WIIT Group

Interim Financial Report

at September 30, 2021

Company:
WIIT S.p.A.

Registered office:
20121 - Milan, Via dei Mercanti No.12

Tax and VAT number:
01615150214

Share capital:
Euro 2,802,066.00 fully paid-in

Milan Companies Registration Office:
No. 01615150214

R.E.A. No.
1654427

Number of shares:
28,020,660

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Profile

WIIT S.p.A. leads a Cloud Computing Group with a key focus on the provision of IT infrastructure tailored to the specific needs of customers (mainly through the "Managed Hosted Private Cloud" and "Hybrid Cloud") and the provision of infrastructure configuration, management and control services which guarantee uninterrupted functionality and availability.

Specifically, the Group provides Cloud services for the "critical applications" of its customers, i.e. those whose malfunction may impact business continuity and thus demand guaranteed optimal and non-stop functioning. These include the main ERP's (Enterprise Resource Planning) on the market, such as for example SAP, Oracle and Microsoft - in addition to critical applications developed ad hoc for customer business needs (custom applications).

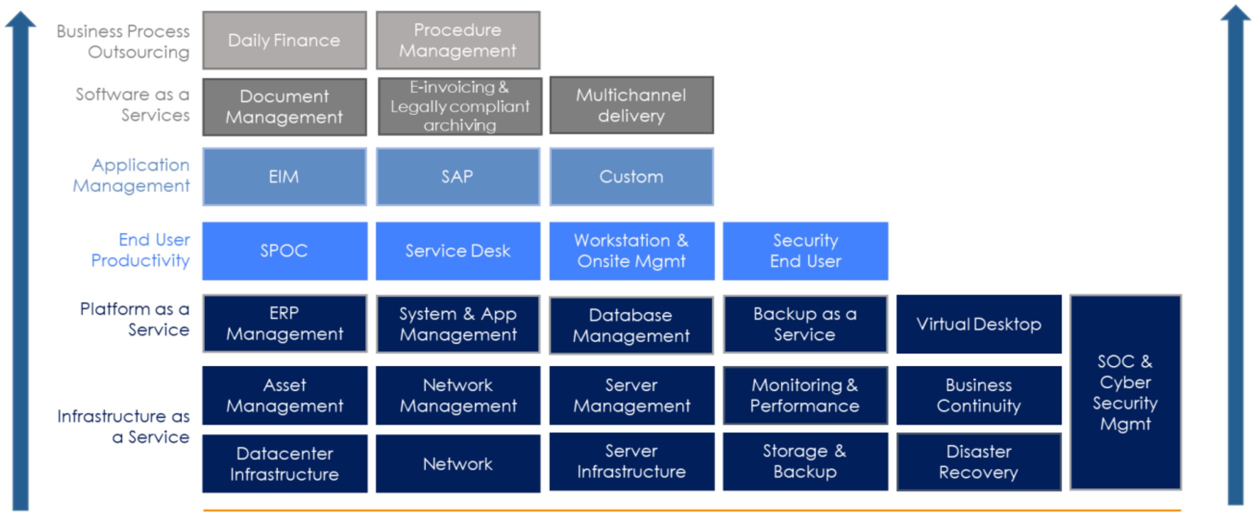
The Group operates through eight Data Centers, two of which owned by the Parent Company (with the main Milan center TIER IV certified - maximum reliability level) by the Uptime Institute, and six owned by the company myLoc managed IT AG.

By providing services through a number of servers and storage devices, customer "business continuity" can be guaranteed and uninterrupted availability ensured in the case of malfunctions or interruptions to individual systems. The Group makes available to customers its Business Continuity and Disaster Recovery service (replicating processing systems and all client critical data almost in real time), with daily back-ups executed.

The offer

WIIT focuses on the Hosted Private Cloud and the Hybrid Cloud for the building of tailor-made IT infrastructure for customers. The Group to a lesser extent provides Private Cloud services, integrating and managing more standardised solutions provided by the main players, adapting them to customers' specific needs.

As part of these operations, the Group offers its services to customers by combining a range of base components of each service category so as to build a custom-made Hosted Private Cloud and/or Hybrid Cloud proposal, according to the specific service, performance and security needs of the customer.



The Group's core service categories are presented below. Specifically, a description of services starting from the minimum Infrastructure of the Service category is presented, which forms the underlying component for the provision of other services - up to the more complete Business Process Outsourcing service.

IaaS (Infrastructure as a Service): the provision of servers, storage and networks;

PaaS (Platform as a Service): the Group's main service, including - in addition to IaaS services - also database or ERP provision services on an on-demand basis;

End User Productivity: customer contact services containing all technologies and methods which improve both individual productivity and the customer/WIIT interface;

Application Management: application life cycle services, including corrective and evolutionary maintenance and the development of new functionalities;

SaaS (Software as a Service): Software platforms and applications made available to the customer as "services";

Business Process Outsourcing: covering end-to-end services managing entire business processes within the customer value chain.

Group services are usually provided through a standard contract type for all categories (IaaS, Paas, End User Productivity, Application Management, SaaS and Business Process Outsourcing) and combined within a single all-inclusive price structure and contract.

In addition to these primary services provided within the group, the subsidiary myLoc Managed IT AG in Germany provides a standard model of colocation services.

Contracts usually cover a period of between three and five years, with generally automatic renewal for equivalent periods (subject to a termination option within the final six months). They generally stipulate an initial provision of services for the "start-up" phase in support of the Group's services and subsequently the provision of specific services on-demand.

Certifications

The Group owns eight Data Centers, with the main Milan center TIER IV certified (maximum reliability level) by the Uptime Institute. To date, only a select number of data centers are TIER IV certified by the Uptime Institute in the "Constructed Facility" category (https://uptimeinstitute.com/tier-certification/construction)

The Group companies have achieved international certification for their Data Center services, particularly in terms of service security, such as the ISO27001 (Information Security) and ISO22301 (Business Continuity) certifications, and with service provision certified to the ITIL (Infrastructure Library) standard.

The services offered by the Group companies have been certified according to the international ISO/IEC 20000:2011 standard, while its organisation is ISO 9001:2015 certified for the development and provision of Business Process Outsourcing services, such as: Help Desk IT, Desktop Management, Server Management, Application Management, Asset Management, System Housing and Hosting Document Processing System Management.

The correct management and protection of data and information managed through its IT systems is guaranteed through the Parent Company's receipt in 2012 of the international ISO/IEC 27001:2013 certification (international standard setting the requirements for information technology security management systems), while developing an operational continuity method based on ISO 22301:2012, shifting from a structured approached not based on technology alone, but capable of addressing all processes involved in operational recovery.

Further to these certifications, the Parent Company is a SAP top partner and has obtained many SAP Outsourcing Operation certifications (https://www.sap.com/dmc/exp/2018_Partner_Guide/#/partners).

