



WIIT Group

Consolidated Half-Year Financial Report
at June 30, 2022



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

WIIT
THE PREMIUM CLOUD



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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.

The company 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).

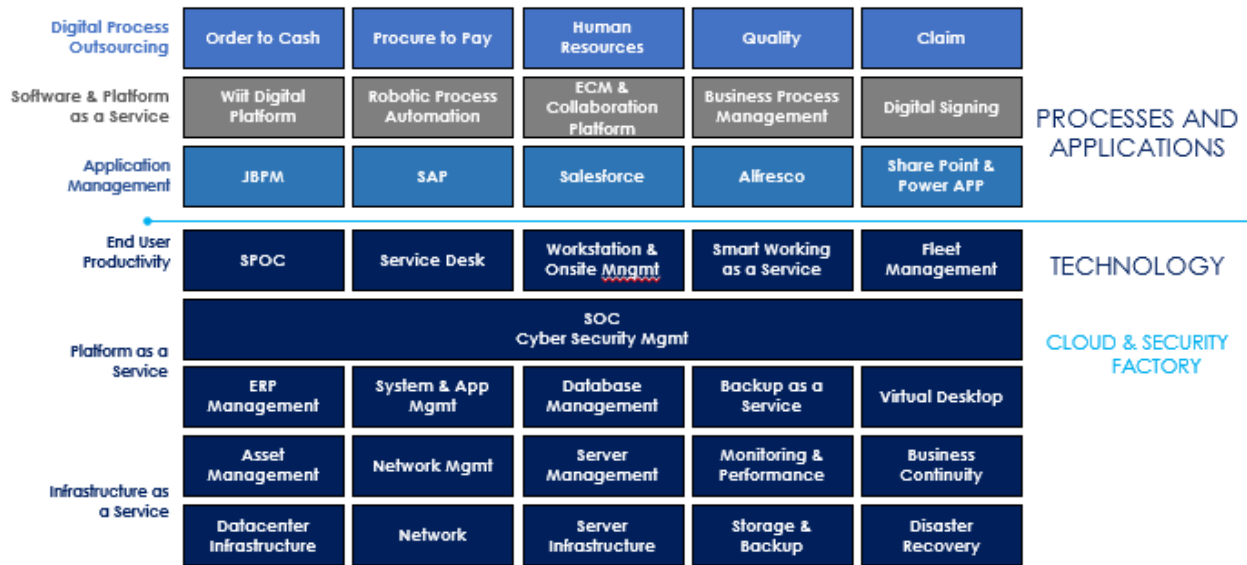
The Group operates through two Data Centers, with the main Milan center TIER IV certified (maximum reliability level) by the Uptime Institute.

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 company makes available to customers its Business Continuity and Disaster Recovery service (replicating processing systems and all client critical data almost in real time). The Group also conducts daily backups in order to ensure both data depth over time and the ability to recover data in the event of a disaster.

The offer

The WIIT Group 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 Public 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 Digital 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;

Software & Platform as a Service: Software platforms and applications made available to the customer as "services";

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

Services are usually provided through a standard contract type for all categories (IaaS, Paas, End User Productivity, Application Management, Software & Platform as a Service and Digital Process Outsourcing) and combined within a single all-inclusive price structure and contract.

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, whose consideration is generally included in the periodic fees, and subsequently the provision of specific services on-demand.



Certifications

The Parent Company owns two 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 as a whole also has seven data centres in Germany, particularly in Düsseldorf, Stralsund, and Munich. The Parent Company has achieved international certification for its Data Centers, particularly in terms of service security, such as the ISO20000 (Process Compliance), ISO27001 (Information Security), and ISO22301 (Business Continuity) certifications and with service provision certified to the ITIL (Infrastructure Library) standard. The Parent Company has also achieved certification for its customer IT system management model 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 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 approach not based on technology alone, but capable of addressing all processes involved in operational recovery.

The Company has also certified its model of data security management based on the international standard ISO/IEC 27035 – Information security incident response consulting, organisation and management.

Further to these certifications, the 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

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

BOARD OF STATUTORY AUDITORS

Chairperson 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

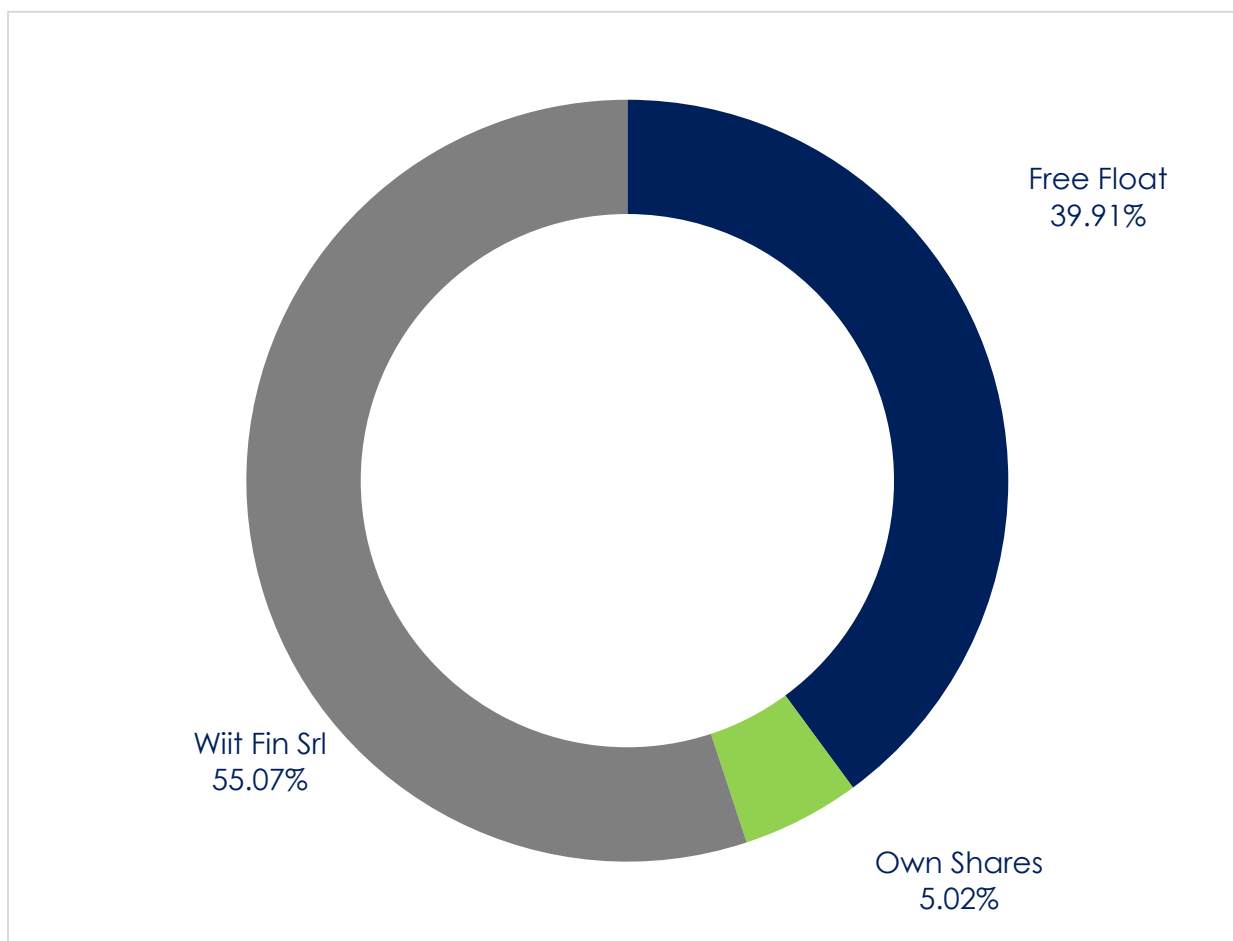
Chairperson of the Supervisory and Control Board	Dario Albarello
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INDEPENDENT AUDIT FIRM

Deloitte & Touche S.p.A.

Shareholders

Wiit S.p.A.'s main shareholders at June 30, 2022 are:



Shareholder	Number of shares held 30.06.2022	%
Wiit Fin Srl (*)	15,407,560	55.07%
Alessandro Cozzi	22,410	
Treasury shares	1,405,661	5.02%
Market	11,185,029	39.91%
TOTAL	28,020,660	100%
FREE FLOAT (Treasury shares and Market)	12,590,690	44.93%

(*) Company owned by Cozzi Alessandro and Bianchi Amelia

For the latest information, see the Wiit Group Investor Relations section under "Shareholders".



Directors' Report

Significant events

Significant agreements

On January 4, 2022, WIIT S.p.A. signed a four-year agreement, for a total value of Euro 2 million, with a leading Italian multinational retail group. The agreement signed lays the foundations for customers to implement Zero Datacenter policies, which will provide European business lines with a fully managed, multi-cloud model in which to activate services to support digital transformation. WIIT will help customers to activate this multi-cloud model, which integrates proprietary data centres with those of the hyperscalers selected. The most critical applications will benefit from WIIT's Premium Cloud provided by WIIT's tier-IV data centre in Milan with business continuity ensured by a secondary data centre, while other applications will utilise some of the leading hyperscalers, including Google Cloud and Microsoft Azure. All services will be provided by WIIT 24 hours a day, 7 days a week, to ensure the functioning of the customers' critical systems. The model, therefore, offers great scalability and flexibility to support customers in the digital transformation towards increasingly innovative services.

Updates on business combinations and new acquisitions during the year

Purchase of 100% holding in ERPTech S.p.A.

On February 14, 2022, the Group signed an agreement for the purchase of 100% of the share capital of ERPTech S.p.A. from BT Italia S.p.A. ERPTech is a leader in IT outsourcing of SAP systems, for which it holds 4 certifications, and posted 2021 revenues of Euro 9 million and EBITDA of about Euro 500 thousand. The initially agreed price for the transaction was Euro 4 million, with a potential increase in the consideration of a maximum Euro 2 million, subject to the achievement of set commercial targets that may also be applied in a negative sense, resulting in a reduction in the base price of Euro 4 million in favour of the Group.

The payment of the consideration for the acquisition of the initial 100% was in cash, drawing on WIIT SPA's available liquidity of Euro 4 million. The price difference at June 30, 2022, subject to the achievement of certain commercial targets, has not been reached and, in addition, a price adjustment is being calculated that takes into account the net financial position and net working capital, which on the basis of the most recent calculations would even result in a reduction of the base price of Euro 4 million and a resulting receivable from the seller, in favour of the Group. The final calculations are currently being made. The consideration was therefore estimated on the basis of the most recent information and was Euro 2.4 million.

This acquisition, completed on March 31, 2022, represents a decisive step forward in the growth of the WIIT Group in Italy and further consolidates the position of leadership in SAP technology management and hosting services.



Purchase of 20% holding in Matika S.p.A.

On February 22, 2022, the minority shareholders of Matika exercised the put option for the sale of the residual 20% shareholding, as provided for in the option agreement.

The options exercised (the first for Euro 4,288 thousand and the second for Euro 4,763 thousand) totalled Euro 9,051 thousand, compared to the original estimate of Euro 7,132 thousand, for an additional cost (net of discounting interest) of Euro 1,919 thousand. It should be noted that the measurement of these options and of the earn-out was established by way of contract amendments signed on June 24, 2021, and February 22, 2022, respectively. 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. Following the exercising of these options, Matika is now a wholly-owned subsidiary of Wiit as of the reporting date.

Sale of 20% holding in Comm.it Srl

On February 28, 2022, the Group sold the 20% holding in Comm.it S.r.l. through its subsidiary Adelante for Euro 53 thousand. The Group recognised to the income statement Euro 28,858 to "loss of companies valued at equity" following this transaction.

Purchase of 20% holding in Etaeria S.p.A.

On March 3, 2022, the second put option was exercised by A&C Holding S.r.l., an Etaeria minority shareholder, regarding the residual 20% stake in Etaeria. The options exercised (the first for Euro 1,273 thousand and the second for Euro 846 thousand), along with the earn-out relating to the results in 2020 and 2021 totalled Euro 3,283 thousand, compared to the original estimate of Euro 2,907 thousand, for an additional cost (net of discounting interest) of Euro 375 thousand. These options and the earn-out were established by way of a contract amendment signed on March 3, 2022.

Incorporation of WIIT AG

An event on March 9, 2022 made official the presence in Germany and saw the creation of the holding company WIIT AG, and the Cloud For Europe project, by which WIIT has set a goal of leading Europe cloud-based critical applications. The integration project calls for the German holding company to oversee company acquisitions in the region, myLOC Managed IT AG, topped off by the subsequent acquisitions of Mivitec, Boreus, and GECKO. The organisation calls for sales, administration, marketing, and human resources to be centralised. Today, the Group comes before stakeholders with a strong organisation that, in Germany alone, has more than 300 employees across five locations (in Düsseldorf, Munich, Stralsund, Rostock, and Berlin) with capabilities in DevOps and critical platform management, particularly in e-commerce and SAP, the crown jewel of the WIIT value proposition. Among the assets there are as many as 11 proprietary data centres that are layer 2 connected with the 3 in Italy. The maximum certification of Uptime Institute, the US standard bearer in performance certification, that has already been obtained for the two Data Centers in Milan is an objective that WIIT has also set for Germany with the achievement of Germany's first Tier IV by year end.



Mergers by incorporation

On March 16, 2022, the Board of Directors of WIIT approved the merger by incorporation of Adelante, Matika and Etaeria (the "Incorporated companies"). The objective of the merger is to concentrate within WIIT all the activities previously conducted by the companies to be merged. In general terms, the goal of the merger is to optimise the coordination, operation and synergies of the functions performed by the companies to be merged, as well as to lower the structural costs of operating legally distinct entities, which will bring benefits in terms of operational and financial efficiency and efficacy, thereby enabling the WIIT Group to strengthen its position as an industry leader in Europe.

Purchase of 15% holding in Reventure GmbH

On March 30, 2022, a 15% holding in Reventure GmbH was acquired for Euro 150 thousand, through the German subsidiary Boreus GmbH, which already held the remaining 85% stake in the company.

ESG Rating

In April 2022, WIIT S.p.A. was ranked among the top fifty sustainable enterprises in the software and services sector according to the ESG Rating drawn up by Sustainalytics. An ESG Rating (or Sustainability Rating) is a score that certifies the solidity of an organisation from the standpoint of its environmental, social and governance performances and is to be regarded as complementary to traditional ratings, defined exclusively according to operating-financial indicators.

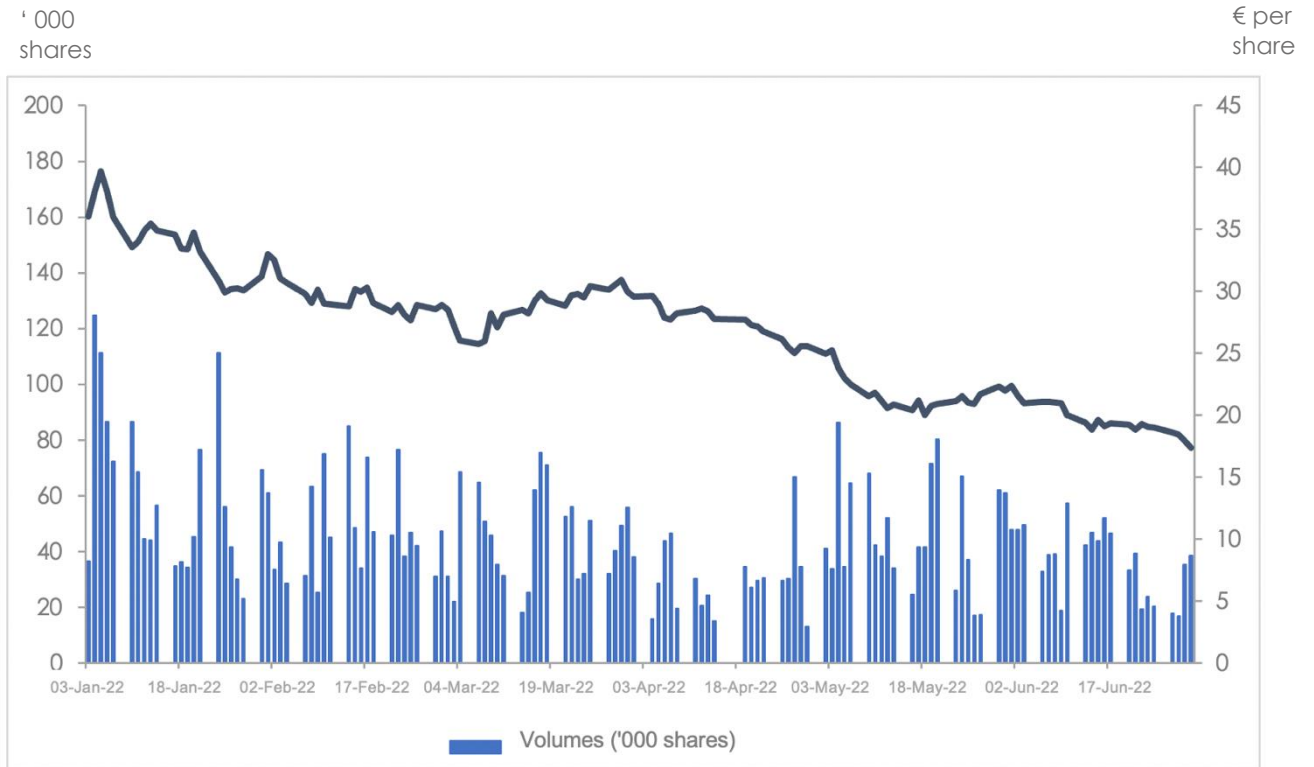
WIIT has stood out for our excellent performance in corporate governance, earning a score of 14.8 for a "Low" ESG risk rating on a 5-tier scale from "Negligible" to "High". The rating positions WIIT's Sustainability Report in line with best market practice, highlighting its strong sense of responsibility towards stakeholders.

Stock Option Incentive Plans

The Shareholders' Meeting of WIIT S.p.A. of April 21, 2022 in ordinary session, approved the adoption of the "2022-2027 Stock Option Plan" incentive plan. The details of the plans (including the enactment conditions and requirements) are outlined in the Board of Directors' illustrative report and in the related disclosure document, and confer upon the Board of Directors the widest powers necessary and/or useful for the complete and comprehensive enactment of the "2022-2027 Stock Option Plan" incentive plan. The Board has the right to identify the beneficiaries of these plans and the maximum number of options to be assigned to each of them, exercising all the duties and functions assigned by the Board of Directors under the incentive plan regulation, applying to the above plan's regulation, according to the most appropriate manners, the useful and necessary amendments or supplements in accordance with that set out in these regulations. At June 30, 2022, no stock options from this plan had been assigned.



Share price and volumes at June 30, 2022



01.01.2022 – 30.06.2022 Period

Source: Bloomberg.



ALTERNATIVE PERFORMANCE MEASURES

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, write-downs and provisions. 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 Parent Company may not be comparable with the 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, write-downs and provisions, costs for professional merger & acquisition (M&A) services, MTA listing costs, the tax credit for MTA listing costs, the Put&Call option 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 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 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 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 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, the Put&Call option costs and Stock Option/Stock Grant incentive plan costs and the amortisation/depreciation of the fixed assets from the Purchase Price Allocation from the 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 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 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, the tax credit for MTA listing costs, the costs to adjust the Put&Call options, the costs for the accounting of Stock options and Stock Grants (IFRS2), the financial expense for the closure of the loan contracts, and the amortisation and depreciation of assets arising from the Purchase Price Allocation; business 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. It is presented in the notes to the financial statements.

Adjusted Net Financial Position – this is a valid measure of the Group's financial structure. It is determined in accordance with Consob Communication No. 5/21 of April 29, 2021 and in accordance with ESMA Recommendations 32-382-1138, including, where applicable, other non-current assets related to security deposits and excluding trade and other non-current payables. It is also presented net of the effects of IFRS 16. This measure is presented in the Directors' Report.



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 in 2020 the non-recurring item regarding the tax credit on listing 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.



Main notes to the income statement

Operating revenues and income were up 54.6% on the same period of 2021. 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. The increase is due both to organic growth and the contribution of the new companies acquired in 2021.

