



R42 acquisition in Germany to boost the Cloud4Europe Project

Corporate Presentation

October 19th 2021

WIIT

THE PREMIUM CLOUD

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~77.7 M€

Acquisition Price (the provisional total price, will be adjusted based on R42 financials at the closing day at the end of October)

~70.8 M€

Enterprise Value

7.9x

Multiple paid

R42

**Acquisition
Highlights**

Finance sources

~67.7 M€

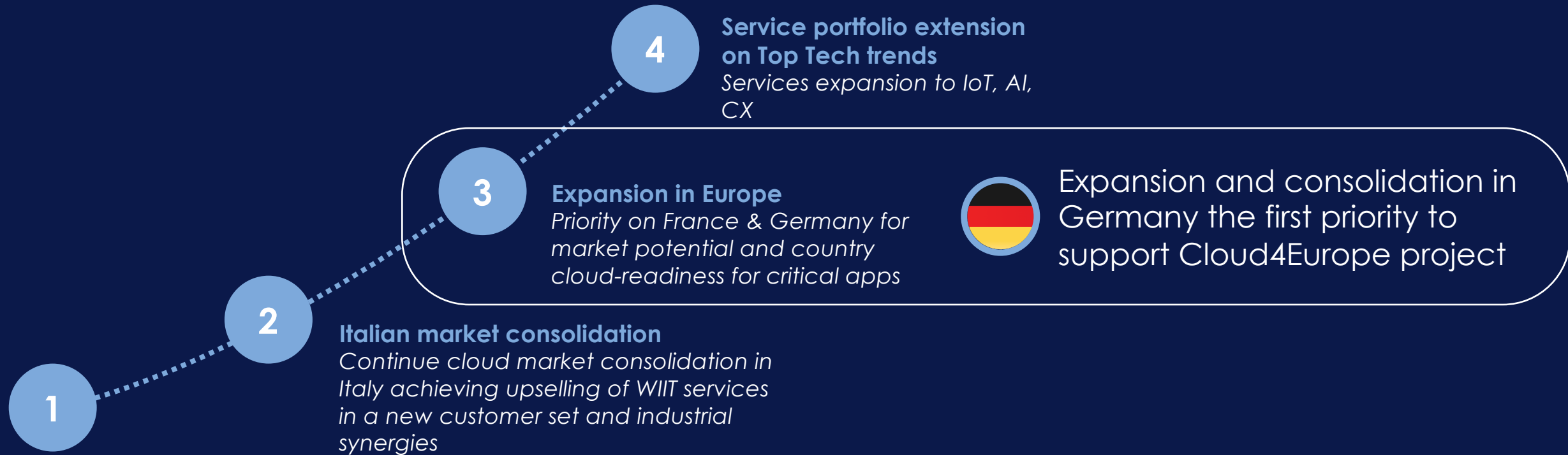
Bond

10 M€

Treasury shares



Milestone on WIIT's path for FUTURE GROWTH



Leadership in Italy on Business Critical Apps
Continue organic growth on SAP and other business critical apps

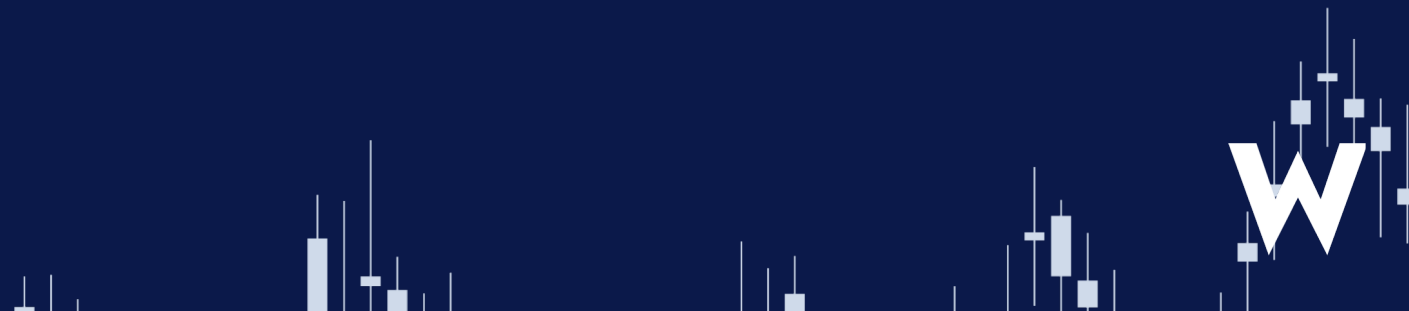
Italian market consolidation
Continue cloud market consolidation in Italy achieving upselling of WIIT services in a new customer set and industrial synergies

