WIIT
THE PREMIUM CLOUD

PRESS RELEASE

The Board of Directors of WIIT S.p.A. approves the draft financial statements and the consolidated financial statements at 31 December 2022 [1]

Revenues continued to increase to Euro 118.8 million (+54.1%) driven by growth in Italy and Germany

German market at 51.2% of turnover

Group recurring revenue at 77% and WIIT (post-merger) at 77% of the total

Adjusted EBITDA of Euro 42.2 million (+43.0%), up significantly, despite the inflationary effect on costs and the impact of energy, particularly in Germany, the German market accounted for 48.5% of the Group's Adjusted EBITDA

Significant improvement of EBITDA margin in Italy in the fourth quarter of the year to 39.1% thanks to the focus on value-added services and cost synergies

Adjusted net profit equal to Euro 12.5 million, up +34.9%.

Acquisition of Global Access in Germany in January 2023 for Euro 6.2 million Enterprise Value

Multi-year order backlog as at 1 January 2023 at Euro 144 million, up from the same period last year, this figure does not include the contribution of Global Access acquired in January 2023

At 31 December 2022, the WIIT Group recorded:

- **Consolidated revenue amounted to Euro 118.8 million (Euro 77.1 million in 2021), +54.1% compared to the same period of the previous year (+38.6% in the fourth quarter of the year compared to the same period of 2021). Growth 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 by about 4% (Core revenue growth was 13%) and in Germany (MyLoc and Mivitec merge) by approximately 19%. The contribution of the companies acquired in the second half of 2021 was Euro 31.8 million relating to Gecko and Boreus and their subsidiaries, Euro 2.5 million relating to Lansol and Euro 5.9 million to ERPTech.**

[1] For the definitions of EBITDA, Adjusted EBITDA, EBIT, Adjusted EBIT, Net Financial Position/Net Debt, Adjusted Net Profit, please refer to the section "Alternative Performance Indicators" at the end of this press release.

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- **Consolidated adjusted EBITDA of Euro 42.2 million (Euro 29.5 million in 2021), +43.0% compared to 2021 (+59.7% in the fourth quarter of the year compared with the same period of 2021) 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 which partly mitigated the inflation effect on the costs and growth of energy, especially in Germany; margin on revenues at 35.5%, speeding up in the fourth quarter of the year to 36.9% (38.3% in 2021).**
- **Consolidated Adjusted EBIT of Euro 23.2 million (Euro 15.5 million in 2021), +50.0% on 2021 (+113.3% in Q4 of the year compared to the same period in 2021) with a margin on revenue at 19.5% accelerating in Q4 of the year to 23.4%, depreciation and amortisation up significantly by approximately Euro 5.0 million to Euro 18.9 million year-on-year (Euro 14.0 million in 2021).**
- **Adjusted net profit at Euro 12.5 million, up 34.9% from Euro 9.3 million in 2021. 2022 reflects the increase in financial expenses mainly related to the bond issued in October 2021, which amounted to Euro 4.0 million.**
- **Net Financial Position of Euro -184.0 million (Euro -140.6 million at 31 December 2021). The Net Financial Position also includes the IFRS16 effect of Euro 10.3 million (Euro 10.7 million in 2021); this change includes in particular the payment for the acquisition of ERPTech in the amount of Euro 2.8 million and Lansol for Euro 18.1 million, dividends in the amount of Euro 8.4 million, Capex for Euro 28.2 million and treasury share purchases totalling Euro 7.6 million. The value does not include the valuation of treasury shares in portfolio quantified in approximately Euro 28.0 million at market value at 31 December 2022.**
- **The Group cost of electricity in 2022 was Euro 8.8 million, almost double the Euro 4.5 million of 2021, much of which was attributable to the German region.**
- **The results as at 31 December 2022 take into account the merger by incorporation of Adelante S.r.l., Matika S.p.A. and Etaeria S.p.A. into WIIT, which took legal effect from 1 August 2022 and accounting and tax effects from 1 January 2022.**
- **Pro forma 2022 data related to ERPTech[2]:**

  - Revenues equal to Euro 7.9 million;

  - Adjusted EBITDA equal to Euro 0.8 million;
- **2022 pro forma data Lansol[3]:**

  - Revenues equal to Euro 6.7 million;

  - Adjusted EBITDA equal to Euro 2.1 million
- **Proposed dividend of Euro 0.30 per WIIT share outstanding**
- **Notice of Ordinary Meeting to be held on 4 May 2023**

2ERPTech, a company whose acquisition was completed on 31 March 2022

3 Lansol, a company whose acquisition was completed on 01 September 2022.

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Milan, 15 March 2023 – The Board of Directors of 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 draft separate financial statements and the consolidated financial statements at 31 December 2022, prepared in accordance with IFRS international accounting standards.

