.9%, an improvement compared to 2022, 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).

The adjustment carried out at the level of Gross Operating Margin (EBITDA) as at 30 September 2023 refers to the effects deriving from the extraordinary M&A transactions in the amount of Euro 0.9 million and to the costs related to incentive plans based on financial instruments for Euro 0.9 million and personnel reorganisation costs for approximately Euro 0.9 million.

## Adjusted EBIT (Net Operating Margin)

equal to **Euro 21.0 million** compared to Euro 15.4 million recorded in 9M 2022 **(+36.8%), representing 21.9% of revenue**, an improvement over FY2022 (19.5%). The value of amortisation, depreciation and impairment stood at approximately Euro 16.7 million, up by Euro 2.5 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 30 September 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 3.5 million.



**Financial expenses**

equal to Euro 5.6 million, mainly attributable to the effect of interest on bonds in the amount of Euro 3.8 million and financial expenses for bank loans and other lenders. The increase compared to the same period of 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 11.6 million** compared to Euro 9.6 million in 9M 2022 **(+21.6%)**, including the tax effect calculated on normalisations at the consolidated operating result level.

**Analysis of the WIIT Group's Financial Performance as at 30 September 2023**

**Net Financial Position (debt)**

equal to **Euro -199.5 million** as at 30 September 2023 (Euro -180.8 million as at 31 December 2022), considering the IFRS16 impact of about Euro 11.0 million (Euro 10.3 million as at 31 December 2022) and excluding the valuation of treasury shares in portfolio quantified at about Euro 27.9 million at market value as at 30 September 2023 (market value as at 31 December 2022 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 15.2 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 18.2 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 4.6 million (IFRS16 lease and car fees).

Cash flows generated by operating activities were recorded in 9M 2023. Cash and cash equivalents amounted to Euro 15.9 million and showed a difference of Euro -15.5 million, compared to 31 December 2022 due to the use of cash for (i) the purchase of treasury shares for Euro 15.2 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 13 million, in short-term Italian government bonds.

The value does not include the valuation of treasury shares in portfolio quantified in approximately Euro 27.9 million at market value at 30 September 2023.



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### Significant events occurring as at 30 September 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.

### **Significant events occurring after 30 September 2023**

**On 12 October 2023**, the CEO Alessandro Cozzi, through the parent company WIIT FIN S.r.l., completed the purchase of 387,732 shares of WIIT, bringing his stake to 56.47% of the share capital and 70.82% of the voting rights. This transaction demonstrates the commitment to supporting the company's long-term projects and creating value for shareholders.

**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

### **Business outlook**

Thanks to the positive business pipeline characterised by the acquisition of new clients and the renewal of multi-year contracts, the WIIT Group expects a year 2023 in continuous growth and in line with





market expectations. The focus remains on improving the EBITDA margin due to the growth in core revenues and value-added services, the level of optimisation achieved in the organisation of processes and operating services, cost synergies and the continuous improvement in the margin as a result of the mergers of the Italian subsidiaries into WIIT and of the acquired companies, this despite a conservative forecast of energy costs expected 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 expansion opportunity for the Group in Europe.

With reference to the impacts of the Russian-Ukrainian conflict, as at 30 September 2023, the WIIT Group is exposed to the Russian and Ukrainian markets; the Group's revenues to Russia as at 30 September 2023 amounted to Euro 71 thousand, (0.07% of revenues) and to Ukraine amounted to Euro 175 thousand (0.18% of revenues). The directors do not believe that any risks could arise from such business relations either directly or indirectly, despite the fact that the Russian-Ukrainian conflict is generally increasing the cost of raw materials. With regard to the impact of the Israel-Hamas conflict, as at 30 September 2023, the Group had no exposure to the Israeli market.

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#### **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.

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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.

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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, subject to compliance with applicable laws and regulations.