To date it has achieved the following certifications:

- SAP Applications Operations
- SAP Business Process Outsourcing Services
- SAP Cloud and Infrastructure Operations
- SAP DevOps
- SAP HANA Operations
- SAP Hosting Operations

Corporate Boards

BOARD OF DIRECTORS

Chairman	Riccardo Sciutto
Chief Executive Officer	Alessandro Cozzi
Executive Director	Francesco Baroncelli
Executive Director	Enrico Rampin
Executive Director	Igor Bailo
Director	Stefano Dario
Independent Director	Annamaria Di Ruscio
Independent Director	Nathalie Brazzelli
Independent Director	Emanuela Basso Petrino

BOARD OF STATUTORY AUDITORS

Chairman of the Board of Statutory Auditors	Paolo Ripamonti
Statutory Auditor	Chiara Olliveri
Statutory Auditor	Francis De Zanche
Alternate Auditor	Guido Giovando
Alternate Auditor	Fabrizia Pecunia

RISKS AND RELATED PARTIES COMMITTEE

Chairperson	Annamaria Di Ruscio
Member	Riccardo Sciutto
Member	Nathalie Brazzelli

APPOINTMENTS AND REMUNERATION COMMITTEE

Chairperson	Emanuela Basso Petrino
Member	Riccardo Sciutto
Member	Annamaria Di Ruscio

SUPERVISORY AND CONTROL BOARD

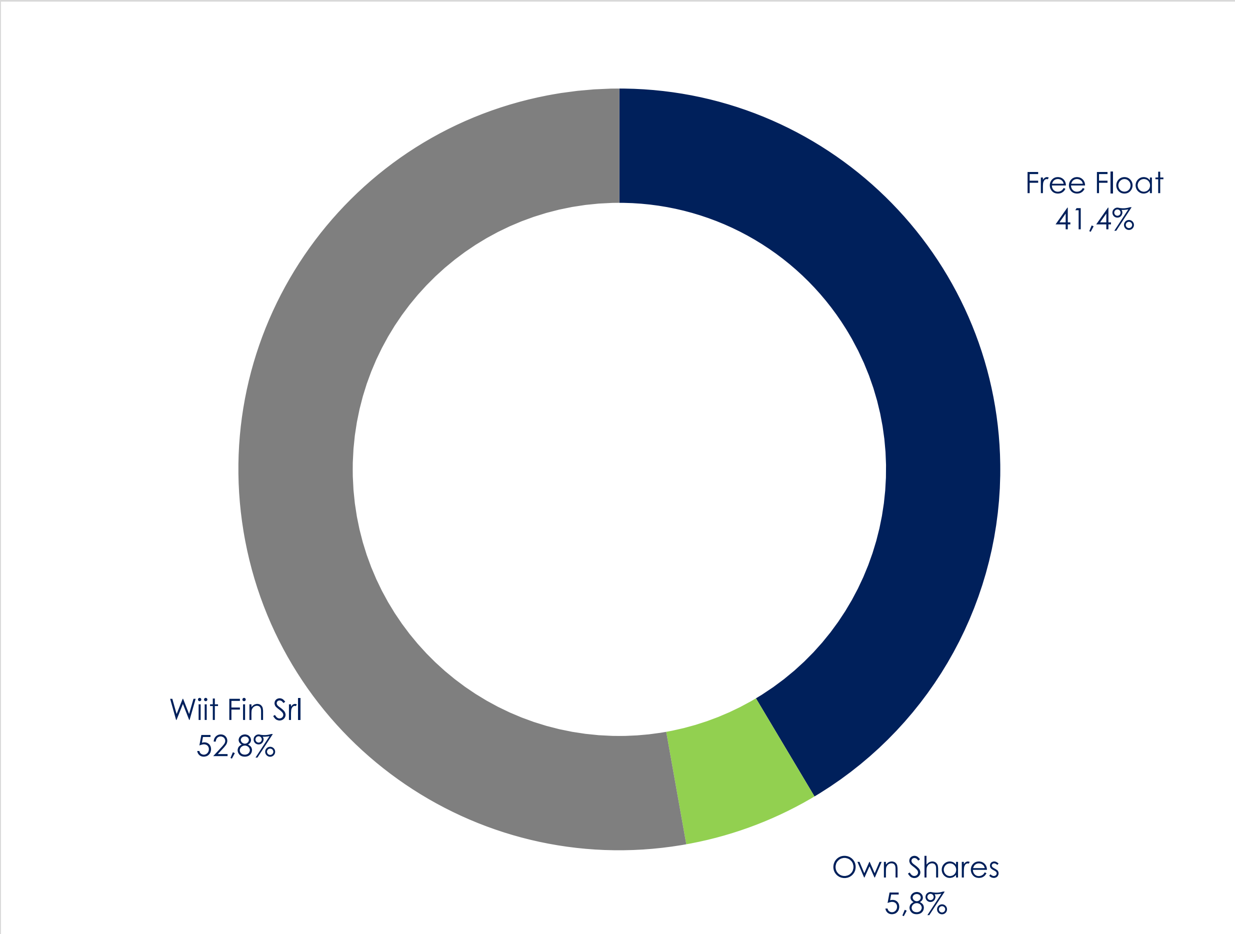
Chairman of the Supervisory and Control Board	Dario Albarello

INDEPENDENT AUDIT FIRM

Deloitte & Touche S.p.A.

Shareholders

WIIT S.p.A.'s main shareholders at September 30, 2021 are:



Shareholder	Number of shares held 30.09.2021	%
Wiit Fin Srl (*)	14,776,660	52.82%
Alessandro Cozzi	22,410	
Treasury shares	1,609,204	5.74%
Market	11,612,386	41.44%
TOTAL	**28,020,660**	**100%**
FREE FLOAT (Treasury shares and Market)	**13,221,590**	**47.19%**

(*) Company owned by Cozzi Alessandro and Bianchi Amelia

Directors’ Report

Significant events

Significant contract renewals

In January 2021, the Parent Company signed a five-year renewal of its existing contract with a leading international Group in the Business Process Outsourcing services sector for a total value of approx. Euro 6.9 million. The new scope of services also includes access to WIIT's "Smart Working as a service" platform for over 1,000 people.
The new contract reflects the growing demand in the Professional Services sector for agile and resilient Cloud platforms to support digital conversion processes.

In March 2021, the Parent Company signed the four-year renewal of its existing contract with one of the main operators providing Credit Management services for a value of approx. Euro 3.3 million. The scope of the contract, in addition to the renewal of the "Smart Working as a Service" service, has also been extended to WIIT's Cyber Security platform. This extension confirms that Cyber Security is now a key element that customers recognize as an integral part of the Hybrid and Private Cloud model. WIIT's ongoing services - based on a consolidated governance model which meets and combines business and operational needs - has allowed users to operate at full capacity even amid the COVID-19 pandemic.

Participation in the GAIA-X project

In April 2021, the Group joined the GAIA-X project promoted by Germany, France, Italy and other EU countries to create a European federation of cloud services and infrastructure to protect as best as possible the digital and data rights of European citizens. The cloud market has been growing for a number of years and saw a further boost with the outbreak of the COVID-19 pandemic and the introduction of measures such as Next Generation EU, which targets digitalisation as one of its key strategic objectives. Considering this environment and the ever-increasing centrality of Cloud Providers it has become critical that data - also that of public, sensitive or strategic bodies - is managed in Europe according to the standards of current regulations. GAIA-X will not be an alternative Cloud platform, but rather a system of common rules and standards to manage data and circulate it across federated infrastructures that avoid technology lock-ins and are designed to protect privacy and cyber security. Interoperability, portability and transparency are the key words that will guide the definition of policies to reflect European values. The result will be an open digital ecosystem that allows European companies to compete globally while allowing users of Cloud services to maintain digital sovereignty. A number of leading Cloud players have joined up, in addition to companies with a close focus on sovereignty and data management, including Confindustria Digitale, Leonardo and Enel Global Services. WIIT’s participation is seen within this context. The company has always placed a great focus on data management, as it is engaged in the critical applications of its Customers - not only in Italy - but also at European level through the Cloud4Europe project.

Appointment of the Board of Directors

The Shareholders' Meeting of May 5, 2021 appointed the new Board of Directors for the 2021-2023 three-year period, setting the number of members as 9; on the basis of the only slate, presented by the shareholder WIIT Fin S.r.l., at the time holder of 57.85% of the share capital of WIIT, the following members were appointed:

- Riccardo Sciutto - Chairman of the Board of Directors;
- Alessandro Cozzi - Chief Executive Officer;
- Igor Bailo;
- Francesco Baroncelli;
- Enrico Rampin;
- Annamaria Di Ruscio;
- Emanuela Teresa Basso Petrino;
- Nathalie Brazzelli;
- Stefano Dario.