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CEO Alessandro Cozzi commented *"The 2022 results are in line with our expectations on all economic and financial indicators and confirm the significant growth of the business in both Italy and Germany. The EBITDA margin showed a significant improvement in the fourth quarter of the year in Italy, due, in particular, to the focus on core revenues and higher value-added services, as well as the contribution of up-front fees from new contracts effective from early 2023, in Germany due to the consolidation of Lansol. We are very satisfied with the development of the commercial pipeline, as confirmed by the signing of the latest multi-year contracts, and we confirm the market expectations for 2023. We expect significant operating cash generation in 2023, due to EBITDA progress and normalisation of investments. Finally, in line with our growth strategy, M&A scouting in the ' D-A-CH zone' continues, and the German market continues to represent a significant expansion opportunity for the Group in Europe".*

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<u>Consolidated results as at 31 December 2022</u>

At 31 December 2022, the group headed by WIIT (the "**WIIT Group**" or the "**Group**") reported **consolidated revenues** of Euro 118.8 million, up sharply (+54.1%) from Euro 77.1 million in 2021.

This increase is driven by organic development in Italy and Germany, a focus on higher value-added services, the acquisition of new customers, cross-selling to customers of acquired companies and the consolidation of these companies.

Adjusted Operating Costs in 2022 of approximately Euro 46.8 million show an increase of Euro 15.4 million compared to 2021. This change is attributable to the increase in electricity costs, particularly in Germany, where these costs more than doubled compared to the same period in the previous year, to the marketing and communication costs to support growth, as well as to the integration of the companies acquired towards the end of 2021 and in 2022.

Personnel costs in 2022 of approximately Euro 29.7 million show an increase of Euro 13.5 million compared to 2021. This change is mainly attributable to the new scope of consolidation, particularly in Germany.

Consolidated **Adjusted EBITDA** stood at Euro 42.2 million (+43.0%) at 31 December 2022 compared to Euro 29.5 million in 2021 and recorded a 35.5% margin on revenues (38.3% in 2021).

As at 31 December 2022, the WIIT Group's margin in Italy was 37.5% and in Germany 33.6%, decreasing due to the impact of higher electricity costs and significantly improving in the last quarter of the year, respectively to 39.1% in Italy thanks to the focus on value-added services and cost synergies and 34.9%

in Germany, also thanks to the contribution of Lansol Datacenter GmbH ("Lansol"), characterised by higher value-added revenues.

The adjustment carried out at the **EBITDA** level as at 31 December 2022 refers to the effects deriving from the extraordinary M&A transactions in the amount of Euro 0.8 million and to the costs related to incentive plans based on financial instruments in the amount of Euro 1.1 million and personnel reorganisation costs for Euro 0.2 million.

The value of amortisation, depreciation and impairment stood at approximately Euro 18.9 million, up by Euro 5.0 million compared to the previous year, and reflects the investments made.

The Adjusted Net Operating Margin (Adjusted EBIT) at 31 December 2022 stood at Euro 23.2 million compared to Euro 15.5 million recorded in 2021(+50.0%), representing 19.5% of revenues, with a significant improvement in the last quarter of the year (23.4%).

The adjustment carried out at the level of **EBIT** at 31 December 2022 refers to the aforementioned adjustments at EBITDA level and to the value of the amortisation relating to the PPA ("Purchase Price Allocation") for acquisitions of Euro 4.6 million.

Financial expenses - amounting to Euro 5.5 million - are mainly attributable to the effect of interest on the bond issued in October 2021 and financial expenses for bank loans and other lenders.

Adjusted Net Profit, which includes the tax effect calculated on adjustments, amounted to Euro 12.5 million as of 31 December 2022, compared to Euro 9.3 million in 2021 (+34.9%).

The Net Financial Position (indebtedness), considering the IFRS16 impact of approximately Euro 10.3 million recorded as of 31 December 2022 (Euro 10.7 million as of 31 December 2021), went from Euro -140.6 million as of 31 December 2021 to Euro -183.0 million as of 31 December 2022: this change includes:

- the price paid for the acquisition of ERPTech S.p.A. in March 2022 for Euro 2.8 million and Lansol in September 2022 for Euro 18.1 million;
- the dividend in the amount of Euro 8.4 million;
- the purchase of treasury shares for Euro 7.6 million;
- deferred consideration payments for business combinations (minorities and earn-outs) in the amount of Euro 5.6 million;
- Capital expenditure (CAPEX) amounted to approximately Euro 28.2 million for the purchase of IT infrastructures related to new orders signed during the year both in Italy and abroad, and for the construction of the two new data centres (Tier IV) in Milan and Düsseldorf.