The following table shows the results achieved in the first six months of 2022, compared with the same period of 2021 in terms of production value, EBITDA, profit before taxes and net profit.

	H1 2020	H1 2021	H1 2020 Adjusted	H1 2020 Adjusted	% Adj.Cge.
Total revenues and operating income	54,255,922	35,102,306	54,255,922	35,102,306	54.6%
EBITDA	18,878,370	13,259,613	19,717,654	14,224,639	38.6%
EBIT	7,380,907	5,795,335	10,339,601	7,759,361	33.3%
Profit before taxes	5,398,636	4,462,457	7,928,829	6,426,483	23.4%
Consolidated net profit	4,389,233	2,912,298	6,137,990	4,346,037	41.2%

Consolidated **Adjusted EBITDA** totalled Euro 19.7 million (Euro 14.2 million in H1 2021), +38.6% on H1 2021, thanks to the concentration on Cloud services, the degree of optimisation of process and operating services organisation, cost synergies, and the ongoing improvement in the margin of the acquirees, which offset the impact of increasing energy costs, particularly in Germany. The H1 2022 margin was 36.3%, reducing on the same period of the previous year (40.5% in H1 2021) and improving on Q4 2021 (35.0%).

Consolidated **Adjusted EBIT** was Euro 10.3 million (Euro 7.8 million in H1 2021), +33.3% on H1 2021, with a margin of 19.1% and amortisation and depreciation of Euro 9.2 million, increasing on the same period of the previous year (Euro 6.5 million in H1 2021).

The Adjusted consolidated net profit excludes the effects from M&A's for Euro 205 thousand, costs for the stock options and stock grant plans of Euro 634 thousand, amortisation and depreciation from the Purchase Price Allocation regarding the acquisitions for Euro 2.119 million, income from the difference between the estimated price to acquire the equity investments and the actual price paid for Mivitec GmbH of Euro 428.5 thousand and net of the tax effects of the above. Financial charges in H1 2022 principally concerned the effects of interest on the bond loan for Euro 1.970 million.

The reconciliation between the Net Result and EBITDA and Adjusted EBITDA for H1 2022 and H1 2021 are presented below:

	H1 2022	% of Total revenues and operating income	H1 2021	% of Total revenues and operating income
Net Profit	4,389,233	8.09%	2,912,298	8.30%
Income taxes	1,009,403	1.86%	1,550,159	4.42%
Financial income	(412,678)	-0.76%	(1,598)	0.00%
Financial expenses	2,387,957	4.40%	1,326,060	3.78%
Exchange gains/(losses)	6,992	0.01%	8,417	0.02%
Amortisation & Depreciation	11,497,463	21.19%	7,464,278	21.26%
EBITDA	18,878,370	34.80%	13,259,613	37.77%
M&A professional services costs ⁽ⁱ⁾	205,182	0.38%	76,807	0.22%
Costs for Stock options and RSU - IFRS2 ⁽ⁱⁱ⁾	634,101	1.17%	166,244	0.47%
Costs for minority put options ⁽ⁱⁱⁱ⁾	0	0.00%	721,975	2.06%
Adjusted EBITDA	19,717,654	36.34%	14,224,639	40.52%

- (i) The Group incurred M&A professional service costs of approx. Euro 205 thousand, of which Euro 110 thousand concerning the acquisition of the company ERPtech;
- (ii) The Group reports costs of Euro 634 thousand following the distribution of stock options and RSU's as per IFRS 2.
- (iii) In the first six months of 2021, the Group incurred costs for the acquisition of equity investments through the exercise of the Matika S.p.A. put & call options for Euro 721,975.



The reconciliation between the Net Result and EBITDA and Adjusted EBITDA for H1 2022 and H1 2021 are presented below:

	H1 2022	% of Total revenues and operating income	H1 2021	% of Total revenues and operating income
Net Profit	4,389,233	8.09%	2,912,298	8.30%
Income taxes	1,009,403	1.86%	1,550,159	4.42%
Financial income	(412,678)	-0.76%	(1,598)	0.00%
Financial charges	2,387,957	4.40%	1,326,060	3.78%
Exchange gains/(losses)	6,992	0.01%	8,417	0.02%
EBIT	7,380,907	13.60%	5,795,335	16.51%
M&A professional services costs (i)	205,182	0.38%	76,807	0.22%
Costs for Stock options and RSU - IFRS2 (ii)	634,101	1.17%	166,244	0.47%
Costs for minority put options (iii)	0	0.00%	721,975	2.06%
Amortisation Customer list from PPA (iv)	1,419,757	2.62%	579,466	1.65%
Amortisation Data Center, Building and Platform from PPA (v)	699,653	1.29%	419,534	1.20%
Adjusted EBIT	10,339,601	19.06%	7,759,361	22.10%

(iv) The Group recorded amortisation for the business list recognised following the Purchase Price Allocation: for Euro 105 thousand concerning Adelante, for Euro 150 thousand Matika, for Euro 80 thousand Etaeria, for Euro 244 thousand MyLoc, for Euro 396 thousand Boreus, for Euro 44 thousand Mivitec and for Euro 43 thousand ERPtech. These refer to non-recurring investments that do not require additional investments.

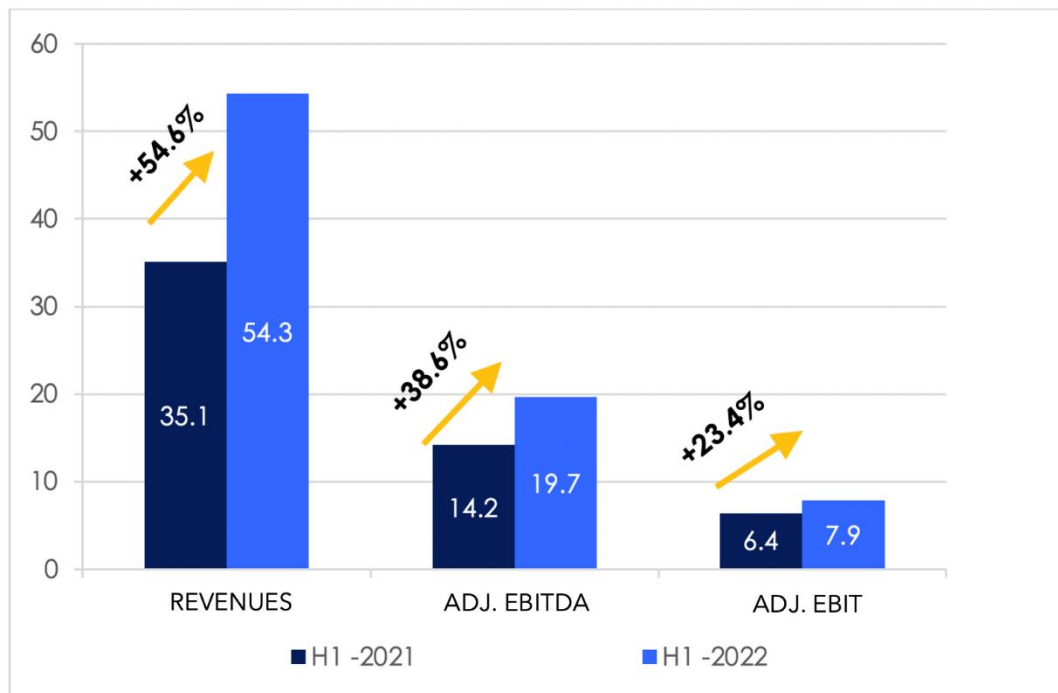
(v) The Group recorded depreciation relating to the Data Center acquired as part of the Purchase Price Allocation of MyLoc for Euro 342 thousand, of Boreus for Euro 86 thousand, the building of Boreus for Euro 193 thousand and the depreciation of the Digital platform for Euro 77 thousand. This amortisation and depreciation was recognised to the "Amortisation, depreciation and write-downs" account.

The reconciliation between the Net Result and EBITDA and Adjusted EBITDA for H1 2022 and H1 2021 are presented below:

	H1 2022	% of Total revenues and operating income	H1 2021	% of Total revenues and operating income
Net Profit	4,389,233	8.09%	2,912,298	8.30%
M&A professional services costs (i)	205,182	0.38%	76,807	0.22%
Costs for Stock options and RSU - IFRS2 (ii)	634,101	1.17%	166,244	0.47%
Costs for minority put options (iii)	0	0.00%	721,975	2.06%
Amortisation Customer list from PPA (iv)	1,419,757	2.62%	579,466	1.65%
Amortisation Data Center, Building and Platform from PPA (v)	699,653	1.29%	419,534	1.20%
Financial income and charges (vi)	(428,500)	-0.79%	0	0.00%
Tax effects of reconciled items(vii)	(781,436)	-1.44%	(530,287)	-1.51%
Adjusted Net Profit	6,137,990	11.31%	4,346,037	12.38%

(vi) The Group reports financial income of Euro 429 thousand, based on the difference between the estimated price for the acquisition of the equity investments and the price actually paid for the acquisition of Mivitec GmbH.

KEY FINANCIALS (€mn)





The H1 2022 reclassified income statement of the company is compared below with the same period of the previous year (in Euro):

	H1 2022	H1 2021	H1 2022 Adjusted	H1 2021 Adjusted
Net revenues	54,255,922	35,102,306	54,255,922	35,102,306
External costs	(20,871,398)	(14,604,680)	(20,269,942)	(13,707,804)
Value added	33,384,524	20,497,626	33,985,980	21,394,502
Personnel costs	(14,076,283)	(6,892,207)	(13,838,456)	(6,824,057)
Other costs and operating charges	(479,080)	(264,170)	(479,080)	(264,170)
Change in inventories	49,210	(81,637)	49,210	(81,637)
EBITDA	18,878,370	13,259,613	19,717,654	14,224,639
<i>EBITDA Margin</i>	34.8%	37.8%	36.3%	40.5%
Amortisation, depreciation and write-downs	(11,497,463)	(7,464,278)	(9,378,053)	(6,465,278)
EBIT	7,380,908	5,795,335	10,339,601	7,759,362
<i>EBIT Margin</i>	13.6%	16.5%	19.1%	22.1%
<i>Income and charges</i>	(1,982,272)	(1,332,878)	(2,410,772)	(1,332,878)
<i>Income taxes</i>	(1,009,403)	(1,550,159)	(1,790,839)	(2,080,446)
NET PROFIT	4,389,233	2,912,298	6,137,990	4,346,038

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	30.06.2022	30.06.2021	H1 2020 Adjusted	H1 2021 Adjusted
ROE	Net profit / equity	11.21%	6.44%	15.00%	8.75%
ROI	EBIT / Capital employed	2.57%	2.03%	3.60%	2.72%
ROS	EBIT / Value of production	13.60%	16.51%	19.06%	22.10%

Statement of financial position highlights

The H1 2022 reclassified statement of financial position of the company is compared with the previous year below (in Euro):

	30.06.2022	31.12.2021
	Consolidated	Consolidated
Net intangible assets	158,828,074	154,249,231
Net tangible assets	55,130,399	50,350,577
Equity investments and other financial assets	4,389	86,305
Other long-term receivables	601,165	540,660
Deferred tax assets	1,445,369	1,305,959
Fixed assets	216,009,397	206,532,732
Inventories	482,225	200,656
Current trade receivables	20,638,305	14,283,794
Receivables from group companies	6,003	58,140
Current financial assets	11,907,674	20,136,059
Other receivables	11,709,288	6,906,611
Cash and cash equivalents	26,256,271	37,445,042
Current assets	70,999,766	79,030,303
Capital employed	287,009,164	285,563,036
Bank loans (within one year)	4,903,688	3,710,186
Financial indebtedness related to Bond facilities (within one year)	2,596,233	829,623
Payables to other lenders (within one year)	8,362,466	8,042,466
Payables to suppliers (within one year)	17,172,819	11,540,432
Payables to group companies	-	114,641
Tax payables and social security institutions	2,296,255	2,036,671
Other current financial liabilities	2,102,073	8,561,318
Other payables	11,570,261	9,054,879
Current liabilities	49,003,795	43,890,216
Post-employment benefits	2,785,072	2,802,181
Bank loans (beyond one year)	16,255,803	13,369,968
Financial indebtedness related to Bond facilities (bey. one year)	148,126,353	147,922,733
Payables to other lenders (beyond one year)	15,072,199	13,874,540
Payables to suppliers (beyond one year)	-	114,885
Provisions for risks and charges	434,074	368,438
Other non-current financial liabilities	545,732	1,647,806
Other medium/long-term payables	195,415	244,899
Other payables and non-current liabilities	-	-
Deferred tax payables	15,431,585	16,008,873
Medium/long-term liabilities	198,846,233	196,354,323
Non-controlling interest share capital	247,850,030	240,244,539



(*) In accordance with CONSOB Clarification No. 5/21 of April 29, 2021 – “Recommendations for the uniform implementation of the European Commission regulation on financial statements” – the amount of trade payables due beyond 12 months has been reclassified again for financial year 2020.

Main notes to the statement of financial position

The value of fixed assets remains substantially unchanged as the effect of investments for approx. Euro 16.683 million in the period was offset by amortisation and depreciation of approx. Euro 11.163 million. The increase in goodwill is due to the acquisition of ERPtech, in addition to the residual investment in Reventure GmbH.

New right-of-use (IFRS 16) contracts were signed in the first half of the year for Euro 0.9 million. Excellent cash flows were generated in the first half of the year, despite the cash and cash equivalents reflecting outflows of Euro 11.2 million against the use of liquidity to purchase treasury shares for Euro 5 million, dividends paid for Euro 8.1 million, the purchase of the residual investment in Etaeria S.p.A, net of the advance paid, for Euro 1.2 million, of Matika S.p.A for Euro 2.3 million (partly paid in cash), in addition to the acquisition of the investment in ERPtech for Euro 4 million (net of cash and cash equivalents). Payables to other lenders include approx. Euro 6.6 million for investments in H1 2022, of which Euro 5.7 million relate to leasing charges measured according to the finance method (IFRS 16, already partly 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 statement of cash flow.

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

Condensed Statement of Cash Flow

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

	30.06.2022	30.06.2021
Net profit from continuing operations	4,389,233	2,912,298
Adjustments for non-cash items	14,352,451	9,980,960
Cash flow generated from operating activities before working capital changes	18,741,684	12,893,258
Changes in current assets and liabilities	(4,323,683)	301,391
Changes in non-recurring current assets and liabilities	820,696	227,519
Cash flow generated from operating activities	(1,706,024)	(1,544,774)
Cash flow generated from operating activities (a)	13,532,672	11,877,394
Net cash flow used in investment activities (b)	(4,981,051)	(4,338,748)
Net cash flow from financing activities (c)	(19,740,392)	10,525,714
Net increase/(decrease) in cash and cash equivalents (a+b+c)	(11,188,770)	18,064,359
Cash and cash equivalents at end of the period	26,256,271	36,306,571
Cash and cash equivalents at beginning of the period	37,445,042	18,242,212
Net increase/(decrease) in cash and cash equivalents	(11,188,772)	18,064,359



Key Financial Indicators

The net financial position at June 30, 2022 is as follows:

	30.06.2022	31.12.2021
A - Cash and cash equivalents	26,256,271	37,445,042
B - Securities held for trading	0	0
C - Current financial assets	11,907,674	20,136,059
D - Liquidity (A + B + C)	38,163,945	57,581,101
E - Current bank payables	(4,903,688)	(3,710,186)
F - Other current financial liabilities	(2,102,073)	(8,561,318)
G - Payables to other lenders	(8,362,466)	(8,042,466)
H - Current bond loan	(2,596,233)	(829,623)
I - Current financial debt (E + F + G + H)	(17,964,460)	(21,143,593)
J - Current net financial debt (I - D)	20,199,484	36,437,508
K - Bank loans	(16,255,803)	(13,369,968)
L - Payables to other lenders	(15,072,199)	(13,989,425)
M - Non-current bond loan	(148,126,353)	(147,922,733)
N - Other non-current financial liabilities	(545,732)	(1,647,806)
O - Trade payables and other non-current payables	0	(114,885)
P - Non-current financial debt (K + L + M + N + O)	(180,000,087)	(177,044,816)
Q - Group net debt (J + P)	(159,800,603)	(140,607,308)
- Lease payables IFRS 16 (current)	2,412,334	2,139,412
- Lease payables IFRS 16 (non-current)	7,868,815	8,569,796
R - Net financial debt excluding the impact of IFRS 16 for the Group	(149,519,455)	(129,898,100)

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 six months, strong operating cash flows were generated, reflecting investments for approx. Euro 16.683 million, due to the acquisition of IT infrastructure and software for new orders. Payables to other lenders includes approx. Euro 6.6 million for investments in H1 2022 and specifically the future leasing charges measured according to the finance method (IFRS 16, partly already recognized under IAS 17), in addition to property and motor vehicle lease contract payables relating to the above Standard and excluded from the statement of cash flow.

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.

		30.06.2022	30.06.2021
Primary liquidity	Current Assets / Current Liabilities	1.45	1.81
Debt	Third-party capital / Own capital	1.21	1.09

Financial instruments

The Group does not have any derivative financial instruments at June 30, 2022.

Treasury shares or parent company shares

In accordance with Article 2428 points 3) and 4) of the Civil Code, the company holds 1,513,506 treasury shares, but does not hold shares in parent companies, even through trust companies or nominees, nor have shares of the parent company been acquired and/or sold during the period, even through trust companies or nominees.

Opt-out from the obligation to publish disclosure documents on undertaking significant corporate transactions

In accordance with Article 3 of Consob motion No. 18079 of January 20, 2012, the Parent Company decided to apply the opt-out as per Articles 70, paragraph 8, and 71, paragraph 1-bis of Consob motion no. 11971/99, as amended, applying therefore the exception from publication of the required disclosure documents concerning significant merger, spin-off, share capital increases through conferment of assets in kind, acquisition, and sales operations.



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 H1 2022, no deaths of registered employees occurred at the workplace.

In H1 2022, no serious workplace accidents took place involving serious injury to registered employees.

In H1 2022, no issues in relation to workplace health matters concerning employees or ex-employees or misconduct against the company arose.

Environment

In H1 2022, no environmental damage was declared against the company.

In H1 2022, no penalties were incurred for offences or environmental damage.



Contract

INVOICE

Date: xxxxxx
Invoice No: 010001
Customer ID: 223

Quantity	Amount
246.53	855.75
594.67	492.74
386.40	400.00
456.00	456.00

Growth
-11%
+37%
+42%
+78%
+18%

May	June
24,796	45,596
354	1,076
133	190
	134
	47,796



Disclosure relating to risks and uncertainties pursuant to Article 2428, paragraph 2, point 6-bis of the Civil Code

Risk management

As in all businesses, risk factors which may affect the Company results exist and therefore preventative actions have been taken. Specifically, the company prioritises assessment of all types of Risk when implementing procedures for their control and mitigation. These procedures concern the commitment and responsibilities undertaken and are subject to maximum transparency and correctness.

On 30/07/2013, following approval of the Organisational and Management Model which includes Risk analysis in accordance with article 6, paragraph 1, letter a) of Legislative Decree 231/01, the Board of Directors approved the appointment of a Supervisory Board to oversee the application of and compliance to the Model, as well as updates to it.

The risk analysis carried out for the implementation of the Model considers the scenario whereby the company was already equipped with an integrated management system, the DPS and its evolution, and in possession of the certifications relating to quality (ISO 9001), IT Services Management (ISO 20000), and "security" (ISO 27001).

The risk factors in accordance with article 2428 of the Civil Code are outlined below and further more general considerations can be found in the specific documentation.

EXTERNAL RISKS

Financial Risks

The Group is not particularly exposed to financial risks. As operating mainly in the Eurozone, the company in fact only has a marginal exposure to exchange rate risk from transactions in foreign currency. Operating revenues and cash flows are not subject to market interest rate fluctuations and no significant credit risks exist as the financial counterparties are leading customers considered solvent by the market.

The financial risks to which the Group is exposed are mainly related to the sourcing of funds on the market (liquidity risk) and interest rate fluctuations (interest rate risk).

In the choice of financing and investing operations the company adopted prudent criteria and limited risk and no operations were taken of a speculative nature. The company funds these financial expenses with liquidity from operations. In order to monitor financial risks through an integrated reporting system and ensure analytical planning of future activities, the company has adopted a management control system.

