



## PRESS RELEASE

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

**Revenues at Euro 64.2 million +18.2% vs H1 2022 (Euro 54.3 million)  
driven by organic growth in Italy and Germany and the acquisition of new customers  
Group recurring revenues at 85%  
Recurring Revenues in Italy at 82% of the total, Core revenues up +19,7% on H1 2022  
German market at 55.4% of the total turnover**

**Adjusted EBITDA at Euro 24.3 million +23.4% vs H1 2022 (Euro 19.7 million),  
up more than proportionally to sales thanks to cost synergies  
and the development of higher value-added services  
German market at 48.2% of Group Adjusted EBITDA**

**Revenue margin at 37.9% in H1 2023 (36,3% in H1 2022)  
led, in particular, by Italy at 45.3% in the second quarter of the year registering a significant  
improvement compared to the results as at 31 March 2023 (40.8%)**

**Adjusted EBIT of Euro 13.4 million +29.4% vs H1 2022 (Euro 10.3 million) at 20.9% of revenues**

**Commercial pipeline in significant progress in sectors as Pharma, Professional Services and  
Retail where the Group is increasing its market share**

**Milan, 2 August 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 at 30 June 2023 - prepared in accordance with IFRS international accounting standards.

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



**CEO Alessandro Cozzi commented** "The first-half results confirm the expectations of a year characterised by solid growth and the achievement of cost synergies to support the margin, and the more than proportional progress of EBITDA, in particular the performance in Italy is noteworthy, thanks to the focus on higher value-added services and the completion of the integration of the acquired companies. Finally, the scouting activity continues in order to continue the consolidation project in Central Europe."

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

**Consolidated revenues: Euro 64.2 million** (Euro 54.3 million in H1 2022, +18.2%)

**Consolidated Adjusted EBITDA: Euro 24.4 million** (Euro 19.7 million in H1 2022, +23.4%) margin on revenue at 37.9%;

**Consolidated Adjusted EBIT: Euro 13.4 million** (Euro 10.3 million in H1 2022, +29.4%) margin on revenue at 20.9%;

**Adjusted net profit: Euro 6.7 million in** (+8.3%)

**Adjusted Net Financial Position (debt): Euro -151.4 million<sup>2</sup> (-140.6<sup>2</sup> in FY2022)**

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

**Revenues** equal to **Euro 64.2 million, up +18.2%** compared to Euro 54.3 million in 1H 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 +8.5% (core revenue growth was +19.7%) and in Germany about +6.4% (core revenue growth was +7.6%) accelerating in the second quarter of the year. The contribution of the companies acquired in 2022 and in the first months of 2023 in 1H 2023 was Euro 3.8 million relating to Lansol, Euro 2.2 million relating to Global Access and Euro 3.0 million to ERPTech (merged into WIIT since the second quarter of the current year).

**Adjusted Operating Costs** equal to approximately Euro 22.2 million show an increase of Euro 2.0 million compared to 1H 2022. This change is mainly attributable to the integration of the companies acquired in 2022 and early 2023 and marketing and communication costs to support growth.

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<sup>2</sup> excluding the IFRS16 effect of Euro 12.1 million (Euro 10.3 million in 2022) and including the valuation of treasury shares in portfolio quantified at approximately Euro 33.0 million at market value on 30 June 2023 (market value as at 31 December 2022 Euro 28 million);



**Adjusted  
personnel  
costs**

equal to approximately Euro 16.6 million show an increase of Euro 2.8 million compared to 1H 2022. This change is mainly attributable to the new scope of consolidation, particularly in Germany.

**Consolidated  
Adjusted  
EBITDA**

equal to **Euro 24.3 million** (Euro 19.7 million in 1H 2022), **+23.4%** compared to 1H 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. Margin on revenue at 37.9% significantly improved from FY2022 (35.5%) in line with the first quarter of the year.

As at 30 June 2023, the WIIT Group's margin in Italy was 43.0% and in Germany 33.8%, a significant 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 Datacenter GmbH ("Lansol"), characterised by higher value-added revenues (33.6% in FY2022).