Significant cash flows generated by operating activities were recorded in 2022. Cash and cash equivalents amounted to Euro 30.5 million and showed a difference of Euro -7.0 million, compared to 31 December 2021, due in particular to the release of investment assets in the amount of Euro 20.0 million, on the one hand, and the issuance of a bond in the amount of Euro 20 million, on the other hand, to finance acquisitions in the period.

On 29 December 2022, WIIT S.p.A. issued bonds related to a non-convertible, non-subordinated and unsecured bond loan with a total nominal value of Euro 20.0 million at a 3-month Euribor Annual Variable Rate increased by 2.78% and maturing on 29 December 2026.

The value does not include the valuation of treasury shares in portfolio quantified in approximately Euro 28.0 million at market value at 31 December 2022.

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Significant events in 2022

On 4 January 2022, WIIT signed a four-year contract, with a total value of Euro 2 million, with a leading Italian group in the international retail sector. The agreement signed with WIIT is at the basis of the implementation of a Zero Datacenter policy by the customer, which makes available to its European business lines a fully managed multi-cloud model on which to activate services in support of digital transformation. WIIT assists the customer by activating its own Multi-Cloud model that integrates proprietary DataCenters and those of the Hyperscalers chosen with it. The most critical applications take advantage of WIIT Premium Cloud delivered, from WIIT Tier IV DataCenter in Milan, in Business Continuity with a secondary DataCenter, while other business applications use some of the main Hyperscalers including Google Cloud and Microsoft Azure. All services are managed by WIIT 24 hours a day, 7 days a week to ensure the operation of the customer's critical systems. The model therefore offers great scalability and flexibility, supporting the customer's digital transformation towards increasingly innovative services.

On 14 February 2022, the Company signed an agreement to purchase 100% of the share capital of ERPTech from BT Italia S.p.A. ERPTech is a leading company in IT outsourcing services of SAP systems, of which it holds 4 certifications, which recorded in 2021, revenues of about Euro 9 million and EBITDA of about Euro 0.5 million. This acquisition, completed on March 31, 2022, constitutes a decisive step forward in the growth path of the WIIT Group in Italy, increasingly consolidating a leadership position in management and hosting services on SAP technology.

The payment of Euro 4 million for the purchase of the 100% was made in cash. As of September 30, 2022, the price adjustment was calculated taking into account the net financial position and net working capital at the closing date, which resulted in a reduction of Euro 1.6 million from the base price of Euro 4 million. The total consideration for the acquisition was therefore equal to 2.4 million euros. As of 30 September 2022, the difference of Euro 1.6 million in favour of the Group is recognized under "Current financial assets".

On 22 February 2022, Matika S.p.A. ("**Matika**") minority shareholders exercised the second of two PUT options to sell their remaining 20% investment. The exercise of the options (respectively for Euro 4.3 million for the first and Euro 4.8 million for the second option) led to a total amount of Euro 9.1 million compared with an original forecast of Euro 7.1 million, resulting in an additional cost (net of discounting interest) of Euro 1.9 million. It should be noted that the quantification of the aforesaid options and the earn-out was agreed through contractual amendments stipulated on 24 June 2021 and 22 February 2022, respectively. The payment of the option was settled 50% by cash and the remaining 50% through the use of treasury shares with a lock-up period of 12 months. Following the exercise of the option, WIIT came to hold 100% of the Matika share capital, later merged into WIIT.

On 28 February 2022, the Group sold the investment of 20% of the share capital of Comm.it S.r.l. through its subsidiary Adelante S.r.l. ("**Adelante**") for Euro 53 thousand. As a result of this transaction, the Group recorded an amount of Euro 28,858 in the Income Statement under "Losses of companies valued at equity".

On 03 March 2022, the second of the two put options was exercised by A&C Holding S.r.l., Etaeria S.p.A. ("**Etaeria**") minority shareholder, regarding an investment equal to the residual 20% of the Etaeria share capital. The exercise of the options (respectively for Euro 1.3 million for the first option and Euro 0.85 million for the second option) as well as the determination of the earn out, referring to the results of the years 2020 and 2021, led to a total amount equal to Euro 3.3 million against an original forecast of Euro 2.9 million, resulting in an additional cost (net of discounting interest) of Euro 0.4 million. It should be noted that the quantification of the aforesaid options and the earn-out was agreed through a contractual amendment stipulated on 03 March 2022. Following the exercise of the option, WIIT came to hold 100% of the share capital of Etaeria, subsequently merged into WIIT.

