WIIT

THE PREMIUM CLOUD

PRESS RELEASE

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

Revenues continued to increase to Euro 31.8 million (+20.6%) driven by growth in Italy and Germany

German market at 54.3% of turnover

Group recurring revenues at 84% and WIIT (post-merger) at 80% of the total

Adjusted EBITDA of Euro 12.0 million (+19.3%) up significantly, despite the inflationary effect on costs and the impact of energy, particularly in the German market at 50.7% of Group Adjusted EBITDA

Margin on revenues in Italy at 40.8% in the first quarter of the year, registering a significant improvement over FY2022 results (37.5%) due to the continued focus on value-added services and cost synergies

Adjusted net profit equal to Euro 3.9 million, up +20.3%.

Acquisition of Global Access in Germany in January 2023 for Euro 6.4 million

At 31 March 2023, the WIIT Group recorded:

- **Consolidated revenue amounted to Euro 31.8 million (Euro 26.4 million in 1Q 2022), +20.6% compared to the same period last year. Increase 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 +7.8% (core revenue growth was 9%) and in Germany about +4%. The contribution of the companies acquired in 2022 and early 2023 was Euro 1.9 million for Lansol, Euro 1.1 million for Global Access and Euro 1.8 million for ERPTech.**
- **Consolidated adjusted EBITDA of Euro 12.0 million (Euro 10.1 million in 1Q 2022), +19.3% compared to 1Q 2022 thanks to the concentration in Cloud services, the level of optimisation achieved in the organisation of processes and operational services, cost synergies and the continuous improvement of the margin of the acquired companies which partially mitigated the inflationary**

[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.

effect on energy costs and growth. Margin on revenues at 37.8%, registering a significant improvement on FY2022 (35.5%).

- **Consolidated Adjusted EBIT of Euro 6.7 million (Euro 5.7 million in 1Q 2022), +17.2% vs 1Q 2022 with a margin on revenue at 21.1%, depreciation, amortisation and write-downs at Euro 5.1 million, up by about Euro 0.9 million compared to the same period last year and reflects the growth in investments in 2022.**
- **Adjusted net profit at Euro 3.9 million, up 20.3% from Euro 3.2 million in 1Q 2022. 1Q 2023 reflects the increase in financial expenses to Euro 1.8 million, mainly related to the bond issued.**
- **Net Financial Position of Euro -146.3 million (Euro -142,0 million at 31 December 2022) excluding the IFRS16 effect of Euro 12.8 million (Euro 10.3 million in 2022) and including the valuation of treasury shares in portfolio quantified in approximately Euro 32.8 million at market value at 31 March 2023 (Euro 28.0 million at market value at 31 December 2022); this change includes in particular the payment for the acquisition of Global Access in the amount of Euro 6.4 million, Capex in the amount of Euro 8.7 million and purchase of treasury shares for Euro 2.0 million.**
- **The Group's cost for electricity in 1Q 2023 was Euro 2.5 million, up from Euro 2.0 million in 1Q 2022, most of which was attributable to the German region.**
- **Stefano Pasotto co-opted as non-executive director.**

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Milan, 11 May 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 results at 31 March 2023 - prepared in accordance with IFRS international accounting standards.

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CEO Alessandro Cozzi commented *"The results of the first quarter of the year are in line with the budget and with our expectations on all economic and financial indicators and begin to reflect the positive effect of the contribution of the new contracts closed at the end of 2022. The EBITDA margin highlighted a significant improvement both in Italy and in Germany in the first quarter of the year thanks to the cost synergies obtained and the focus on value added services. We expect significant operating cash generation in 2023, thanks to the progress of EBITDA and the normalization of investments".*

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Consolidated results as at 31March 2023

At 31 March 2023, the group headed by WIIT (the "**WIIT Group**" or the "**Group**") reported **consolidated revenues** of Euro 31.8 million, up sharply (+20.6%) from Euro 26.4 million in 1Q 2022.

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 1Q 2023 of approximately Euro 11.2 million show an increase of Euro 1.4 million compared to 1Q 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.

Adjusted Personnel costs in 1Q 2023 of approximately Euro 8.3 million show an increase of Euro 1.9 million compared to 1Q 2022. This change is mainly attributable to the new scope of consolidation, particularly in Germany.

Consolidated **Adjusted EBITDA** stood at Euro 12.0 million (+19.3%) at 31 March 2023 compared to Euro 10.1 million in 1Q 2022 and recorded a margin on revenues of 37.8%, registering a significant improvement compared to FY2022 (35.5%).

