

Q1 Results Presentation

CLOUD TRANSFORMATION JOURNEY

Being an european cloud leader for non-stop business companies in the cloud transformation era.

Milan, May 13th 2019

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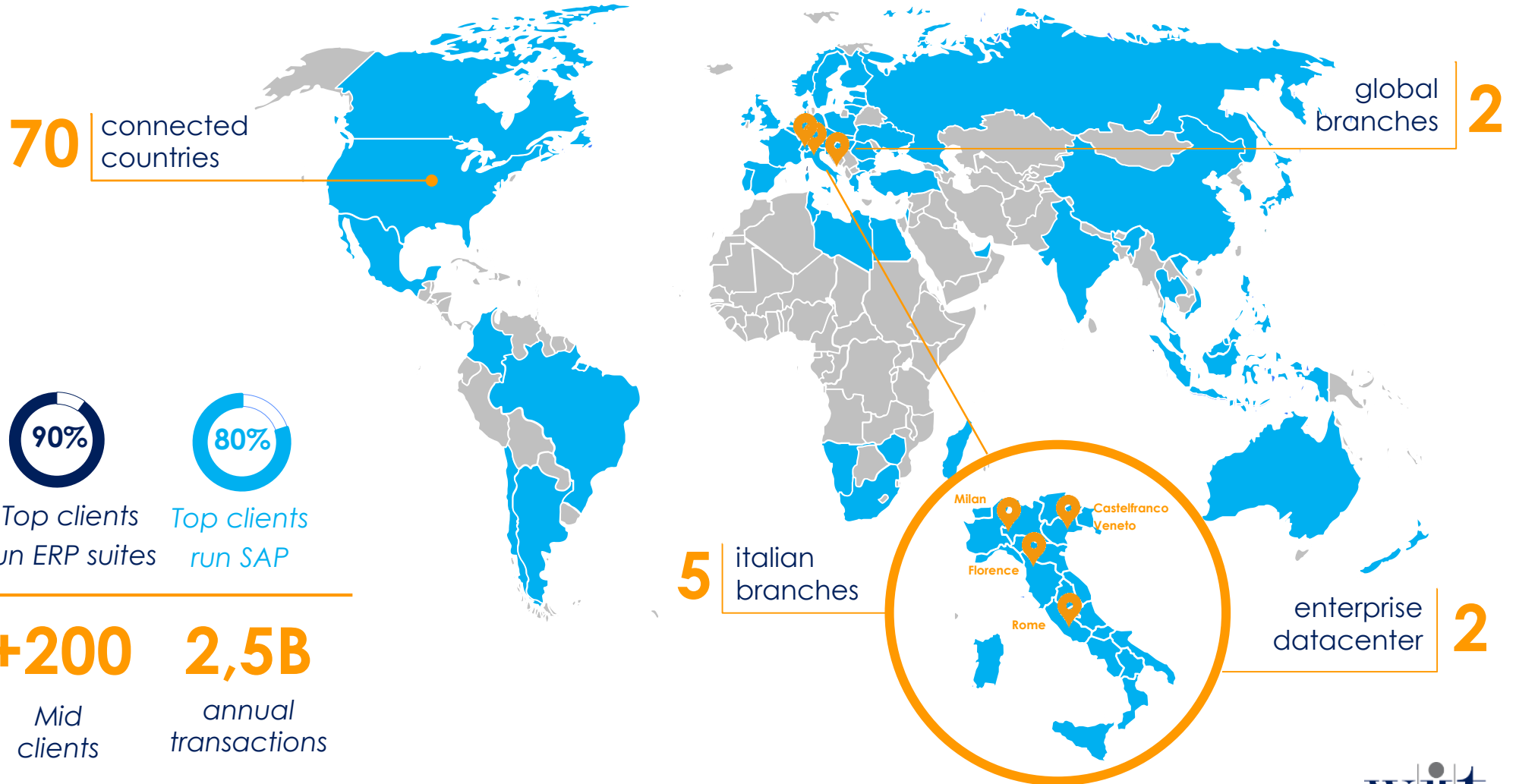
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Q1 2019 RESULTS HIGHLIGHTS