On 09 March 2022, officially announced, with an event, was the presence of the Group in Germany, through the creation of the holding company WIIT AG and the Cloud For Europe project, with which WIIT has set itself the goal of establishing itself as the European leader in the Cloud of Critical Applications. The integration project envisages that the companies acquired in the area, myLoc managed IT AG ("myLoc"), IT AG, Mivitec GmbH, Boreus GmbH and GECKO mbH will converge within the German holding. The structure provides for the centralisation of sales, administration, marketing and human resource functions. Today, the Group presents itself to its stakeholders with a strong structure that comprises, in Germany alone, over 300 employees in five locations (Düsseldorf, Munich, Stralsund, Rostock and Berlin) with expertise in DevOps and in the management of critical platforms, primarily e-commerce and SAP, the WIIT flagship. The assets include 11 proprietary Data Centres connected in layer 2 with the 3 in Italy. The highest level of certification from the Uptime Institute, the most authoritative certification body in the United States, which has already been obtained for 2 of its Data Centers in Milan, is a goal that WIIT has also set itself in Germany with the construction of the first German Tier IV by the end of the year.

On 16 March 2022, the WIIT Board of Directors approved the plan for the merger by incorporation of Adelante, Matika and Etaeria (the **Merging Companies**) in order to concentrate the activities previously carried out through the Merging Companies within WIIT. More generally, the merger, with statutory effect from 1 August 2022 and accounting and tax effects from 1 January 2022, had the objective of optimising the coordination, operation and synergies of the structures headed by the companies participating in the merger, 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 March 17, 2022 – The WIIT Board of Directors approved the project financial statements and the consolidated financial statements as at 31 December 2021 - prepared according to the principles IFRS international accounting – and the management report.

On 30 March 2022, a 15% investment in the share capital of Reventure GmbH was acquired - for an amount of Euro 150,000 - through the German subsidiary Boreus[, which already held an investment of the remaining 85% of the share capital of Reventure GmbH.

On 20 April 2022, WIIT announced to the market that the Group was ranked among the top 50 sustainable companies in the field of software and services according to the ESG Rating developed by Sustainalytics. The ESG Rating (or Sustainability Rating) is a synthetic rating, complementary to traditional ratings defined exclusively on the basis of economic-financial indicators, that certifies the soundness of an organisation from an environmental, social and governance performance perspective. In order to consolidate its ESG commitment and make the most of the opportunities arising from the ecological transition, in 2020, the Group launched an annual performance assessment process assisted by Sustainalytics, one of the most authoritative ESG rating agencies in the world. Based on what Sustainalytics has compiled, WIIT, thanks to effective management of material sustainability issues, demonstrates a low risk profile with respect to the possibility of experiencing significant impacts from non-financial factors. In addition to not being subject to ESG controversies, WIIT stood out for its strong performance in the corporate governance area, receiving a rating of 14.8, equal to an ESG

Risk of "Low", the second tier on a 5-level scale ranging from "Negligible" to "High". The rating result confirms the WIIT Sustainability Report to be in line with the best market practices, sign of a great sense of responsibility to stakeholders. For this reason, WIIT has been recognised as an ESG Industry Top Rated company by Sustainalytics, which is one of the top 50 companies in the world in the Software & Services sector.

On 21 April 2022, the WIIT Shareholders' Meeting approved, *inter alia*, the 2021 financial statements, the distribution of a dividend of Euro 0.30 per share, as well as an increase in the remuneration of the Board of Directors and a share-based incentive plan called the "2022-2027 Stock Option Plan".

On 11 May 2022 – The Board of Directors of WIIT S.p.A. approved the consolidated results as at 31 March 2022, drawn up in accordance with the IFRS international accounting standards.

On 2 September 2022, WIIT S.p.A. signed a binding agreement through its German subsidiary myLoc managed IT AG ('myLoc') to acquire 100% of the share capital of LANSOL Datacenter GmbH. The transaction was finalised on 9 September 2022 at a provisional total price - paid in cash (cash) on the same date - equal to Euro 18.1 million, subject to adjustment based on the net financial position and working capital

On 13 September 2022 – The Board of Directors of WIIT S.p.A. approved the consolidated results as at 30 June 2022, drawn up in accordance with the IFRS international accounting standards.