The main categories of financial risk are however outlined below, indicating the level of exposure to the various categories of risk.



Currency risk

Exchange rate risk is defined as the risk of the value of a financial instrument changes following exchange rate movements. The WIIT Group has a limited exposure to exchange rate risk since the subsidiaries that prepare their financial statements in currencies other than the Euro are small and the transactions in foreign currency are not significant.

Interest rate risk

The management of the interest rate risk has the objective to ensure a balanced debt structure, minimising interest costs over time.

Interest rate risk concerns that affecting the value of a financial instrument on the basis of market interest rate fluctuations.

The Group is exposed to the risk that significant interest rate changes may occur and that the policies adopted to offset these fluctuations are insufficient.

The fluctuations in interest rates impact on the market value of the financial assets and liabilities of the company and on the level of the net financial expenses, as some of the loans subscribed by the Group are at variable rates.

The Consolidating company over the years has almost exclusively contracted medium-term loans at a fixed rate. It monitors constantly cash flow movements.

The breakdown of existing loans is reported in the Explanatory Notes.

Market risk

Market risk is defined as the risk that the value of a financial instrument changes due to fluctuations in market prices. The Group is exposed to the risks stemming from the global economic environment, and in particular the Italian market performance as the main market for the services provided by the Group. Specifically, political, general economic and global financial instability (and in particular in Italy) may significantly impact the Group's production capacity and growth outlook, with possible impacts on the operations, prospects and financial statements of the parent company and of the Group. In addition, the Russia-Ukraine conflict and more generally the greater awareness of ESG topics are placing a greater focus on energy sourcing. In particular, the Russia-Ukraine conflict has created geo-political tensions that have raised the cost of energy to which the Wiit Group is exposed to run its servers. The Group is closely monitoring rising energy prices and in 2022 is putting in place supply strategies to ensure price stability over the long-term, so as to enable the Group to better monitor the margins associated with customer contracts, which are almost always of long-term duration. Against this backdrop, also with an ESG focus, the Group is shifting its supplies towards renewable energy. The WIIT Group is not exposed to the Russian or Ukrainian market. Also at the ESG level, the Group may be exposed to earthquake risk, which could result in damage to its servers with consequent loss of data. The procedures put in place by the Group are, however, designed to prevent this occurrence through backup procedures located in different data centers at a safe distance to avoid or minimise the possibility of contextual damage.



Credit risk

Credit risk is defined as the probable financial loss generated by the non-fulfilment by third parties of a payment obligation to the Group.

The WIIT Group is exposed to the risk that its customers may be late or not comply with their payment obligations, according to the agreed terms and conditions and that the internal procedures adopted to assess credit standing and the solvency of clients are not sufficient to ensure collection.

Any missed payments, late payments or other defaults may be due to the insolvency or bankruptcy of the customer, economic events or specific issues affecting the customer. Payment delays may delay cash inflows. The Group does not have significant concentrations of credit risk, also due to the fact that it does not significantly deal with, as a strategic choice, the public sector.

The Group manages this risk through choosing counterparties considered as solvent by the market and with a high credit rating, or through providing highly critical services which may not be easily interrupted by its customers.

For commercial purposes, policies have been adopted to ensure the solvency of customers and limit the exposure to the credit risk of an individual customer through evaluation and monitoring.

All receivables are periodically subject to an assessment by customer type, with write-downs made where impairments are identified.

Receivables are initially stated at fair value, corresponding to their nominal value, and subsequently measured according to the amortised cost method, net of a write-down provision.

In relation to trade receivables and other receivables, the Group has applied the simplified approach indicated by IFRS 9 to measure the doubtful debt provision as the expected loss over the life of the receivable. The Group measures the amount of expected losses through the use of a past due provisioning matrix, calculated on the basis of the sector and country risk rates.

The breakdown of trade receivables is provided in the Explanatory Notes.

Liquidity risk

Liquidity risk is defined as the risk that the Group encounters difficulty to source the funds necessary to satisfy obligations related to financial liabilities.

Prudent management of liquidity risk is pursued by monitoring the cash flows, financial needs and the liquidity of the company, so as to ensure the proper management of financial resources through appropriately allocating any excess or on demand liquidity and the undertaking of adequate lines of credit.



Economic environment risks

The Information Technology market is naturally linked to the general economic performance. A poorly performing economy may slow demand with consequent impacts on the financial statements, in particular for the subsidiaries.

Cyber Security Risk

The WIIT Group is exposed to the risk of hacking attacks on its systems that might entail unauthorised access to client data, the intentional or unintentional use of such data, theft, loss or destruction, by current or former employees, consultants, suppliers or other persons who have had access thereto, with possible damage claims, loss of clients or of a part of the sales generated by such clients and with adverse effects on the Group's reputation and thus on the business, outlook, operating results and financial position of the Parent Company and of the Group.

In response to these threats, the WIIT Group has hired highly specialised technicians and its IT infrastructure is undergoing constant technological development and updates to ensure IT security and reduce the risks of hacking. In particular, in IT security, in addition to its "Business Continuity and Disaster Recovery Plan", the WIIT Group has implemented further security tools such as (i) two-factor (strong) authentication management software for external access to WIIT's network, (ii) a Password Access Management (PAM) system that reinforces the security of access privileges within the infrastructure, allowing access to be monitored on the basis of the user's role, (iii) a next-generation firewall (NGFW) with advanced anti-malware and intrusion detection features for server traffic and (iv) an anti-virus with EDR (Endpoint Detection & Response) functions and disc encryption for user workstations. In addition, the Group conducts specific vulnerability assessment and penetration test sessions at least once a year, taking a risk-based approach (e.g. analysis of the level of protection applied to the Active Directory services) to detect and manage any vulnerabilities in the infrastructure. The Russia-Ukraine conflict has heightened the potential of hacker attacks, which are expected to increase as a result of the conflict.

Cyber security personnel training has also become a key focus: an internal project has been launched to improve the awareness of WIIT Group personnel around cyber security issues, in collaboration with the HR team and with the goal of developing an organic training plan.

Risks related to IT services

In operating as a hosting provider, the Group is subject to Directive 2000/31/EC and Legislative Decree No. 70/2003. Although the above-stated regulations assign merely a passive role to the hosting provider, limited to "merely technical, automatic and passive operations", the most recent jurisprudence in both Italy and the EU has in certain cases recognised to the provider also an active role.

This means - where this new interpretation is confirmed - that providers may be held responsible also for the content of the information stored on its servers, as considered the manager. The Group therefore may in the future be considered responsible for the content stored on Group infrastructure (such as information uploaded by customers



on their websites) and as such may be involved in the relative disputes (with regards, for example, to intellectual property and civil and/or criminal liability).

The Group companies assume roles both as Data Controllers and Data Processors with Clients, as required by the EU Data Protection Regulation 679/2016. Companies are therefore required to comply with the relevant regulations, resulting in compliance costs (see Section One, Chapter 4, Paragraph 4.1.9 of the Prospectus).

Finally, the Parent Company is held to incur costs and expenses, also at a significant nature, to ensure compliance with the legislation and regulations applicable to companies listed on a regulated market, such as the MTA.

Risks connected with regulatory developments

In operating as a hosting provider, the Group is subject to Directive 2000/31/EC and Legislative Decree No. 70/2003. Although the above-stated regulations assign merely a passive role to the hosting provider, limited to “merely technical, automatic and passive operations”, the most recent jurisprudence in both Italy and the EU has in certain cases recognised to the provider also an active role.

This means - where this new interpretation is confirmed - that providers may be held responsible also for the content of the information stored on its servers, as considered the manager. The Group therefore may in the future be considered responsible for the content stored on Group infrastructure (such as information uploaded by customers on their websites) and as such may be involved in the relative disputes (with regards, for example, to intellectual property and civil and/or criminal liability).

The Group companies are therefore considered data owners as per Regulation EC 679/2016 on the protection of natural persons with regards to the processing of personal data, and are therefore required to comply with the relative regulations, with consequent compliance costs (see First Section, Chapter 4, Paragraph 4.1.9 of the Prospectus).

Finally, the Parent Company is held to incur costs and expenses, also of a significant nature, to ensure compliance with the legislation and regulations applicable to companies listed on a regulated market, such as the MTA.



INTERNAL RISKS

Risks connected to the employment of key personnel

The parent company and the Group are exposed to the risk of interruptions to professional relationships with top managers undertaking key roles, in addition to the risk of not being in a position to replace such individuals in an adequate and timely manner. In fact, although the Group has not recorded over recent years the turnover of its top management and although considering itself to have an operating structure capable of ensuring operational continuity, it is however exposed to this risk.

The parent company considers in fact that the success of the WIIT Group depends significantly on a number of key top managers, who - thanks to consolidated sector experience and in terms of specific roles and expertise - have over time assumed a critical role in managing Group operations, significantly contributing to developments.

Although, as stated, from an operating and management viewpoint the Group considers itself to have a structure in place capable of guaranteeing operating continuity, the loss of the professional contribution of one or more key individuals may impact operational developments and the timeframe for executing the Group's growth strategy. The consolidating company however consistently monitors this risk in order to replace in a timely manner such individuals with equally qualified and appropriate staff, so as to ensure the same operating and professional contribution and to avoid possible impacts on operations and the growth prospects of the parent company and of the Group.

Concentration risks

The parent company and the Group now offer services to enterprises operating on a range of markets (Finance, Service Provider, Defence, Manufacturing and Utility) and with highly divergent characteristics.

Company revenues are equally distributed. Despite this fact, the loss of certain significant customers may impact the company's financial statements, without however putting the company's going concern in danger.

Risks associated with contractual commitments

The Group provides high technological content and high value outsourcing services and the relative underlying contracts may stipulate the application of penalties for non-compliance with the agreed service levels.

Penalties are provided for in contracts in relation to the value of the services provided.

In support of the Group, the Parent Company has also signed insurance policies deemed adequate to protect against risks resulting from civil liability for an annual ceiling of Euro 5 million.

Further to the above coverage, additional policies are taken out for significant economic/financial projects to avoid negative impacts on the Group's economic/equity and financial position.



Climate change and possible impacts on the Wiit Group

The increasing attention devoted to environmental issues and climate change by the foremost global institutions and the increasing awareness amongst the world's population of the impacts that businesses have on the climate through their activities have led the directors to assess the possible effects that such changes might have on the management of the Group's business.

Climate change risk is currently believed to be low in view of the sector of operation.

**Condensed Consolidated
Half-Year Financial Statements
of the WIIT Group
at June 30, 2022**



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		30.06.2022	31.12.2021
ASSETS			
Intangible assets	1	56,555,208	52,386,478
Goodwill	2	102,272,866	101,862,753
Right-of-use	3	10,250,726	10,736,063
Property, plant and equipment	3	7,955,209	6,683,012
Other tangible assets	3	36,924,465	32,931,501
Deferred tax assets	17	1,445,369	1,305,959
Equity investments	4	4,389	86,305
Other non-current contract assets	5	65,508	96,991
Other non-current assets	5	535,657	443,669
NON-CURRENT ASSETS		216,009,397	206,532,732
Inventories	6	482,225	200,656
Trade receivables	7	20,638,305	14,283,794
Trade receivables from group companies	8	6,004	58,140
Current financial assets	9	11,907,674	20,136,059
Current contract assets	9	3,213,842	1,278,959
Other receivables and other current assets	9	8,518,580	5,627,652
Cash and cash equivalents	10	26,256,271	37,445,042
CURRENT ASSETS		71,022,901	79,030,303
TOTAL ASSETS		287,032,297	285,563,035



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		30.06.2022	31.12.2021
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	530,413
Other reserves		(14,449,974)	(4,955,010)
Reserves and retained earnings		1,116,028	2,354,337
Translation reserve		3,044	3,832
Group net result		4,396,736	(981,315)
GROUP SHAREHOLDERS' EQUITY			
	11	39,027,017	44,353,027
Result attributable to non-controlling interests		(7,503)	571,594
Non-controlling interests equity		132,119	965,469
TOTAL SHAREHOLDERS' EQUITY	11	39,159,136	45,318,496
Payables to other lenders	12	15,072,199	13,989,425
Non-current financial indebtedness related to Bond facilities	12	148,126,353	147,922,733
Bank loans	13	16,255,803	13,369,968
Other non-current financial liabilities	14	545,732	1,647,806
Employee benefits	15	2,785,072	2,802,181
Provisions for risks and charges	16	434,074	368,438
Deferred tax liabilities	17	15,431,585	16,008,873
Non-current contract liabilities	18	195,415	244,899
Other payables and non-current liabilities	18	0	0
NON-CURRENT LIABILITIES			
		198,846,233	196,354,323
Payables to other lenders	12	8,362,466	8,042,466
Current financial indebtedness related to Bond facilities	12	2,596,233	829,623
Short-term bank loans	13	4,903,688	3,710,186
Current income tax liabilities	19	2,296,255	2,036,671
Other current financial liabilities	14	2,102,073	8,561,318
Trade payables	20	17,085,945	11,540,432
Payables to Group companies	21	0	114,641
Current contract liabilities	22	6,231,783	3,366,215
Other payables and current liabilities	22	5,448,484	5,688,664
CURRENT LIABILITIES			
		49,026,928	43,890,216
TOTAL LIABILITIES			
		247,873,161	240,244,539
TOTAL LIABILITIES & SHARE. EQUITY			
		287,032,297	285,563,035



CONSOLIDATED INCOME STATEMENT

		H1 2022	H1 2021
REVENUES AND OPERATING INCOME			
Revenues from sales and services	23	53,688,730	34,938,720
Other revenues and income	24	567,192	163,586
Total revenues and operating income		54,255,922	35,102,306
OPERATING COSTS			
Purchases and services	25	(20,871,398)	(14,604,680)
Personnel costs	26	(14,076,283)	(6,892,207)
Amortisation, depreciation & write-downs	27	(11,309,063)	(7,464,278)
Provisions	27	(188,400)	0
Other costs and operating charges	28	(479,080)	(264,170)
Change in Inventories of raw mat., consumables and goods	-	49,210	(81,637)
Total operating costs		(46,875,015)	(29,306,971)
EBIT		7,380,907	5,795,335
Profit (Losses) from equity-accounted investee	29	(28,858)	0
Financial income	30	441,536	1,598
Financial expenses	31	(2,387,957)	(1,326,060)
Exchange gains/(losses)	32	(6,992)	(8,417)
PROFIT BEFORE TAXES		5,398,636	4,462,457
Income taxes	33	(1,009,403)	(1,550,159)
NET PROFIT		4,389,233	2,912,298
Group Result	11	4,396,736	1,594,498
Non-controlling interest result	11	(7,503)	878,591
Earnings per share			
		0.16	0.10
		0.16	0.10



STATEMENT OF COMPREHENSIVE INCOME

	H1 2022	H1 2021
NET PROFIT	4,389,233	2,912,298
<i>Items not reclassified subsequently to the income statement</i>		
Discounting Provisions for employee benefits (IAS19)	266,997	3,823
Tax effect on components of comprehensive income that will not be reclassified subsequently to the income statement	(74,492)	(843)
Total	192,505	2,980
<i>Items reclassified subsequently to the income statement</i>		
Derivative financial instruments (IRS)	0	267,304
Profits (losses) from conversion of accounts of overseas companies	(787)	6,224
Tax effect on components of comprehensive income that will be reclassified subsequently to the income statement	0	(79,119)
Total	(787)	194,408
TOTAL COMPREHENSIVE INCOME	4,580,950	3,109,686

	Share capital	Share premium reserve	Legal reserve	Treasury shares acquired reserve	Other reserves	Translation reserve	Retained earnings and losses carried forward	Net Result	Group Share. equity	Non-controlling interest share. equity	Total
Group Shareholders' Equity at 31.12.2020	2,652,066	19,248,704	530,414	(11,100,177)	(2,065,848)	(8,638)	3,389,210	1,594,497	14,240,227	878,591	15,118,818
Net result								2,503,629	2,503,629	408,669	2,912,298
Other Comprehensive Income Statement components					191,164	6,224			197,388		197,388
Comprehensive net income					191,164	6,224	0	2,503,629	2,701,017	408,669	3,109,686
Allocation of 2020 Result											
Legal reserve								0	0		0
Dividends paid							(1,034,873)	(1,594,497)	(2,629,370)	(550,349)	(3,179,719)
Carried forward									0		0
Share Capital Increase	150,000	25,350,000							25,500,000		25,500,000
Share capital increase charges					(700,337)				(700,337)		(700,337)
IFRS 2 Reserve					166,244				166,244		166,244
Use of treasury shares				1,984,977	1,859,488				3,844,465		3,844,465
Acquisition of treasury shares				(4,559,636)					(4,559,636)		(4,559,636)
Other changes					(2,491)		63,145		60,654		60,654
Group Shareholders' Equity at 30.06.2021	2,802,066	44,598,704	530,414	(13,674,836)	(551,780)	(2,414)	2,417,482	2,503,629	38,623,264	736,911	39,360,176



	Share capital	Share premium reserve	Legal reserve	Treasury shares acquired reserve	Other reserves	Translation reserve	Retained earnings and losses carried forward	Net Result	Group Shareholders' equity	Non-controlling interest shareholders' equity	Total
Group Shareholders' Equity at 31.12.2021	2,802,066	44,598,704	530,413	(12,337,333)	7,382,323	3,832	2,354,337	(981,315)	44,353,027	965,469	45,318,496
Net result								4,396,736	4,396,736	(7,503)	4,389,233
Other Comprehensive Income Statement components					192,505	(787)			191,718		191,718
Comprehensive net income					192,505	(787)	0	4,396,736	4,588,453	(7,503)	4,580,950
Allocation of 2021 result											
Legal reserve			30,000				(3,480)	(26,520)	0		0
Distribution of dividends					(6,991,476)			(995,570)	(7,987,046)	0	(7,987,046)
Carried forward									0		0
Reclassification of Group loss effect (*)							(2,003,405)	2,003,405	0		0
Equity from business combinations							764,358		764,358	(825,847)	(61,489)
									0		0
IFRS 2 Reserve					634,101				634,101		634,101
Use of treasury shares				507,562	1,152,633				1,660,195		1,660,195
Acquisition of treasury shares				(4,984,857)					(4,984,857)		(4,984,857)
Other changes					(5,431)		4,218		(1,213)		(1,213)
Group Shareholders' Equity at 30.06.2022	2,802,066	44,598,704	560,413	(16,814,629)	2,364,654	3,044	1,116,028	4,396,736	39,027,016	132,119	39,159,136

(*) Effect of the Group's loss against the Parent Company's profit used for dividend distribution.

CONSOLIDATED STATEMENT OF CASH FLOW

CONSOLIDATED STATEMENT OF CASH FLOW	30.06.2022	30.06.2021
Net profit from continuing operations	4,389,233	2,912,298
<i>Adjustments for non-cash items:</i>		
Amortisation, depreciation, revaluations and write-downs	11,497,463	7,464,278
Change in employee benefits	21,829	145,145
Financial income and expenses	1,524,914	1,326,060
Income taxes	1,009,403	1,550,159
Other non-cash charges/(income)*	298,842	(504,681)
Cash flow generated from operating activities before working capital changes	18,741,684	12,893,258
<i>Changes in current assets and liabilities:</i>		
Decrease (increase) in inventories	(281,569)	55,423
Decrease (increase) in trade receivables	(4,806,473)	942,982
Increase (decrease) in trade payables	4,671,622	(132,537)
Increase (decrease) in tax receivables and payables	177,043	205,038
Decrease (increase) in other current assets	(2,827,967)	(1,262,635)
Increase (decrease) in other current liabilities	(1,256,339)	493,121
Decrease (increase) in other non-current assets	(91,988)	(6,635)
Increase (decrease) in other non-current liabilities	0	324,074
Decrease (increase) in contract assets	(1,903,400)	111,662
Increase (decrease) in contract liabilities	2,816,084	(201,583)
Income taxes paid	(1,743,694)	(687,722)
Interest paid/received	37,670	(857,052)
Net cash flow generated from operating activities (a)	13,532,672	11,877,394
Net increase intangible assets	(5,826,463)	(2,350,664)
Net increase tangible assets	(5,466,369)	(1,988,084)
Decrease (increase) investing activities	10,261,102	0
Cash flows from business combinations net of cash and cash equivalents and minority holdings in subsidiaries	(3,949,322)	0
Net cash flow used in investing activities (b)	(4,981,052)	(4,338,748)
New financing	6,218,704	0
Repayment of loans	(2,139,364)	(1,483,803)
Lease payables	(5,153,691)	(2,872,743)
Payment of deferred fees for business combinations	(5,564,769)	(2,368,385)
Share capital increase (net of issue costs)	0	24,990,000
Dividends paid	(8,116,414)	(3,179,719)
(Purchase) Use of treasury shares	(4,984,857)	(4,559,636)
Net cash flow from financing activities (c)	(19,740,391)	10,525,715
Net increase/(decrease) in cash and cash equivalents a+b+c	(11,188,772)	18,064,359
Cash and cash equivalents at end of the period	26,256,271	36,306,571
Cash and cash equivalents at beginning of the period	37,445,042	18,242,212
Net increase/(decrease) in cash and cash equivalents	(11,188,772)	18,064,359



EXPLANATORY NOTES

Group Structure

Parent

- WIIT S.p.A.

