

SYS-DAT S.p.A.

INTERIM MANAGEMENT REPORT
AS OF SEPTEMBER 30, 2024





SYS-DAT GROUP

DATA:

SYS-DAT S.p.A.

Headquarters: Via Muzio Attendolo Detto Sforza, 7 - 20141 Milan (MI) - Italy

Registry: Registro Imprese di C.C.I.A.A. di Milano - Fiscal code: 03699600155

R.E.A. number 963005 (Milano, Monza e Brianza)

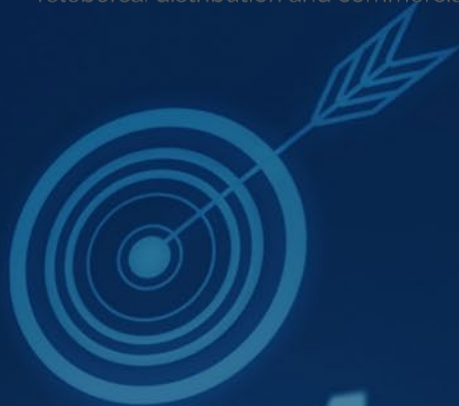
Paid-in capital: € 1.564.244

VAT number: 03699600155



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2023 2024 2025



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GOVERNANCE

Board of Directors

Vittorio Neuroni – *Chairman*

Emanuele Edoardo Angelidis – *Vice-Chairman*

Matteo Luigi Neuroni – *CEO*

Marta Neuroni – *Executive director*

Marzo Zampetti – *Independent director*

Maurizio Santacroce – *Independent director*

Stefania Tomasini – *Independent director*

Board of Statutory Auditors

(appointed on 21 March 2024 to remain in office until approval of the financial statements as of 31 December 2026)

Carlo Zambelli – *Chairman (“Sindaco effettivo”)*

Gabrio Pellegrini – *Statutory auditor (“Sindaco effettivo”)*

Lorena Pellissier – *Statutory auditor (“Sindaco effettivo”)*

Appointments and Compensation Committee

Marzo Zampetti – *Chairman and independent director*

Maurizio Santacroce – *Independent director*

Stefania Tomasini – *Independent director*

Control, Risk and Related Parties Committee

Maurizio Santacroce – *Chairman and Independent director*

Stefania Tomasini – *Independent director*

Marzo Zampetti – *Independent director*

Independent Auditors

(appointed on 21 March 2024 and independent auditor for fiscal years 2024-2032)

BDO Italia S.p.A.