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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](http://www.wiit.cloud)).*

### **For more information:**

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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

	30.09.2023	31.12.2022
<b>ASSETS</b>		
Other intangible assets	59.143.683	58.113.828
Goodwill	121.077.831	115.155.615
Rights of use	12.517.681	10.267.121
Property, plant and equipment	8.240.529	9.216.120
Other tangible assets	45.287.152	41.355.990
Deferred tax assets	2.038.417	1.637.180
Equity investments and other non-current financial assets	14.371	17.098
Other non-current assets deriving from contracts	24.356	65.508
Other non-current assets	788.481	542.315
<b>NON-CURRENT ASSETS</b>	<b>249.132.502</b>	<b>236.370.774</b>
Inventories	300.189	186.703
Trade receivables	25.757.840	25.177.311
Trade receivables from associates	0	6.003
Current financial assets	15.867.828	901.133
Current assets deriving from contracts	0	0
Other receivables and other current assets	10.148.868	8.869.224
Cash and cash equivalents	15.908.512	31.458.080
<b>CURRENT ASSETS</b>	<b>67.983.238</b>	<b>66.598.454</b>
<b>TOTAL ASSETS</b>	<b>317.115.739</b>	<b>302.969.228</b>

## CONSOLIDATED BALANCE SHEET

	30.09.2023	31.12.2022
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
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	5.381.280	2.692.252
Treasury shares in portfolio reserve	(29.156.610)	(19.410.233)
Reserves and retained earnings (accumulated losses)	1.074.273	1.028.475
Translation reserve	(1.591)	(4.022)
Net profit for the period	6.751.670	7.845.609
<b>SHAREHOLDERS' EQUITY</b>	<b>32.010.205</b>	<b>40.113.264</b>
	31.988	(5.567)
	166.043	134.056
<i>SHAREHOLDERS' EQUITY</i>	<i>32.176.249</i>	<i>40.247.320</i>
Payables to other lenders	14.101.562	14.074.473
	161.192.304	167.683.547
Bank payables	26.476.079	13.384.703
Other non-current financial liabilities	330.801	1.061.814
Employee benefits	2.961.272	2.719.278
	505.768	522.277
Deferred tax liabilities	15.711.394	16.434.674
Non-current liabilities deriving from contracts	109.882	195.414
Other payables and non-current liabilities	110.916	0
<b>NON-CURRENT LIABILITIES</b>	<b>221.499.979</b>	<b>216.076.180</b>
Payables to other lenders	8.004.357	7.553.375
	7.899.215	903.324
Short-term loans and borrowings	10.753.443	5.580.914
Current income tax liabilities	2.515.643	3.268.246
Other current financial liabilities	2.495.774	2.943.671
Trade payables	20.792.989	14.918.435
Payables to associates	(0)	(0)
Current liabilities deriving from contracts	4.626.540	5.143.779
Other payables and current liabilities	6.351.551	6.333.984
<b>CURRENT LIABILITIES</b>	<b>63.439.511</b>	<b>46.645.728</b>
<b>LIABILITIES HELD-FOR-SALE</b>	<b>284.939.490</b>	<b>262.721.908</b>
<b>TOTAL LIABILITIES</b>	<b>317.115.740</b>	<b>302.969.228</b>