Direct or indirect subsidiaries and Group holdings

The WIIT Group in H1 2022 is composed of:

- i) **WIIT S.p.A.**, the consolidating company, a joint-stock company incorporated in Italy with registered office in Via dei Mercanti No. 12, Milan, and its subsidiaries,
- ii) **WIIT Swiss S.A.**, a company incorporated in Switzerland with registered office in Dottikon - Bleicheweg 5 (CH), wholly owned,
- iii) **Adelante S.r.l.**, a limited liability company incorporated in Italy with registered office in Via Sandro Pertini 7, Bagno a Ripoli (FI), wholly-owned by the consolidating entity,
- iv) **ICT Watcher Sh.p.k.** with registered office in Rruga Abdyl Frasherri, building 8, Tirana, an Albanian registered company, wholly-owned by the subsidiary Adelante S.r.l.
- v) **Matika S.p.A.** a joint-stock company incorporated in Italy with registered office in Via Viale Arnaldo Fusinato 8, 36100 Vicenza, wholly-owned.
- vi) **Etaeria S.p.A.** a joint stock company incorporated in Italy, with registered office at Via XX Settembre 17, 10121 Turin, wholly-owned.
- vii) **ERPTech S.p.A.**, a joint-stock company incorporated in Italy with registered office in Via dei Mercanti No. 12, 20121 Milan, wholly-owned.
- viii) **myLoc managed IT AG** a German company with registered office in Düsseldorf Gatherhof 44 - 40472 Germany, wholly-owned;
- ix) **Mivitec GmbH** a German company with registered office in Munich Wamlerstr 4 – 81829 Germany, wholly-owned;
- x) **Gecko mbH** a German company with registered office in Rostock Deutsche-Med-Platz 2 – 18057 Germany, wholly-owned;
- xi) **Boreus GmbH** a German company with registered office in Stralsund Schwedenschanze 2 - 18435 Germany, wholly-owned;
- xii) **Codefit Sp.z.o.o.** a Polish company with registered office in Katowice Porcelanowa 19 – 40246 Poland, held 51%;
- xiii) **Reventure GmbH** a German company with registered office in Gera Hermann-Drechsler-Straße 1 - 07548 Germany, wholly-owned;
- xiv) **WIIT DE GmbH** a German company with registered office in Düsseldorf Gatherhof 44 - 40472 Germany, wholly-owned.

The companies operate in the same business as the parent company WIIT S.p.A..



Accounting standards

This document has been prepared in accordance with IAS 34 (Interim Financial Reporting).

The condensed consolidated half-year financial report does not contain all the disclosure and explanatory notes required for the annual financial report and must therefore be read jointly with the 2021 consolidated annual accounts of Wiit S.p.A.

The accounting standards and policies are in line with those used to prepare the financial statements at December 31, 2021, to which reference should be made, with the exception, where applicable, of the new standards effective from January 1, 2022, as outlined elsewhere.

These condensed consolidated financial statements at June 30, 2022 (hereinafter also the "Half-Year Financial Statements") have been prepared in Euro, the functional currency of the Group. They consist of the consolidated statement of financial position, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in shareholders' equity, the consolidated statement of cash flow and these explanatory notes. The statement of financial position is compared with December 31, 2021, while the income statement, statement of cash flow, and the statement of changes in shareholders' equity are compared with June 30, 2021. This method was utilised also for the additional level of disclosure.

The half-year financial statements have been prepared on the going-concern basis despite the challenges of the current economic and financial landscape. The Group considers - also in view of its strong competitive positioning, its strong profitability and the solidity of its balance sheet and financial position - to operate as a going concern as per paragraphs 25 and 26 of IAS 1. Therefore, no uncertainties have emerged in relation to events or circumstances which, considered individually or as a whole, could give rise to doubts as to the company's ability to continue as a going concern.



Financial Statements

The Group has adopted the following presentation of the financial statements:

- a consolidated statement of financial position which separately presents current and non-current assets and current and non-current liabilities;
- a consolidated income statement that expresses costs using a classification based on their nature;
- a comprehensive statement of consolidated income which presents the revenue and cost items not recognised to the profit (loss) for the year, as required or permitted by IFRS;
- a consolidated statement of cash flow which presents cash flows from operating activities according to the indirect method.

The adoption of these statements permits the best representation of the Group's equity, economic and financial situation.

Consolidation scope

The Interim Financial Statements of the WIIT Group includes the half-yearly figures for WIIT and its subsidiaries, both those directly and indirectly held, according to the financial statements approved by the respective Boards of Directors, appropriately adjusted where necessary in order to comply with the IAS/IFRS adopted by the Group to prepare the Consolidated financial report.

The companies over which the Group simultaneously has the following three elements are considered subsidiaries: (a) power over the entity; (b) exposure, or rights, to variable returns deriving from involvement with the same; (c) capacity to utilise the power to influence the amount of these variable returns. Subsidiaries, where undertaking significant activities to correctly represent the equity, economic and financial situation of the Group, are consolidated from the date at which control occurs until the moment at which it terminates.

The consolidation scope at June 30, 2022 includes the parent WIIT, the companies Adelante Srl and ICT Watcher Sh.p.k., which WIIT directly and indirectly wholly-owns, WIIT Swiss SA, Matika S.p.A. Etaeria S.p.A. ERPTech S.p.A., myLoc Managed IT, AG Boreus G.m.b.H, Gecko m.b.H., which WIIT wholly-owns directly, the company Reventure GmbH, wholly-owned by the company Boreus and Codefit SP zoo, held 51% by the company Gecko m.b.h.

The consolidated income statement reflects the Group's half-year figures.

Associated companies are companies in which the Group has a significant influence on the determination of administrative and management choices, even though it does not have control. The investments in associated companies are measured under the equity method. Based on this method, equity investments are initially recognised at cost, subsequently adjusted according to the changes in the value of the share of the Group in the equity of the associate.



Segment Information

For the purposes of IFRS 8 – Operating Segments, Group activities are organised into four operating segments based on the business and location of the companies of the Group.

Taking account of the fact that the definition of a CGU involves a subjective assessment as specified by IAS 36.68, and based on the acquisitions completed, the Directors confirmed the four previously identified CGU's. The differing characteristics of the services, which allow for the expansion of the product portfolio in different geographical areas, has led to a breakdown of the performance of the companies into four CGU's, and namely the "Italy CGU", the "MYLOC CGU" (formerly the "Overseas CGU"), the "BOREUS CGU" and the "GECKO CGU".

This segment disclosure has been prepared in accordance with the strategy outlined above.

The reporting used by Directors highlights the results in the following operating segments:

- **"Italy" CGU**, in which the Parent, Wiit Swiss SA, Adelante S.r.l., Matika S.p.A., Etaeria S.p.A. and ICT Watcher Sh.p.k. operate. In the period under review, the directors allocated the newly acquired ERPTech S.p.A. to this CGU;
- **"MYLOC" CGU**, formerly the "Overseas" CGU (myLoc Managed IT AG + the subsidiary Mivitec GmbH)
- **"BOREUS" CGU**, (Boreus GmbH + Reventure GmbH)
- **GECKO CGU**, (Gecko GmbH + Codefit Sp z.o.o)

These operating segments have been defined based on factors that the highest levels of Group management use to make decisions concerning the allocation of resources and the evaluation of performance.

No reconciliation between these segment figures and the figures of the financial statements presented herein is necessary given that all income components presented are measured utilising the same accounting policies adopted for the presentation of the Group consolidated financial statements.

The figures by operating segment for the Group in H1 2021 are as follows:



H1 2022	Italy CGU	MyLoc CGU	Boreus CGU	Gecko CGU	WIIT DE (*)	Total
Revenues and operating income	26,126,702	12,992,614	7,937,970	7,179,455	19,182	54,255,922
Intercompany by segment	0	0	0	0	0	0
Net sales revenues from third parties	26,126,702	12,992,614	7,937,970	7,179,455	19,182	54,255,922
EBITDA	9,337,418	4,761,974	2,820,446	1,930,253	28,279	18,878,370
Amortisation & Depreciation	(9,351,304)	(3,395,028)	(487,478)	1,924,747	0	(11,309,063)
Write-downs and revaluations	(50,000)	(138,400)	0	0	0	(188,400)
EBIT	(41,549)	1,228,546	2,332,968	3,855,000	5,942	7,380,907
Total investments	12,807,103	3,397,994	184,595	137,649	156,359	16,683,700
Net financial debt	(156,211,784)	(9,282,477)	3,714,656	2,592,942	(78,283)	(159,264,946)

(*) Company that is not yet part of any CGU but will be the holding company of the German companies

Basis of Consolidation

The consolidated financial statements based on the financial statements prepared by the Directors of the Parent Company and of each subsidiary. These financial statements were reclassified and adjusted, where necessary, in order to apply uniform international accounting standards and uniform classifications adopted by the Group.

The criteria adopted for the consolidation were as follows:

- the assets and liabilities, the income and charges of the financial statements consolidated under the line-by-line method are included in the financial statements of the Group, without consideration of the holding in the subsidiary. The carrying value of the investments are eliminated against the relative net equity of the investee companies.
- The positive differences resulting from the elimination of the investments against the book net equity at the date of initial consolidation is allocated to the higher values attributed to the assets and liabilities, and the residual part to goodwill.
- The payables/receivables, costs/revenues between consolidated companies and the gains/losses resulting from inter-company transactions are eliminated.
- Where minority shareholders are present, the share of net equity and of the net result is assigned to the relative accounts of the consolidated statement of financial position and income statement.

Conversion into Euro of financial statements prepared in foreign currencies

The separate financial statements of each company belonging to the Group are prepared in the primary currency where they operate (operational currency). For the purposes of the consolidated financial statements, the financial statements of each foreign entity are expressed in Euro, which is the operational currency of the Group and the presentation currency of the consolidated financial statements.



The conversion of the statement of financial position items expressed in currencies other than the Euro is made applying current exchange rates at period-end. The income statement accounts are converted at the average exchange rate for the period.

The exchange differences on the translation between the initial net equity translated at current exchange rates and those translated at historic exchange rates, as well as the differences between the result expressed at average exchange rates and those at current exchange rates, are allocated to the net equity account “Translation reserve”.

The exchange rates utilised to convert into Euro the financial statements of the overseas subsidiary, prepared in local currency, are presented in the following table:

Currency	Exchange rate at 30.06.21	Average exchange rate H1 2022
CHF - Swiss Franc	0.9960	1.0319
LEK - Albanian Lek	118.6199	121.1392
PLZ - Polish Zloty	4.6904	4.6329

Discretionary evaluations and significant accounting estimates

The preparation of the Interim Financial Statements at June 30, 2022 and the relative explanatory notes in application of IFRS require that management makes discretionary valuations and accounting estimates on the values of the assets and liabilities, revenues and costs in the financial statements and on the disclosures in the notes to the financial statements. The actual results could differ from those estimated.

The estimates are used for the measurement of goodwill, the recording of doubtful debt provisions, the valuation of tangible and intangible assets, the calculation of amortisation and depreciation, the calculation of income taxes and the calculation of provisions for risks and charges.

In addition, the Directors have exercised this discretion in order to assess the existence of the conditions to operate as a going concern. The estimates and assumptions are reviewed periodically and the effects of all variations are immediately recognized in the statement of profit and loss.

For further information on the main accounting estimates, reference should be made to the Consolidated Financial Statements at December 31, 2021.



IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLICABLE FROM JANUARY 1, 2022

The following IFRS accounting standards, amendments and interpretations were applied for the first time by the Group from January 1, 2022:

- On May 14, 2020, the IASB published the following amendments:
 - o Amendments to IFRS 3 Business Combinations: the purpose of the amendments is to update the reference in IFRS 3 to the revised version of the Conceptual Framework, without changing the provisions of the standard.
 - o Amendments to IAS 16 Property, Plant and Equipment: the purpose of the amendments is not to allow the amount received from the sale of goods produced during the testing phase of the asset to be deducted from the cost of the asset. These sales revenues and related costs will therefore be recognised to the income statement.
 - o Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets: the amendment clarifies that in estimating the possible onerousness of a contract, all costs directly attributable to the contract must be considered. Accordingly, the assessment of whether a contract is onerous includes not only incremental costs (such as the cost of direct material used in processing), but also all costs that the enterprise cannot avoid because it has entered into the contract (such as, for example, the share of depreciation of machinery used to perform the contract).
 - o Annual Improvements 2018-2020: the amendments were made to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples of IFRS 16 Leases.

The adoption of such amendments does not have significant effects on the consolidated financial statements of the Group.

IFRS AND IFRIC ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS APPROVED BY THE EU, NOT YET MANDATORY AND NOT ADOPTED IN ADVANCE BY THE GROUP AT JUNE 30, 2022

- On May 18, 2017, the IASB published IFRS 17 - Insurance Contracts which replaces IFRS 4 - Insurance Contracts.

The new standard ensures that an entity provides pertinent information which accurately presents the rights and obligations under insurance contracts. The IASB developed the standard in order to eliminate inconsistencies and weaknesses in the existing accounting policies, providing a single principle-based framework to take account of all types of insurance contracts, including reinsurance contracts held by an insurer.



The new standard sets out in addition presentation and disclosure requirements to improve comparability between entities belonging to the same sector.

It measures insurance contracts on the basis of a General Model or a simplified version of such, called the Premium Allocation Approach ("PAA").

The entity should apply the new standard to insurance contracts issued, including reinsurance contracts issued, reinsurance contracts held and also investment contracts with a discretionary participation feature (DPF).

The standard is effective from January 1, 2023, although advance application is permitted, only for entities applying IFRS 9 – Financial Instruments and IFRS 15 - Revenue from Contracts with Customers.

- On February 12, 2021, the IASB published two amendments entitled "Disclosure of Accounting Policies—Amendments to IAS 1 and IFRS Practice Statement 2" and "Definition of Accounting Estimates—Amendments to IAS 8". The changes are intended to improve disclosure on accounting policies to provide more useful information to investors and other primary users of financial statements and to help companies distinguish between changes in accounting estimates and changes in accounting policies. The amendments will be applicable from January 1, 2023, although advance application is permitted.

The Directors are currently assessing the possible effects of introduction of these amendments on the Group's consolidated financial statements.

IFRS STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT YET APPROVED BY THE EUROPEAN UNION

At the reporting date, the relevant bodies of the European Union had not yet concluded the process necessary for the implementation of the amendments and standards described below.

- On January 23, 2020, the IASB published an amendment entitled "Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current". The purpose of the document is to clarify how to classify payables and other short or long-term liabilities. These amendments shall enter into force on January 1, 2023 and early application is permitted.

- On May 7, 2021, the IASB published an amendment called "Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction". The document clarifies how deferred taxes should be accounted for on certain transactions that can generate assets and liabilities of equal amounts, such as leases and decommissioning obligations. The amendments will be applicable from January 1, 2023, although advance application is permitted.

- On December 9, 2021, the IASB published an amendment called "Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information". The amendment is a transition



option related to comparative information on financial assets presented at the date of initial application of IFRS 17. The amendment is intended to avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and thus improve the usefulness of comparative information for financial statement readers. The amendments will apply from January 1, 2023, together with the application of IFRS 17.

- On January 30, 2014 the IASB published IFRS 14 Regulatory Deferral Accounts which permits only those adopting IFRS for the first time to continue to recognise amounts concerning Rate Regulation Activities according to the previous accounting standards adopted. As the Company/Group is a first-time adopter, this standard is not applicable.

The Directors are currently assessing the possible effects of introduction of these amendments on the Group's consolidated financial statements.



Business Combinations

Business combinations are recognised according to the acquisition method. According to this method, the amount transferred in a business combination is valued at fair value, calculated as the sum of the fair value of the assets transferred and the liabilities assumed by the Group at the acquisition date and of the equity instruments issued in exchange for control of the company acquired.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recorded at fair value at the acquisition date; the following items form an exception, which are instead valued according to the applicable standard:

- deferred tax assets and liabilities;
- assets and liabilities for employee benefits;
- liabilities or equity instruments relating to share-based payments of the company acquired or share-based payments relating to the Group issued to replace contracts of the entity acquired;
- assets held-for-sale and discontinued assets and liabilities.

Goodwill is calculated as the excess of the amounts transferred to the business combination, of the value of non-controlling interests' net equity and the fair value of any holding previously held in the acquired company compared to the fair value of the net assets acquired and liabilities assumed at the acquisition date. If the value of the net assets acquired and the liabilities assumed at the acquisition date exceeds the sum of amounts transferred, of any non-controlling interest and the fair value of any holding previously held in the acquired company, this excess ("Negative goodwill") is immediately recorded to the income statement as income deriving from the transaction concluded.

The share of equity attributable to non-controlling interests, at the acquisition date may be measured at fair value (taking account of any options or any rights held by third parties) or in proportion to the acquiree's recognised net assets. The valuation method is chosen on the basis of each individual transaction.

The costs related to business combinations are recognised in the income statement.

Any liabilities related to business combinations for payments subject to conditions are recognised at the estimated fair value at the acquisition date of the businesses and business units relating to the business combination.

Where all or part of a previously acquired company (whose acquisition produced goodwill) is sold, the corresponding residual value of goodwill is considered when calculating the capital gains or losses generated by such sale.

With regard to acquisitions prior to adopting IFRS, the Group has exercised the option provided by IFRS 1 not to apply IFRS 3 relating to business combinations to acquisitions prior to the transition date. As a consequence, the goodwill arising from a business combination in the past is not adjusted and recorded at the value determined on the basis of the previous accounting standards, net of the accumulated amortisation up to December 31, 2013, the date of transition to international accounting standards of the parent company and any impairments.



ERPTECH S.p.A.

On March 31, 2022, the Group finalised an agreement for the acquisition of full control of the company Erptech S.p.A.. The Company, acquired by the BT Group, is a SAP systems IT outsourcing services enterprise, for which it holds 4 certifications, with approx. 40 highly-specialised staff and a portfolio including medium to large customers.

The initially agreed price for the transaction was Euro 4 million, with a potential increase in the consideration of a maximum Euro 2 million, subject to the achievement of set commercial targets that may also be applied in a negative sense, resulting in a reduction in the base price of Euro 4 million in favour of the Group.

The payment of the consideration for the acquisition of the initial 100% was in cash, drawing on WIIT SPA's available liquidity of Euro 4 million. The price difference at June 30, 2022, subject to the achievement of certain commercial objectives, has not been reached and, in addition, a price adjustment is being calculated that takes into account the net financial position and net working capital, which on the basis of the most recent calculations would even result in a reduction of the base price of Euro 4 million euros and a resulting receivable to the seller, in favour of the Group. The final calculations are currently being made. The consideration was therefore estimated on the basis of the most recent information and was Euro 2.4 million.

This acquisition, completed on March 31, 2022, represents a decisive step forward in the growth of the WIIT Group in Italy and further consolidates the position of leadership in SAP technology management and hosting services.



The values of the transaction are presented below.