MANAGEMENT REPORT ON OPERATIONS

Dear Shareholders

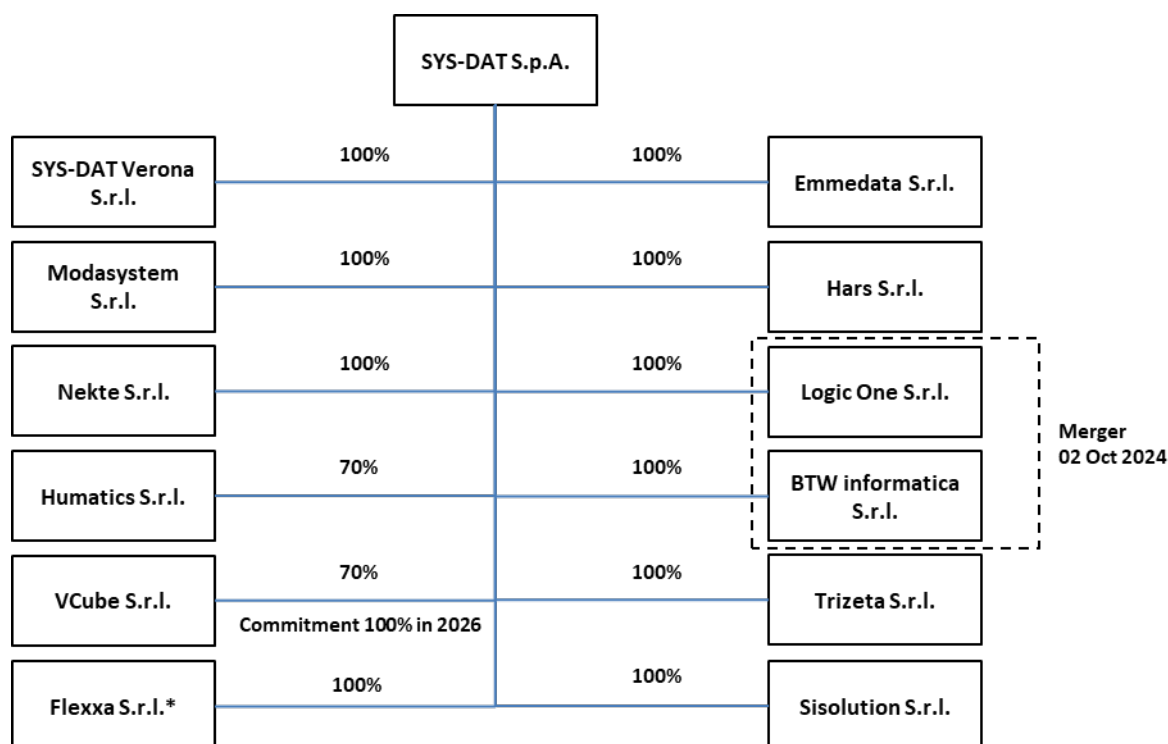
This management report for the nine months ended 30 September 2024 covers SYS-DAT S.p.A. and its operating companies (collectively, the ‘Company’) and should be read in conjunction with the balance sheet, income statement, shareholders' equity and cash flow statement.

The statements have been prepared in accordance with EU-IFRS accounting rules and best practices. The reporting period as of 30 September 2024 closed with a total profit of EUR 3.719 thousand, after taxes of EUR 1.733 thousand, and depreciation, amortisation and write-downs totalling EUR 2.701 thousand.

The management report is intended to provide information on the Company's situation and operating performance as a whole and in the various business units by which it operates, including subsidiaries.

Structure of the Group

SYS-DAT S.p.A. is the parent company, with 12 subsidiaries as of 30 September 2024, as shown in the following diagram.



SYS-DAT S.p.A. holds interests in its subsidiaries constituting 100% of the shares, with the exception of Humatics (70% of the shares) and VCube (70% of the shares, with a commitment to acquire 100% of the shares by 2026).

The Company finalised and announced the sale and purchase agreement of Flexxa S.r.l. (*) on 24 September 2024. From the accounting perspective, Flexxa will be consolidated as of 1 October 2024.

BTW Informatica S.r.l. and Logic One S.r.l., two subsidiaries of SYS-DAT S.p.A., approved the merger of Logic One into BTW Informatica during the reporting period, which became effective on 02 October 2024, after the end of the reporting period.



Key Economic and Financial Indicators

PROFIT AND LOSS MAIN KPIS

| <i>in thousand Euro</i> | 30-Sept-24 | % | 30-Sept-2023 | % |
|----------------------------|---------------|------|---------------|------|
| Total Revenue | 40.958 | 100% | 32.977 | 100% |
| EBITDA | 8.180 | 20% | 6.770 | 21% |
| EBIT | 5.479 | 13% | 4.904 | 15% |
| Income before taxes | 5.452 | 13% | 4.697 | 14% |
| Net income | 3.719 | 9% | 3.021 | 9% |

BALANCE SHEET MAIN KPIS

| <i>in thousand Euro</i> | 30-Sept-24 | 31-Dec-2023 |
|-------------------------------|---------------|---------------|
| Total Group equity | 54.579 | 19.288 |
| Total assets | 97.420 | 61.144 |
| Liquidity | 52.312 | 19.071 |
| Net Financial Position | 36.603 | 3.115 |

Company performance and analysis of the results of the nine months as of 30 September 2024

The Company, established in 1977, represents a solid corporate reality with thirteen controlled entities and twenty-two offices in Italy. It operates in the ICT sector and its first solutions were tailor-made for specific processes such as warehouse management, administration, sales and supply chain management, operations that years later became what is currently known as ERP solutions. As a result of the experience in developing tailor-made solutions, the Company elaborated modular reusable solutions that evolved into software packages for the first two vertical markets, namely fashion and manufacturing.