The normalisation carried out at the level of Gross Operating Margin (EBITDA) as at 30 June 2023 refers to the effects deriving from the extraordinary M&A transactions in the amount of Euro 0.7 million and to the costs related to incentive plans based on financial instruments for Euro 0.6 million and personnel reorganisation costs for approximately Euro 0.7 million.

**Adjusted EBIT  
(Net Operating  
Margin)**

amounting to **Euro 13.4 million** compared to Euro 10.3 million recorded in 1H 2022 (**+29.4%**), representing 20.9% of revenue, a significant improvement over FY2022 (19.5%). The value of amortisation, depreciation and impairment stood at approximately Euro 11.0 million, up by Euro 1.8 million compared to the same period of the previous year, and reflects the investments made in 2022.

The normalisation carried out at the level of EBIT at 30 June 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 2.3 million.

**Financial  
expenses**

equal to Euro 3.6 million, mainly attributable to the effect of interest on bonds in the amount of Euro 2.6 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 6.7 million** compared to Euro 6.1 million in 1H 2022 (+8.3%), including the tax effect calculated on normalisations at the operating result level.

## Analysis of the WIIT Group's Financial Performance as at 30 June 2023

**Net Financial Position (debt)** equal to **Euro -198.1 million** as at 30 June 2023 (-180.8 million as at 31 December 2022), considering the IFRS16 impact of about Euro 12.1 million (Euro 10.3 as at 31 December 2022), and excluding the valuation of treasury shares in the portfolio quantified at approximately Euro 33.0 million at the market value as at 30 June 2023 (market value at December 31, 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 12.0 million, and the sale of treasury shares for Euro 6.7 million.
- dividends paid for Euro 7.8 million
- Capital expenditure (CAPEX) amounted to approximately Euro 14.8 million for the purchase of IT infrastructures related to new orders signed during the year both in Italy and abroad;

Significant cash flows generated by operating activities were recorded in 1H 2023. Cash and cash equivalents amounted to Euro 22.5 million and showed a difference of Euro -9.0 million, compared to 31 December 2022, considering the use of liquidity for the purchase of treasury shares for an amount of Euro 12 million, offset by the sale of treasury shares for approximately 6.7 million, dividends paid for an amount of Euro 7.8 million, the acquisition of Global Access for Euro 7.3 million (net of cash and cash equivalents), as well as the balance of the deferred price for the acquisition of ERPTech for Euro 0.65 million

The value does not include the valuation of treasury shares in portfolio quantified in approximately Euro 33 million at market value at 30 June 2022.

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## Significant events in 1H 2023

**On 16 January 2023**, the transaction was finalised, through the subsidiary myLoc managed IT AG, to acquire 100% of the shares of Global Access Internet Services GmbH, 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 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 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's services and technology within their value chain. The price paid for the acquisition was Euro 7.4 million. In particular, the consideration paid includes an additional component of Euro 964 thousand conditional on the achievement of certain results in 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. Originating in Great Britain in 1851, the America's Cup is now the oldest sporting trophy and the most prestigious sailing competition in the world, involving the most technologically advanced boats, with a global following of millions of spectators. 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. The partnership is proof that WIIT and Luna Rossa Prada Pirelli share a highly innovative approach, aimed at the search for ever more avant-garde solutions. 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 a major Italian company operating in the healthcare sector, specialising in services dedicated to prevention, diagnosis and treatment. 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 S.p.A. signed the deed of merger by incorporation of ERPTech S.p.A. into WIIT S.p.A.. 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 a major Italian company active in the distribution of consumer goods, specialising in the sale of personal and household care products. 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**, WIIT announced that the new Milan Data Center (MIL2) has obtained Tier IV Certification of Constructed Facility from Uptime Institute. After successfully completing all test phases, WIIT's new Data Center located in Milan achieved 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 WIIT's multi-country network of Data Centers located in the EU: 19 proprietary data centers, 3 located in Italy and 16 in Germany, serving the Business Continuity of companies.

**On 13 April 2023**, WIIT S.p.A. announced the excellent result obtained 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 23 points above the IT industry average out of a sample of 157 rated companies.