Appointment of the Board of Statutory Auditors

The Shareholders' Meeting also appointed the new Board of Statutory Auditors for the 2021-2023 three-year period. On the basis of the only slate, presented by the shareholder WIIT Fin S.r.l., at the time holder of 57.85% of the share capital of WIIT, the following members were appointed:

- Paolo Ripamonti, as Chairman of the Board of Statutory Auditors;
- Chiara Olliveri Siccardi, as Statutory Auditor;
- Francis De Zanche, as Statutory Auditor;
- Guido Giovando, as Alternate Auditor;
- Fabrizia Pecunia, as Alternate Auditor;

The Shareholders' Meeting considered the granting of powers and proxies, the verification of the requirements of the new members of the Board of Directors and of the Board of Statutory Auditors, in addition to the appointment of the Board sub-committees.

1:10 stock split

The Shareholders' Meeting approved the 1:10 stock split of 2,652,066 ordinary shares (no par value) into 26,520,660 newly issued ordinary shares, having the same characteristics as the issued ordinary shares, through withdrawal and cancellation of the issued and existing ordinary shares, and assignment, for each ordinary share withdrawn and cancelled, of 10 newly issued ordinary shares. The Shareholders' Meeting consequently approved the relative By-Law changes.

A new ISIN code is assigned following the stock split: ordinary shares IT0005440893; shares with multi-voting rights: IT0005440901. May 21, 2021 was the last day of trading of the stock prior to the split and from May 24, 2021 the share was traded post-split. As concerning dematerialised shares, the assignment of the new WIIT shares have not required any obligations to be fulfilled by the shareholders and have been carried out through the intermediaries belonging to the centralised Monte Titoli S.p.A. management system, as per current regulations.

RSU and Stock Options Incentive Plans

The Shareholders' Meeting of WIIT S.p.A. of May 5, 2021, meeting in ordinary session, approved the adoption of the "2021-2025 RSU Plan" incentive plan and the "2021-2026 Stock Option Plan" incentive plan. The details of the plans (including the enactment conditions and requirements) are given in the Board of Directors' illustrative report and in the related documentation, and confer upon the Board of Directors the widest powers necessary and/or useful for the complete and comprehensive enactment of the "2021-2025 RSU Plan" incentive plan and the "2021-2026 Stock Option Plan" incentive plan. The Board has the right to identify the beneficiaries of these plans and, where appropriate, the maximum number of options or restricted stock units to be assigned to each of them, and is responsible for verifying the achievement of the performance objectives, determining the number of ordinary shares to be assigned to each beneficiary, and executing said assignment.

Share capital increase - Placement reserved to Institutional Investors through accelerated bookbuild offering

On June 8, 2021, the Parent Company announced the positive conclusion of the placement of 2,100,000 WIIT ordinary shares, representing approx. 7.92% of the company's share capital (after the increase), carried out through an accelerated bookbuild offering to Institutional Investors. The majority shareholder WIIT Fin S.r.l. also participated in the Transaction.

Specifically: (i) WIIT S.p.A. placed 1,500,000 new shares resulting from the share capital increase (equal to approx. 5.66% of the shares issued); (ii) WIIT Fin S.r.l. sold 600,000 WIIT shares (equal to approx. 2.26% of the shares issued). The Placement of the shares was made at a price of Euro 17.00 per share.

As a result of the completion of the Transaction:

1. following the share capital increase, WIIT issued 1,500,000 ordinary shares for a total value of Euro 25,500,000.00, of which Euro 150,000.00 as nominal value and Euro 25,350,000.00 share premium. The shares were listed for trading on June 10, 2021, the date they were issued on the Stock Exchange organised and managed by Borsa Italiana S.p.A.;
2. The total share capital of the Parent Company amounts to Euro 2,802,066.00, comprising 28,020,660 ordinary shares, without nominal value;
3. WIIT Fin S.r.l. retained 14,776,600 Company shares, maintaining legal control of the Company.

The Parent Company will use the income from the share capital increase to continue the acquisition-led growth strategy launched through recent M&A's and the Group's gradual international expansion, and to increase the float of the WIIT share, encouraging trading and improving liquidity.

As part of the Placement, WIIT and WIIT Fin S.r.l. have entered into 90-day lock-up commitments as per the market practice for similar transactions. During this lock-up period, WIIT and the selling shareholder may not dispose of any Company shares without the express consent of the joint bookrunner, except in certain excluded circumstances (including the transfer of Company shares as part of transactions regarding acquisitions, options on shares, incentive plans or variable price components (earnouts) related to previous acquisition transactions concluded by the Issuer).

Update on business combinations

Acquisition 20% holding in Matika S.p.A.

On June 24, 2021, the minority shareholders of Matika S.p.A. exercised the put option for the sale of their 20% shareholding, as provided for in the option agreement. The exercise value of the option had originally been set at Euro 4,288 million. During the price determination phase, the Net Financial Position at December 31, 2020 was established as a reference. As this result was better than was forecast at the acquisition date, an extra cost of Euro 0.722 million was added and recognised to the income statement. Payment of the option was settled 50% in cash and 50% through the use of treasury shares with a lock-up period of 12 months.

Finalisation of the myLOC Purchase Price Allocation

Allocation of the price paid for the purchase of myLoc Managed IT AG, in accordance with IFRS 3, was finalised in the first half of the year. There have been no changes compared to the provisional information reported as at December 31, 2020.

Purchase of 20% equity investment in Etaeria S.p.A.

On July 23, 2021, A&C Holding S.r.l., a minority shareholder of Etaeria S.p.A., exercised its PUT option to sell its 20% stake in accordance with the terms of the option agreement. The option was exercised for a total of Euro 1.696 million, of which Euro 0.401 million has already been paid on account. The option payment made in cash amounted to Euro 1.295 million.

Purchase of 100% of Mivitec GmbH

On July 27, 2021, the WIIT Group completed the acquisition of 100% of the share capital of Mivitech GmbH, a German cloud operator specialising in managed services for businesses, with registered office in Munich, through its German subsidiary myLoc managed IT AG. Mivitech is an operator of modest size, but boasts a proprietary data center, a significant client portfolio, value added services and a strategic geographic location.

This transaction is designed to consolidate WIIT's presence in Germany following the acquisition of myLoc, a German cloud service and colocation provider based in Düsseldorf, which was completed in September 2020. It will, therefore, be myLoc itself, on the strength of its size and management team, that will acquire and integrate Mivitech, creating the possibility for increasing economies of scale.

Based on an Enterprise Value of approximately Euro 4 million, corresponding to eight times 2020 EBITDA, the initial price was set at Euro 4.5 million. 70% was paid upon conclusion of the agreement and the remaining 30% was withheld to guarantee the price adjustment expected following approval of Mivitec's 2021 financial statements. This price adjustment, whether positive or negative, will be based on the figures at December 31, 2021. Should performance be lower than expected, the final price may be reduced by up to 50% of the Initial Price.