## CONSOLIDATED INCOME STATEMENT

	Nine Months at 30.09.2023	Nine Months at 30.09.2023	Nine Months at 30.09.2023 Adjusted	Nine Months at 30.09.2022 Adjusted
<b>REVENUES AND OPERATING INCOME</b>				
Revenues from sales and services	95.597.052	84.015.092	95.597.052	84.015.092
Other revenues and income	588.312	1.321.417	588.312	1.321.417
<b>Total revenues and operating income</b>	<b>96.185.365</b>	<b>85.336.509</b>	<b>96.185.365</b>	<b>85.336.509</b>
<b>OPERATING COSTS</b>				
Purchases and services	(33.454.293)	(34.754.909)	(31.826.851)	(33.604.828)
Personnel costs	(26.243.036)	(21.530.338)	(25.081.914)	(21.063.616)
Amortisation, depreciation, and write-downs	(20.216.629)	(17.855.966)	(16.706.745)	(14.174.306)
Provisions	0	(285.200)	0	(285.200)
Other costs and operating charges	(1.650.095)	(888.076)	(1.650.095)	(888.076)
Change Inventories of raw mat., consumables and goods	113.486	57.000	113.486	57.000
<b>Total operating costs</b>	<b>(81.450.567)</b>	<b>(75.257.489)</b>	<b>(75.152.119)</b>	<b>(69.959.026)</b>
<b>EBIT</b>	<b>14.734.798</b>	<b>10.079.020</b>	<b>21.033.245</b>	<b>15.377.483</b>
Write-down of equity investments	0	(28.858)	0	(28.858)
Financial income	117.231	441.552	117.231	13.052
Financial expenses	(5.589.385)	(3.941.961)	(5.589.385)	(3.941.961)
Exchange gains/(losses)	(18.172)	(14.938)	(18.172)	(14.938)
<b>PROFIT BEFORE TAXES</b>	<b>9.244.471</b>	<b>6.534.815</b>	<b>15.542.919</b>	<b>11.404.777</b>
Income taxes	(2.460.813)	(538.971)	(3.911.244)	(1.840.162)
<b>NET PROFIT</b>	<b>6.783.658</b>	<b>5.995.844</b>	<b>11.631.675</b>	<b>9.564.616</b>



THE PREMIUM CLOUD

## CONSOLIDATED NET FINANCIAL POSITION

	30.09.2023	31.12.2022
A - Cash and other cash and cash equivalents	15.908.512	31.458.080
B - Securities held for trading	0	0
C - Current financial assets	15.867.828	901.133
<b>D - Liquidity (A + B + C)</b>	<b>31.776.340</b>	<b>32.359.213</b>
E - Current payables due to banks	(10.753.443)	(5.580.914)
F - Other current financial liabilities	(2.495.774)	(2.943.671)
G - Payables due to other lenders	(8.004.357)	(7.553.375)
H - Current bond	(7.899.215)	(903.324)
<b>I - Current financial debt (E + F + G + H)</b>	<b>(29.152.788)</b>	<b>(16.981.283)</b>
<b>J - Current net financial debt (I - D)</b>	<b>2.623.551</b>	<b>15.377.930</b>
K - Payables due to banks	(26.476.079)	(13.384.703)
L - Payables due to other lenders	(14.101.562)	(14.074.473)
M - Non-current bond	(161.192.304)	(167.683.547)
N - Other non-current financial liabilities	(330.801)	(1.061.814)
O - Trade payables and other non-current payables	0	0
<b>P - Non-current financial debt (K + L + M + N + O)</b>	<b>(202.100.745)</b>	<b>(196.204.536)</b>
<b>Q - Group net financial debt (J + P)</b>	<b>(199.477.194)</b>	<b>(180.826.606)</b>
- 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
<b>R - Net financial debt excluding Group IFRS16 impact</b>	<b>(188.511.396)</b>	<b>(170.570.920)</b>