In Euro	Fair value of net assets acquired	
Intangible assets	1,331,670	
	of which Business List	447,717
	of which exclusive contract	333,221
Other tangible assets	1,823,522	
Property, plant and equipment	624	
Right-of-use	272,676	
Deferred tax assets	0	
Trade receivables	1,803,805	
Other receivables and other current assets	62,961	
Cash and cash equivalents	200,678	
Non-current payables to other lenders	(787,281)	
Employee benefits	(153,566)	
Deferred tax liabilities	(217,882)	
Payables to other lenders	(358,131)	
Current income tax liabilities	(82,541)	
Trade payables	(759,250)	
Other payables and current liabilities	(1,102,107)	
Total net assets acquired (fair value) (a)	2,035,178	
Consideration for acquisition of control, including deferred consideration (b)	2,356,780	
GOODWILL (b-a+c)	321,602	
Payments made	(4,000,000)	
Cash acquired	200,678	
NET CASH FLOWS for Erptech business combination	(3,799,322)	
Price adjustment to be collected	1,643,221	

As indicated in the above table, the transaction was recognised according to the "acquisition method" from the date of acquisition of control.

The gain generated from the acquisition was allocated for Euro 448 thousand to intangible assets as a Business list, for which a useful life of 9 years was determined. Goodwill is not deductible for tax purposes. The allocation also generated deferred taxes amounting to Euro 218 thousand, calculated on the value identified for the Business List.

In addition to that identified and reported in the table, no contingent liabilities have been identified in accordance with paragraph 85 of IAS 37. For the determination of the price allocation, the Group utilised an outside consultant. The allocation amounts were provisional at June 30, 2022. In addition to that identified and reported in the table, no contingent liabilities have been identified in accordance with paragraph 85 of IAS 37.



Finally, it should be noted that the fair value of the receivables identified includes a doubtful debt provision of Euro 1,961 thousand, corresponding to the amount considered non-recoverable (expected loss).

In the period between the date of acquisition of control by the Group and the closing date of the Half-Year Report at June 30, 2022, the Company reported total revenues of Euro 2.023 million.

The Group acquired in the period the remaining 15% of Reventure's share capital for Euro 150 thousand.

Reconciliation between the shareholders' equity and the net result of the parent company and consolidated shareholders' equity and net result

	Group result	Group Shareholders' equity
Parent Company	5,792,717	43,287,641
Adjusted shareholders' equity and results of the consolidated companies attributable to the Group	4,433,311	34,877,255
Elimination of the net carrying amount of the consolidated investees	-	(39,005,760)
Elimination of dividends from subsidiaries	(5,836,795)	-
Distribution of dividends to non-controlling interests	-	-
Consolidated	4,389,233	39,159,136
<i>Attributable to non-controlling interests</i>	<i>(7,503)</i>	<i>132,119</i>



Net financial debt

As required by the CONSOB communication of July 28, 2006, the Group's net financial position is shown below:

	30.06.2022	31.12.2021
A - Cash and cash equivalents	26,256,271	37,445,042
B - Securities held for trading	0	0
C - Current financial assets	11,907,674	20,136,059
D - Liquidity (A + B + C)	38,163,945	57,581,101
E - Current bank payables	(4,903,688)	(3,710,186)
F - Other current financial liabilities	(2,102,073)	(8,561,318)
G - Payables to other lenders	(8,362,466)	(8,042,466)
H - Current bond loan	(2,596,233)	(829,623)
I - Current financial debt (E + F + G + H)	(17,964,460)	(21,143,593)
J - Current net financial debt (I - D)	20,199,484	36,437,508
K - Bank loans	(16,255,803)	(13,369,968)
L - Payables to other lenders	(15,072,199)	(13,989,425)
M - Non-current bond loan	(148,126,353)	(147,922,733)
N - Other non-current financial liabilities	(545,732)	(1,647,806)
O - Trade payables and other non-current payables	0	(114,885)
P - Non-current financial debt (K + L + M + N + O)	(180,000,087)	(177,044,816)
Q - Group net debt (J + P)	(159,800,603)	(140,607,308)
- Lease payables IFRS 16 (current)	2,412,334	2,139,412
- Lease payables IFRS 16 (non-current)	7,868,815	8,569,796
R - Net financial debt excluding the impact of IFRS 16 for the Group	(149,519,455)	(129,898,100)

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", in accordance with updated ESMA Recommendation No. 32-382-1138.

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.



Main notes to the statement of financial position

1. INTANGIBLE ASSETS

30.06.2022	31.12.2021	Changes
56,555,208	52,386,478	4,168,730

Description	31.12.2020	Increases	Business combinations	Decr.	Amort.	Reclass.	31.12.2021
Business List	21,298,693	0	23,851,108	0	(2,752,744)	0	42,397,057
Concessions and brands	3,504,375	1,954,858	0	(26,215)	(1,378,293)	0	4,054,725
Development costs	949,216	0	0	0	(327,957)	1,274,474	1,895,734
Assets in progress	1,926,189	1,218,641	0	0	0	(1,274,474)	1,870,356
Other	1,479,203	1,074,377	161,513	(13)	(536,816)	(9,661)	2,168,604
Total	29,157,680	4,247,877	24,012,621	(26,228)	(4,995,809)	(9,661)	52,386,478

Description	31.12.2021	Increases	Business combinations	Decr.	Amort.	Reclass.	30.06.2022
Business List	42,397,057	0	780,939	0	(1,419,757)	0	41,758,239
Concessions and brands	4,054,725	4,791,398	185,504	0	(1,236,526)	228,940	8,062,798
Development costs	1,895,734	0	356,678	0	(255,055)	1,730,803	3,689,402
Assets in progress	1,870,356	631,780	0	0	0	(1,730,803)	771,333
Other	2,168,604	444,296	0	(31,837)	(307,629)	0	2,273,435
Total	52,386,478	5,867,474	1,323,120	(31,837)	(3,218,967)	228,940	56,555,208

The net book value at the beginning of the period was therefore:

Description	Historic cost	Acc. Amort.	Revaluations	Write-downs	Net value
Business List	47,029,876	4,632,819	0	0	42,397,057
Concessions and brands	8,233,016	4,178,290	0	0	4,054,725
Development costs	3,245,354	1,349,620	0	0	1,895,734
Assets in progress	1,870,356	0	0	0	1,870,356
Other	4,563,080	2,394,476	0	0	2,168,604
Total	34,958,265	5,800,589	0	0	52,386,478



Business List

The account includes the amounts allocated to the business list following the acquisitions, net of accumulated amortisation.

Description	31.12.2021	Increases	Business combinations	Decreases	Amort.	Reclassification	30.06.2022
Adelante S.r.l.	3,364,589	0	0	0	(105,133)	0	3,259,456
Etaeria S.p.a	2,867,472	0	0	0	(79,652)	0	2,787,820
Matika S.p.a	5,107,975	0	0	0	(150,245)	0	4,957,730
myLoc AG	8,799,724	0	0	0	(244,437)	0	8,555,287
MIVITEC GmbH	797,497	0	0	0	(44,305)	0	753,192
Boreus GmbH	15,034,700	0	0	0	(395,650)	0	14,639,050
Gecko Mbh	6,425,100	0	0	0	(356,950)	0	6,068,150
Erptech S.p.a.	0	780,939	0	0	(43,385)	0	737,553
Total	42,397,057	780,939	0	0	(1,419,757)	0	41,758,239

Concessions and brands

This account mainly includes the document software platform relating to EIM services based on the ALFRESCO platform and the K-File platform owned by the Parent Company. Together, these make up the WIIT Digital Platform by which the Group provides EIM services to our customers. The Wiit Digital Platform is built with integrated applications and other technology assets that can be activated progressively based on the specific needs of the customer in order to support the execution of their specific processes regardless of their location.

The Wiit Digital Platform has been designed and rolled out to support and integrate with the Enterprise Application systems of our customers (ERP, SCM, CRM and E-Commerce), in order to digitalise and further streamline the management of primary processes (Customer Engagement Processes) and secondary processes (Operational Support Processes) in complex organisations, favoring collaboration and lead times.

The increase in "Concessions and brands" of Euro 4.8 million in the first half of 2022 reflects the extension of the consolidation scope and concerns the investments in licenses for the provision of services, in line with the investment plan.

The reclassification from "Other tangible assets" to "Concessions and brands" of Euro 228 thousand concerns the German company myLoc and relates to a game server platform.

Development costs



Development activities include costs incurred both internally and externally and mainly regard the development of ICT infrastructure. This infrastructure allows WIIT to provide its services effectively and competitively. They are substantially for installing the IT platforms and the framework through which the Group issues and manages contractually covered services and interfaces with customers. IT Security is one of the services in which the Group is heavily investing R&D, as demand from customers is expected to significantly rise, particularly with regard to cyber security services in view of the ever-increasing level of cyber risk. In this regard in fact, the cost of the assets is mainly related to installing the “Wiit Cyber Security Roadmap”, infrastructure and services for managing the IT security of all Systems at WIIT’s Data Centers or at other customer Data Centers, both for in-house Systems at Wiit and those of Customers to whom Wiit provides its Services.

The activities focused on improving infrastructure security and access control continued in the period.

Among the various projects developed by WIIT, a significant role was played by the Wiit Digital Platform comprising integrated technologies and application assets that are the subject of upgrades or updates that have:

- adapted the compliance of the solutions to the evolving regulatory landscape;
- expanded the functional scope of the various proprietary components and open-source technologies with the goal of supporting upselling and cross-selling with the customer base;
- integrated new services, such as digital signatures and multichannel delivery;
- allowed for the activation of standard vertical applications with which to offer the market the management of specific standard, digital processes, such as management of the protocol and RDA processes, and expanded the set of APIs that enable integration of Wiit assets with systems and technologies of the customer.

The Wiit Digital Platform has been designed and rolled out to support and integrate with the Enterprise Application systems of our customers (ERP, SCM, CRM and E-Commerce), in order to digitalise and further streamline the management of primary processes (Customer Engagement Processes) and secondary processes (Operational Support Processes) in complex organisations, favoring collaboration and lead times.

It should be noted that a portion of the development costs has been recognised among assets in progress, as the related projects have yet to be completed.

The following projects that were recognised among assets in progress in the previous year were completed during the period under review:

- Automatic management of the period-end closure of professional activities to end customers
- Cloud infrastructure evolution and upgrade projects, such as:
 - Introduction of Kubernetes cluster
 - Isilon Storage Integration
 - Interconnection between the DCs of WIIT and myLoc



Assets in progress

Among operations in progress, other components of WIIT's security infrastructure (Wiit Cyber Security Roadmap) are being rolled out, including:

- Automation systems for the DB Copy SAP and patching management, with a particular focus on patch security.
- Implementation of advanced Privileged Access Management systems at all data centres.

Other projects in progress concern the upgrading of the cloud infrastructure, for which the following are being implemented:

- Data centre automation using Ansible (software used to automate IT processes);
- OpenStack technology integration

A major ongoing project is the review and updating of internal IT systems to support the integration between the various Group companies, international expansion and the merger of the Italian companies. In particular, activities began for the:

- Introduction of the new CMDB (HW and SW asset management application) tool
- Review of the SAP ERP and implementation of new management control

In addition, WIIT has begun a project to launch its SAP services in Germany.

The above projects and functionalities are in addition to other existing functionalities which together represent the Group's strategic assets and which it depends on for its competitiveness and market expansion capacity.

Others

This account includes project services that the Group purchases from third parties in order to provide cloud services to our customers. These investments are primarily made by the Parent Company to implement the information systems of its customers.

2. GOODWILL

Description	31.12.2021	Increases	Business combinations	Decr.	Amort.	30.06.2022
Goodwill	101,862,753	0	410,113	0	0	102,272,866
Total	101,862,753	0	410,113	0	0	102,272,866

The net book value at the beginning of the period was therefore:

Description	Historic cost	Acc. Amort.	Revaluations	Write-downs	Net value
Goodwill	101,862,753	0	0	0	101,862,753
Total	101,862,753	0	0	0	101,862,753

At June 30, 2022, the Group had total goodwill of Euro 102,273 thousand allocated to the cash generating units (CGUs) through which the Group operates.

They indicate the following at June 30, 2022:

- **“Italy” CGU**, including the Parent Company, in addition to Adelante S.r.l., Matika S.p.A., Etaeria S.p.A., Wiit Swiss SA, ICT Watcher Sh.p.k. and ERPTech S.p.A., to which a goodwill value of Euro 24,986 thousand has been allocated.
- **“myLoc” CGU**, including the German subsidiary myLoc Managed IT AG and its subsidiary Mivitec GmbH, which joined the Group as of August 1, 2021, to which goodwill of Euro 33,867 thousand has been allocated.
- **“Boreus” CGU**, including the German subsidiaries Boreus GmbH and Reventure GmbH, which joined the Group as of November 2, 2021, to which goodwill of Euro 34,380 thousand has been allocated.
- **“Gecko” CGU**, including the subsidiaries Gecko GmbH e Codefit Sp z.o.o, which joined the Group as of November 2, 2021, to which goodwill of Euro 9,040 thousand has been allocated.

This goodwill came mainly from the following transactions:

- the merger by incorporation of the subsidiary Sevenlab S.r.l., with accounting and tax effects from January 1, 2014 and recognised to assets following the approval of the Board of Statutory Auditors for an amount of Euro 930 thousand;
- the acquisition of the Visiant Technologies (Visiant Group) business unit, which manages the Data center services and infrastructure for an amount of Euro 381 thousand;
- the acquisition of control of Foster S.r.l. through the acquisition of the remaining 65.03% of the share capital in December 2018 and the recognition of the residual consolidation difference to goodwill of Euro 1,206 thousand following the definitive allocation of the acquisition cost to the acquired assets and liabilities;
- the full acquisition of Adelante S.r.l. in 2018 for Euro 8,030 thousand
- the acquisition of control of Matika S.p.A. in 2019 for Euro 7,054 thousand



- the acquisition of control of Etaeria S.p.A. in 2020 for Euro 5,563 thousand;
- the acquisition of the Aedera business unit (Kelyan Group) in 2020 for Euro 1,508 thousand; for further details of which see the note "Business combinations";
- the full acquisition of myLoc managed IT AG in 2020 and the full acquisition of its subsidiary Mivitec GmbH for Euro 33,867 thousand;

- the full acquisition of the German company Boreus Rechenzentrum GmbH and the full acquisition of its subsidiary Reventure GmbH for Euro 34,380 thousand;
- the full acquisition of the German company Gecko für Computer und Kommunikationssysteme mbH and its subsidiary Codefit spółka z ograniczoną odpowiedzialnością, 51% held, for a total of Euro 9,040 thousand.

"Goodwill" increased in the first half of 2022 mainly due to the acquisition of ERPtech S.p.A..

Goodwill is not subject to amortisation; rather, in accordance with the accounting standard IAS 36, it is tested for impairment at least annually by comparing the recoverable amount of the CGU - determined according to the value in use method - with its carrying amount, which takes account of the goodwill and other assets allocated to the CGU.

Considering that identifying a CGU involves a subjective judgement, as indicated in paragraph 68 of IAS 36, the Directors confirmed operation, within Italy, on the basis of a single CGU for Italy, inasmuch as it is considered that the Group, even after the acquisitions during the present and previous years, constitutes a single set of assets that generate independent cash flows, given that:

- it operates in a single strategic business unit relating to the provision of 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;
- WIIT, Adelante, Matika, Etaeria and ERPTech's decision-making bodies are comprised almost entirely of the same individuals. Specifically, the Adelante Group's former sole director is a director of WIIT with decision-making responsibility (M&A), whereas WIIT directors also sit on the boards of directors of Adelante, Matika, Etaeria and ERPTech. In addition, it should be noted that on August 1, 2022, the merger of Adelante, Matika and Etaeria into WIIT S.p.A. was finalised.
- Group management has already introduced strategies to create synergies and integrate the services offered by the parent WIIT to Adelante, Matika and Etaeria and vice versa, and the objective to create them also with ERPTech's customers. Additional integration and synergies relate to infrastructure (data centres), business support services (connectivity, telephony and customer help desk service management), internal resources (of a technical and administrative nature) and administrative consultancy (tax and legal advisors, etc.);



- d) investment management is centralised at the parent, which also supports investments for Adelante, Matika, Etaeria, and ERPTech;
- e) loan management is conducted by WIIT S.p.A.;
- f) company management oversees the Group's Italy operations in a unitary fashion, preparing a single reporting set used to take decisions and monitor business performance.

With reference to the "myLoc" CGU, the Directors confirm that the company myLoc Managed IT AG and its subsidiary Mivitec GmbH (acquired during the previous year) are part of this CGU, and taking into account that at present:

- a) it operates in a single area of activity (Strategic Business Unit) related to the provision of Cloud solutions, for SMEs located almost entirely in Germany, which mainly involve the management of IT infrastructure and related management services;
- b) group management has already implemented strategies to create synergies and integration between the operations of myLoc and Mivitec in order to create uniformity of processes in Germany. Moreover, given the value of the Data Center assets of myLoc and the recent investments to strengthening them, Group management consider that it can centralise the services provided by the above-mentioned companies within the Data Center assets of myLoc;
- c) the lease agreement for the Data Center used by the company Mivitec has not been renewed as the data will be migrated to the Data Centers owned by myLoc in 2022.

In July 2022, the merger of the company Mivitec into myLoc was completed, effective January 1, 2022

With respect to the "BOREUS" CGU, the Directors consider that Boreus and Reventure should be considered a separate CGU as it generates independent cash inflows and taking into account that:

- a) it currently operates without transactions with the other Italian companies and the other German companies, except for Boreus which uses Gecko as an occasional reseller of Hardware;
- b) it operates in a single business area (Cloud Provider) owning two Data Centers in line with the security and resilience standards required by the Group

On September 1, 2022, the merger of Reventure GmbH into Boreus GmbH was completed, effective January 1, 2022.

With respect to the "GECKO" CGU, the Directors consider that Gecko and Codefit should be considered a separate CGU as they generates independent cash inflows and taking into account that:

- a) it currently operates without transactions with the other Italian companies and the other German companies, except for Boreus which uses Gecko as an occasional reseller of Hardware;
- b) it operates in two business areas (Strategic Business Units) related to software development and IT services, mainly in Germany, which it hosts for the most part at its end customers;



- c) group management has already put in place strategies to shift Gecko towards the development of Software-as-a-Service products and solutions independently of the rest of the German companies;

Impairment test

The recoverability of assets with indefinite lives was valued at December 31, 2021 in an impairment test conducted on the basis of the 2022-2024 forecast, which was approved by the Board of Directors on March 16, 2022, as disclosed in the Wifit S.p.A. Group consolidated financial statements at December 31, 2021, to which reference should be made.

The Directors conducted the impairment test with support from an independent expert.

The recoverable amount of the CGU's was determined as its value in use, calculated as the sum of the discounted future cash flows generated on an ongoing basis by NCE (Unlevered Discounted Cash Flow method). The value in use is based on estimates and assumptions by the directors regarding, inter alia, the CGU's expected cash flows according to the 2022-2024 business plan approved by the Board of Directors.

On drawing up this Half-Year Financial Report, the Directors verified the reliability of the forecasts in the 2022-2024 plan used for the impairment test at December 31, 2021, in light of the actual figures for the first half of 2022. The Directors therefore confirmed the sustainability of the book value of the assets, including goodwill at June 30, 2022.

The analysis carried out, which takes account of the current market environment (Russia-Ukraine conflict and consequent impact on energy costs), did not highlight any indicators of impairment, also considering the sector in which the Group operates and the mitigation actions taken by the Group on energy costs. In particular, it should be noted that, considering the results in line with the Plan used for the impairment test at December 31, 2021, in addition to the coverage resulting from the impairment tests of the recognised statement of financial position amounts (as per the sensitivity analysis carried out at December 31, 2021), no elements of uncertainty exist with regards to their recoverability. In addition, with regards to the outlook, the Directors consider that the plan estimates used for the impairment test may be confirmed, also in view of the type of contracts in place and the counterparties involved, the majority of whom are recurring and long-term and therefore permitting good results visibility.

Therefore, it is considered reasonable not to undertake an impairment test at June 30, 2022.

In any case, constant monitoring will be carried out throughout the year.