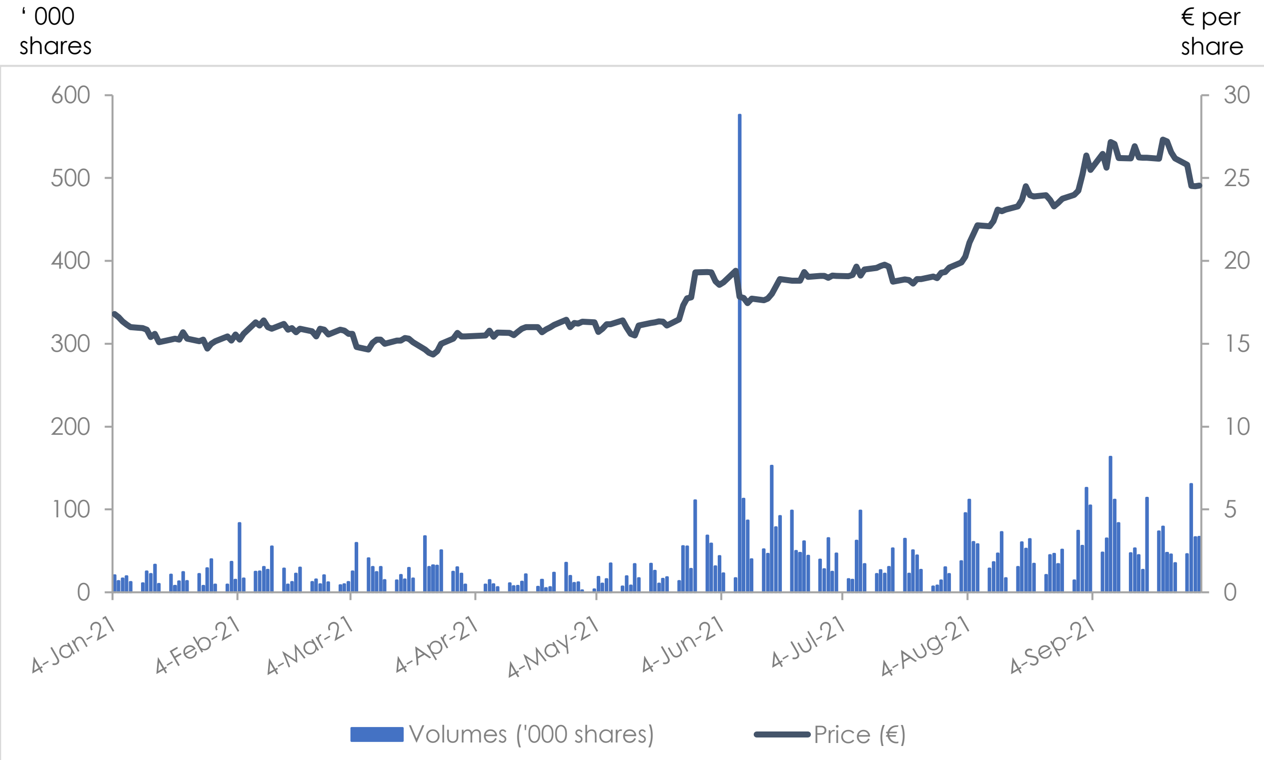
Significant contracts

In September 2021, the Parent Company signed a new five-year Platform as a Service (PaaS) Cloud services contract worth approx. Euro 3.1 million with an Italian leader in the food market.

After careful assessment, the client chose WIIT as its partner for the next five years both for Cloud services and for the management of all environments, including those most critical. The agreement in fact covers the migration of the Customer's IT systems to the WIIT Cloud - the SAP HANA platform from the Public Cloud and of the other systems from the Customer's on premise Data Center - and their management in Platform as a Service (PaaS) mode. All services, managed and governed centrally with active support 7 days a week, 24 hours a day, seek to ensure the usability and continuity of critical business processes, both in Italy and overseas.

The Hosted Private Cloud management model is used: the systems will reside at WIIT's Tier 4 Data Center and will be replicated in one of the secondary DCs, to ensure their resilience thanks to the integration of Business Continuity and Disaster Recovery services. The contract, based on architectures that offer the Customer the scalability necessary to support future growth in a rapid and secure and manner, reflects the growing need in the Food sector - as well as in other sectors - for agile Cloud platforms that support the digital transformation processes of companies.

Share price and volumes



Period 01/01/2021 – 30/09/2021

Source: Bloomberg. Note: 1) prices and volumes traded on the MTA adjusted for the stock split, at the ratio of 10 shares for every 1 share held, effective on May 24, 2021

CONSOLIDATED BALANCE SHEET

	30.09.2021	31.12.2020
ASSETS		
Intangible assets	29,859,912	29,157,680
Goodwill	60,257,422	56,660,268
Plant and machinery	1,770,978	2,417,428
Other tangible assets	27,287,557	23,033,145
Rights-of-use	8,895,614	9,050,928
Deferred tax assets	1,109,386	1,209,368
Equity investments and other non-current financial assets	177,061	81,863
Other non-current assets deriving from contracts	147,067	217,174
Other non-current assets	349,168	306,533
NON-CURRENT ASSETS	**129,854,165**	**122,134,387**
		56,191
Inventories	29,296	85,487
Trade receivables	4,750,391	7,965,156
Trade receivables from associates	35,702	35,713
Current financial assets	3,400,305	13,482
Current assets deriving from contracts	125,938	223,325
Other receivables and other current assets	3,846,042	3,601,378
Cash and cash equivalents	32,435,848	18,242,212
CURRENT ASSETS	**44,623,523**	**30,166,753**
TOTAL ASSETS	**174,477,688**	**152,301,140**

CONSOLIDATED BALANCE SHEET

	30.09.2021	31.12.2020
SHAREHOLDERS' EQUITY AND LIABILITIES		
LIABILITIES		
Share Capital	2,802,066	2,652,066
Share premium reserve	44,598,704	19,248,704
Legal reserve	530,413	530,422
Other reserves	(15,783,014)	(13,166,035)
Reserves and retained earnings (accumulated losses)	2,412,837	3,389,210
Translation reserve	(3,432)	(8,638)
Group net profit	3,631,297	1,594,498
GROUP SHAREHOLDERS' EQUITY	**38,188,872**	**14,240,227**
Result attributable to non-controlling interests	*442,973*	*878,591*
Non-controlling interests capital and reserves	*771,214*	*878,591*
TOTAL SHAREHOLDERS' EQUITY	*38,960,086*	*15,118,818*
Payables to other lenders	12,524,582	11,409,366
Bank payables	11,986,399	72,984,366
Other non-current financial liabilities	1,392,889	10,945,144
Employee benefits	3,031,070	2,842,413
Deferred tax liabilities	7,985,328	8,624,975
Non-current liabilities deriving from contracts	329,508	447,960
Other payables and non-current liabilities	335,574	0
NON-CURRENT LIABILITIES	**37,585,350**	**107,254,224**
Payables to other lenders	7,328,637	6,517,799
Short-term loans and borrowings	65,064,839	3,885,074
Current income tax liabilities	2,550,785	1,138,913
Other current financial liabilities	13,457,377	8,124,085
Trade payables	5,056,179	6,166,928
Payables to associates	41,482	43,135
Current liabilities deriving from contracts	219,243	403,165
Other payables and current liabilities	4,213,707	3,648,998
CURRENT LIABILITIES	**97,932,250**	**29,928,097**
TOTAL LIABILITIES	**135,517,600**	**137,182,321**
TOTAL LIABILITIES	**174,477,688**	**152,301,140**

CONSOLIDATED INCOME STATEMENT

	9M 2021	9M 2020	Adjusted 9M 2021	Adjusted 9M 2020
REVENUES AND OPERATING INCOME				
Revenues from sales and services	52,734,177	34,730,619	52,734,177	34,730,619
Other revenue and income	232,869	510,560	232,869	107,511
Total revenues and operating income	**52,967,045**	**35,241,179**	**52,967,045**	**34,838,130**
OPERATING COSTS				
Purchases and services	(21,077,813)	(17,017,291)	(19,816,477)	(14,912,044)
Personnel costs	(10,757,804)	(7,088,880)	(10,593,109)	(7,088,880)
Amortisation, depreciation & write-downs	(11,467,030)	(6,562,833)	(9,967,629)	(5,984,766)
Provisions	0	0	0	0
Other costs and operating charges	(701,263)	(415,800)	(701,263)	(415,800)
Change Inventories of raw mat,, consumables and goods	(82,405)	5,889	(82,405)	5,889
Total operating costs	**(44,086,315)**	**(31,078,916)**	**(41,160,883)**	**(28,395,602)**
EBIT	**8,880,730**	**4,162,263**	**11,806,162**	**6,442,528**
Income (Charges) from Equity Method	0	29,497	0	29,497
Financial income	2,121	60,566	2,121	60,566
Financial charges	(2,576,352)	(780,509)	(964,099)	(780,509)
Exchange gains/(losses)	(11,498)	(19,781)	(11,498)	(19,781)
PROFIT BEFORE TAXES	**6,295,002**	**3,452,036**	**10,832,686**	**5,732,301**
Income taxes	(2,220,733)	(833,889)	(3,445,908)	(1,470,083)
NET PROFIT	**4,074,269**	**2,618,147**	**7,386,779**	**4,262,219**

ALTERNATIVE PERFORMANCE INDICATORS

In accordance with the ESMA recommendation on alternative performance measures (ESMA/2015/1415), as implemented by Consob Communication No. 0092543 at December 3, 2015, the Alternative Performance Measures used to monitor the Group's operating and financial performance are outlined below.