- Consolidated revenue of € 7.5mln (€ 5.2 million in 1Q 2108) + 44.1% compared to the same period of the previous year, mainly driven by organic growth and a constantly growing market;
- Consolidated Adjusted EBITDA of € 2.9 million (€ 2.2 million in 1Q 2108) + 31.7% compared to the same period of 2018; the margin on revenues is 38.2%, demonstrating the level of optimization achieved in the organization of operational processes and services;
- Consolidated adjusted EBIT of Euro 1.5 million (Euro 1 million in 1Q 2108) + 50.6% compared to the first quarter of 2018 with a margin on revenues up to 19.8%;
- Adjusted net profit of € 2.3 million (€ 0.7 million in 1Q 2108) + 205.7% compared to the same period of the previous year;
- Net financial position excluding IFRS effect¹⁶: debt of Euro 1.4 million (compared to a debt of Euro 3.3 million at December 31, 2018);
- Agreement signed on the "Patent Box" with reference to the 2015-2019 tax years that can be extended for a further 5 years. The tax benefit for WIIT for the five-year period will be entirely reflected in the results of 2019 and will be quantified in the preparation of the related financial statements. It is estimated that the amount of the eligible income for the first period 2015/2018 is approximately 7.7 million Euro.

We support our clients on a global level

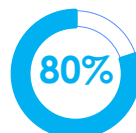
Geographical coverage of clients connected to our datacenters



Top clients with DR/BC



Top clients run ERP suites



Top clients run SAP

70

Top clients

+200

Mid clients

2,5B

annual transactions

High standing Client Base...