Expansion in Europe
Priority on France & Germany for market potential and country cloud-readiness for critical apps

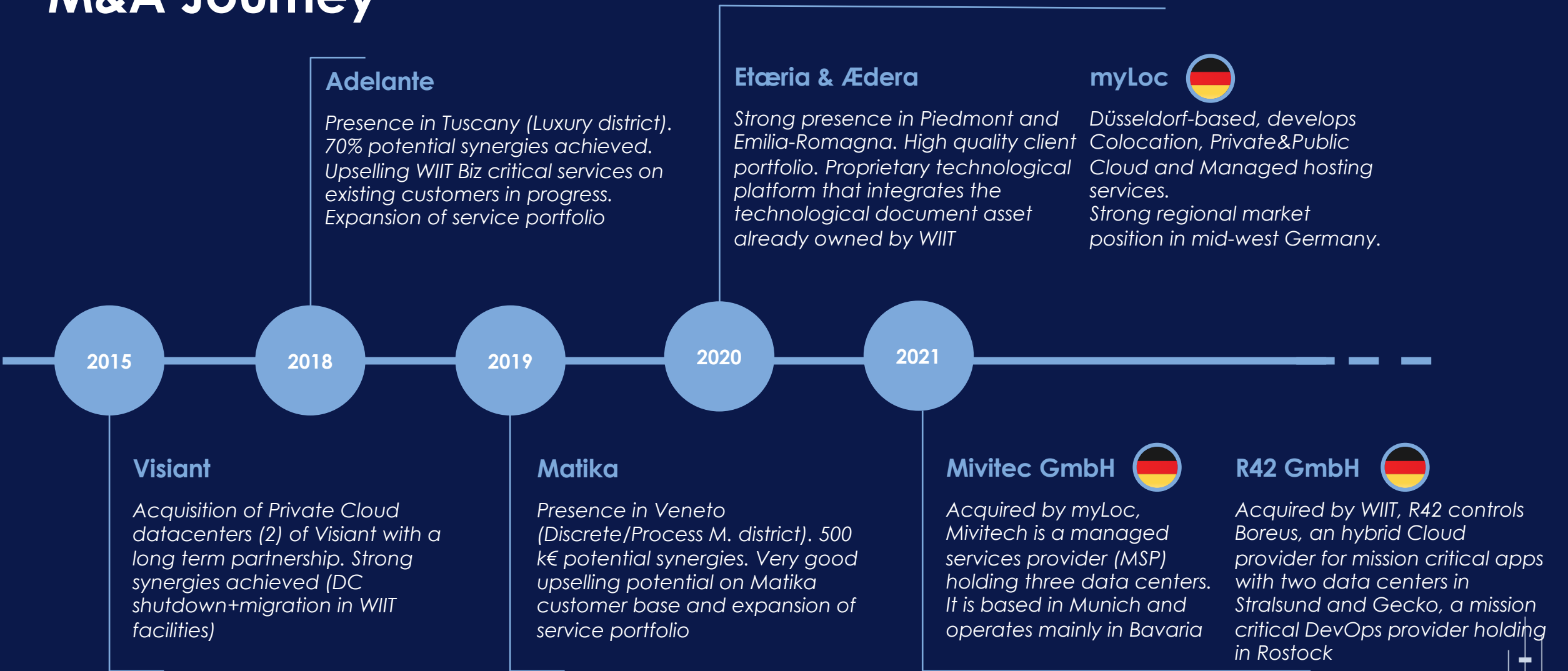


Expansion and consolidation in Germany the first priority to support Cloud4Europe project