***EBITDA* -** A non-GAAP measure used by the Group to measure performance. EBITDA is the sum of the net profit for the year, gross of taxes, financial income and expenses (including exchange gains and losses and deriving from the measurement at equity of investments) and amortisation, depreciation and write-downs. EBITDA is not recognised as an accounting measure within IAS/IFRS adopted by the European Union. Consequently, the determination criterion applied by the Company may not be homogeneous with that adopted by other groups and, therefore, the amount obtained by the Parent Company may not be comparable with that determined by the latter.

EBITDA Margin - *measures the Group operating profitability as a percentage of consolidated revenues reported in the year and is defined as the ratio between EBITDA and Total revenues and operating income.*

***Adjusted EBITDA* -** *A non-GAAP measure used by the Group to measure performance.* Adjusted EBITDA is the sum of the net profit for the period, gross of taxes, financial income and expenses (including exchange gains and losses and deriving from the measurement at equity of investments), amortisation, depreciation and write-downs, costs for professional merger & acquisition (M&A) services, MTA listing costs, the tax credit for MTA listing costs and Stock Option/Stock Grant incentive plan costs.

With regards to Adjusted EBITDA, the Group states that the adjustment (which defines Adjusted EBITDA) was made for the purposes of reflecting the Group's operating performance, net of the effects of certain events and transactions. This adjustment on certain expenses was necessary for improved comparability of the historic figures of the years under review, as such include cost items relating to company developments not concerning the normal operating management of the Group's business as well as and related to professional services costs for M&A's. In order to improve the comparability of operating performance, the Group also excludes from the calculation of Adjusted EBITDA the MTA listing costs, the tax credit for MTA listing costs and the costs of accounting for stock options and stock grants (IFRS2). Adjusted EBITDA is not recognised as an accounting measure within IAS/IFRS adopted by the European Union. Consequently, the determination criterion applied by the Group may not be homogeneous with that adopted by other groups and, therefore, the amount obtained by the Group may not be comparable with the determined by the latter.

Adjusted EBITDA Margin *- measures the Group operating profitability as a percentage of consolidated revenues reported in the year and is defined as the ratio between Adjusted EBITDA and Adjusted total revenues and operating income.*

EBIT - A non-GAAP measure used by the Group to measure performance. EBITDA is the sum of the net profit for the period, gross of taxes, financial income and expenses (including exchange gains and losses and deriving from the measurement of investments at equity). EBIT is not recognised as an accounting measure within IAS/IFRS adopted by the European Union. Consequently, the determination criterion applied by the Group may not be homogeneous with that adopted by other groups and, therefore, the amount obtained by the Group may not be comparable with the determined by the latter.

EBIT Margin - measures the earning capacity of Group sales. It is calculated as the ratio between EBIT and Total revenues and operating income.

Adjusted EBIT - A non-GAAP measure used by the Group to measure performance. Adjusted EBIT is the sum of the net profit for the period, gross of taxes, financial income and expenses (including exchange gains and losses and deriving from the measurement at equity of investments), amortisation, depreciation and write-downs, costs for professional merger & acquisition (M&A) services, MTA listing costs, the tax credit for MTA listing costs, Stock Option/Stock Grant incentive plan costs and depreciation of fixed assets deriving from the Purchase Price Allocation relating to acquisitions.

With regards to Adjusted EBIT, the Group states that the adjustment (which defines Adjusted EBIT) was made for the purposes of reflecting the Group's operating performance, net of the effects of certain events and transactions. This adjustment on certain expenses was necessary for improved comparability with the historic figures for the years under review, as such include cost items relating to company developments not concerning the normal operating management of the Group's business as well as and related to professional services costs for M&A's. In order to improve operating performance comparability, the Group also excludes from the Adjusted EBIT calculation the MTA listing costs, the tax credit for MTA listing costs, the costs for the accounting of Stock options and Stock Grants (IFRS2) and the amortisation and depreciation of assets from the Purchase Price Allocation; client list amortisation, platform and Data Center amortisation for acquisitions.

Adjusted EBIT Margin - measures the earning capacity of Group sales. It is calculated as the ratio between Adjusted EBIT and Adjusted total revenues and operating income.

Adjusted net profit or loss – A non-GAAP measure used by the Group to measure its performance. The Adjusted net profit or loss is calculated as the net profit or loss for the period, gross of M&A costs, MTA listing costs, the tax credit for MTA listing costs, the costs for the accounting of Stock options and Stock Grants (IFRS2) and the amortisation and depreciation of assets arising from the Purchase Price Allocation; client list amortisation, platform and Data Center amortisation for acquisitions and the related tax effects on the excluded items.

Net financial debt – this is a valid measure of the Group's financial structure. It is calculated in accordance with the provisions of Consob Communication No. 5/21 of April 29, 2021 and the ESMA 32-382-1138 recommendations.

Adjusted Net financial debt – this is a valid measure of the Group's financial structure. It is calculated in accordance with the provisions of Consob Communication No. 5/21 of April 29, 2021 and the ESMA 32-382-1138 recommendations, less, where applicable, other non-current assets relating to security deposits and the effects of IFRS 16.

Total adjusted revenues and operating income - A non-GAAP measure used by the Group to measure performance. Total adjusted operating revenues and income is calculated as Total operating revenues and income as per the income statement, in accordance with IFRS, less the non-recurring item regarding the tax credit classified to "Other revenues and income". Total adjusted revenues and operating income is not recognised as an accounting measure within IAS/IFRS adopted by the European Union. Consequently, the determination criterion applied by the Group may not be homogeneous with that adopted by other groups and, therefore, the amount obtained by the Group may not be comparable with the determined by the latter.

Adjusted operating revenues and income was up 52% on the same period of 2020. This strong result reflects the company's healthy income statement and the regard in which the WIIT Group is held among its customer base as a high-quality and cost competitive player. This increase is due to organic growth for Euro 2.8 million, following the extension of contracts and the acquisition of new customers (approx. +11%), in addition to the contribution of the newly acquired company myLoc Managed IT AG for Euro 14.6 million and Mivitec for Euro 0.7 million.

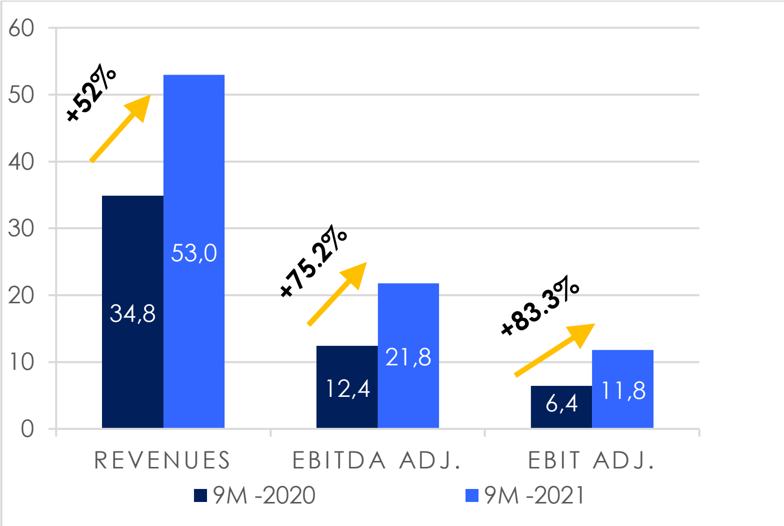
The following table shows the results achieved in the first nine months of 2021 compared with the same period of 2020 in terms of production value, EBITDA, profit before taxes and net profit.