**On 3 May 2023**, there was the settlement of the exercise of the put option granted to the seller JBM Technology Deutschland for 327,654 WIIT shares at a price per share equal to the price at which the shares had been allocated to JBM and, therefore, for a total of Euro 10 million. The contractual agreements stipulated that the planned price for the acquisition of Boreus 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 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 04 May 2023**, the Company's Shareholders' Meeting appointed a director to integrate the Board of Directors, confirming the co-opted director, Ms. Chiara Grossi, in office until the expiration of the current Board of Directors and therefore until the Shareholders' Meeting called to approve the financial statements as at 31 December 2023.

**On 4 May 2023**, the Shareholders' Meeting of WIIT S.p.A. held in ordinary session approved, inter alia, the 2022 financial statements, the allocation of the result for the year and the distribution of a dividend of Euro 0.30 per share, as well as a share-based incentive plan called the "2023-2027 RSU Plan".

**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 S.p.A. 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 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. 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.

**On 11 May 2023**, the Parent Company's 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 08 May 2023. On the basis of the information provided, the Board of Directors of WIIT S.p.A. 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 S.p.A. 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.

### **Significant events that occurred after the end of the semester**

There are no significant events subsequent to 30 June 2023.

### **Business Outlook**

As at 30 June 2023, the Wiit Group was marginally exposed to the Russian and Ukrainian markets; as better detailed in paragraph 23 "Revenues from sales and provision of services", the Group's revenues to Russia as at 30 June 2023 amounted to Euro 71 thousand, (0.11% of revenues) and to Ukraine amounted to Euro 137 thousand (0.21% 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.

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 the Parent Company and 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 four years. With reference to the energy market in Italy, the Group





does not see any critical situations at the moment. Finally, significant operating cash flow generation is expected in 2023, thanks to EBITDA progress and normalisation of investments, after the 2022 peak for the construction of the two new data centers (Tier IV) in Milan and Düsseldorf. 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.

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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 June 2023 are annexed.**

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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](http://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](mailto:ir@wiit.cloud)  
[www.wiit.cloud](http://www.wiit.cloud)

Media Relations:  
Image Building  
T +39 02 89011300  
[wiit@imagebuilding.it](mailto:wiit@imagebuilding.it)

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

## FINANCIAL STATEMENTS

### CONSOLIDATED BALANCE SHEET

	30.06.2023	31.12.2022
<b>ASSETS</b>		
Other intangible assets	60.044.483	58.113.828
Goodwill	121.077.831	115.155.615
Rights of use	12.101.855	10.267.121
Property, plant and equipment	8.432.996	9.216.120
Other tangible assets	43.250.019	41.355.990
Deferred tax assets	2.049.585	1.637.180
Equity investments and other non-current financial assets	14.321	17.098
Other non-current assets deriving from contracts	24.356	65.508
Other non-current assets	587.823	542.315
<b>NON-CURRENT ASSETS</b>	<b>247.583.269</b>	<b>236.370.774</b>
Inventories	124.939	186.703
Trade receivables	26.890.242	25.177.311
Trade receivables from associates	0	6.003
Current financial assets	1.199.534	901.133
Current assets deriving from contracts	0	0
Other receivables and other current assets	9.942.879	8.869.224
Cash and cash equivalents	22.483.673	31.458.080
<b>CURRENT ASSETS</b>	<b>60.641.268</b>	<b>66.598.454</b>
<b>TOTAL ASSETS</b>	<b>308.224.537</b>	<b>302.969.228</b>