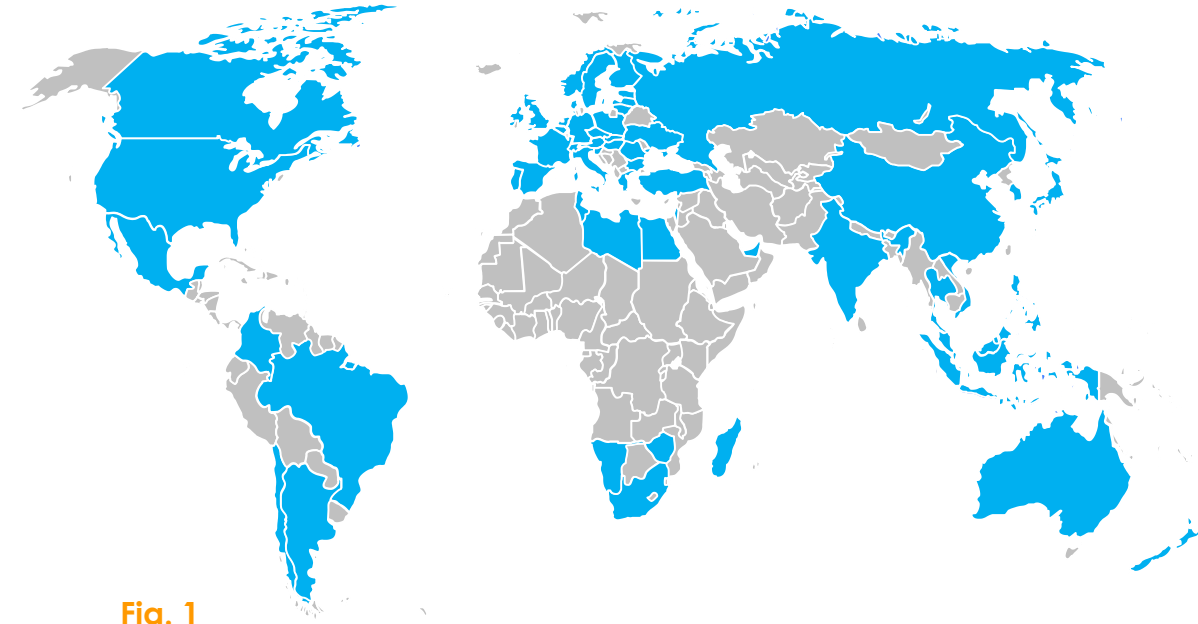


Fig. 1
CLIENTS GLOBAL DISTRIBUTION
 70 connected countries

- **Top standing large and medium enterprises** with high credit worthiness and high IT budget spending
- Many **multinational** groups, well diversified by economic sector, supported by Wiit at a global level
- **Very high retention rate (high client satisfaction)**
- **More than 70 clients*** WIIT, with a **stable growth over the last years**
- **More than 200 clients** Adelante
- **Direct sales force**
- **Increasing avg. revenues per client thanks to:**
 - Bigger new clients
 - Increasing share of clients' needs satisfied by Wiit
 - Cross-selling of further services to existing clients

The first **10 Top Clients** have
76% overseas turnover (**)

(*) Core clients: clients generating more than 100k€ / year and relating to core business (cloud, SAP) and extended core (user support and document management)- excluding una tantum projects and non core activity (NDP, Hyperion)
 (**) Source Clients Financial Report 2018 and Management account – data not audited

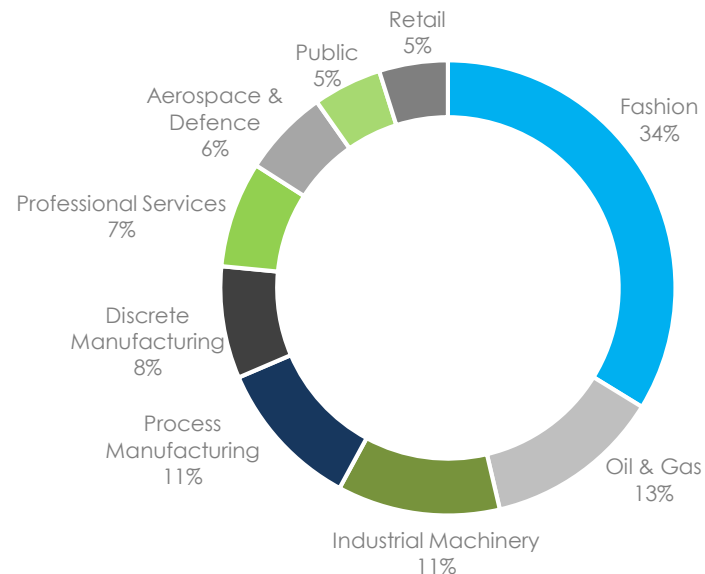


Fig.2
TOP 10's CLIENT REVENUE BY SECTOR
 (Prospect 2018)

Key financials - Backlog

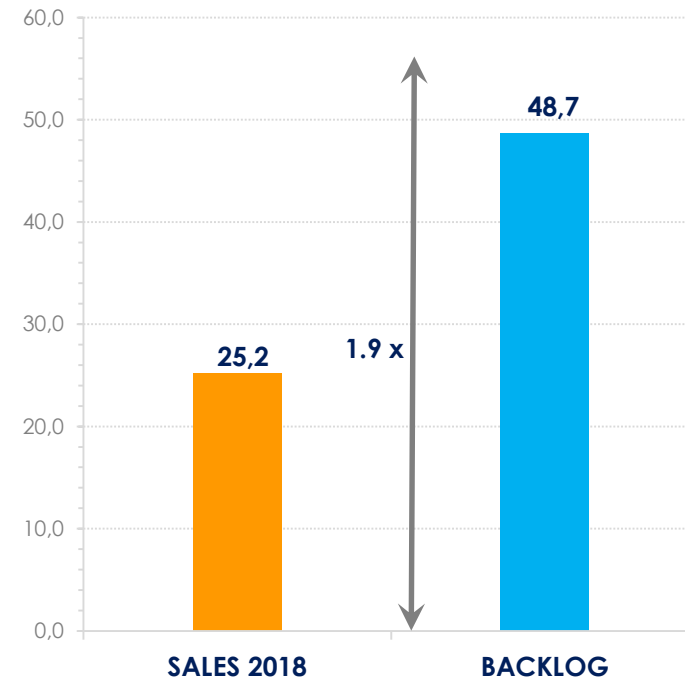
WIIT Group operates with multiannual contracts that grants a high predictability of the business