Service portfolio extension on Top Tech trends
Services expansion to IoT, AI, CX



M&A Journey



2015

Visiant

Acquisition of Private Cloud datacenters (2) of Visiant with a long term partnership. Strong synergies achieved (DC shutdown+migration in WIIT facilities)

2018

Adelante

Presence in Tuscany (Luxury district). 70% potential synergies achieved. Upselling WIIT Biz critical services on existing customers in progress. Expansion of service portfolio

2019

Matika

Presence in Veneto (Discrete/Process M. district). 500 k€ potential synergies. Very good upselling potential on Matika customer base and expansion of service portfolio

2020

Etoeria & Adera

Strong presence in Piedmont and Emilia-Romagna. High quality client portfolio. Proprietary technological platform that integrates the technological document asset already owned by WIIT

2021

Mivitec GmbH



Acquired by myLoc, Mivitech is a managed services provider (MSP) holding three data centers. It is based in Munich and operates mainly in Bavaria

R42 GmbH



Acquired by WIIT, R42 controls Boreus, an hybrid Cloud provider for mission critical apps with two data centers in Stralsund and Gecko, a mission critical DevOps provider holding in Rostock

myLoc



Düsseldorf-based, develops Colocation, Private&Public Cloud and Managed hosting services. Strong regional market position in mid-west Germany.



A new excellent fit for WIIT's M&A STRATEGY

<p>1. Acquisitions in Italy to increase WIIT's market share and gain synergies (example: data centres)</p>	<p>1. Strategic acquisitions to enter more effectively in foreign markets leveraging on:</p> <ul style="list-style-type: none"> • a local established brand • a native salesforce with relationships with local clients, knowledge of local market and datacenter in the country <p>2. Cost savings mainly achievable thanks to the centralization of operations in Italy. Two examples:</p> <table border="1" data-bbox="394 664 1108 906"> <thead> <tr> <th>Profile</th> <th>Synergies</th> <th>Integration risks</th> </tr> </thead> <tbody> <tr> <td>I. Cloud players with a business model comparable to WIIT and multiannual contracts schemes</td> <td>cost synergies</td> <td>lower (same business model)</td> </tr> <tr> <td>II. IT players which can be considered part of the current WIIT Value Chain (for instance Datacenter, Cloud IaaS), have a client base suitable to an up-selling strategy and possibly multiannual contracts</td> <td>cost synergies + revenue synergies (up-selling)</td> <td>medium</td> </tr> </tbody> </table>	Profile	Synergies	Integration risks	I. Cloud players with a business model comparable to WIIT and multiannual contracts schemes	cost synergies	lower (same business model)	II. IT players which can be considered part of the current WIIT Value Chain (for instance Datacenter, Cloud IaaS), have a client base suitable to an up-selling strategy and possibly multiannual contracts	cost synergies + revenue synergies (up-selling)	medium
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Italy	Europe (DE, FR)									
External Growth										

1. Release42 is a highly strategic acquisition for WIIT for an additional boost of the Cloud4Europe project

- ✓ Strategic expansion in the Hybrid Cloud for mission critical application in Germany
- ✓ Strong benefit in accessing a highly skilled area for Cloud related competences
- ✓ Strong DevOps competence center to support digital transformation in mission critical and cloud-based vertical applications
- ✓ Owned data centres for further expansion of Business Continuity services across Germany
- ✓ A German wide customer base in eCommerce and Media tech market
- ✓ Strong cash flow generation and remarkable EBIT margin higher than the WIIT Group average