THE PREMIUM CLOUD

## CONSOLIDATED BALANCE SHEET

	30.06.2023	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	5.057.196	2.692.252
Treasury shares in portfolio reserve	(25.954.711)	(19.410.233)
Reserves and retained earnings (accumulated losses)	1.074.273	1.028.475
Translation reserve	11.820	(4.022)
Net profit for the period	3.816.437	7.845.609
<b>SHAREHOLDERS' EQUITY</b>	<b>31.966.198</b>	<b>40.113.264</b>
	12.826	(5.567)
	146.881	134.056
<b>SHAREHOLDERS' EQUITY</b>	<b>32.113.079</b>	<b>40.247.320</b>
Payables to other lenders	13.767.791	14.074.473
	161.101.352	167.683.547
Bank payables	20.786.868	13.384.703
Other non-current financial liabilities	332.254	1.061.814
Employee benefits	2.706.193	2.719.278
	505.768	522.277
Deferred tax liabilities	16.053.425	16.434.674
Non-current liabilities deriving from contracts	109.882	195.414
Other payables and non-current liabilities	94.970	0
<b>NON-CURRENT LIABILITIES</b>	<b>215.458.503</b>	<b>216.076.180</b>
Payables to other lenders	8.632.813	7.553.375
	8.175.477	903.324
Short-term loans and borrowings	7.630.343	5.580.914
Current income tax liabilities	2.591.778	3.268.246
Other current financial liabilities	1.930.371	2.943.671
Trade payables	20.056.982	14.918.435
Payables to associates	(0)	(0)
Current liabilities deriving from contracts	5.046.753	5.143.779
Other payables and current liabilities	6.588.438	6.333.984
<b>CURRENT LIABILITIES</b>	<b>60.652.955</b>	<b>46.645.728</b>
<b>LIABILITIES HELD-FOR-SALE</b>	<b>276.111.458</b>	<b>262.721.908</b>
<b>TOTAL LIABILITIES</b>	<b>308.224.537</b>	<b>302.969.228</b>



THE PREMIUM CLOUD

## CONSOLIDATED INCOME STATEMENT

	Six Months at 30.06.2023	Six Months at 30.06.2022	Six Months at 30.06.2023 Adjusted	Six Months at 30.06.2022 Adjusted
<b>REVENUES AND OPERATING INCOME</b>				
Revenues from sales and services	63.738.159	53.688.730	63.738.159	53.688.730
Other revenues and income	412.687	567.192	412.687	567.192
<b>Total revenues and operating income</b>	<b>64.150.846</b>	<b>54.255.922</b>	<b>64.150.846</b>	<b>54.255.922</b>
<b>OPERATING COSTS</b>				
Purchases and services	(23.454.167)	(20.871.398)	(22.243.223)	(20.269.942)
Personnel costs	(17.477.421)	(14.076.283)	(16.630.918)	(13.838.456)
Amortisation, depreciation, and write-downs	(13.260.664)	(11.309.063)	(10.959.665)	(9.189.653)
Provisions	0	(188.400)	0	(188.400)
Other costs and operating charges	(876.711)	(479.080)	(876.711)	(479.080)
Change Inventories of raw mat., consumables and goods	(61.764)	49.210	(61.764)	49.210
<b>Total operating costs</b>	<b>(55.130.727)</b>	<b>(46.875.015)</b>	<b>(50.772.281)</b>	<b>(43.916.321)</b>
<b>EBIT</b>	<b>9.020.119</b>	<b>7.380.907</b>	<b>13.378.565</b>	<b>10.339.601</b>
Write-down of equity investments	0	(28.858)	0	(28.858)
Financial income	6.374	441.536	6.374	13.036
Financial expenses	(3.598.305)	(2.387.957)	(3.598.305)	(2.387.957)
Exchange gains/(losses)	(1.102)	(6.992)	(1.102)	(6.992)
<b>PROFIT BEFORE TAXES</b>	<b>5.427.086</b>	<b>5.398.636</b>	<b>9.785.532</b>	<b>7.928.829</b>
Income taxes	(1.597.823)	(1.009.403)	(3.135.056)	(1.790.839)
<b>NET PROFIT</b>	<b>3.829.263</b>	<b>4.389.233</b>	<b>6.650.476</b>	<b>6.137.990</b>