On 9 November 2022 - **WIIT** signed a seven-year contract, worth a total of over Euro 8 million, with InfoCert S.p.A., Tinexta Group, Europe's leading Digital Trust Service Provider. The offer includes both Managed Hybrid Cloud services and further add-ons that are being defined and quantified. **InfoCert has chosen WIIT as its partner for the next seven years for the H24 management of some of its services.** The offer will be able to scale up over time also thanks to the implementation of innovative technologies and models that will enable InfoCert to look ahead to the next few years and support its growth, both in Italy and abroad, by further expanding the services to be provided to its users, leveraging the WIIT group's European network of infrastructures and expertise.

On 10 November 2022, the Board of Directors of WIIT S.p.A. approved the consolidated financial statements at 30 September 2022, prepared in accordance with IFRS international accounting standards.

On 21 November 2022 – The Board of Directors of WIIT has approved, pursuant to Articles 2501-ter and 2505 of the Italian Civil Code, the draft merger contract by incorporation of Erptech into the Company subsequently

On 20 December 2022 – The Board of Directors of WIIT S.p.A. ("WIIT" or the "Company") approved - pursuant to Article 2505, paragraph 2, of the Italian Civil Code as well as the provisions of Article 16, paragraph 2, of the Articles of Association - the plan for the merger into WIIT by incorporation of the wholly-owned subsidiary Erptech.

On 29 December 2022 – WIIT issued bonds relating to a non-convertible, non-subordinated and unsecured bond loan with a total nominal value of Euro 20,000,000.00, resolved by the Company's board of directors on 20 December 2022 and named "Euro 20,000,000.00 - 3-month Euribor Annual Variable Rate plus 2.78% maturing on 29 December 2026" (the "Bond Loan"). The Bond was subscribed by Mortirolo BB SPV S.r.l. (the "SPV"), a securitisation vehicle company, as part of a so-called "basket bond" transaction supported by the European Investment Bank ("EIB") through a first demand guarantee under a guarantee agreement called the "Italy EGF SMEs and MidCaps Basket Bond Framework Guarantee Agreement signed on 20 December 2021 (as amended over time) between Cassa Depositi e Prestiti S.p.A. and the European Investment Bank. The SPV financed the payment of the subscription price of the Bond Loan through the issue by the SPV, pursuant to Law No. 130 of 30 April 1999 on securitisation, of asset-backed partly-paid securities subscribed by Cassa Depositi e Prestiti S.p.A. and BPER Banca S.p.A. ("BPER"). BPER Banca S.p.A. acted as arranger of the transaction.

Significant events after 2022

On 16 January 2023 –myLoc subscribed an agreement to acquire 100 per cent of the share capital of Global Access Internet Services GmbH ('GLOBAL'). The agreement was executed on the same date. The Enterprise Value was approximately Euro 6.2 million, subject to adjustments related to the company's net financial position and working capital as at 31 December 2022

Business outlook

The WIIT Group, thanks to the positive development of the commercial pipeline characterised by the acquisition of new customers and the renewal of multi-year contracts, forecasts 2023 as showing 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 of the acquired companies, this despite a conservative forecast of energy costs expected in line with the previous year. It is recalled that in order to cope with the increase in the cost of energy, in February 2022, the Group contracted a fixed price for electricity in Germany, mitigating the risk of price increases and guaranteeing margins for the next three years. With reference to the energy market in Italy, the Group does not see any critical situations at the moment. Finally, significant operating cash generation is expected in 2023, due to EBITDA progress and normalisation of investments, after the 2022 peak for the construction of two new data center (Tier IV) in Milan and Düsseldorf. Finally, in line with the growth strategy, M&A scouting in the "D-A-CH zone" continues, and the German market continues to represent a significant expansion opportunity for the Group in Europe.

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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 8 May 2023, record date 9 May 2023 and payment date 10 May 2023.

Other relevant resolutions

Corporate Governance Report and Remuneration Report

The Board of Directors approved the "Report on Corporate Governance and Ownership Structure" and the "Report on Remuneration Policy and Remuneration Paid". The latter, in accordance with Article 123-*ter* of Legislative Decree No. 58/1998 (the '**Consolidated Finance Act**').

In connection with the approval of the "Report on Corporate Governance and Ownership Structure", the Board of Directors also ascertained that the independent directors Annamaria Di Ruscio, Emanuela Teresa Basso Petrino and Nathalie Brazzelli continue to meet the independence requirements.

Appointment of a director to supplement the Board of Directors

The Board of Directors also resolved to propose to the Shareholders' Meeting the confirmation of the appointment of director Chiara Grossi, co-opted by the Board of Directors on 13 September 2022, following the resignation of director Stefano Dario.