As at 31 March 2022, the WIIT Group's margin in Italy was 40.8% and in Germany 35.3%, 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 adjustment carried out at the level of **Gross Operating Margin (EBITDA)** as at 31 March 2023 refers to the effects deriving from the extraordinary M&A transactions in the amount of Euro 0.4 million and to the costs related to incentive plans based on financial instruments for Euro 0.3 million and personnel reorganisation costs for approximately Euro 0.3 million.

The value of amortisation, depreciation and impairment stood at approximately Euro 5.1 million, up by Euro 0.9 million compared to the same period of the previous year, and reflects the investments made in 2022.

Adjusted Net Operating Margin (Adjusted EBIT) as at 31March 2023 stood at Euro 6.7 million compared to Euro 5.7 million recorded in 1Q 2022 (+17.2%), representing 21.1% of revenues, a significant improvement over FY2022 (19.5%).

The adjustment carried out at the **EBIT** level at 31 March 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 1.1 million.

Financial Expenses - amounting to Euro 1.8 million - are mainly attributable to the effect of interest on bonds in the amount of Euro 1.2 million and financial expenses for bank loans and other lenders.

Adjusted Net Profit, which includes the tax effect calculated on normalisations, amounted to Euro 3.9 million as at 31 March 2023, compared to Euro 3.2 million in 1Q 2022 (+20.3%).

The Net Financial Position (indebtedness), considering the IFRS16 impact of approximately Euro 12.8 million recorded as at 31 March 2023 (Euro 10.3 million as at 31 December 2022), went from Euro -180.8 million as at 31 December 2022 to Euro -191.9 million as at 31 March 2023: this change includes:

- the price paid for the acquisition of Global Access in January 2023 for Euro 6.4 million;
- the purchase of treasury shares for Euro 2.0 million;

- Capital expenditure (CAPEX) amounted to approximately Euro 8.7 million for the purchase of IT infrastructures related to new orders signed during the year both in Italy and abroad, and for the realisation of the two new data centers (Tier IV) in Milan and Düsseldorf.

Significant cash flows generated by operating activities were recorded in 1Q 2023. Cash and cash equivalents amounted to Euro 33.6 million and showed a difference of Euro +2.0 million, compared to 31 December 2022.

The value does not include the valuation of treasury shares in portfolio quantified in approximately Euro 32.8 million at market value at 31 March 2022.

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Significant events in 1Q 2023

On 16 January 2023, the acquisition, through the subsidiary myLoc managed IT AG, of 100% of the shares of Global Access Internet Services GmbH was finalised. Global Access Internet Services GmbH is active in the field of private cloud and managed services 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 enterprise value is Euro 6.4 million, subject to adjustments related to the company's net financial position and working capital as at 31 December 2022. Of the amount due, 80% was paid at closing, while the remaining 20% was deposited in an escrow account to secure the expected adjustments after closing of the 2022 financial statements.

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 took legal effect from 1 April 2023 and accounting and tax effects from 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 the Parent Company. 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.

<u>Significant events after 1Q 2023-end</u>

On 6 April 2023, WIIT S.p.A. 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 Shareholders' Meeting of WIIT S.p.A. held in ordinary session on 4 May 2023 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 May 8, 2023, Dr. Igor Bailo, executive director of the Company and Chief Operating Officer of WIIT, following the termination of the managerial employment relationship, has resigned from the position of director of WIIT, for professional reasons.

Business outlook

As at 31 March 2023, the WIIT Group was marginally exposed to the Russian and Ukrainian markets; the Group's revenues to Russia as at 31 March 2023 amounted to Euro 39 thousand, (0.1% of revenues) and to Ukraine amounted to Euro 73 thousand (0.2% 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 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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Lastly, following the press release of 8 May 2023, WIIT S.p.A. announces that today the Board of Directors, having acquired the assessments of the Company's "Appointments and Remuneration Committee" and with the approval of the Board of Statutory Auditors, resolved to co-opt Stefano Pasotto as non-executive director to replace director Igor Bailo, who resigned on 8 May 2023.

On the basis of the information provided, the Board of Directors 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.

On the basis of the information provided, as of today's date, Mr. Pasotto holds 15.150 WIIT shares. [Note. To be confirmed that the shares are held directly]

Mr. Pasotto's curriculum vitae is available on the Company's website (https://www.wiit.cloud/), in the "Company - Governance" section.

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 accounting schemes of the WIIT Group as at 31 March 2023 are attached. With reference to the data set out in this press release, it should be noted that these are data that are not subject to legal auditing.