3. RIGHT-OF-USE, TANGIBLE ASSETS AND OTHER TANGIBLE ASSETS

30.06.2022	31.12.2021	Changes
55,130,399	50,350,577	4,799,822

Movements of Property, plant and equipment:

Description	31.12.2020	Increases	Business combinations	Decr.	Deprec.	Reclass.	31.12.2021
Right-of-use	9,050,928	1,783,444	2,751,858	(309,241)	(2,192,577)	(348,349)	10,736,063
Property, plant and equipment	2,417,429	620,362	4,912,674	0	(1,267,452)	0	6,683,012
Other tangible assets	23,033,146	14,284,444	5,147,640	(303,923)	(9,587,815)	358,010	32,931,501
Total	34,501,502	16,688,249	12,812,172	(613,164)	(13,047,845)	9,661	50,350,577

Description	31.12.2021	Increases	Business combinations	Decreases	Deprec.	Write-downs	30.06.2022
Right-of-use	10,736,063	610,401	272,676	(197)	(1,368,217)	0	10,250,726
Property, plant and equipment	6,683,012	1,917,802	624	(577)	(645,652)	0	7,955,209
Other tangible assets	32,931,501	8,272,506	1,832,072	48,127	(5,930,801)	(228,940)	36,924,465
Total	50,350,577	10,800,707	2,105,372	47,353	(7,944,670)	(228,940)	55,130,399

The net book value at the beginning of the period was therefore:

Description	Historic cost	Acc. Deprec.	Revaluations	Reclass.	Write-downs	Net value
Right-of-use	16,813,800	6,077,736	0	0	0	10,736,063
Property, plant and equipment	15,313,609	8,630,596	0	0	0	6,683,012
Other tangible assets	63,682,983	30,751,482	0	0	0	32,931,501
Total	95,810,392	45,459,815	0	0	0	50,350,577

Right-of-use (recognised separately)

The “Right-of-Use” account stems from the adoption of IFRS 16 which had an impact on the recognition of assets acquired by the company through property lease contracts (“operative”), which do not stipulate the redemption of the assets. The other rights-of-use related to what were formerly known as finance leases, which include a purchase option, are included in the related category of non-current assets and are detailed in the specific table below. The Right-of-use account includes the rental of properties and the long-term hire of the company vehicle fleet, which are recognised separately and comprise:

Description	31.12.2020	Increases	Business combinations	Decr.	Deprec.	Reclass.	31.12.2021
Right-of-use							
Rental cars	879,606	382,641	77,887	(16,072)	(349,487)	(348,349)	626,226
Property leases	8,171,322	1,400,803	2,673,972	(293,170)	(1,843,090)	0	10,109,837
Total	9,050,928	1,783,444	2,751,858	(309,242)	(2,192,577)	(348,349)	10,736,063

Description	31.12.2021	Increases	Business combinations	Decreases	Deprec.	Reclass.	30.06.2022
Right-of-use							
Rental cars	626,226	354,495	133,767	0	(204,821)	0	909,664
Property leases	10,109,837	255,907	138,909	(195)	(1,163,396)	0	9,341,062
Total	10,736,063	610,401	272,676	(195)	(1,368,217)	0	10,250,726

The net carrying amount at the beginning of the year is broken down as follows:

Description	Historic cost	Acc. Deprec.	Increases	Write-downs	Reclass.	Net value
Right-of-use						
Rental cars	1,947,023	(1,320,797)	0	0	0	626,226
Property leases	17,194,196	(7,084,359)	0	0	0	10,109,837
Total	19,141,219	(8,405,156)	0	0	0	10,736,063

As mentioned above, right-of-use related to finance lease agreements, which include a purchase option at the end of the lease period and which are recognised in the asset category to which the leased asset refers, specifically within “Other tangible assets”, are detailed below:

Description	31.12.2020	Increases	Business combinations	Decr.	Deprec.	Reclass.	31.12.2021
Right-of-use							
EDP	7,322,277	7,174,265	258,527	(210,939)	(4,688,309)	0	9,855,821
Total	7,322,277	7,174,265	258,527	(210,939)	(4,688,309)	0	9,855,821

Description	31.12.2021	Increases	Business combinations	Decr.	Deprec.	Reclass.	30.06.2022
Right-of-use							
EDP	9,855,821	4,779,798	872,737	0	(2,771,549)	0	12,736,807
Total	9,855,821	4,779,798	872,737	0	(2,771,549)	0	12,736,807

The net carrying amount at the beginning of the year is broken down as follows:

Description	Historic cost	Acc. Deprec.	Increases	Write-downs	Reclass.	Net value
Right-of-use						
EDP	23,459,272	(13,603,451)	0	0	0	9,855,821
Total	23,459,272	(13,603,451)	0	0	0	9,855,821

"Plant and machinery" include the costs for all tangible assets such as air conditioning units, electrical plant, fire prevention machinery and continuity group equipment (ups) at the Milan, Castelfranco Veneto and Düsseldorf Data Centers.

"Other tangible assets" principally concern the equipment (mainly EDP), partly for the replacement of existing infrastructure (capex maintenance), although mainly for new orders in line with previous years and the Data Centers owned by the Group located in Milano and Castelfranco Veneto. For the first six months of 2022, the increase mainly concerns the upgrade to the Milan Data Center for Euro 3,249 thousand and the Düsseldorf Data Center for Euro 1,531 thousand. For the reclassification of Euro 228 thousand, reference should be made to the "Concessions and brands" paragraph above.

4. EQUITY INVESTMENTS

Company Name	30.06.2022	31.12.2021
Comm.it Srl	0	81,858
Other investments	4,389	4,447
Total	4,389	86,305

5. OTHER NON-CURRENT CONTRACT ASSETS AND OTHER NON-CURRENT FINANCIAL ASSETS

Contract assets are the part of the costs incurred in advance associated with the right to receive payment in exchange for the goods and services which the Group has transferred to the customer, where the right is conditional on the provision of future goods or services by the entity. They refer to costs incurred for up-front fees for the set-up of the service that with effect from 2019 are managed within periodic fees.

At June 30, 2022, this account concerning non-current contract assets amounts to Euro 65,083 and stems from the application of IFRS 15.

Other non-current assets include a guarantee deposit of Euro 250,000 to the parent company Wiit Fin S.r.l. for the rental of property and, for the residual amount, guarantee deposits for various utilities.

6. INVENTORIES

The balance of Euro 482 thousand relates to EDP purchased for resale.

7. TRADE RECEIVABLES

Description	30.06.2022	31.12.2021	Change
Trade receivables	23,666,890	15,332,117	8,334,773
Doubtful debt provision	(3,028,584)	(1,048,323)	(1,980,261)
Total	20,638,306	14,283,794	6,354,512

No transactions with the obligation to return goods exist (Article 2427, paragraph 1, No. 6-ter of the Civil Code).

The increase of approx. Euro 8 million reflects the business combination of approx. Euro 3.6 million, with the remainder relating to the increase in sales. Despite the improved trade receivable exposure, the Group made an allocation of Euro 146 thousand in the first half of the year related to specific positions.

The changes in the doubtful debt provision in the period ended June 30, 2022 were as follows:

Balance at 31.12.2021	1,048,323
Utilisation in the period	0
Business combinations	1,834,167
Provisions in the period	146,094
Total at 30.06.2022	3,028,584

Receivables by region are broken down as follows:

Country	30.06.2022	31.12.2021	Change
Italy	16,400,272	9,094,879	7,305,393
EU countries	6,506,595	5,739,972	766,623
Non-EU countries	760,023	497,266	262,757
Doubtful debt provision	(3,028,584)	(1,048,323)	(1,980,261)
Total	20,638,305	14,283,794	6,354,511

Receivables in EU countries are mainly attributable to the overseas subsidiaries.

8. TRADE RECEIVABLES FROM ASSOCIATES

"Trade receivables from associates" due within 12 months amount to Euro 6,004 and concern commercial transactions with the parent WIIT Fin Srl.

9. FINANCIAL ASSETS, ASSETS FROM CONTRACTS, OTHER RECEIVABLES AND OTHER CURRENT ASSETS

Description	30.06.2022	31.12.2021	Change
Contracts assets	3,213,842	1,278,959	1,934,883
Current financial assets	11,907,674	20,136,059	(8,228,385)
Tax receivables	4,129,225	4,057,196	72,029
Other receivables	4,389,354	1,570,455	2,818,900
Total	23,640,096	27,042,669	(3,402,573)

Contract assets refer to costs incurred for up-front fees for the set-up of the service that, following the application of IFRS 15, with effect from 2019 are managed within periodic fees for the amount of Euro 92 thousand. The residual portion of Euro 3,122 thousand concerns deferred income.

Current financial assets amounting to Euro 11,908 thousand mainly include an investment of Euro 10,000,000 in "repurchase agreement" type products maturing in September 2022 that can be liquidated when needed, as well as the receivable of Euro 1.643 million for the price adjustment of the investment in the company ERPTech Spa. The decrease of Euro 8,228 thousand refers to the liquidation of part of the "repurchase agreement" investment for both the purchase of the company ERPTech Spa and the purchase of treasury shares.



Tax receivables mainly include the tax consolidation receivable of the parent from the holding company WIIT FIN Srl for Euro 2,577 thousand, which includes both the patent box benefit related to the years 2015-2019 and the tax consolidation gain recognised at December 31, 2021, in addition to overseas taxes of Euro 263 thousand, Italian income taxes (IRES and IRAP) of Euro 539 thousand, and the VAT receivable of Euro 750 thousand for the remainder.

“Other receivables” mainly include a receivable for overseas withholdings for Euro 855 thousand, advances to suppliers for Euro 482 thousand, for insurance reimbursements of Euro 324 thousand, and prepaid third-party services for Euro 2,220 thousand.

10. CASH AND CASH EQUIVALENTS

Cash and cash equivalents of Euro 26,526,271 at June 30, 2022 comprise current account balances.

11. SHAREHOLDERS' EQUITY

The share capital comprises 28,020,660 shares without nominal value.

At June 30, 2022, the shares in circulation therefore numbered 28,020,660.

The Group's share capital is comprised as follows (Article 2427, first paragraph, Nos. 17 and 18 of the Civil Code).

Shares	Number
Ordinary	28,020,660

The Shareholders' Equity accounts are divided by origin, the possibility of utilisation, distribution and any utilisation in the previous three years (Article 2427, first paragraph, No. 7 bis of the Civil Code)

Treasury Shares

The Shareholders' Meeting of April 21, 2022 revoked, for the part not executed, the authorisation for the purchase and utilisation of ordinary treasury shares approved by the Shareholders' Meeting of May 5, 2021. Pursuant to Article 2357 and subsequent of the Civil Code and for a period of 18 months from the effective date of the authorisation, the Meeting also authorised the acquisition of a maximum of 2,802,066 ordinary WIIT S.p.A. shares without par value, in one or more tranches and at any time and in compliance with applicable laws and regulations, including at EU level. This decision was made to allow the Group to hold a stock of treasury shares to be used as consideration for any corporate transactions and/or other uses of financial-operating and/or strategic interest for the Group, also for exchanges of investments with others to support



operations in the company's interest, and to service any financial instrument-based remuneration plans that the Company might adopt.

At June 30, 2022, the parent Wiit S.p.A. holds 1,405,661 treasury shares (5.02% of the share capital), recognised to the financial statements for a total amount of Euro 16,814,629.

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 June 30, 2022 was Euro 24,458,501.

Share-based payments: Restricted stock units (RSU's) and stock options incentive plans

The Shareholders' Meeting of May 5, 2021 of WIIT S.p.A., meeting in ordinary session, approved the adoption of the incentive plans known as the "2021-2025 RSU Plan" and the "2021-2026 Stock Option Plan". The pillars of the 2 plans are to incentivise beneficiaries to achieve the WIIT Group's operating performance objectives, to align their interests with the interests of shareholders in the creation of value in the medium/long term, and to retain key staff of the WIIT Group, providing incentives for them to remain with the Company.

RSU PLAN

The 2021-2025 RSU Plan is addressed to employees of the WIIT Group and based on the achievement of corporate objectives in order to incentivise them to add value to the WIIT Group in the medium/long-term and to function as a tool to generate loyalty. The Plan provides for the grant of a maximum of 80,000 RSUs, valid for the allocation of a maximum of 80,000 shares. The award of RSU's to Beneficiaries may take place over four award cycles during the financial years 2021, 2022, 2023 and 2024. RSU's may also be assigned on different dates to each of the Beneficiaries, provided that they are assigned respectively by December 31, 2021 for the first cycle, by December 31, 2022 for the second cycle, by December 31, 2023 for the third cycle and by December 31, 2024 for the fourth cycle.

RSU's are freely assigned. Beneficiaries will therefore not be required to pay any consideration to the Company for the assignment. If matured according to the terms and conditions set out in the Plan and in the Regulation, each RSU assigned shall entitle the holder to the free assignment of one share. The assignment of shares is also conditional on and commensurate with the achievement of performance objectives based on the Consolidated Adjusted EBITDA set out in the WIIT Group's 2021-2024 Strategic Plan. Once granted, they will not be subject to lock-up periods.

In January 2022, the Board of Directors identified a number of beneficiaries from among the employees of the Parent and the subsidiaries of the RSU plan, assigning an additional 6,050 RSUs, corresponding to 6,050 shares.



Grant date	Assignment date	No. of options granted at 31.12.21	No. of options granted 2022	Shares cancelled 2022	No. of options granted at 30.06.22	Vesting period	Exercise Period	Shares exercised	Shares not exercised	Fair value
14.06.2021	14.06.2021	17,237	-	1,237	16,000	31.12.2021	01.01.2025	-	-	21.56
14.06.2021	14.06.2021	17,237	-	1,237	16,000	31.12.2022	01.01.2025	-	-	21.56
14.06.2021	14.06.2021	17,237	-	1,237	16,000	31.12.2023	01.01.2025	-	-	21.56
14.06.2021	14.06.2021	17,237	-	1,237	16,000	31.12.2024	01.01.2025	-	-	21.56
14.06.2021	28.01.2022	-	2,017	-	2,017	31.12.2022	01.01.2025	-	-	21.56
14.06.2021	28.01.2022	-	2,017	-	2,017	31.12.2023	01.01.2025	-	-	21.56
14.06.2021	28.01.2022	-	2,017	-	2,017	31.12.2024	01.01.2025	-	-	21.56
Total		68,950	6,050	4,950	70,050			-	-	

The delivery of the shares will take place within 10 days following approval of the consolidated financial statements for the year ended December 31, 2024 by the Board of Directors.

The grant date has been set as June 14, 2021, which is the date on which most of the participation letters were submitted, as this is the moment in which both parties are informed of the plan regulation.

In order to determine their fair value, the RSU's are considered call options with a strike price of zero and with a weighted average share value at the end of the plan of Euro 21.56 (as compared to a value of Euro 17.62 at the grant date), calculated by way of a Monte Carlo simulation with 5,000 iterations and repeated at the end of each year.

The fair value was calculated considering:

1. Working days in the period between the grant date (identified as 14.06.2021) and 31.12.2024;
2. Average risk free rate for Italy, as estimated by Fernandez (2021), of 1%;
3. Annualised standard deviation of LTM daily returns (June 14, 2021) of 39.30%.
4. Equity risk premium of 4.69% obtained as $\beta \text{ equity} * MRP$ the equity beta (0.781) is calculated using the unlevered beta of the EU Internet software industry (source: Damodaran). The Market Risk Premium of 6% is based on the estimates of Fernandez (2021)
5. Continuous dividend yield, calculated each year, i.e. 0.0187 at December 31, 2021, 0.0107 at December 31, 2022, 0.0077 at December 31, 2023, and 0.0035 at December 31, 2024.

The fair value calculated as described above applied to a number of granted shares that was adjusted to take account of expected turnover (of 10%) and assuming a probability of reaching the EBITDA target each year of 100%.

The cost will be calculated at the end of each quarter, for the purposes of the periodic reports published on the market.

At June 30, 2022, personnel costs and recognition of the related equity reserve (hereinafter the "stock grant reserve") was Euro 132,710 and concerned the period from the grant date of June 14, 2021, to June 30, 2022.

STOCK OPTION PLANS

The "2021-2026 Stock Option Plan" is addressed to Executive Directors and Senior Executives of the group and the parent company, and may be extended to those assuming the role of Executive Director or Senior Executive during the duration of the Plan. It provides for the free allocation of Options giving the Beneficiary the right to receive the Shares in the Company's portfolio to which he/she is entitled following the exercise of the Options, at a ratio of 1 Share for every 1 Option exercised. The Plan purpose is the granting of a maximum of 1,000,000 Options, valid for the allocation of a maximum of 1,000,000 Treasury Shares of the Company. The Strike Price of each Option (which entitles the holder to purchase 1 Share for each Option exercised) is equal to Euro 18.

The duration of the Plan is until July 1, 2027, and the Options may be exercised by the beneficiaries, as indicated by the Company in the participation letter, in whole or in part for a maximum number equal to 50% of the total Options granted to each beneficiary as of January 1, 2024 or July 1, 2024; and for 100% of the total Options granted to each beneficiary as of, alternately, January 1, 2026 or July 1, 2026. The allocation of shares is also conditional on and commensurate with the achievement of the performance objectives.

In May 2021, the Board of Directors of WIIT identified the beneficiaries of the plan and granted 775,000 options.

Grant date	No. of options granted	Vesting period	Exercise Period	Options exercised	Options cancelled	Options not exercised	Strike price	Fair value
14.06.2021	100,000	From 14.06.2021 to 31.12.2023	From 01.01.2024 to 01.01.2027	-	-	-	18.00	3.77
14.06.2021	287,500	From 14.06.2021 to 30.06.2024	From 01.07.2024 to 01.01.2027	-	-	-	18.00	4.13
14.06.2021	100,000	From 14.06.2021 to 31.12.2025	From 01.01.2026 to 01.01.2027	-	-	-	18.00	5.01
14.06.2021	287,500	From 14.06.2021 to 30.06.2026	From 01.07.2026 to 01.01.2027	-	-	-	18.00	5.24
Total	775,000			-	-	-		

The grant date is the date of the participation letters, as this is the moment in which both parties are informed of the plan regulation.

For the purposes of measuring fair value, an incremental value was assumed for the strike price for the exercise of the options of Euro 3.77 - 4.13 - 5.01 - 5.24 at the respective vesting dates of 01.01.24 - 01.07.24 - 01.01.26 - 01.07.26, which was calculated using the Black-Scholes model and corresponds to share values of 21.77 – 22.13 – 23.01 – 23.24, as compared to a value of Euro 17.62 at the grant date. Average risk free rate for Italy, as estimated by Fernandez (2021), of 1%;

To account for volatility over a time period consistent with that of the plan, the annualised standard deviation of returns were calculated over the period July 10, 2018 to June 14, 2021. The earliest useful date considered is July 10, 2018 since the stock price was constant prior to that date. The dividend yield is calculated as the 2020 dividend per share (0.105) on the stock price at the assignment date of June 14, 2021.

The fair value calculated as described above applied to a total number of options granted prudently estimating that at the conclusion date of the plan nine of the nine beneficiaries (100%) will still be in service.

The cost will be calculated at the end of each quarter, for the purposes of the periodic reports published on the market.

At June 30, 2022, the cost and recognition of the related equity reserve (hereinafter the "stock options reserve") was Euro 1 18,786 and concerned the period from the grant date of June 14, 2021, to June 30, 2021.

The plans were evaluated with support from an independent expert.

Both plans make use of the treasury shares of the Parent Company, Wiit S.p.A.

Non-Controlling Interests

Company	City	% Held	Currency	Total Assets	Shareholders' Equity	Net revenues	Net Profit for the period	Total dividends distributed
Codefit spółka z ograniczoną odpowiedzialnością	Katowice (PL)	49%	Złoty	299,805	264,889	233,375	(15,312)	0

These figures refer to June 30, 2021.

Earnings per share

The basic earnings per share is calculated by dividing the profit/loss attributable to the shareholders of the Parent Company by the average weighted number of ordinary shares outstanding during the period. Share results and information are shown below for the calculation of basic losses per share.