Share-based remuneration plan

The Board of Directors resolved to submit to the Shareholders' Meeting for approval the "*2023-2027 RSU Plan*", reserved for Group employees - with the exception of key managers - to be identified by the Board of Directors of WIIT (the "**RSU Plan**"). The RSU Plan, in line with the applicable regulations as well as best practice in the field, is aimed at pursuing the objective of increasing the value of WIIT shares while aligning the economic interest of the beneficiaries with that of the shareholders. In actual fact, the RSU Plan pursues the following objectives: (i) to encourage the beneficiaries to achieve the WIIT Group's management performance results; (ii) to align the interests of the beneficiaries with the interests of the shareholders and the creation of value in the medium-long term; (iii) to retain the WIIT Group's key resources, incentivising their retention; and (iv) to safeguard the WIIT Group's competitiveness in the labour market.

In particular, the RSU Plan has a duration of five years and will expire on 31 December 2027; this plan provides for the free allocation to the beneficiaries of restricted stock units ("**RSUs**"), i.e., conditional, free and non-transferable rights *inter vivos*, each of which, in the event of vesting, confer the right to the free allocation of one WIIT ordinary share (each a "**Share**" and, jointly, the "**Shares**").

The plan envisages the assignment of a maximum of 100,000 RSUs, valid for the assignment of a maximum of 100,000 Shares.

The allocated RSUs accrue when specific performance conditions have been met. In particular, RSUs accrue in tranches upon the achievement of specific Group consolidated adjusted EBITDA targets resulting from the consolidated financial statements approved by the Company's Board of Directors in relation to each of the years covered by the plan.

For further details, reference should be made to the information document drafted by the Board of Directors pursuant to article 84-*bis* of the Regulation adopted by Consob with Resolution no. 11971 of 14 May 1999, as subsequently amended and supplemented (the "**Issuers' Regulation**") and Annex 3A to the Issuers' Regulation, which 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 sell 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 21 April 2022, a proposal for authorisation to purchase and sell 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 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 today's date, 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 was carried out; (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 today's date, the Company holds n. 1.632.625 treasury shares, equal to 5.83% of WIIT' ordinary shares.

Calling of the Ordinary Shareholders' Meeting

The Board of Directors has resolved to convene the Ordinary Shareholders' Meeting of WIIT, at Palazzo delle Stelline in Milan, Corso Magenta No. 61, on 4 May 2023, at 2.30 p.m. at a single call, to resolve on: (i) the approval of the financial statements for the year ending 31 December 2022, the allocation of profit for the year and the distribution of dividends; (ii) the appointment of a director to supplement the board of directors; (iii) the Report on the Remuneration Policy and Remuneration Paid; (iv) the authorisation to purchase and dispose of treasury shares; and (v) the approval of the RSU Plan.

The notice of call will be published in extract form in the daily newspaper "Milano Finanza" and made available in full to the public within the terms set out by law and regulations at the registered office, at the authorised storage facility "eMarket STORAGE" (www.emarketstorage.com) and on the Company's website (http://www.wiit.cloud/), in the section "Company - Governance - Shareholders' meeting".

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The consolidated financial statements of the WIIT Group as at 31 December 2022 are attached. With reference to the figures presented in this press release, it should be noted that they have not yet been submitted for limited statutory audit.

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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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This press release contains forecasts and estimates that reflect the current views of the Group's management regarding future 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.

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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 19 of its own Data Centres – 3 in Italy, 2 of which are Tier IV-certified by the Uptime Institute, and 16 in Germany – and has 6 SAP certifications at the highest specialisation levels. 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). (www.wiit.cloud)

For more information:
Investor Relations WIIT S.p.A.:
Stefano Pasotto – CFO & Investor Relations Director
Francesca Cocco – Lerxi Consulting – Investor Relations
T +39.02.3660.7500
Fax +39.02.3660.7505
ir@wiit.cloud
www.wiit.cloud

Media Relations:
Image Building
T +39 02 89011300
wiit@imagebuilding.it

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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