	9M 2021	9M 2020	9M 2021 Adjusted	9M 2020 Adjusted	% Adj,Cge,
Total revenues and operating income	52,967,045	35,241,179	52,967,045	34,838,130	**52.0%**
EBITDA	20,347,760	10,725,096	21,773,791	12,427,294	**75.2%**
Profit before taxes	6,295,002	3,452,036	10,832,686	5,732,301	**89.0%**
Consolidated net profit	4,074,269	2,618,147	7,386,779	4,262,219	**73.3%**

Adjusted EBITDA was up 75.2% on the same period of 2020, with a 41.1% revenue and operating income margin, thanks to the contribution of the acquired company myLoc and indicating the highly optimised level of Group operating processes and services.

The Consolidated adjusted net profit is gross of costs relating to M&A transactions for Euro 302 thousand, the integration of the purchase price for 20% of the share capital of Matika for Euro 722 thousand, costs relating to stock option and grant plans for Euro 401 thousand, and the amortisation of intangible and tangible fixed assets deriving from the Purchase Price Allocation referring to the acquisitions for Euro 1.5 million, and net of tax effects. On September 30, financial charges mainly includes the impact of the amortized costs of banck expendes for Euro 1.6 million.

KEY FINANCIALS (€mn)



The 9M 2021 reclassified income statement of the company is compared below with the same period of the previous year (in Euro):

	9M 2021	9M 2020	9M 2021 Adjusted	9M 2020 Adjusted
Net revenues	52,967,045	35,241,179	52,967,045	34,838,130
External costs	(21,077,813)	(17,017,291)	(19,816,477)	(14,912,044)
Value added	**31,889,233**	**18,223,887**	**33,150,568**	**19,926,086**
Personnel costs	(10,757,804)	(7,088,880)	(10,593,109)	(7,088,880)
Other costs and operating charges	(701,263)	(415,800)	(701,263)	(415,800)
Change in inventories	(82,405)	5,889	(82,405)	5,889
EBITDA	**20,347,760**	**10,725,096**	**21,773,791**	**12,427,294**
EBITDA Margin	38,4%	30,4%	41,1%	35,7%
Amortisation, depreciation and write-downs	(11,467,030)	(6,562,833)	(9,967,629)	(5,984,766)
EBIT	**8,880,731**	**4,162,263**	**11,806,162**	**6,442,529**
EBIT Margin	16,8%	11,8%	22,3%	18,5%
Income and charges	(2,585,728)	(710,227)	(973,476)	(710,227)
Income taxes	(2,220,733)	(833,889)	(3,445,908)	(1,470,083)
NET PROFIT	**4,074,270**	**2,618,148**	**7,386,779**	**4,262,219**

For a better understanding of the company's profitability, the table below illustrates some of the performance indicators compared to previous years. The indicators are calculated on the basis of the consolidated financial statements.

Ratio	Formula	30.09.2021	30.09.2020	9M 2021 Adjusted	9M 2020 Adjusted
ROE	**Net profit / equity**	10.46%	17.32%	17.47%	25.21%
ROI	**EBIT / Capital employed**	5.09%	2.73%	6.77%	4.23%
ROS	**EBIT / Value of production**	16.77%	11.81%	22.29%	18.49%

Balance Sheet highlights

The reclassified balance sheet of the Group for 9M 2021 is compared with the previous year below (in Euro):

	30.09.2021 Consolidated	31.12.2020 Consolidated
Net intangible assets	90,117,334	85,817,948
Net tangible assets	37,954,149	34,501,501
Investments and other financial assets	177,061	81,863
Other long-term receivables	496,235	523,707
Deferred tax assets	1,109,386	1,209,368
Fixed assets	**129,854,165**	**122,134,387**
Inventories	29,296	85,487
Current trade receivables	4,750,391	7,965,156
Receivables from group companies	35,702	35,713
Current financial assets	3,400,305	13,482
Other receivables	3,971,980	3,824,703
Cash and cash equivalents	32,435,848	18,242,212
Current assets	**44,623,522**	**30,166,752**
Capital employed	**174,477,688**	**152,301,141**
Bank payables (within one year)	65,064,839	3,885,074
Payables to other lenders (within one year)	7,328,637	6,517,799
Payables to suppliers (within one year)	4,786,408	5,897,158
Payables to group companies	41,482	43,135
Tax payables and social security institutions	2,550,785	1,138,913
Other current financial liabilities	13,457,377	8,124,085
Other payables	4,432,951	4,052,163
Current liabilities	**97,662,480**	**29,658,327**
Post-employment benefits	3,031,070	2,842,413
Bank payables (beyond one year)	11,986,399	72,984,366
Payables to other lenders (beyond one year)	12,524,582	11,409,366
Payables to suppliers (beyond one year)	269,770	269,770
Other non-current financial liabilities	1,392,889	10,945,144
Other medium/long-term payables	329,508	447,960
Other payables and non-current liabilities	335,574	-
Deferred tax payables	7,985,328	8,624,975
Medium/long-term liabilities	**37,855,120**	**107,523,994**
Minority interest share capital	**135,517,602**	**137,182,321**
Shareholders' Equity	38,960,086	15,118,818
Own funds	**38,960,086**	**15,118,818**
Own Funds & Minority interest share capital	**174,477,688**	**152,301,140**

Main notes to the balance sheet

The value of fixed assets remains substantially unchanged as the effect of investments for approx. Euro 13.1 million in the period was offset by amortisation and depreciation of approx. Euro 11.1 million.

New right-of-use (IFRS 16) contracts were signed in the first nine months of the year for Euro 1.3 million. Cash and cash equivalents increased Euro 14.2 million, mainly as a result of cash contributions following the share capital increase for Euro 25 million, net of charges relating to the transaction for Euro 0.7 million, and despite the use of liquidity for the purchase of treasury shares for Euro 6.4 million, the distribution of dividends for Euro 3.2 million, and finally the acquisition of the shareholding in Mivitec for Euro 2.7 million (net of cash and cash equivalents). Payables to other lenders includes approx. Euro 7.9 million for investments in 9M 2021, of which Euro 5.9 million relate to leasing charges measured according to the finance method (IFRS 16, partly already recognised under IAS 17), and for the remaining amount to property and motor vehicle lease contract payables relating to the above Standard and excluded from the cash flow statement.

Financial payables mainly concern lease payables (Right-of-use)

Condensed Cash Flow Statement

The condensed cash flow statement for the period, compared to the end of the previous year and the same period for the previous year, is presented below.

	30.09.2021	30.09.2020
Net profit from continuing operations	4,074,269	2,618,147
Adjustments for non-cash items	16,624,612	8,156,042
Cash flow generated from operating activities before changes	**20,698,881**	**10,774,189**
Changes in current assets and liabilities	(813,427)	1,590,202
Changes in non-recurring current assets and liabilities	158,059	(232,457)
Cash flow generated from operating activities	(1,683,693)	(407,800)
Cash flow generated from operating activities (a)	**18,359,821**	**11,724,135**
Net cash flow used in investment activities (b)	(9,860,348)	(58,702,852)
Net cash flow from financing activities (c)	5,694,162	52,817,033
Net increase/(decrease) in cash and cash equivalents (a+b+c)	**14,193,636**	**5,838,316**
Cash and cash equivalents at end of the period	32,435,847	17,674,676
Cash and cash equivalents at beginning of the period	18,242,212	11,836,360
Net increase/(decrease) in cash and cash equivalents	**14,193,636**	**5,838,316**

Key Financial Indicators

The net financial position at September 30, 2021 was as follows:

	30.09.2021	31.12.2020
A - Cash and cash equivalents	32,435,848	18,242,212
B - Securities held for trading	0	0
C - Current financial assets	3,400,305	13,482
D - Liquidity (A + B + C)	**35,836,153**	**18,255,694**
E - Current bank payables	(65,064,839)	(3,885,074)
F - Other current financial liabilities	(13,457,377)	(8,124,085)
G - Payables to other lenders	(7,328,637)	(6,517,799)
H - Current financial debt (E + F + G)	**(85,850,853)**	**(18,526,958)**
I - Current net financial debt (H - D)	**(50,014,700)**	**(271,264)**
J - Bank payables	(11,986,399)	(72,984,366)
K - Payables to other lenders	(12,524,582)	(11,409,366)
L - Other non-current financial liabilities	(1,392,889)	(10,945,144)
M - Trade payables and other non-current payables	(269,770)	(269,770)
N - Non-current financial liabilities (J + K + L + M)	**(26,173,640)**	**(95,608,647)**
O - Group Net Debt (I + N)	**(76,188,340)**	**(95,879,910)**
- Lease payables IFRS 16 (current)	1,911,280	1,833,287
- Lease payables IFRS 16 (non-current)	6,896,438	7,174,990
O - Net financial debt excluding the impact of IFRS 16 for the Group	**(67,380,622)**	**(86,871,633)**

The net financial position is based on the definition contained in CONSOB Clarification No. 5/21 of April 29, 2021: "Recommendations for the uniform implementation of the European Commission regulation on financial statements".
It is the opinion of the Directors that there are no components of implied indebtedness pursuant to the Disclosure Requirements Guidelines under the Prospectus Regulation issued by ESMA on March 3, 2021. Similarly, the Group has no reverse factoring or supply agreement transactions in place.

In the first nine months, strong operating cash flows were generated, reflecting investments for approx. Euro 13.1 million, due to the acquisition of IT infrastructure and software for new orders. Payables to other lenders includes approx. Euro 7.9 million for investments in 9M 2021, of which 5.9 million referring to the principal payement of the future leasing charges measured according to the finance method (IFRS 16, partly already recognised under IAS 17), in addition to property and motor vehicle lease contract payables relating to the above Standard and excluded from the cash flow statement.
Financial payables mainly concern lease payables (Right-of-use)

For a better understanding of the financial situation, the table below illustrates some financial performance ratios compared to the previous year.

		30.09.2021	30.09.2020
Primary liquidity	Current Assets / Current Liabilities	0.46	1.01
Debt	Third-party capital / Own capital	2.87	7.53

The cash flow statement for the period compared to the same period of the previous year is presented below.

CONSOLIDATED CASH FLOW STATEMENT	30.09.2021	30.09.2020
Net profit from continuing operations	4,074,269	2,618,147
Adjustments for non-cash items:		
Amortisation, depreciation, revaluations and write-downs	11,467,030	6,562,833
Financial assets adjustments	0	(29,497)
Change in employee benefits	187,656	431,155
Increase (decrease) provisions for risks and charges	0	0
Financial charges	2,576,352	780,509
Income taxes	2,220,733	833,889
Other non-cash changes	172,841	(422,846)
Cash flow generated from operating activities before working capital changes	**20,698,881**	**10,774,189**
Changes in current assets and liabilities:		
Decrease (increase) in inventories	56,191	(6,620)
Decrease (increase) in trade receivables	2,172,152	1,380,873
Decrease (increase) in tax receivables	0	13,066
Increase (decrease) in trade payables	(1,262,200)	888,699
Increase (decrease) in tax payables	(572,948)	(733,015)
Decrease (increase) other current assets	(3,284,489)	48,276
Increase (decrease) in current liabilities	2,077,868	(1,077)
Decrease (increase) in other non-current assets	(42,635)	(59,754)
Increase (decrease) in other non-current liabilities	335,574	(8,394)
Decrease (increase) in assets deriving from contracts	167,494	201,994
Increase (decrease) in liabilities deriving from contracts	(302,374)	(366,303)
Cash flow generated from operating activities		
Income taxes paid	(687,722)	0
Interest paid/received	(995,970)	(407,800)
Net cash flow generated from operating activities (a)	**18,359,821**	**11,724,135**
Net increase intangible assets	(3,021,347)	(2,487,297)
Net increase tangible assets	(4,167,583)	(3,934,331)
Cash flows from business combinations net of cash and cash equivalents	(2,671,419)	(52,281,225)
Net cash flow used in investing activities (b)	**(9,860,348)**	**(58,702,852)**
New financing	0	61,340,926
Repayment of loans	(3,505,616)	(1,133,087)
Lease payables	(2,048,030)	(759,308)
Payment of deferred fees for business combinations	(4,064,841)	(558,666)
Share capital increase	24,868,763	0
Distribution of dividends	(3,179,719)	(4,111,159)
(Purchase) Use of treasury shares	(6,376,395)	(1,961,674)
Net cash flow from financing activities (c)	**5,694,162**	**52,817,033**
Net increase/(decrease) in cash and cash equivalents a+b+c	**14,193,636**	**5,838,316**
Cash and cash equivalents at end of the period	32,435,847	17,674,676
Cash and cash equivalents at beginning of the period	18,242,212	11,836,360
Net increase/(decrease) in cash and cash equivalents	**14,193,636**	**5,838,316**

Financial instruments

The Parent Company at September 30, 2021 had in place derivative interest rate hedges (IRS) related to the overall credit line of Euro 40 million subscribed in January 2020 and re-contracted in September 2020, increasing it to Euro 32.5 million. During the current period, the Mark to Market value was recognised applying hedge accounting, recognising the fair value of the derivative to financial liabilities, with a counter-entry to other equity items.

Treasury shares or parent company shares

In accordance with Article 2428 points 3) and 4) of the Civil Code, the Parent Company holds 1,609,204 treasury shares, but does not hold shares in parent companies, including through trust companies or nominees, nor have shares of the Parent Company been acquired and/or sold during the period, including through trust companies or nominees.

At September 30, 2021, the 1,609,204 treasury shares (5.75% of the share capital) held by Wiit S.p.A. are recorded in the financial statements at a total value of Euro 15,491,594.

In compliance with International Financial Reporting Standards (IFRS), this amount was recognised as a reduction of shareholders' equity.

The market value of treasury shares at September 30, 2021 was Euro 39,489,866.

Information relating to the environment and personnel

In relation to the societal role of the company as set out in the Directors' Report of the Italian Accounting Professionals Body (Consiglio Nazionale dei Dottori commercialisti e degli esperti contabili), the following information relating to the environment and to personnel is provided.

Personnel

In 9M 2021, no deaths of registered employees occurred at the workplace.

No serious workplace accidents took place during the period which involved serious injury to registered employees.

No issues in relation to workplace health matters concerning employees or ex-employees or misconduct against the company arose in the first nine months of 2021.

Environment

During the first nine months of 2021 no environmental damage was declared against the company. No penalties were incurred for offences or environmental damage in Q1 2021.