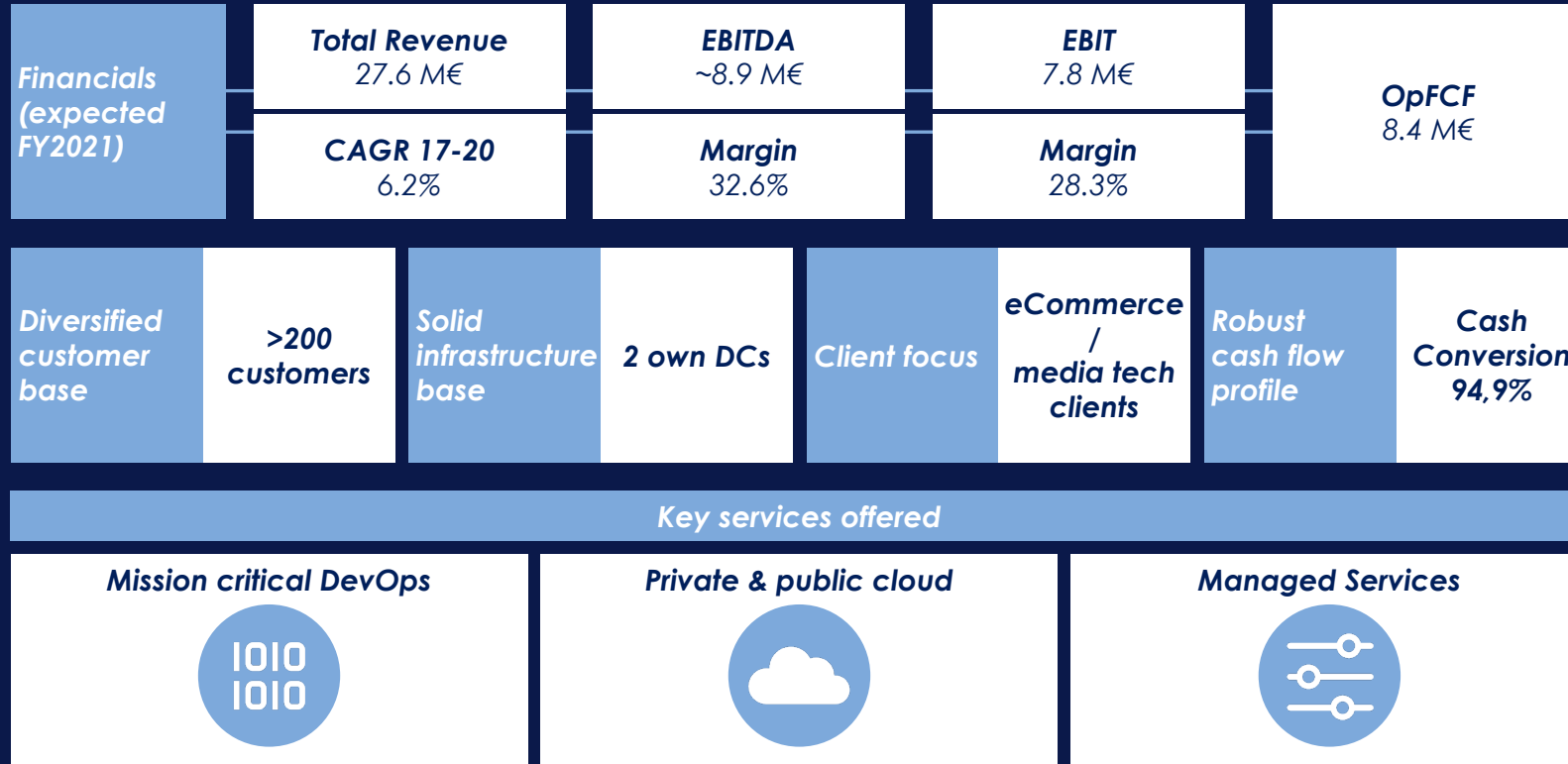
2. Low integration risk profile with tangible revenue and cost synergies through SAP cloud services up-selling potential