48.7 €mn* of **Backlog**
as at 1st January 2019,
equal to 1.9 times 2018A sales

TYPICAL WIIT'S CONTRACT SCHEME

- **Multiannual maturity: 3-5 years standard**
- **High penalties for the client in case of early termination:** usually ~50-70% of residual contract value from the 2nd-3rd year on
- **Quarterly or monthly invoicing**
- WIIT has the right to interrupt services if the client does not pay

BACKLOG AS AT 1st JAN 2019 (€mn)

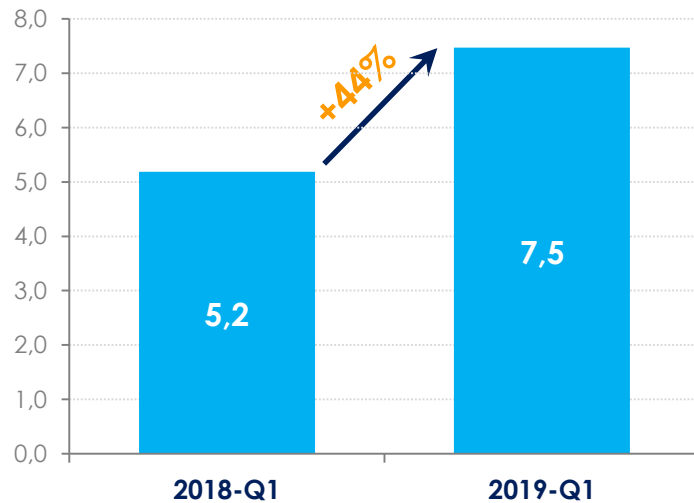


(*) data audited in January 2019

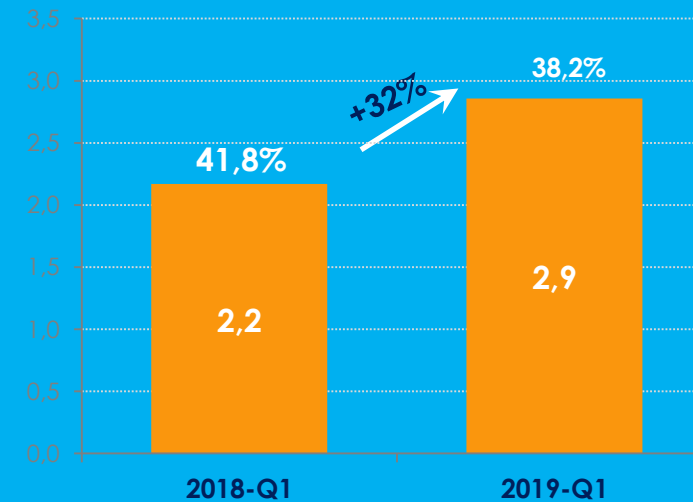
...Q1-2019 continues to achieve a Sharp Growth...