EARNINGS PER SHARE	30.06.2022	30.06.2021
Net profit for the period	4,396,736	2,503,629
Average number of ordinary shares, net of treasury shares	26,666,815	25,256,839
Basic earnings per share (Euro per share)	0.16	0.10
Average number of ordinary shares, net of diluted treasury shares	27,515,147	25,256,839
Diluted earnings per share (Euro per share)	0.16	0.10

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

	Share capital	Share premium reserve	Legal reserve	Treasury shares acquired reserve	Other reserves	Translation reserve	Retained earnings and losses carried forward	Net Result	Group Shareholders' equity	Non-controlling interest shareholders' equity	Total
Group Shareholders' Equity at 31.12.2020	2,652,066	19,248,704	530,414	(11,100,177)	(2,065,848)	(8,638)	3,389,210	1,594,497	14,240,227	878,591	15,118,818
Net result								2,503,629	2,503,629	408,669	2,912,298
Other Comprehensive Income Statement components					191,164	6,224			197,388		197,388
Comprehensive net income					191,164	6,224	0	2,503,629	2,701,017	408,669	3,109,686
Allocation of 2020 Result											
Legal reserve								0	0		0
Dividends paid							(1,034,873)	(1,594,497)	(2,629,370)	(550,349)	(3,179,719)
Carried forward									0		0
Share Capital Increase	150,000	25,350,000							25,500,000		25,500,000
Share capital increase charges					(700,337)				(700,337)		(700,337)
IFRS 2 Reserve					166,244				166,244		166,244
Use of treasury shares				1,984,977	1,859,488				3,844,465		3,844,465
Acquisition of treasury shares				(4,559,636)					(4,559,636)		(4,559,636)
Other changes					(2,491)		63,145		60,654		60,654
Group Shareholders' Equity at 30.06.2021	2,802,066	44,598,704	530,414	(13,674,836)	(551,780)	(2,414)	2,417,482	2,503,629	38,623,264	736,911	39,360,176
Net result								(3,484,944)	(3,484,944)	162,925	(3,322,020)
Other Comprehensive Income Statement components					(92,865)	6,245			(86,619)		(86,619)
Comprehensive net income					(92,865)	6,245	0	(3,484,944)	(3,571,564)	162,925	(3,408,639)
Allocation of 2020 Result											
Legal reserve								0	0		0
Dividends paid									0	(129,368)	(129,368)
Equity from business combinations										195,000	195,000
Settlement of derivatives						553,204			553,204		553,204
IFRS 2 Reserve						636,318			636,318		636,318
Use of treasury shares				3,154,264	6,845,717				9,999,981		9,999,981
Acquisition of treasury shares				(1,816,759)					(1,816,759)		(1,816,759)
Other changes					(8,271)				(8,271)		(8,271)
							(63,145)		(63,145)		(63,145)
Group Shareholders' Equity at 31.12.2021	2,802,066	44,598,704	530,414	(12,337,331)	7,289,458	3,832	2,354,337	(981,315)	44,353,028	965,469	45,318,496



	Share capital	Share premium reserve	Legal reserve	Treasury shares acquired reserve	Other reserves	Translation reserve	Retained earnings and losses carried forward	Net Result	Group Shareholders' equity	Non-controlling interest shareholders' equity	Total
Group Shareholders' Equity at 31.12.2021	2,802,066	44,598,704	530,413	(12,337,333)	7,382,323	3,832	2,354,337	(981,315)	44,353,027	965,469	45,318,496
Net result								4,396,736	4,396,736	(7,503)	4,389,233
Other Comprehensive Income Statement components					192,505	(787)			191,718		191,718
Comprehensive net income					192,505	(787)	0	4,396,736	4,588,453	(7,503)	4,580,950
Allocation of 2021 result											
Legal reserve			30,000				(3,480)	(26,520)	0		0
Distribution of dividends					(6,991,476)			(995,570)	(7,987,046)	0	(7,987,046)
Carried forward									0		0
Reclassification of Group loss effect (*)							(2,003,405)	2,003,405	0		0
Equity from business combinations							764,358		764,358	(825,847)	(61,489)
									0		0
IFRS 2 Reserve					634,101				634,101		634,101
Use of treasury shares				507,562	1,152,633				1,660,195		1,660,195
Acquisition of treasury shares				(4,984,857)					(4,984,857)		(4,984,857)
Other changes					(5,431)		4,218		(1,213)		(1,213)
Group Shareholders' Equity at 30.06.2022	2,802,066	44,598,704	560,413	(16,814,629)	2,364,654	3,044	1,116,028	4,396,736	39,027,016	132,119	39,159,136

(*) Effect of the Group loss, against the profit of the parent company used in the distribution of dividends.

12. PAYABLES TO OTHER LENDERS AND FINANCIAL INDEBTEDNESS RELATED TO BOND FACILITIES

Description	30.06.2022	31.12.2021	Change
Lease payables	5,950,133	5,903,053	47,080
Financial payables	2,412,334	2,139,412	272,922
Financial indebtedness related to Bond facilities	2,596,233	829,623	1,766,610
Total current	10,958,700	8,872,088	2,086,612
Lease payables	7,203,383	5,419,629	1,783,754
Financial payables	7,868,815	8,569,796	(700,981)
Financial indebtedness related to Bond facilities	148,126,353	147,922,734	203,619
Total non-current	163,198,551	161,912,159	1,286,392
Total	174,157,251	170,784,247	3,373,004

Lease payables include the principal portion of lease payments due under the finance method of measurement (IFRS16 in part already recognised under the previous IAS17 standard). The increase reflects investments in the first half of 2022 of Euro 6.5 million, net of payments of Euro 4.6 million.

Financial payables refer to the payables for property lease contracts and vehicle hire contracts under IFRS16.

	Current	Non-Current	Total
IFRS 16 - Vehicle hire	422,353	528,180	950,534
IFRS 16 - Property leases	1,989,980	7,340,634	9,330,615
TOTAL	2,412,334	7,868,815	10,281,148
IFRS 16 (EDP)	5,720,953	7,161,678	12,882,631
Loans	229,180	41,705	270,885
Bond loan	2,596,233	148,126,353	150,722,586
TOTAL	8,546,366	155,329,736	163,876,102
TOTAL	10,958,700	163,198,551	174,157,251

13. BANK LOANS

The bank loans at June 30, 2022 of Euro 21,159,491 include the payable for loans and indicates the effective payable for capital, interest and accessory charges matured and due. The current portion is Euro 4,903,688, while the long-term portion is Euro 16,255,803.

ISSUING ENTITY	Current	Non-Current	Total	Maturity	Interest Rate
CREDITO VALTELLINESE	417,023	3,582,977	4,000,000	05.12.2026	FIXED 1.15%
CARIGE	42,673	-	42,673	31.10.2021	FIXED 1.30%
INTESA SAN PAOLO	337,049	-	337,049	14.12.2022	FIXED 0.89%
MONTE DEI PASCHI DI SIENA	252,736	1,747,264	2,000,000	30.11.2026	EUR6M+0.594%
CREDEM	503,344	252,936	756,280	08.10.2023	FIXED 0.67%
INTESA SAN PAOLO	1,003,508	1,184,063	2,187,571	30.08.2024	FIXED 1.05%
CREDEM	249,524	441,188	690,712	02.01.2025	FIXED 0.75%
CREDITO VALTELLINESE	402,485	2,097,515	2,500,000	05.01.2028	FIXED 1.5%
POP. VERONA	735,470	3,264,530	4,000,000	30.06.2026	FIXED 1.2%
CREDEM	182,580	45,832	228,412	05.08.2023	FIXED 0.67%
DEUTSCHE LEASING (SPARKASSE)	629,640	3,462,950	4,092,590	31.12.2028	FIXED 1.11%
DEUTSCHE BANK	120,000	120,000	240,000	30.06.2024	FIXED 1%
HYPOVEREINSBANK	27,656	56,548	84,204	30.06.2025	FIXED 1.85%
Total	4,903,688	16,255,803	21,159,491		

14. OTHER CURRENT AND NON-CURRENT FINANCIAL LIABILITIES

Description	30.06.2022	31.12.2021	Change
Other current payables to third parties	2,102,073	548,963	1,553,110
Other non-current payables to third parties	545,732	2,647,806	(2,102,073)
Total	2,647,806	3,196,769	(548,963)

Description	Current	Non-Current	Total
Payables for Aedera acquisition	150,000	548,963	698,963
Payables for Matika acquisition	1,000,000	0	1,000,000
Payables for Etaeria acquisition	948,843	0	948,843
	2,098,843	548,963	2,647,806



The decrease in payables to third parties is mainly due to the payment of earn-outs and of the 20% minorities of Matika S.p.A. and Etaeria S.p.A. The amount for the acquisition of Matika will be settled through shares.

15. EMPLOYEE BENEFITS

Description	30.06.2022	31.12.2021	Change
Liabilities at January 1	2,538,368	2,657,358	(118,990)
Business combinations	153,566	0	153,566
Financial charges	(5,327)	(11,739)	6,412
Service cost	149,219	345,681	(196,462)
Payments made	(275,346)	(320,637)	45,291
Actuarial losses	(259,266)	(132,294)	(126,972)
Total	2,301,213	2,538,368	(237,155)

Description	30.06.2022	31.12.2021	Change
Liabilities at January 1	263,813	185,054	78,759
Provision in the period	244,306	190,637	53,669
Financial charges	0	0	0
Service cost	71,250	(1,024)	72,274
Payments made	(63,846)	(100,747)	36,901
Actuarial losses	(31,665)	(10,107)	(21,558)
Total stay bonus	483,858	263,813	220,044
Total Employee Benefits	2,785,071	2,802,181	(17,110)

The valuation of Post-employment benefits is based on the following assumptions:

Financial assumptions

	30.06.2022	31.12.2021
Discount rate	Euro Curve Composite AA at 30.06.2022	Euro Curve Composite AA at 31.12.2020
Inflation	2.00%	1.50%

Demographic assumptions

	30.06.2022	31.12.2021
Mortality rate	ISTAT 2020	ISTAT 2020
Personnel turnover	11% per year on all ages	11% per year on all ages
Advances	1.2% per year	1.2% per year
Pensionable age	Minimum access requirements established by the Monti-Fornero reforms	Minimum access requirements established by the Monti-Fornero reforms

With regards to specific management personnel, the Group has stipulated a Stay Bonus to incentivise continuance at the company.

Description	30.06.2022	31.12.2021	Change
Liabilities at January 1	263,813	185,054	78,759
Provision in the period	244,306	190,637	53,669
Financial charges	0	0	0
Service cost	71,250	(1,024)	72,274
Payments made	(63,846)	(100,747)	36,901
Actuarial losses	(31,665)	(10,107)	(21,558)
Total stay bonus	483,858	263,813	220,044

The bonus is fixed by individual agreement between the parties and consists of an amount paid in monthly instalments, provided that the beneficiary does not terminate employment with the company before the contractually-identified maturity. Otherwise, or in the event of termination before that date (due to resignation or any other reason beyond the control of the Company), the beneficiary will be required to repay the fees paid to him/her up to that point.

On the basis of the provisions of IAS 19R, stay bonuses are included among "Other long-term employee benefits". These are therefore indemnities paid during the course of employment, which must be recognised using actuarial methods.

In terms of the international accounting standards, the valuation was carried out using the actuarial "Projected Unit Credit Method" (articles 67-69 of IAS 19R). As per IAS 19R, no Additional Disclosure is required for "Other long term employee benefits".

16. PROVISIONS FOR RISKS AND CHARGES

The provision for risks and charges of Euro 434,074 is mainly attributable to the subsidiary myLoc and concerns a provision for the building and systems refurbishment work at the end of the lease on the building, which was also reclassified in that account last year.

17. DEFERRED TAX ASSETS AND LIABILITIES

Description	30.06.2022	31.12.2021	Change
Deferred tax assets	1,445,369	1,305,959	139,410
Deferred tax liabilities	(15,431,585)	(16,008,873)	577,289
Net position	(13,986,216)	(14,702,914)	716,699

The nature of the temporary differences which determine the recognition of deferred tax assets and liabilities and their movements during the year and the previous year are analysed below.

Deferred tax assets in the period

Total deferred tax assets at 31.12.2021		1,305,959
Temporary differences on directors fees	1,107,082	216,180
Temporary differences IFRS 9	(5,448)	(1,308)
Temporary differences on Goodwill amortisation	8,657	2,078
Temporary differences IAS 19	(266,997)	(74,492)
Temporary differences IFRS 15	(55,674)	(15,467)
Temporary differences on Brands	69,658	16,718
Temporary differences IFRS 16	2,919	700
Total deferred tax assets at 30.06.2022		1,445,368
Economic effect in the period		(139,410)

Deferred tax liabilities concern the temporary differences in amortisation recognised following the acquisitions made by the Group in recent years.

18. NON-CURRENT CONTRACT LIABILITIES AND OTHER NON-CURRENT PAYABLES AND LIABILITIES

Contract liabilities concern the obligation to transfer to customers services for which the Group has received consideration from the customer, called a "lump sum". This consideration concerns the upfront fees for the set-up of the service. From 2019, these price components are managed in the periodic fees.

19. CURRENT INCOME TAX LIABILITIES

Description	30.06.2022	31.12.2021	Change
Treasury IRES and foreign taxes payable	1,331,383	1,294,710	36,673
Treasury IRPEF payable	515,089	412,509	102,580
VAT payables	239,810	172,741	67,069
Treasury IRAP payable	197,165	99,756	97,409
Treasury withholdings on third-party remuneration	12,808	56,955	(44,147)
Total	2,296,255	2,036,671	259,584

20. TRADE PAYABLES

The breakdown by region of trade payables is as follows:

Description	30.06.2022	31.12.2021	Change
Italy	11,959,593	8,094,466	3,865,127
EU countries	4,876,856	3,364,324	1,512,532
Non-EU countries	166,976	81,642	85,334
Other	82,520	0	82,520
Total	17,085,945	11,540,432	5,545,514

Payables in EU countries mainly relate to the overseas subsidiaries.

21. PAYABLES TO GROUP COMPANIES

There were no "Payables to Group Companies" due within 12 months at June 30, 2022.



22. CURRENT CONTRACT LIABILITIES AND OTHER PAYABLES AND CURRENT LIABILITIES

Description	30.06.2022	31.12.2021	Change
Contract liabilities	6,231,783	3,366,215	2,865,568
Employee payables	2,634,763	2,341,864	292,899
Other current payables	1,736,728	2,055,427	(318,699)
Social sec. institutions	1,076,992	1,291,372	(214,380)
Total	11,680,267	9,054,879	2,625,389

At the beginning of the second half of 2022, the payables to employees and to social security institutions were settled according to the scheduled payment deadlines.

At June 30, 2022, the account contract liabilities (short-term portion), consequent to the application of IFRS15, amounts to Euro 151,015 and regards the parent WIIT; the residual Euro 6,081 thousand refers to deferred income which the Group has already collected or invoiced but has not yet collected the advance payment.

Main notes to the income statement

23. REVENUES FROM SALES AND SERVICES

In the first half of 2022, sales revenues amounted to Euro 54,255,922, increasing Euro 19,153,616 on the first half of 2021 (Euro 35,102,306), mainly due to the acquisitions in the final quarter of the previous year and entering into the Group consolidated financial statements from November 1, 2021.

Revenues by product line

Description	H1 2022	%	H1 2021	%
Provision of services	44,096,438	81.27%	30,542,453	87.01%
Hardware and software sales	9,592,292	17.68%	4,396,267	12.52%
Other revenues and income	567,192	1.05%	163,586	0.47%
Total	54,255,922	100%	35,102,306	100%

Revenue by geographic area

Description	H1 2022	H1 2021	Change
Italy	27,103,638	26,495,212	608,426
EU countries	25,603,020	8,365,300	17,237,720
Non-EU countries	1,549,264	241,793	1,307,471
Total	54,255,922	35,102,305	19,153,617

Revenues from non-EU countries are mainly attributable to the subsidiary myLoc.

24. OTHER REVENUES AND INCOME

Other revenues and income concern the sale of non-core product and services, such as insurance reimbursements, amounts billed to employees for fringe benefits, and other billed amounts.



25. PURCHASES AND SERVICES

Description	H1 2022	H1 2021	Change
Acquisition cost of raw materials	6,150,529	3,153,383	2,997,146
Purchase of other services from third parties	5,974,810	5,688,904	285,906
Electricity	4,148,459	2,020,706	2,127,753
Directors	1,866,621	1,469,223	397,398
Connectivity	1,586,267	774,832	811,435
Company car hire	285,281	116,722	168,559
Property management expenses	260,917	216,317	44,600
Purchase of Inter-company services	0	57,604	(57,604)
Other	598,514	1,106,990	(508,476)
Total	20,871,398	14,604,681	6,266,717

Product acquisition costs refer to the purchase of software and hardware resold to customers.

Energy costs mainly concern myLoc Managed IT AG related to six Data Centers with a total surface area of approximately 2,000 sq. m. The increase relates to the current energy market situation, although offset by the actions taken by the Group. Reference should be made to the "outlook" section for further details.

The increase in Directors' expenses relates to the maturation of MBOs due in the current year.

26. PERSONNEL COSTS

	H1 2022	H1 2021	Change
Wages and salaries	11,253,357	5,266,950	5,986,407
Social security charges	2,546,300	1,420,781	1,125,519
Post-employment benefits	276,627	204,475	72,152
Total	14,076,284	6,892,206	7,184,078

The average number of Group employees in H1 2022 was 565, compared to 306 in H1 2021. The increase is mainly due to the acquisitions in the fourth quarter of 2021.

27. AMORTISATION, DEPRECIATION, WRITE-DOWNS AND PROVISIONS

Amortisation and depreciation has been calculated based on the duration of the useful life of the asset or its use in production. The account includes amortisation and depreciation of Euro 11,163 thousand and the Doubtful debt provision for Euro 146 thousand.

28. OTHER OPERATING COSTS AND CHARGES

Other operating costs of Euro 479.080 include sundry costs such as banking expenses, donations and penalties and sanctions. The increase on the previous year, in which the balance was Euro 264,170, reflects the new acquisitions completed in 2021.

29. PROFIT (LOSSES) FROM EQUITY-ACCOUNTED INVESTEE

In the first half of 2022, the holding in the investee Comm.IT Srl was sold, with the recognition of a negative amount of Euro 28,858 due to the effect from the difference between the value of the investment and the amount received.

30. FINANCIAL INCOME

The financial income indicated comprises interest income from current accounts and from securities among financial assets. In the first six months of the year, the amount of Euro 428,500 was also recognised as the adjustment to the price paid for the acquisition of the investment in Mivitec GmbH.

31. FINANCIAL EXPENSES

	H1 2022	H1 2021	Change
Bank interest	88,460	1,028,125	(939,665)
Interest expenses on leasing	252,508	226,610	25,898
Other financial expenses	2,046,989	71,324	1,975,665
Total	2,387,957	1,326,059	1,061,898

In the first half of 2022, financial expenses decreased in terms of the interest charges on loans for Euro 940 thousand, as in Q4 2021 the syndicate loan was settled, including the amortised cost effect of the bank expenses on this loan. Lease charges referring to the right-of-use of EDP, property rental and vehicle hire amount to Euro 253 thousand, and other charges refer to interest expenses and charges of the amortised cost of the bond issued by the Parent in October 2021.



32. EXCHANGE GAINS AND LOSSES

During the first half of 2022, the Group realised net exchange losses of Euro 6,992, mainly arising following fluctuations in the Swiss Franc and the Polish Zloty against the Euro.

33. INCOME TAXES

	H1 2022	H1 2021	Change
Current taxes	2,162,530	1,731,294	431,236
Deferred tax income & charges	(1,153,128)	(181,135)	(971,993)
Total	1,009,403	1,550,159	2,522,704

Current income taxes include IRAP for Euro (318,278), IRES for Euro (156,584) and overseas taxes for (1,176,747). For WIIT they include IRAP of Euro (189,809) and income from the IRES tax consolidation of Euro 516,509, for Adelante they include IRAP of Euro (25,243) and IRES of Euro (113,553), Matika IRES of Euro (340,064), IRAP of Euro (66,942), Etaeria IRAP of Euro (25,030) and IRES of Euro (170,220) and ERPTech IRES of Euro (49,256) and IRAP of (11,254).

There are no unutilised tax losses.



