

H1 2020 Results Presentation

CLOUD TRANSFORMATION JOURNEY

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

Milan, September 9th 2020

Disclaimer

This document has been prepared by Wilit S.p.A. (the "Company") for information and discussion purposes only, it contains only summary information and, therefore, it is preliminary in nature. Furthermore, it has been drafted without claiming to be exhaustive.

This presentation ("Presentation") is confidential and, as such, has not been prepared with a view to public disclosure and, except with the prior written consent of the Company, it cannot be used by the recipient for any purpose nor can it be disclosed, copied, recorded, transmitted, further distributed to any other person or published, in whole or in part, by any medium or in any form for any purpose. Therefore, the recipient undertakes vis-à-vis the Company (i) to keep secret any information of whatever nature relating to the Company and its affiliates including, without limitation, the fact that the information has been provided ("Information"), (ii) not to disclose any Information to anyone, (iii) not to make or allow any public announcements or communications concerning the Information and (iv) to use reasonable endeavors to ensure that Information are protected against unauthorized access.

This document is not an advertisement and in no way constitutes a proposal to execute a contract, an offer or invitation to purchase, subscribe or sell for any securities and neither it or any part of it shall form the basis of or be relied upon in connection with any contract or commitment or investments decision whatsoever. The Company has not prepared and will not prepare any prospectus for the purpose of the initial public offering of securities. Any decision to purchase, subscribe or sell for securities will have to be made independently of this Presentation. Therefore, nothing in this Presentation shall create any binding obligation or liability on the Company and its affiliates and any of their advisors or representatives.

This Presentation does not constitute an offer to the public in Italy of financial products, as defined under article 1, paragraph 1, letter (t) of legislative decree no. 58 of 24 February 1998, as amended.

This Presentation is not for distribution in, nor does it constitute an offer of securities for sale in the United States of America, Canada, Australia, Japan or any jurisdiction where such distribution is unlawful, (as such term is defined in Regulation S under the United States Securities Act of 1933, as amended (the "Securities Act"). Neither this Presentation nor any copy of it may be taken or transmitted into the United States of America, its territories or possessions, or distributed, directly or indirectly, in the United States of America, its territories or possessions or to any US person. Any failure to comply with this restriction may constitute a violation of United States securities laws.

No representation or warranty, express or implied, is or will be given by the Company as to the accuracy, completeness or fairness of any information contained in these materials and, so far as is permitted by law and except in the case of fraud by the party concerned, no responsibility or liability whatsoever is accepted for the accuracy or sufficiency thereof or for errors, omissions or misstatements, negligent or otherwise, relating thereto. In particular, but without limitation, no representation or warranty, express or implied, is or will be given as to the achievement or reasonableness of, and no reliance may be placed for any purpose on the accuracy or completeness of, any estimates, targets, projections or forecasts and nothing in these materials should be relied upon as a promise or representation as to the future.

The information and opinions contained in this document are provided as at the date hereof and are subject to change without notice. The recipient will be solely responsible for conducting its own assessment of the information set out in the Presentation. Neither the Company and its affiliates, nor any of their advisors or representatives shall be obliged to furnish or to update any information or to notify or to correct any inaccuracies in any information. Neither the Company and its affiliates, nor any of their advisors or representatives shall have any liability to the recipient or to any of its representatives as a result of the use of or reliance upon the information contained in this document.

Certain information contained in this Presentation may contain forward-looking statements which involve risks and uncertainties and are subject to change. In some cases, these forward-looking statements can be identified by the use of words such as "believe", "anticipate", "estimate", "target", "potential", "expect", "intend", "predict", "project", "could", "should", "may", "will", "plan", "aim", "seek" and similar expressions. The forecasts and forward-looking statements included in this document are necessarily based upon a number of assumptions and estimates that are inherently subject to significant business, operational, economic and competitive uncertainties and contingencies as well as assumptions with respect to future business decisions that are subject to change. By their nature, forward-looking statements involve known and unknown risks and uncertainties, because they relate to events, and depend on circumstances, that may or may not occur in the future. Furthermore, actual results may differ materially from those contained in any forward-looking statement due to a number of significant risks and future events which are outside of the Company's control and cannot be estimated in advance, such as the future economic environment and the actions of competitors and others involved on the market. These forward-looking statements speak only as at the date of this Presentation. The Company cautions you that forward looking-statements are not guarantees of future performance and that its actual financial position, business strategy, plans and objectives of management for future operations may differ materially from those made in or suggested by the forward-looking statements contained in this Presentation. In addition, even if the Company's financial position, business strategy, plans and objectives of management for future operations are consistent with the forward-looking statements contained in this Presentation, those results or developments may not be indicative of results or developments in future periods. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

By accepting this Presentation, you acknowledge and agree to be bound by the foregoing terms, conditions, limitations and restrictions.