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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

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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 Centers – 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)

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

CONSOLIDATED BALANCE SHEET

	31.03.2023	31.12.2022
ASSETS		
Other intangible assets	59.329.673	58.113.828
Goodwill	121.231.488	115.155.614
Rights of use	12.659.633	10.267.121
Property, plant and equipment	9.251.859	9.216.120
Other tangible assets	41.584.051	41.355.990
Deferred tax assets	1.794.844	1.637.180
Equity investments and other non-current financial assets	17.105	17.098
Other non-current assets deriving from contracts	29.191	65.508
Other non-current assets	563.525	542.315
NON-CURRENT ASSETS	**246.461.368**	**236.370.774**
Inventories	248.665	186.703
Trade receivables	29.448.295	25.177.311
Trade receivables from associates	6.003	6.003
Current financial assets	725.263	901.133
Current assets deriving from contracts	407.757	0
Other receivables and other current assets	8.228.207	8.869.224
Cash and cash equivalents	33.617.342	31.458.080
CURRENT ASSETS	**72.681.532**	**66.598.454**
TOTAL ASSETS	**319.142.900**	**302.969.228**

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CONSOLIDATED BALANCE SHEET

	31.03.2023	31.12.2022
SHAREHOLDERS' EQUITY AND LIABILITIES		
Share Capital	2.802.066	2.802.066
Share premium reserve	44.598.704	44.598.704
Legal reserve	560.413	560.413
Other reserves	2.980.989	2.692.252
Treasury shares in portfolio reserve	(21.208.443)	(19.410.233)
Reserves and retained earnings (accumulated losses)	9.192.251	1.028.475
Translation reserve	(3.302)	(4.022)
Net profit for the period	2.179.703	7.845.609
SHAREHOLDERS' EQUITY	**41.102.380**	**40.113.264**
	8.154	*(5.567)*
	147.777	*134.056*
SHAREHOLDERS' EQUITY	*41.250.158*	*40.247.320*
Payables to other lenders	15.116.715	14.074.473
	168.459.439	167.683.547
Bank payables	22.860.079	13.384.703
Other non-current financial liabilities	606.713	1.061.814
Employee benefits	2.683.319	2.719.278
	85.000	522.277
Deferred tax liabilities	15.682.291	16.434.674
Non-current liabilities deriving from contracts	128.668	195.414
Other payables and non-current liabilities	499.513	0
NON-CURRENT LIABILITIES	**226.121.740**	**216.076.180**
Payables to other lenders	8.820.960	7.553.375
	1.120.463	903.324
Short-term loans and borrowings	6.827.052	5.580.914
Current income tax liabilities	2.535.686	3.268.246
Other current financial liabilities	2.392.239	2.943.671
Trade payables	17.898.445	14.918.435
Payables to associates	0	(0)
Current liabilities deriving from contracts	5.049.337	5.143.779
Other payables and current liabilities	7.126.820	6.333.984
CURRENT LIABILITIES	**51.771.002**	**46.645.728**
LIABILITIES HELD-FOR-SALE	**277.892.742**	**262.721.908**
TOTAL LIABILITIES	**319.142.900**	**302.969.228**

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CONSOLIDATED INCOME STATEMENT

	31.03.2023	31.03.2022	Adjusted 31.03.2023	Adjusted 31.03.2022
REVENUES AND OPERATING INCOME				
Revenues from sales and services	31.551.817	26.066.210	31.551.817	26.066.210
Other revenues and income	241.474	298.778	241.474	298.778
Total revenues and operating income	**31.793.291**	**26.364.988**	**31.793.291**	**26.364.988**
OPERATING COSTS				
Purchases and services	(11.914.529)	(10.027.502)	(11.226.548)	(9.793.699)
Personnel costs	(8.600.323)	(6.432.884)	(8.252.632)	(6.315.456)
Amortisation, depreciation, and write-downs	(6.279.394)	(5.297.932)	(5.148.857)	(4.259.920)
Provisions	(168.905)	(93.300)	(168.905)	(93.300)
Other costs and operating charges	(293.243)	(221.919)	(293.243)	(221.919)
Change Inventories of raw mat., consumables and goods	8.000	45.941	8.000	45.941
Total operating costs	**(27.248.395)**	**(22.027.596)**	**(25.082.185)**	**(20.638.353)**
EBIT	**4.544.896**	**4.337.392**	**6.711.106**	**5.726.635**
Write-down of equity investments	0	(28.858)	0	(28.858)
Financial income	6.793	434.604	6.793	4.604
Financial expenses	(1.752.136)	(1.205.371)	(1.752.136)	(1.205.371)
Exchange gains/(losses)	(4.577)	(553)	(4.577)	(553)
PROFIT BEFORE TAXES	**2.794.977**	**3.537.214**	**4.961.187**	**4.496.457**
Income taxes	(607.120)	(882.931)	(1.077.467)	(1.267.182)
NET PROFIT	**2.187.857**	**2.654.283**	**3.883.720**	**3.229.275**