## CONSOLIDATED CASH FLOW STATEMENT

	30.09.2023	30.09.2022
<b>Net profit from continuing operations</b>	6.783.658	5.995.844
<i>Adjustments for non-cash items:</i>		
Amortisation, depreciation, revaluations and write-downs	20.216.629	18.141.166
Financial assets adjustments	0	0
Change in employee benefits	241.994	224.907
Financial charges	5.490.327	3.086.847
Income taxes	2.460.813	538.971
Other non-cash changes	503.445	269.909
<b>Cash flow generated from operating activities before working capital changes</b>	<b>35.696.865</b>	<b>28.257.644</b>
<i>Changes in current assets and liabilities:</i>		
Decrease (increase) in inventories	(113.486)	(290.937)
Decrease (increase) in trade receivables	(520.398)	(6.245.805)
Increase (decrease) in trade payables	5.652.100	4.365.731
Increase (decrease) in tax payables	(926.815)	(229.106)
Decrease (increase) other current assets	(1.720.645)	(3.243.773)
Increase (decrease) in current liabilities	(30.472)	(1.143.384)
Decrease (increase) in other non-current assets	(210.651)	(117.802)
Increase (decrease) in other non-current liabilities	110.916	0
Decrease (increase) in assets deriving from contracts	41.152	(2.169.557)
Increase (decrease) in liabilities deriving from contracts	(604.298)	3.092.620
Income taxes paid	(3.586.541)	(2.153.364)
Interest paid/received	(2.314.244)	(491.940)
<b>Net cash flow generated from operating activities (a)</b>	<b>31.473.481</b>	<b>19.630.327</b>
Net increase intangible assets	(5.516.253)	(6.369.634)
Net increase tangible assets	(10.482.954)	(8.569.620)
Decrease (increase) other financial current assets	(13.000.000)	20.420.911
Cash flows from business combinations net of cash and cash equivalents	(7.333.214)	(21.214.369)
<b>Net cash flow used in investing activities (b)</b>	<b>(36.332.421)</b>	<b>(15.732.712)</b>
New financing	22.000.000	6.198.075
Repayment of loans	(6.696.425)	(3.316.538)
Lease payables	(7.905.445)	(7.865.602)
Payment of deferred fees for business combinations	(1.752.073)	(5.551.919)
Distribution of dividends	(7.818.114)	(8.359.585)
(Purchase) Use of treasury shares	(8.518.570)	(7.580.483)
<b>Net cash flow from financing activities (c)</b>	<b>(10.690.628)</b>	<b>(26.476.052)</b>
<b>Net increase/(decrease) in cash and cash equivalents a+b+c</b>	<b>(15.549.568)</b>	<b>(22.578.437)</b>
Cash and cash equivalents at end of the period	15.908.512	14.866.605
Cash and cash equivalents at beginning of the period	31.458.080	37.445.042
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(15.549.568)</b>	<b>(22.578.437)</b>

## ALTERNATIVE PERFORMANCE INDICATORS

In accordance with the provisions of the ESMA recommendation on alternative performance indicators (ESMA/2015/1415) as implemented by Consob Communication no. 0092543 of 03 December 2015, the Alternative Performance Indicators used to monitor the Group's economic and financial performance are described below.

**EBITDA** – is a non-GAAP measure used by the Group to measure its performance. EBITDA is calculated as the algebraic sum of profit for the period before tax, financial income and expense (including foreign exchange gains and losses and those arising from the equity method valuation of investments), amortisation, depreciation, impairment and provisions. It should be noted that EBITDA is not identified as an accounting measure as part of the IAS/IFRS adopted by the European Union. Consequently, the calculation method applied by the Group may not be consistent with that adopted by other Groups and, therefore, the balance obtained by the parent company WIIT may not be comparable with the balances determined by the latter.

**EBITDA Margin** – is an indicator that measures the Group's operating profitability as a percentage of consolidated revenues achieved during the year, and is defined as the ratio of EBITDA to Total operating revenues and income.

**Adjusted EBITDA** – is a non-GAAP measure used by the Group to measure its performance. Adjusted EBITDA is calculated as the algebraic sum of profit for the period before tax, financial income and expenses (including foreign exchange gains and losses and those arising from the equity method valuation of investments), amortisation, depreciation, impairment and provisions, merger & acquisition (M&A) professional service costs, Euronext Milan listing costs, tax credit for Euronext Milan listing costs, Put&Call option adjustment costs and Stock Option/Stock Grant incentive plan costs.

With regard to Adjusted EBITDA, the Group believes that the adjustment (which defines Adjusted EBITDA) has been made in order to represent the Group's operating performance, net of the effects of certain events and transactions. This adjustment relating to certain charges was necessary in order to ensure better comparability of the historical data relating to the financial years in question, as these include cost items related to corporate phenomena that are not attributable to the normal operating management of the Group's business, as well as costs for professional services relating to the extraordinary merger & acquisition operations. In order to improve the comparability of operating performance, the Group also excludes from the calculation of Adjusted EBITDA the tax credit for Euronext Milan listing costs and the costs of accounting for stock options and stock grants (IFRS2). It should be noted that Adjusted EBITDA is not identified as an accounting measure as part of the IAS/IFRS adopted by the European Union. Consequently, the calculation method applied by the Group may not be consistent with that adopted by other Groups and, therefore, the balance obtained by the Group may not be comparable with the balances determined by the latter.