H1 2020 RESULTS HIGHLIGHTS

Strong acceleration in sales +56.1% mainly driven by the organic growth, upselling and cross selling on existing clients and Matika and Etaeria consolidation

- Consolidated Adjusted Revenue of 23.1 M€ (14.8 M€ in H1 2019) +56.1% compared to the same period of the previous year thanks to the organic growth, the acquisition of Matika and Etaeria and the upselling and cross selling on existing clients. Consolidated Reported Revenue of 23.5 M€, including the extraordinary impact of tax credit for 0.4 M€;
- Consolidated Adjusted EBITDA of 8.2 M€ (5.9 M€ in H1 2019) +40.0% compared to the half of 2019, thanks to the level of optimization achieved in the organization of operational processes and services and to the margin improvement of the acquired companies due to cost synergies; the margin on revenues is 35.7%;
- Consolidated Adjusted EBIT of 4.3 M€ (3.1 M€ in H1 2019) +40.0% compared to the same period of 2019, despite an increase in amortisation, depreciation and write-downs of Euro 1.2 million on H1 2019, with a margin on revenue at 18.7%;
- Adjusted Net profit, of 3.2 M€ (3.8 M€ in H1 2019 which benefited from the positive Patent Box effect for approx. 1 M€);
- Net Financial Position (excluding the impact from the application of IFRS 16 for approx. 5.6 M€): debt of 31.9M€ (20 M€ at December 31, 2019); this value includes the Impact of the acquisition and related earn out value of Etaeria and Aedera business of 13.0 M€, Group dividend payment of 4.1M€ and does not consider the valuation of treasury shares in the portfolio, quantified in approximately 16.0 M€ at market value at June 30, 2020;
- Strong commercial pipeline to support H2 numbers.

COVID-19 Update: Effects on Business

- Smart working implementation from February 24th to ensure the safety of all employees → 98% of employees in smart working, minimum presidium only at datacenter, and gradual office reopening from May 18th
- Considering the recurring nature of WIIT revenues, based on long term contracts, no significant impacts related to COVID-19 are expected on 2020 results, as confirmed by the H1 2020 performance.
- Strong interest from new and existing clients in WIIT's “Smart Working” and “Cyber Security” services in H1 2020;
- Constant monitoring of clients creditworthiness no material impact on H1 2020 numbers.

+56.1% Adjusted Revenues
23.1 M€ vs 14.8 M€ in H1 2019

- Reported revenues +58,8% at 23.5 M€, including the positive impact of tax credit (0.4 M€);
- Constantly growing market;
- Positive organic revenues growth, strong upselling and cross selling on existing clients and good contribution from Matika and Etaeria;
- Increasing contribution from “Smart Working” and “Cyber Security” services in H1 2020.

Financial Highlights

H1 2020
VS
H1 2019

+40.0% Ebitda Adjusted
8.2 M€ vs 5.9 M€ in H1 2019

- Concentration on Cloud services, reduced low value added product revenue, optimized processes and operating services organization.
- Cost synergies in the acquired companies
- Improvement in margins:
 - **WIIT margin was 47.5%** higher than 2019 margin at 46% and improving on Q1 2020
 - Adelante from 17.7% in 2019 to 22.4% H1 2020
 - Matika from 25.6% 2019 to 27.6% H1 2020
 - Etaeria margin at 20,9% in Q1 2020
- Adjustments concern the impact of tax credit and M€ 0.1 of M&A costs.

Financial Highlights

H1 2020
VS
H1 2019

3.2 M€ Net Profit Adjusted
3.2 M€ vs 3.8 M€ in H1 2019

- H1 2019 Net result benefited from the impact of Patent Box for approx. 1 M€;
- Reported Net profit of 3.1 M€ reflects the positive impact of tax credit of 0.4 M€ and the impact of M&A costs of around 0.1 M€;
- Agreement on the "Patent Box" extended for 2020-2025 tax years

Financial
Highlights

H1 2020
VS
H1 2019

37.5 M€ Net debt
25.5 M€ at Dec 31, 2019

- **Strong operating cash flow generation of 8.5 M€;**
- IFRS16 effect of -5.6 M€ at June 2020 (-5.5 M€ at Dec 2019);
- Impact of the acquisition and related earn out value of Etaeria and Aedera business of 13.0 M€;
- CAPEX expenditure approx. 4.1 M€ mainly related to new orders;
- Group dividend payment of 4.1 M€;
- The treasury shares value (approx. 16.0 M€ at mark to market value at June 30, 2020) is not included in the cash accounting.

Financial Highlights

H1 2020
VS
H1 2019

Shareholding Structure



No. Shares 2.652.066

At June 30, 2020