Transactions with subsidiaries, associates, holding companies

	COSTS	WIIT FIN	WIIT	WIIT SWISS	ADELANTE	ICTW	MATIKA	ETAERIA	ERPTECH	TOTAL
REVENUES	WIIT FIN	-	249,500	-	-	-	-	-	-	249,500
	WIIT	-	-	-	1,088,303	-	1,692,666	603,894	250,000	3,634,864
	WIIT SWISS	-	-	-	-	-	-	-	-	-
	ADELANTE	-	64,642	-	-	5,759	-	-	-	70,400
	ICTW	-	27,400	-	10,800	-	-	-	-	38,200
	MATIKA	-	38,706	-	3,190	-	-	-	-	41,896
	ETAERIA	-	2,137,959	-	69,883	-	30,407	-	-	2,238,249
	ERPTECH	-	-	-	-	-	-	-	-	-
	TOTAL	-	2,518,207	-	1,172,176	5,759	1,723,073	603,894	250,000	6,273,109
	PAYABLES	RECEIVABLES	WIIT FIN	WIIT	WIIT SWISS	ADELANTE	ICTW	MATIKA	ETAERIA	ERPTECH
WIIT FIN		-	2,833,148	-	-	-	-	-	-	2,833,148
WIIT		-	-	-	1,873,156	-	5,083,414	1,526,949	-	8,483,519
WIIT SWISS		-	95,838	-	-	-	-	-	-	95,838
ADELANTE		187,537	137,175	-	-	10,800	3,489	26,233	-	365,234
ICTW		-	-	-	32,067	-	-	-	-	32,067
MATIKA		-	167,833	-	68,076	-	-	46,398	-	282,307
ETAERIA		-	2,354,422	-	-	-	-	-	-	2,354,422
ERPTECH		250,000	-	-	-	-	-	-	-	250,000
TOTAL		437,537	5,588,416	-	1,973,298	10,800	5,086,902	1,599,581	-	14,696,535



	COSTS	WIIT	MYLOCK	MIVITEC	BOREUS	GECKO	CODEFIT	REVENTURE	WIIT DE	TOTAL
REVENUES	WIIT	-	22,939	-	110,006	-	-	-	-	132,945
	MYLOCK	2,208	-	171,910	70,000	36,104	-	-	23,400	303,622
	MIVITEC	-	-	-	-	-	-	-	-	-
	BOREUS	-	-	908	-	94,997	-	16,319	-	112,223
	GECKO	-	-	-	271,527	-	-	335	-	271,862
	CODEFIT	-	-	-	-	13,500	-	-	-	13,500
	REVENTURE	-	-	-	156,964	-	-	-	-	156,964
	WIIT DE	-	34,600	-	-	-	-	-	-	34,600
	TOTAL	2,208	57,539	172,817	608,497	144,601	-	16,654	23,400	1,025,716

	RECEIVABLES	WIIT	MYLOCK	MIVITEC	BOREUS	GECKO	CODEFIT	REVENTURE	WIIT DE	TOTAL
PAYABLES	WIIT	-	-	-	-	-	-	-	-	-
	MYLOCK	3,200,000	-	-	-	-	-	-	7,140	3,207,140
	MIVITEC	-	170,806	-	-	-	-	-	-	170,806
	BOREUS	110,006	-	-	-	23,032	-	34,462	-	167,499
	GECKO	-	13,883	-	18,061	-	-	-	-	31,944
	CODEFIT	-	-	-	-	-	-	-	-	-
	REVENTURE	-	-	-	3,442	-	-	-	-	3,442
	WIIT DE	-	-	-	-	-	-	-	-	-
	TOTAL	3,310,006	184,689	-	21,503	23,032	-	34,462	7,140	3,580,832

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 and receivables relating 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.

The consolidated statement of financial position and income statement highlighting related parties are presented below pursuant to Consob Resolution No. 15519 of July 27, 2006.



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30.06.2022	Of which related parties	31.12.2021	Of which related parties
ASSETS				
Intangible assets	56,555,208		52,386,478	
Goodwill	102,272,866		101,862,753	
Right-of-use	10,250,726		10,736,063	
Property, plant and equipment	7,955,209		6,683,012	
Other tangible assets	36,924,465		32,931,501	
Deferred tax assets	1,445,369		1,305,959	
Equity investments	4,389		86,305	
Other non-current contract assets	65,508		96,991	
Other non-current assets	535,657	250,000	443,669	250,000
NON-CURRENT ASSETS	216,009,397	250,000	206,532,732	250,000
Inventories	482,225		200,656	
Trade receivables	20,638,305		14,283,794	
Trade receivables from group companies	6,004	6,004	58,140	54,651
Current financial assets	11,907,674		20,136,059	
Current contract assets	3,213,842		1,278,959	
Other receivables and other current assets	8,518,580	2,577,145	5,627,652	2,060,636
Cash and cash equivalents	26,256,271		37,445,042	
CURRENT ASSETS	71,022,901	2,583,148	79,030,303	2,115,286
TOTAL ASSETS	287,032,297	2,833,148	285,563,035	2,365,286

Other receivables concerning related parties of over Euro 2.5 million refer to the tax consolidation receivable from Wiit Fin S.r.l.



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30.06.2022	Of which related parties	31.12.2021	Of which related parties
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		530,413	
Other reserves	(14,449,974)		(4,955,010)	
Reserves and retained earnings (accumulated losses)	1,116,028		2,354,337	
Translation reserve	3,044		3,832	
Group net result	4,396,736		(981,315)	
GROUP SHAREHOLDERS' EQUITY	39,027,017	0	44,353,027	0
Result attributable to non-controlling interests	(7,503)		571,594	
Non-controlling interests equity	132,119		965,469	
TOTAL SHAREHOLDERS' EQUITY	39,159,136	0	45,318,496	0
Payables to other lenders	15,072,199		13,989,425	
Non-current financial indebtedness related to Bond facilities	148,126,353		147,922,733	
Bank loans	16,255,803		13,369,968	
Other non-current financial liabilities	545,732		1,647,806	
Employee benefits	2,785,072		2,802,181	
Provisions for risks and charges	434,074		368,438	
Deferred tax liabilities	15,431,585		16,008,873	
Non-current contract liabilities	195,415		244,899	
Other payables and non-current liabilities	0		0	
NON-CURRENT LIABILITIES	198,846,233	0	196,354,323	0
Payables to other lenders	8,362,466		8,042,466	
Current financial indebtedness related to Bond facilities	2,596,233		829,623	
Short-term bank loans	4,903,688		3,710,186	
Current income tax liabilities	2,296,255	187,537	2,036,671	279,937
Other current financial liabilities	2,102,073	454,000	8,561,318	6,649,766
Trade payables	17,085,945		11,540,432	
Payables to Group companies	0		114,641	
Current contract liabilities	6,231,783		3,366,215	
Other payables and current liabilities	5,448,484		5,688,664	
CURRENT LIABILITIES	49,026,928	641,537	43,890,216	6,929,703
TOTAL LIABILITIES	287,032,297	641,538	285,563,035	6,929,704

Current tax liabilities, of which related parties for Euro 188 thousand, concern the IRES payable which Adelante Srl has accrued to WIIT FIN Srl for the tax consolidation. Other current financial liabilities concerning related parties refer to the recognition of the earn-outs and minorities of the company Matika.

CONSOLIDATED INCOME STATEMENT

	H1 2022	Of which related parties	Of which non-recurring income (charges)	H1 2021	Of which related parties	Of which non-recurring income (charges)
REVENUES AND OPERATING INCOME						
Revenues from sales and services	53,688,730			34,938,720	114,542	
Other revenues and income	567,192			163,586		403,049
Total revenues and operating income	54,255,922			35,102,306	114,542	403,049
OPERATING COSTS						
Purchases and services	(20,871,398)		(601,456)	(14,604,680)		(896,876)
Personnel costs	(14,076,283)		(237,827)	(6,892,207)		(68,150)
Amortisation, depreciation & write-downs	(11,309,063)	(249,500)	(2,119,410)	(7,464,278)	(249,500)	(999,000)
Provisions	(188,400)			0		
Other costs and operating charges	(479,080)			(264,170)		
Change in Inventories of raw mat., consumables and goods	49,210			(81,637)		
Total operating costs	(46,875,015)	(249,500)	(2,958,694)	(29,306,971)	(249,500)	(1,964,026)
EBIT	7,380,907	(249,500)	(2,958,694)	5,795,335	(134,958)	(1,560,977)
Profit (Losses) from equity-accounted investee	(28,858)			0		
Financial income	441,536		428,500	1,598		
Financial charges	(2,387,957)			(1,326,060)		
Exchange gains/(losses)	(6,992)			(8,417)		
PROFIT BEFORE TAXES	5,398,636	(249,500)	(2,530,194)	4,462,457	(134,958)	(1,560,977)
Income taxes	(1,009,403)			(1,550,159)		
NET PROFIT	4,389,233	(249,500)	(2,530,194)	2,912,298	(134,958)	(1,560,977)

The amount of Euro 249.5 thousand refers to depreciation of the right-of-use of property covered by a lease agreement with Wiit Fin S.r.l. Service costs of Euro 601,000 refer to the stock option plan (IFRS2) allocated to directors, and Euro 237,000 classified to personnel costs related to stock option and RSU plans (IFRS2) allocated to employees. Amortisation of Euro 2,119 thousand refers to the Purchase Price Allocations (PPA).

The amount of Euro 428 thousand concerning financial income refers to the adjustment of the price paid for the acquisition of Mivitec GmbH.



FINANCIAL RISK MANAGEMENT

Categories of financial instruments

The following tables contain information regarding:

- Fair value level hierarchy for financial assets and liabilities the fair value of which is stated;
- Classes of financial instruments by their nature and characteristics;
- Book value of financial instruments;
- Fair value of the financial instruments (except for financial instruments the carrying amount of which is close to their fair value).

Levels 1 to 3 of the fair value hierarchy are based on the degree of observability of the information:

- Level 1 fair value measurements are based on (unmodified) quoted prices on active markets for identical assets or liabilities;
- Level 2 fair value measurements are those based on inputs other than the quoted prices used in Level 1, which are observable for assets and liabilities, either directly (for example, prices) or indirectly (for example, derived from prices);
- Level 3 fair value measurements are those derived from the application of measurement techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Liabilities valued at fair value

30.06.2022	Level 1	Level 2	Level 3
Other financial liabilities			
Payables for Aedera acquisition	698,963		698,963
Payables for Matika acquisition	1,000,000		1,000,000
Payables for Etaeria acquisition	948,843		948,843
Total	-	-	2,647,806

Some of the financial liabilities are measured at fair value at each reporting date.

The following table breaks down financial assets and liabilities as per IFRS 7, on the basis of the categories under IAS 9

Financial assets at 30.06.2022	Financial assets at amortised cost	Financial assets at FVOCI	Financial assets at FVPL	Total
Other non-current contract assets	65,508			65,508
Other non-current assets	535,657			535,657
Non-current financial assets	601,165	0	0	601,165
Trade receivables	20,638,305			20,638,305
Trade receivables from group companies	6,004			6,004
Current financial assets	11,907,674			11,907,674
Current contract assets	3,213,842			3,213,842
Other receivables and other current assets	8,518,580			8,518,580
Cash and cash equivalents	26,256,271			26,256,271
Current financial assets	70,540,676	0	0	70,540,676
Total financial assets	71,141,841	0	0	71,141,841
Financial liabilities at 30.06.2022	Financial liabilities at amortised cost	Financial liabilities at FVOCI	Financial liabilities at FVPL	Total
Payables to other lenders	15,072,199	0	0	15,072,199
Non-current financial indebtedness related to Bond facilities	148,126,353	0	0	148,126,353
Bank loans	16,255,803	0	0	16,255,803
Other non-current financial liabilities	545,732	0	0	545,732
Non-current contract liabilities	2,785,072	0	0	2,785,072
Other payables and non-current liabilities	434,074	0	0	434,074
Non-current financial liabilities	180,195,502	0	0	180,195,502
Payables to other lenders	8,362,466	0	0	8,362,466
Current financial indebtedness related to Bond facilities	2,596,233	0	0	2,596,233
Short-term bank loans	4,903,688	0	0	4,903,688
Other current financial liabilities	2,296,255	0	0	2,296,255
Trade payables	2,102,073	0	0	2,102,073
Trade payables - Group companies	17,085,945	0	0	17,085,945
Current contract liabilities	0	0	0	0
Other payables and current liabilities	6,231,783	0	0	6,231,783
Current financial liabilities	46,730,673	0	0	46,730,673



Total financial liabilities	226,926,175	0	0	226,926,175
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An aging of payables is provided below:

At December 31, 2021	Book value	Contractual cash flows	Within 1 year	From 1 to 5 years	Beyond 5 years
Bank loans	21,159,491	21,159,491	4,903,688	16,255,803	0
Payables to other lenders	23,434,665	23,434,665	8,362,466	15,072,199	2,760,686
Bond loan	150,722,586	150,722,586	2,596,233	148,126,353	0
Trade payables	17,085,945	17,085,945	17,085,945	0	0
Other financial liabilities	2,647,805	2,670,538	2,102,073	568,465	0
Total	209,613,957	209,613,957	32,684,025	172,446,386	4,483,545

The Group is exposed to financial risks relating to its operating activities, and principally:

- to credit risk, with particular regards to ordinary commercial transactions with customers;
- to market risk, concerning the volatility of interest rates;
- to liquidity risk, which may arise due to the incapacity to source the funding necessary to guarantee company operations.

Credit risk management

Credit risk is defined as the probable financial loss generated by the non-fulfilment by third parties of a payment obligation to Group companies.

the Group does not have significant concentrations of credit risk, also due to the fact that it does not significantly deal with, as a strategic choice, the public sector.

The Group manages this risk through choosing counterparties considered as solvent by the market and with a high credit rating, or through providing highly critical services which may not be interrupted by its customers. For commercial purposes, policies have been adopted to ensure the solvency of customers and limit the exposure to the credit risk of an individual customer through evaluation and monitoring.

All receivables are periodically subject to an assessment by customer type, with write-downs made where impairments are identified.

The breakdown of trade receivables is provided in the Explanatory Notes.

Interest rate risk management

The management of the interest rate risk has the objective to ensure a balanced debt structure, minimising interest costs over time.

Interest rate risk concerns that affecting the value of a financial instrument on the basis of market interest rate fluctuations.



The Group over the years has almost exclusively contracted medium-term loans at a fixed or variable rate linked to the Euribor at 3 months. With regards to the loans drawn down in 2020, derivative interest rate volatility hedges were undertaken.

Sensitivity analysis

With regards to variable rate financial assets and liabilities at June 30, 2022, amid a hypothetical increase (decrease) of interest rates by 100 basis points against the interest rate at the same date, with the other variables remaining constant, financial expenses would increase by approx. Euro 2 thousand, in consideration of the fact that the bank loans were taken out almost entirely at a fixed rate.

Liquidity risk management

Liquidity risk is defined as the risk that the Group encounters difficulty to source the funds necessary to satisfy obligations related to financial liabilities.

Prudent management of liquidity risk is pursued by monitoring the cash flows, financial needs and the liquidity of the Group, so as to ensure the proper management of financial resources through appropriately allocating any excess or on demand liquidity and the undertaking of adequate lines of credit.



Subsequent events occurring after the period ending June 30, 2022

Corporate reorganisation of the WIIT Group

On July 21, 2022, WIIT S.p.A signed the deed for the merger by incorporation of Adelante S.r.l., Matika S.p.A. and Etaeria S.p.A. into WIIT S.p.A.. The merger transaction, beginning on March 16, 2022 with the motion of the Board of Directors of WIIT S.p.A., has permitted the concentration within the company of the activities previously carried out through the incorporated companies. In general terms, the goal of the merger was to optimise the coordination, operation and synergies of the functions performed by the companies to be merged, as well as to lower the structural costs of operating legally distinct entities, which will bring benefits in terms of operational and financial efficiency and efficacy, thereby enabling the WIIT Group to strengthen its position as an industry leader in Europe.

All information on the merger is available on the WIIT S.p.A. website, in the <https://investors.wiit.cloud/it/documenti-informativi/> section. The merger was completed on August 1, 2022.

In July, the merger of Mivitec GmbH into myLoc Managed IT AG was completed, effective January 1, 2022.

The merger of Reventure GmbH into Boreus GmbH was completed in August, effective January 1, 2022.

On September 2, 2022, the Group signed an agreement to purchase the shares of LANSOL GmbH, a private cloud and PAAS (Platform as a Service) enterprise, which fits with the existing high value-added value proposition in Italy. The Lansol Group is the leading tax & accounting industry provider in Germany, with more than 600 active clients. LANSOL GmbH, which has a data center in Limburgerhof equipped with the security and resilience standards required by the WIIT Group, offers cloud and managed services to medium and large customers. The current year is forecast to close with revenues of Euro 6.6 million, EBITDA of Euro 2 million, a 30% margin, and EBIT of Euro 1.6 million (a 24% margin).

The geographic positioning is strategic, not only as differing from previous acquisitions (myLoc, Düsseldorf, Mivitec, Munich, Boreus, Stralsund and Gecko, Rostock). The Data Center in fact is located in the Frankfurt area, but also and particularly, as LANSOL is a unique operator in the region and may benefit from a high level of client and staff loyalty, which is considered a major competitive advantage in the digital world in which staff turnover is always relatively high.

The agreement to fully acquire LANSOL was reached through the German subsidiary myLoc.

The transaction was completed on September 9, 2022, with the payment of a provisional price of Euro 18.1 million, subject to adjustments regarding the net financial position and the level of working capital at August 31, 2022. The price was paid entirely in cash.



Outlook

The Wiit Group at June 30, 2022 has a marginal exposure to the Russian market, while there are no relations with Ukraine. As further outlined in paragraph 23 "Revenues from sales and services", the Group reports revenues from Russia in H1 2022 of Euro 139 thousand (0.3% of revenues). The directors do not consider that either direct or indirect risks may arise from such trade relations, despite the fact that the Russian-Ukrainian conflict is generally driving the cost of raw materials higher.

The Group, considering the rising cost of energy, contracted a fixed electricity price in Germany in February 2022, mitigating the risk of rising prices and with a view to protecting margins over the next 4 years. Despite the increase in energy costs compared to last year in Italy, the Group does not consider any critical situations to currently exist, given the reduced contribution of approx. Euro 450 thousand in the first half of the year.

In the first six months of 2022, the company maintained growth. COVID-19 pandemic developments confirmed the gradual lifting of restrictions on the basis of an accelerated vaccine campaign. The Wiit Group continues to focus on measures to ensure safety at local offices so as to ensure normal operations continue. The Group currently, on the basis of available information, does not expect an impact on the operating-financial results for the present year. Any future impacts on the operating-financial performance and on the equity situation of the Group, in addition to the business development plans, shall be assessed in view of the development and duration of the pandemic, both in Italy and overseas. No particular situations of insolvency among the Group's customers are highlighted. There were no impacts on the financial statement items of a valuation nature (i.e. doubtful debt provision, inventory obsolescence provision, provisions for risks and charges) related to the COVID-19 pandemic. The Group has continued to support remote working, balanced with in-person work.

Milan, September 13, 2022

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



Declaration of the Condensed Consolidated Half-Year Financial Statements at June 30, 2022 as per Article 154-bis, paragraph 5

1. The undersigned Alessandro Cozzi, as "Chief Executive Officer", and Stefano Pasotto, as "Executive Officer for Financial Reporting", of the company "Wit S.p.A." declare, in consideration of Article 154-bis, paragraphs 3 and 4, of Legislative Decree No. 58 of February 24, 1998:
 - the adequacy considering the company's characteristics and
 - the effective application of the administrative and accounting procedures for the condensed consolidated half-year financial statements at June 30, 2022.
2. It is also declared that:
 - 2.1 the Consolidated Financial Statements:
 - a) were prepared in accordance with international accounting standards, endorsed by the European Union pursuant to EU regulation No. 1606/2002 of the European Parliament and Council, of July 19, 2002;
 - b) correspond to the underlying accounting documents and records;
 - c) provide a true and fair view of the financial position, balance sheet and operating results of the issuer and of the companies included in the consolidation;
 - 2.2 the Directors' Report at June 30, 2022 includes a reliable analysis of the significant events that occurred during the year and their impact on the condensed consolidated half-year financial statements, as well as the situation of the issuer and all the companies included in the consolidation, together with a description of the main risks and uncertainties to which they are exposed.

Milan, September 13, 2022

ALESSANDRO COZZI
Chief Executive Officer

STEFANO PASOTTO
Executive Officer for Financial Reporting