- Strong organic Revenue growth in Q1 2019 of 44% at € 7.5mln with existing and new clients, Adelante performance in line with expectation
- Increasing Credibility and Accountability vs the client base
- Adjusted EBITDA growth, excluding non recurrent cost related to MTA STAR listing of € 0.8mln, up 32% to 2.9mln Euro, EBITDA margin at
- Big potential for a margin expansion thanks to a scalable platform with fixed costs mainly:
 - Personnel
 - Connectivity costs
 - Rent

SALES (€mn)



EBITDA Adj.* (€mln) and MARGIN %

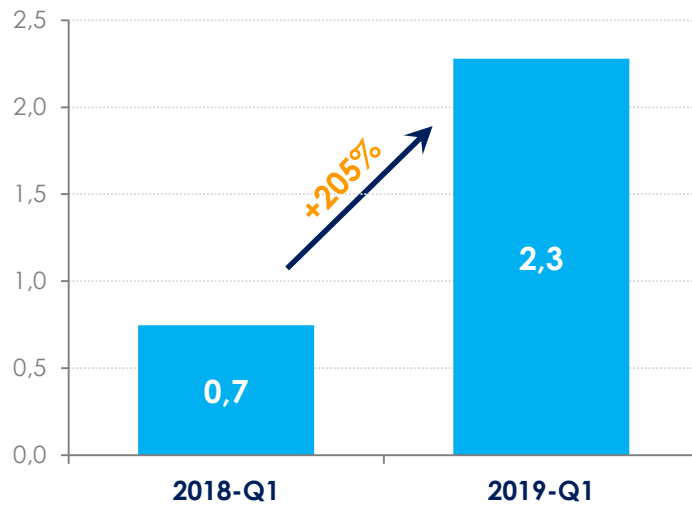


* EBITDA adjusted excluding the Figurative cost of Performance Shares and IPO costs of 0,8mln Euro

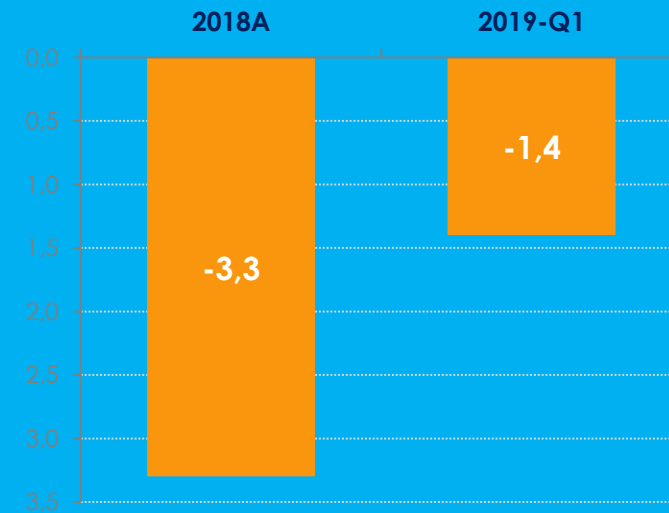
Q1-2019: Strong Growth in Net Profit and CAPEX under control

- Strong Adjusted Net Profit growth in Q1 2019 of more than 205% at € 2.3mn, due to the positive operating performance and to the "Patent Box application
- Net Financial Position at xx excluding xx IFRS 16 effect compared to xx
- CAPEX expenditure under control at € 1.9mn to support business development and higher operating cash flow generation of € xx
- Lower working capital characterized by better receivables
- Dividend paid to shareholder € 2.3mn

NET RESULT Adjusted (€mn)