## CONSOLIDATED NET FINANCIAL POSITION

	30.06.2023	31.12.2022
A - Cash and other cash and cash equivalents	22.483.673	31.458.080
B - Securities held for trading	0	0
C - Current financial assets	1.199.534	901.133
<b>D - Liquidity (A + B + C)</b>	<b>23.683.207</b>	<b>32.359.213</b>
E - Current payables due to banks	(7.630.343)	(5.580.914)
F - Other current financial liabilities	(1.930.371)	(2.943.671)
G - Payables due to other lenders	(8.632.813)	(7.553.375)
H - Current bond	(8.175.477)	(903.324)
<b>I - Current financial debt (E + F + G + H)</b>	<b>(26.369.004)</b>	<b>(16.981.283)</b>
<b>J - Current net financial debt (I - D)</b>	<b>(2.685.797)</b>	<b>15.377.930</b>
K - Payables due to banks	(20.786.868)	(13.384.703)
L - Payables due to other lenders	(13.767.791)	(14.074.473)
M - Non-current bond	(161.101.352)	(167.683.547)
N - Other non-current financial liabilities	(332.254)	(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>(195.988.265)</b>	<b>(196.204.536)</b>
<b>Q - Group net financial debt (J + P)</b>	<b>(198.674.062)</b>	<b>(180.826.606)</b>
- Payables for leases IFRS 16 (current)	3.010.920	2.416.446
- Payables for leases IFRS 16 (non-current)	9.123.070	7.839.241
<b>R - Net financial debt excluding Group IFRS16 impact</b>	<b>(186.540.072)</b>	<b>(170.570.920)</b>



THE PREMIUM CLOUD

## CONSOLIDATED CASH FLOW STATEMENT

	30.06.2023	30.06.2022
<b>Net profit from continuing operations</b>	3.829.263	4.389.233
Adjustments for non-cash items:		
Amortisation, depreciation, revaluations and write-downs	12.785.254	11.497.463
Financial assets adjustments	0	0
Change in employee benefits	(13.085)	21.829
Financial charges	3.593.033	1.524.914
Income taxes	1.597.823	1.009.403
Other non-cash changes	184.182	298.842
<b>Cash flow generated from operating activities before working capital changes</b>	<b>21.976.470</b>	<b>18.741.684</b>
Changes in current assets and liabilities:		
Decrease (increase) in inventories	61.764	(281.569)
Decrease (increase) in trade receivables	(1.216.271)	(4.806.473)
Increase (decrease) in trade payables	4.916.093	4.671.622
Increase (decrease) in tax payables	(850.680)	177.043
Decrease (increase) other current assets	(919.477)	(2.827.967)
Increase (decrease) in current liabilities	612.132	(1.256.339)
Decrease (increase) in other non-current assets	(9.993)	(91.988)
Increase (decrease) in other non-current liabilities	94.966	0
Decrease (increase) in assets deriving from contracts	41.152	(1.903.400)
Increase (decrease) in liabilities deriving from contracts	(184.085)	2.816.084
Income taxes paid	(2.798.404)	(1.743.694)
Interest paid/received	(1.574.657)	37.670
<b>Net cash flow generated from operating activities (a)</b>	<b>20.149.010</b>	<b>13.532.672</b>
Net increase intangible assets	(4.228.398)	(5.826.463)
Net increase tangible assets	(5.916.362)	(5.466.369)
Decrease (increase) other financial current assets	0	10.261.102
Cash flows from business combinations net of cash and cash equivalents	(7.333.214)	(3.949.322)
<b>Net cash flow used in investing activities (b)</b>	<b>(17.477.973)</b>	<b>(4.981.052)</b>
New financing	12.000.000	6.218.704
Repayment of loans	(3.960.609)	(2.139.364)
Lease payables	(5.307.190)	(5.153.691)
Payment of deferred fees for business combinations	(650.000)	(5.564.769)
Increase / (decrease) other financial payables	(592.859)	0
Distribution of dividends	(7.818.114)	(8.116.414)
(Purchase) Use of treasury shares	(5.316.671)	(4.984.857)
<b>Net cash flow from financing activities (c)</b>	<b>(11.645.443)</b>	<b>(19.740.391)</b>
<b>Net increase/(decrease) in cash and cash equivalents a+b+c</b>	<b>(8.974.406)</b>	<b>(11.188.772)</b>
Cash and cash equivalents at end of the period	22.483.673	26.256.271
Cash and cash equivalents at beginning of the period	31.458.079	37.445.042
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(8.974.406)</b>	<b>(11.188.772)</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.

**Core revenues** - are revenues from value-added services provided by the Group, which can be both recurring and non-recurring.

**Recurring Revenues** – are revenues from value-added services provided by the Group on an ongoing basis characterized by long-term contracts.

**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 Center 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 Center 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.