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CONSOLIDATED NET FINANCIAL POSITION

	31.03.2023	31.12.2022
A - Cash and other cash and cash equivalents	33.617.342	31.458.080
B - Securities held for trading	0	0
C - Current financial assets	725.263	901.133
D - Liquidity (A + B + C)	**34.342.605**	**32.359.213**
E - Current payables due to banks	(6.827.052)	(5.580.914)
F - Other current financial liabilities	(2.392.239)	(2.943.671)
G - Payables due to other lenders	(8.820.960)	(7.553.375)
H - Current bond	(1.120.463)	(903.324)
I - Current financial debt (E + F + G + H)	**(19.160.714)**	**(16.981.283)**
J - Current net financial debt (I - D)	**15.181.891**	**15.377.930**
K - Payables due to banks	(22.860.079)	(13.384.703)
L - Payables due to other lenders	(15.116.715)	(14.074.473)
M - Non-current bond	(168.459.439)	(167.683.547)
N - Other non-current financial liabilities	(606.713)	(1.061.814)
O - Trade payables and other non-current payables	0	0
P. Non-current financial debt (K + L + M + N + O)	**(207.042.947)**	**(196.204.536)**
Q - Group net financial debt (J + P)	**(191.861.056)**	**(180.826.606)**
- Payables for leases IFRS 16 (current)	7.284.116	2.416.446
- Payables for leases IFRS 16 (non-current)	3.587.119	7.839.241
R - Net financial debt excluding Group IFRS16 impact	**(180.989.821)**	**(170.570.920)**

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CONSOLIDATED CASH FLOW STATEMENT

	31.03.2023	31.03.2022
Net profit from continuing operations	2.187.857	2.654.283
Adjustments for non-cash items:	**0**	**0**
Amortisation, depreciation, revaluations and write-downs	6.448.299	5.391.232
Change in employee benefits	(35.960)	311.796
Increase (decrease) provisions for risks and charges	(168.905)	0
Financial charges	1.749.920	771.320
Income taxes	607.120	882.931
Other non-cash changes	420.757	711.354
Cash flow generated from operating activities before working capital changes	**11.209.088**	**10.722.916**
Changes in current assets and liabilities:	0	0
Decrease (increase) in inventories	(61.962)	(131.669)
Decrease (increase) in trade receivables	(4.018.032)	(2.103.337)
Increase (decrease) in trade payables	2.757.556	4.608.716
Increase (decrease) in tax payables	(906.772)	623.484
Decrease (increase) other current assets	1.266.683	(2.201.271)
Increase (decrease) in current liabilities	140.034	(49.297)
Decrease (increase) in other non-current assets	14.305	(36.583)
Increase (decrease) in other non-current liabilities	499.513	(93.300)
Decrease (increase) in assets deriving from contracts	(371.440)	(665.562)
Increase (decrease) in liabilities deriving from contracts	(162.714)	1.185.660
Income taxes paid	(1.334.383)	(209.976)
Interest paid/received	(871.495)	(208.178)
Net cash flow generated from operating activities (a)	**8.160.382**	**11.441.603**
Net increase intangible assets	(3.082.773)	(3.375.340)
Net increase tangible assets	(2.128.841)	(1.937.518)
Decrease (increase) other financial current assets	0	(167.850)
Cash flows from business combinations net of cash and cash equivalents	(6.368.971)	(3.949.322)
Net cash flow used in investing activities (b)	**(11.580.585)**	**(9.430.030)**
New financing	12.000.000	0
Repayment of loans	(1.362.270)	(1.113.203)
Lease payables	(2.552.562)	(2.605.067)
Payment of deferred fees for business combinations	(500.000)	(3.617.174)
Increase / (decrease) other financial payables	(6.532)	0
(Purchase) Use of treasury shares	(1.999.171)	(3.556.217)
Net cash flow from financing activities (c)	**5.579.464**	**(10.891.659)**
Net increase/(decrease) in cash and cash equivalents a+b+c	**2.159.263**	**(8.880.087)**
Cash and cash equivalents at end of the period	33.617.342	28.564.955
Cash and cash equivalents at beginning of the period	31.458.079	37.445.042
Net increase/(decrease) in cash and cash equivalents	**2.159.263**	**(8.880.087)**

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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 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 – 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.