**Core Revenues** – are revenues from value-added services provided by the Group, which may be either recurring or non-recurring.

**Recurring Revenues** – are revenues from value-added services provided by the Group on an ongoing basis and characterised by multi-year contracts.

**Adjusted EBITDA Margin** – is an indicator that measures the Group's operating profitability as a percentage of consolidated revenues achieved during the year, and is defined as the ratio of Adjusted EBITDA to Total Adjusted operating revenues and Income.

**EBIT** – is a non-GAAP measure used by the Group to measure its performance. EBIT is calculated as the algebraic sum of profit for the period before tax, financial income and expense (including foreign exchange gains and losses and those arising from the equity method valuation of investments). It should be noted that EBIT is not identified as an accounting measure as part of the IAS/IFRS adopted by the European Union. Consequently, the calculation method applied by the Group may not be consistent with that adopted by other Groups and, therefore, the balance obtained by the Group may not be comparable with the balances determined by the latter.



**EBIT Margin** – is an index measuring the profitability of the Group's sales. It is calculated as the ratio of EBIT to Total operating revenues and income.

**Adjusted EBIT** – is a non-GAAP measure used by the Group to measure its performance. Adjusted EBIT is calculated as the algebraic sum of profit for the period before tax, financial income and expenses (including foreign exchange gains and losses and those arising from the equity method valuation of investments), amortisation, depreciation and impairment, merger & acquisition (M&A) professional service costs, Euronext Milan listing costs, tax credit for Euronext Milan listing costs, Put&Call option adjustment costs and Stock Option/Stock Grant incentive plan costs, and the amortisation of fixed assets deriving from the Purchase Price Allocation relating to acquisitions.

With regard to Adjusted EBIT, the Group believes that the adjustment (which defines Adjusted EBIT) has been made in order to represent the Group's operating performance, net of the effects of certain events and transactions. This adjustment relating to certain charges was necessary in order to ensure better comparability of the historical data relating to the financial years in question, as these include cost items related to corporate phenomena that are not attributable to the normal operating management of the Group's business, as well as costs for professional services relating to the extraordinary merger & acquisition operations. In order to improve the comparability of operating performance, the Group also excludes from the calculation of Adjusted EBIT the tax credit for Euronext Milan listing costs, the costs of accounting for Stock Options and Stock Grants (IFRS2) and the amortisation and depreciation of fixed assets deriving from the Purchase Price Allocation; customer list amortisation, platform and data centre amortisation, relating to acquisitions.

**Adjusted EBIT Margin** – is an index measuring the profitability of the Group's sales. It is calculated as the ratio of Adjusted EBIT to Total Adjusted operating revenues and income.

**Adjusted net result** – is a non-GAAP measure used by the Group to measure its performance. Adjusted net result is calculated as the profit for the period before costs relating to extraordinary merger and acquisition transactions, the tax credit for Euronext Milan listing costs, Put&Call option adjustment costs, the costs of accounting for Stock Options and Stock Grants (IFRS2), financial expenses relating to the closure of loan agreements and the amortisation and depreciation of fixed assets deriving from the Purchase Price Allocation; customer list amortisation, platform and data centre amortisation, relating to acquisitions and the related tax effects on excluded items.

**Net Financial Indebtedness (Net Financial Position)** – represents a valid indicator of the Group's financial structure. It is determined in accordance with the provisions of Consob Communication no. 5/21 of 29 April 2021 and in compliance with ESMA Recommendations 323821138. [It is presented in the notes to the accounts.]

**Adjusted Net Financial Indebtedness (Adjusted Net Financial Position)** – represents a valid indicator of the Group's financial structure. It is determined in accordance with Consob Communication no. 5/21 of 29 April 2021 and in compliance with ESMA Recommendations 323821138, including, where applicable, other non-current assets relating to security deposits and excluding trade payables and other non-current payables. It is also presented in the net variant for the effects of IFRS 16. This measure is presented in the management report.