Profile	Synergies	Integration risks
Similar cloud player with multiannual contracts	Tangible synergies opportunities	Low

Release42



R42 Hybrid Cloud at a glance



- R42 controls Boreus GmbH based in Stralsund and Gecko mbH in Rostock.
- Boreus provides multi Hybrid Cloud for mission critical apps in ecommerce and media-tech sectors
- Gecko focused on DevOps for mission critical digital platforms
- German-wide client base
- >140 employees with rare and necessary skills in the DevOps world

(1) Calculated as Net OpFCF/EBITDA (net is calculated subtracting Capex & Leasings). (2) Year-on-year growth of 2019 total revenues vs 2018 total revenues (3) Calculated as Gross OpFCF – Capex&Leasings



Identified synergies

Identified cost Synergies

- Data center consolidation on myLoc campus
- Lay offs
- Software licenses
- Connectivity

2M

(per year)

Other Synergies

- DevOps skills
- Managed Services competence center
- E-commerce platforms
- Kubernetes and AWS skills
- High stickiness of employees

**NEW
SKILLS**

(Group level)



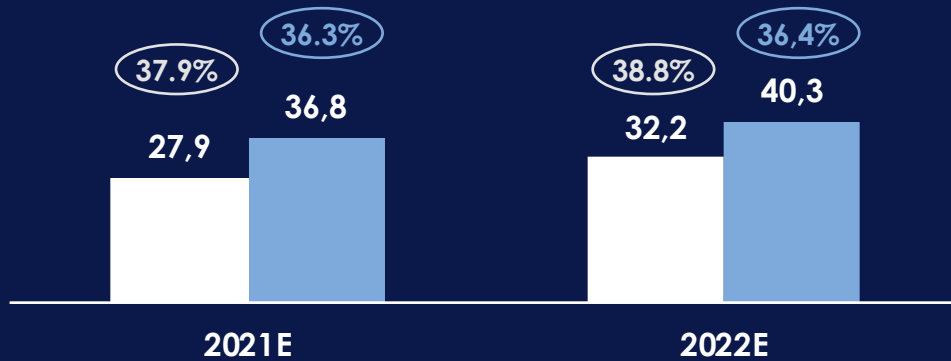
Transaction is expected to positively contribute to WIIT's financials and provide significant boost on EBIT and EBIT Margin in particular

Financial highlights (€m)

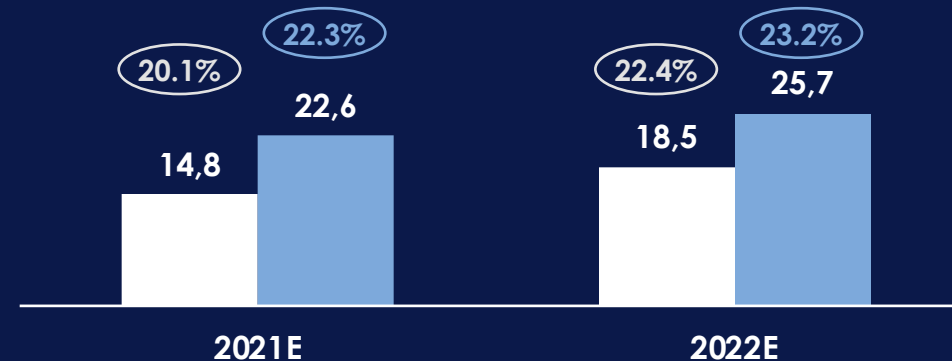
Revenues



Adj. EBITDA and Adj. EBITDA Margin



Adj. EBIT and Adj. EBIT Margin



Source of WIIT Revenue and Adj. EBIT and Profit forecasts: Average of Analysts Consensus for 2021-22 (source: Banca IMI, Intermonte SIM, Midcap LCM, Equita Sept 2021) + R42 Management's plan





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