	31.12.2022	31.12.2021
ASSETS		
Other intangible assets	58.113.828	52.386.478
Goodwill	115.376.578	101.862.753
Rights of use	10.267.121	10.736.063
Property, plant and equipment	9.216.120	6.683.012
Other tangible assets	41.355.990	32.931.501
Deferred tax assets	1.635.183	1.305.959
Equity investments and other non-current financial assets	17.098	86.305
Other non-current assets deriving from contracts	65.508	96.991
Other non-current assets	510.165	443.669
NON-CURRENT ASSETS	**236.557.591**	**206.532.732**
Inventories	186.703	200.656
Trade receivables	25.183.228	14.283.794
Trade receivables from associates	6.003	58.140
Current financial assets	456.068	20.136.059
Current assets deriving from contracts	2.357.923	1.278.959
Other receivables and other current assets	8.373.702	5.627.652
Cash and cash equivalents	30.486.005	37.445.042
CURRENT ASSETS	**67.049.633**	**79.030.303**
TOTAL ASSETS	**303.607.224**	**285.563.035**

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CONSOLIDATED BALANCE SHEET

	31.12.2022	31.12.2021
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	530.413
Other reserves	(16.454.186)	(4.955.010)
Reserves and retained earnings (accumulated losses)	1.028.119	2.354.337
Translation reserve	(4.022)	3.832
Net profit for the period	7.235.741	(981.315)
SHAREHOLDERS' EQUITY	**39.766.836**	**44.353.027**
	(5.567)	*571.594*
	134.056	*965.469*
SHAREHOLDERS' EQUITY	*39.900.891*	*45.318.496*
Payables to other lenders	14.074.473	13.989.425
	168.513.170	147.922.733
Bank payables	13.424.911	13.369.968
Other non-current financial liabilities	561.814	1.647.806
Employee benefits	2.719.278	2.802.181
	522.277	368.438
Deferred tax liabilities	16.085.974	16.008.873
Non-current liabilities deriving from contracts	195.415	244.899
Other payables and non-current liabilities	0	0
NON-CURRENT LIABILITIES	**216.097.311**	**196.354.323**
Payables to other lenders	7.553.374	8.042.466
	903.324	829.623
Short-term loans and borrowings	5.540.706	3.710.186
Current income tax liabilities	3.614.948	2.036.671
Other current financial liabilities	3.363.995	8.561.318
Trade payables	14.998.110	11.540.432
Payables to associates	(0)	114.641
Current liabilities deriving from contracts	5.143.779	3.366.215
Other payables and current liabilities	6.490.785	5.688.664
CURRENT LIABILITIES	**47.609.021**	**43.890.216**
LIABILITIES HELD-FOR-SALE	**263.706.332**	**240.244.539**
TOTAL LIABILITIES	**303.607.224**	**285.563.035**

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CONSOLIDATED INCOME STATEMENT

	31.12.2022	31.12.2021	Adjusted 31.12.2022	Adjusted 31.12.2021
REVENUES AND OPERATING INCOME				
Revenues from sales and services	116.602.494	76.373.673	116.602.494	76.373.673
Other revenues and income	2.203.644	746.329	2.203.644	746.329
Total revenues and operating income	**118.806.138**	**77.120.002**	**118.806.138**	**77.120.002**
OPERATING COSTS				
Purchases and services	(47.720.498)	(35.291.988)	(45.621.984)	(29.455.065)
Personnel costs	(29.988.486)	(16.529.823)	(29.662.097)	(16.137.017)
Amortisation, depreciation, and write-downs	(23.484.910)	(18.110.359)	(18.923.838)	(13.958.310)
Provisions	(50.000)	(66.989)	(50.000)	(66.989)
Other costs and operating charges	(1.223.201)	(1.964.254)	(1.223.201)	(1.964.254)
Change Inventories of raw mat., consumables and goods	(111.371)	(57.830)	(111.371)	(57.830)
Total operating costs	**(102.578.466)**	**(72.021.244)**	**(95.592.491)**	**(61.639.465)**
EBIT	**16.227.672**	**5.098.758**	**23.213.647**	**15.480.537**
Write-down of equity investments	(28.858)	0	(28.858)	0
Financial income	13.613	22.890	13.613	22.890
Financial expenses	(5.582.552)	(4.324.071)	(5.582.552)	(2.690.671)
Exchange gains/(losses)	(12.863)	(11.403)	(12.863)	(11.403)
PROFIT BEFORE TAXES	**10.617.012**	**786.173**	**17.602.987**	**12.801.352**
Income taxes	(3.386.837)	(1.195.895)	(5.098.400)	(3.534.325)
NET PROFIT	**7.230.175**	**(409.722)**	**12.504.587**	**9.267.027**

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CONSOLIDATED NET FINANCIAL POSITION