PFN (€mn) excluding IFRS 16 impact



Income Statement: Q1-2019 Results

IFRS Form (€ 000)	2016	2017	2018	2018-Q1	2019-Q1
NET SALES	15.341	19.556	25.237	5.188	7.474
Cost of products and service sold (excl. IPO costs)	7.586	7.255	10.121	1.878	3.278
Cost of employees (excl. Figurative cost Perf. Shares)	2.616	3.606	4.395	1.066	1.245
Other cost and charges	400	217	309	74	94
Variation of inventory	38	12	0	0	0
Total costs	10.640	11.089	14.826	3.018	4.616
EBITDA Adjusted	4.701	8.467	10.412	2.169	2.857
	30,6%	43,3%	41,3%	41,8%	38,2%
Amortisation, depreciation	2.300	3.433	5.108	1.185	1.376
Figurative cost of Performance Share 2016-2018	585	394	283	71	0
IPO Costs		455	142	0	793
OPERATING PROFIT	1.817	4.186	4.878	913	689
OPERATING PROFIT Adjusted	2.401	5.034	5.303	984	1.482
	15,7%	25,7%	21,0%	19,0%	19,8%
Depreciation of investments in associates	0	(6)	0	0	0
Financial income	19	42	7	1	129
Financial costs	(466)	(452)	(508)	(44)	(56)
Exchange rate differences	(18)	92	(90)	3	0
RESULT BEFORE TAXES	1.352	3.862	4.287	873	761
Income taxes	441	725	791	184	(848)
NET RESULT	911	3.137	3.496	689	1.610

* EBITDA adjusted excluding the Figurative cost of Performance Shares, IPO costs, cost relating M&A

- **Big potential for a margin expansion** thanks to a scalable platform with fixed costs mainly
- **Performance shares plan** generates a figurative cost ex IAS principles (tax deductible)
- **IPO cost:** cost related to listing process
- **M&A cost:** cost related to due diligence for Merger and Acquisition
- **Tax benefits** active from year 2016 on:
- “Super-ammortamento”: 140% overvaluation of the 2017 investments in new assets purchased or leased. Opportunity to benefit of subsidy for investments in intangible capital goods (software and IT systems)

Balance Sheet: Q1-2019 Results

Low NWC and indebtedness

IFRS Form (€ 000)	2016	2017	2018	2018-Q1	2019-Q1
Intangible Assets	917	1.402	4.050	2.971	6.676
Intangible Assets - Goodwill	1.315	1.315	9.736	1.315	9.736
Property plant and equipment	8.920	12.912	13.823	14.947	14.163
Other Tangible Assets	0	0	0	0	0
Investments in associates	464	458	68	458	68
Total non-current assets	11.616	16.087	27.677	19.691	30.643
Inventories	12	0	0	0	0
Trade and other receivables	4.023	3.292	4.699	5.125	4.279
Intercompany receivables	875	1.122	461	1.326	213
Advance Tax	300	377	685	377	662
Other liquid assets	475	395	1.734	836	2.785
Total current assets	5.685	5.186	7.580	7.664	7.940
Tax current liabilities	292	366	669	454	391
Trade and other payables	1.729	2.058	3.802	3.957	5.669
Payables vs related companies	0	0	0	0	36
Other payables and current liabilities	708	807	2.056	911	4.542
Total current liabilities	2.729	3.231	6.528	5.322	10.638
Net Working Capital	2.956	1.955	1.053	2.342	(2.698)
Other payables and non-current liabilities	320	220	1.340	475	1.217
Employee benefits liabilities	817	918	1.259	944	1.304
Provisions for deferred tax liabilities	29	29	214	29	214
Total non-current liabilities	1.166	1.167	2.813	1.447	2.736
NET INVESTED CAPITAL	13.406	16.875	25.917	20.586	25.209
Equity	4.512	24.755	22.243	24.629	21.521
Net Financial Debt (Cash)	8.895	(7.880)	4.383	4.043	4.495
Net Financial Debt (Cash) Excluding impact of IFRS16				3,299	1.397
Cash and cash equivalents at year-end	3.610	21.514	17.930	19.974	18.885

- **Fixed assets** mainly include the two Wiit's datacenters (today used at approx. 40% of their capacity) – amortization in 5 years
- **Goodwill** refers to the merger of Sevenlab S.r.l. into Wiit in 2014 and acquisition of a division of Visiant Technologies in 2015, Adelante Group and Foster in 2018
- **Intangible Assets** Q1-2019: 2 millions IFRS16
- Other payables in current liabilities Q1-2019: 2,3 millions Debt for dividend distribution

Shareholding Structure at March 2019

No. Shares 2.652.066