Transactions with subsidiaries, associates, holding companies

REVENUES

COSTS	WIIT FIN	WIIT	WIIT SWISS	ADELANTE	ICTW	MATIKA	COMM.IT	ETAERIA	MYLOC	MIVITEC	TOTAL
WIIT FIN	-	374,250	-	-	-	-	-	-	-	-	**374,250**
WIIT	-	-	-	1,097,178	-	911,492	11,775	874,980	-	-	**2,895,424**
WIIT SWISS	-	-	-	-	-	-	-	-	-	-	**-**
ADELANTE	-	115,488	-	-	7,470	14,250	86,092	-	-	-	**223,300**
ICTW	-	37,767	-	16,200	-	-	-	-	-	-	**53,967**
MATIKA	-	90,272	-	2,160	-	-	-	-	-	-	**92,432**
COMM.IT	-	140	-	83,292	-	-	-	-	-	-	**83,432**
ETAERIA	-	2,978,843	-	114,457	-	9,853	-	-	-	-	**3,103,153**
MYLOC	-	-	-	-	-	-	-	-	-	-	-
MIVITEC	-	-	-	-	-	-	-	-	-	-	**-**
TOTAL	**-**	**3,596,760**	**-**	**1,313,287**	**7,470**	**935,595**	**97,866**	**874,980**	-	**-**	**6,825,958**

PAYABLES

RECEIV.	WIIT FIN	WIIT	WIIT SWISS	ADELANTE	ICTW	MATIKA	COMM.IT	ETAERIA	MYLOC	MIVITEC	TOTAL
WIIT FIN	-	1,495,156	-	-	-	-	-	-	-	-	1,495,156
WIIT	-	-	180,613	906,755	37,767	4,328,616	22,686	-	-	-	5,476,437
WIIT SWISS	-	-	-	-	-	-	-	-	-	-	-
ADELANTE	645,447	372,805	-	-	5,400	-	25,261	28,294	-	-	1,077,208
ICTW	-	-	-	23,340	-	-	-	-	-	-	23,340
MATIKA	-	79,617	-	1,440	-	-	-	-	-	-	81,057
COMM.IT	-	42,120	-	-	-	-	-	-	-	-	42,120
ETAERIA	-	1,075,005	-	-	-	2,201	-	-	-	-	1,077,205
MYLOC	-	-	-	-	-	-	-	-	-	-	-
MIVITEC	-	-	-	-	-	-	-	-	-	-	**-**
TOTAL	**645,447**	**3,064,703**	**180,613**	**931,535**	**43,167**	**4,330,817**	**47,947**	**28,294**	-	**-**	**9,272,522**

Please note that the transactions with related parties, including inter-company transactions, are not quantifiable as either atypical or unusual but fall within the Group's normal business operations. These transactions were carried out on an arm's length basis. The Wiit payables to the subsidiaries Wiit Swiss, Adelante and Matika include, in addition to trade payables, also the portion concerning the centralised treasury management.

Payables and receivables with WIIT Fin S.r.l. include the portion concerning the tax consolidation.

Subsequent events

Bond loan issue

On October 7, 2021, trading began of the bonds of the Parent Company WIIT S.p.A. following the issue of a senior, non-convertible, unsubordinated and unsecured bond with a total nominal value of Euro 150,000,000, approved by the Company's Board of Directors on September 7, 2021 and named "Up to €150,000,000 Senior Unsecured Fixed Rate Notes due October 7, 2026".

The issue of the Bond was subject to the necessary approvals from the Central Bank of Ireland (CBI) for the publication of the prospectus and the listing of the relative Bonds, from the Euronext Dublin and Euronext Milan, and to the success of the Bond offer, also taking into account market conditions. The Bond has a term of five years from the issue date (October 7, 2021), at a fixed interest rate of 2.375% per annum. The Early Redemption Prices will be 101.188% for the period from October 7, 2023 to October 6, 2024 (inclusive) and 100.594% for the period from October 7, 2024 to October 6, 2025 (inclusive) (and 100% for the period from October 7, 2025 to October 6, 2026 (inclusive)).

The Bonds are traded on the Regulated Market of the Official List of the Irish Stock Exchange - Euronext Dublin and on the Electronic Bond Market (MOT) organised and managed by Euronext Milan.

Loan settlements

Following the issue of the bond on October 7, 2021, it should be noted that on the same date the syndicated loan with IntesaSanpaolo and BPM for a nominal total amount of Euro 61.9 million, recorded in current bank debt, was fully repaid.

Acquisition of Release 42

On November 2, 2021, WIIT S.p.A. completed the acquisition of 100% of the share capital of Boreus Gmbh ("Boreus") and Gecko Gesellschaft für Computer und Kommunikationssysteme m.b.H. ("Gecko") in execution of the agreements signed on October 18, 2021. The price for the two acquisitions was set at a total of approx. Euro 77.7 million, of which approx. Euro 59.8 million for the acquisition of Boreus (partly paid through WIIT shares for a countervalue of Euro 10 million) and approximately Euro 18 million for the acquisition of Gecko. These amounts are without prejudice to the price adjustment mechanisms, which for Boreus - in addition to those relating to the net financial position and the level of working capital at closing - will be subject to a possible downward adjustment where Boreus does not achieve certain core turnover levels in the financial year ending December 31, 2022. Any adjustment will be guaranteed by the price component in WIIT shares to be deposited to an escrow account and shall not exceed the value of such shares. In addition, the signing of reciprocal put agreements in favour of the sellers of Boreus is stipulated as part of the transaction, and of call options in favour of WIIT to reacquire the WIIT shares which shall represent, in application of the adjustment, the component in kind of the consideration.

Boreus Gmbh, a cloud provider, and Gecko Gesellschaft für Computer und Kommunikationssysteme m.b.H., which focuses on developing DevOps software solutions with a focus on kubernetes technologies. The group has a strong specialisation in e-commerce platforms, mission critical applications that require high resilience, which is guaranteed by its two proprietary data centers, and provides private and hybrid cloud services to leading German e-commerce companies with whom it has had strategic relationships for over 15 years.

With forecast 2021 aggregate revenue of approx. Euro 27.6 million, aggregate EBITDA of approx. Euro 8.9 million, a 32.2% margin, and aggregate EBIT of approx. Euro 7.8 million and a 28.3% margin, the total price was set on the basis of a total enterprise value of approx. Euro 70.8 million and an implied multiple of approx. 7.9 times aggregate EBITDA pre-synergies.

Boreus, with registered office in Stralsund, owns two data centers that are in line with WIIT's security and resilience standards and offers Cloud and managed services to medium and large enterprises. The current year is forecast to close with revenues of Euro 14.1 million, EBITDA of Euro 5.6 million, a 39.7% margin, and EBIT of Euro 4.6 million, a 32.6% margin.

Gecko, based in Rostock, focuses on the development of data management and analysis applications for large enterprises. The current year is forecast to close with revenues of Euro 13.5 million, EBITDA of Euro 3.3 million, a 24.4% margin, and EBIT of Euro 3.2 million, a 23.7% margin.

Although Boreus and Gecko are both headquartered in North-East Germany, their customer base is distributed across Germany. The geographic positioning is strategic, not only as differing from previous acquisitions (myLoc, Düsseldorf, and Mivitec, Munich), but also and particularly as these enterprises are unique in their region and can benefit from a high level of staff loyalty, which is considered a major plus in the digital world in which staff turnover is always relatively high.

Outlook

COVID-19 update

Despite the ongoing effects and concerns regarding the social and economic repercussions of the pandemic, 2021 is proving to be a year of significant revenue and margin growth for WIIT, thanks to a business model based on multi-year orders and recurring revenues, in addition to the excellent market positioning of the WIIT Group's Cloud services, which are key to the digital transformation of businesses.

Group operations continue in terms of marketing activities to build the brand, supported also by the launch of the new logo and an innovative advertising campaign.

Strong interest is evident once again in 2021 not only for the Hybrid Cloud services, but also the smart working and cyber security services provided through the WIIT Cloud platform by existing and new customers.

The variety of sectors in which the Group operates and its good financial standing, in addition to its access to liquidity (also considering the treasury shares in portfolio) and lines of credit approved by credit institutions but not drawn down are elements of further solidity.

The WIIT Group continues to monitor the developing situation in order to minimise its social and workplace health and safety impacts, in addition to the operating, equity and financial situation, by drawing up and rolling out flexible and timely action plans.

Milan, November 11, 2021

On behalf of the Board of Directors
Executive Chairman
(Riccardo Sciutto)

Statement of the Executive Officer for Financial Reporting in accordance with article 154-bis, paragraph 2 of Legislative Decree No. 58/1998 (CFA)

The Executive Responsible for Financial Reporting declares in accordance with Article 154-*bis*, paragraph 2, of the Consolidated Finance Act, that the accounting information contained in the present Interim Report at September 30, 2021 corresponds to the underlying accounting documents, records and entries.

Milan, November 11, 2021

The Executive Officer

(Stefano Pasotto)