	31.12.2022	31.12.2021
A - Cash and other cash and cash equivalents	30.486.005	37.445.042
B - Securities held for trading	0	0
C - Current financial assets	456.068	20.136.059
D - Liquidity (A + B + C)	**30.942.074**	**57.581.101**
E - Current payables due to banks	(5.540.706)	(3.710.186)
F - Other current financial liabilities	(3.363.995)	(8.561.318)
G - Payables due to other lenders	(7.553.374)	(8.042.466)
H - Current bond	(903.324)	(829.623)
I - Current financial debt (E + F + G + H)	**(17.361.399)**	**(21.143.593)**
J - Current net financial debt (I - D)	**13.580.675**	**36.437.508**
K - Payables due to banks	(13.424.911)	(13.369.968)
L - Payables due to other lenders	(14.074.473)	(13.989.425)
M - Non-current bond	(168.513.170)	(147.922.733)
N - Other non-current financial liabilities	(561.814)	(1.647.806)
O - Trade payables and other non-current payables	0	(114.885)
P. Non-current financial debt (K + L + M + N + O)	**(196.574.367)**	**(177.044.816)**
Q - Group net financial debt (J + P)	**(182.993.692)**	**(140.607.308)**
- Payables for leases IFRS 16 (current)	2.416.446	2.139.412
- Payables for leases IFRS 16 (non-current)	7.839.241	8.569.796
R - Net financial debt excluding Group IFRS16 impact	**(172.738.006)**	**(129.898.100)**

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CONSOLIDATED CASH FLOW STATEMENT	**31.12.2022**	**31.12.2021**
Net profit from continuing operations	7.230.175	(409.722)
Adjustments for non-cash items:	**0**	**0**
Amortisation, depreciation, revaluations and write-downs	23.534.910	18.177.349
Change in employee benefits	27.996	58.068
Financial charges	5.546.413	4.312.585
Income taxes	3.386.837	1.195.895
Other non-cash changes	(1.118.187)	3.345.631
Cash flow generated from operating activities before working capital changes	**38.608.143**	**26.679.805**
Changes in current assets and liabilities:	0	0
Decrease (increase) in inventories	20.104	117.394
Decrease (increase) in trade receivables	(9.086.653)	(1.794.050)
Increase (decrease) in trade payables	2.187.312	4.384.636
Increase (decrease) in tax payables	1.258.944	(105.721)
Decrease (increase) other current assets	(2.498.242)	(1.427.612)
Increase (decrease) in current liabilities	(1.011.230)	1.329.700
Decrease (increase) in other non-current assets	(66.496)	(134.636)
Increase (decrease) in other non-current liabilities	0	(225.949)
Decrease (increase) in assets deriving from contracts	(1.052.481)	(935.451)
Increase (decrease) in liabilities deriving from contracts	1.728.079	2.759.989
Income taxes paid	(2.947.110)	(2.751.882)
Interest paid/received	(4.796.320)	(1.237.707)
Net cash flow generated from operating activities (a)	**22.344.051**	**26.658.517**
Net increase intangible assets	(7.111.864)	(4.211.988)
Net increase tangible assets	(13.085.256)	(7.647.218)
Decrease (increase) other financial current assets	20.000.000	(20.000.000)
Cash flows from business combinations net of cash and cash equivalents	(19.765.774)	(61.125.296)
Net cash flow used in investing activities (b)	**(19.962.894)**	**(92.984.502)**
New financing	6.198.075	2.053.074
Repayment of loans	(4.532.927)	(63.898.119)
Lease payables	(9.952.660)	(7.787.784)
Payment of deferred fees for business combinations	(4.759.578)	(7.909.479)
Bond Issue	19.654.795	147.827.573
Share capital increase	0	24.799.663
Distribution of dividends	(8.367.415)	(3.179.719)
(Purchase) Use of treasury shares	(7.580.483)	(6.376.395)
Net cash flow from financing activities (c)	**(9.340.193)**	**85.528.814**
Net increase/(decrease) in cash and cash equivalents a+b+c	**(6.959.037)**	**19.202.829**
Cash and cash equivalents at end of the period	30.486.005	37.445.042
Cash and cash equivalents at beginning of the period	37.445.042	18.242.212
Net increase/(decrease) in cash and cash equivalents	**(6.959.037)**	**19.202.829**

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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 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, MTA listing costs, tax credit for MTA 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 MTA 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.

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, MTA listing costs, tax credit for MTA 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 MTA 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 MTA 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 – 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 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.

Adjusted Total operating revenues and income - is a non-GAAP measure used by the Group to measure its performance. The measure Adjusted Total operating revenues and income is calculated as Total operating revenues and income as per the income statement in accordance with IFRS from which the non-recurring element linked to the tax credit for listing costs classified under the item "Other revenues and income" was subtracted in 2020. It should be noted that Adjusted Total operating revenues and income 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.