The Company subsequently expanded its offering in core processes, evolving its ERP and developing solutions for different business areas and processes such as Supply Chain Management, Warehouse Management Systems, Retail Channel Management, CRM, Sales Force Automation, e-Commerce, Business Intelligence and RFID, among others. In addition to the expansion of the offering, the Company, after the fashion and manufacturing industries, addressed additional market sectors with vertical solutions.

In the last three years, the Company focused on developing innovative applications and services based, among others, on Artificial Intelligence, Cloud, Cybersecurity and Virtual solutions. Currently the Company offers core business software solutions and value-added software solutions vertically specialized by market sector and ICT services that are cross-market.

The Company headquarter is based in Milan and as of 30 September 2024 has 435 employees across thirteen operating companies and twenty-two offices in the Italian national territory, not including directors and consultants. The Company operates with a network structure made up of SYS-DAT S.p.a. and twelve companies specialised in the field of processes, applications and technologies, constituting excellence in their respective fields of expertise and in particular:

- Sys-Dat: ERP, CRM, Retail and Cloud services
- Logic One: Digital commerce and digital marketing
- Modasystem: Fashion
- BTW: Manufacturing and System integration
- Nekte: Legal, Foundries and manufacturing
- Cast: Tiles, Banking, Business Process Management and GDPR
- Sys-Dat Verona: Fashion, Retail and Cybersecurity
- Humatics: Artificial Intelligence
- Emmedata: Footwear
- VCube: Cybersecurity and Networking



- Trizeta: Industry 4.0 and industrial processes automation
- SiSolution: Manufacturing, Textile and Managed Services
- Flexxa: Cybersecurity, business continuity

During the first nine months to 30 September 2024, the Group recorded significant consolidated growth in terms of revenue, EBITDA and net profit.

Revenue grew by 24,2% from the nine months to 30 September 2023 to the nine months to 30 September 2024, from EUR 32.977 thousand as of 30 September 2023 to EUR 40.958 thousand as of 30 September 2024.

EBITDA increased by 20,8% from nine months to 30 September 2023 to nine months to 30 September 2024, from EUR 6.770 thousand as of 30 September 2023 to EUR 8.180 thousand as of 30 September 2024.

Net profit increased by 23,1% from nine months to 30 September 2023 to nine months to 30 September 2024, from €3.021 thousand as of 30 September 2023 to €3.719 thousand as of 30 September 2024.

The financial KPIs are positively impacted by the Company's proprietary software solutions, which result in high margins, and the significant share of recurring and repeat revenues, which support growth in future years.

Furthermore, the vertically specialised offering and the diversified and loyal customer base with high cross-selling and up-selling potential contribute to the competitive advantage and risk reduction.

Market trends

The Group operates in the Italian ICT market (which is a segment of the broad digital market). According to a study by Anitec Assinform, the digital market was worth a total of € 78,7 billion in 2023, with a growth of 2,1% compared to 2022. (Source: 'Il digitale in Italia 2024: Mercati, Dinamiche e Policy' elaborated by Anitec-Assinform in collaboration with Confindustria Digitale and NetConsulting Cube, July 2024).

The most significant growth took place in ICT Services, whose value grew by 9,0% in 2023 mainly thanks to Cloud Computing, Cybersecurity and Big Data Management services.

The overall market offers good growth prospects between 2023 and 2027, with an expected average annual growth rate of +3,9%. The forecasts on the digital market trend in Italy for the next four years will be further influenced by the ICT investments financed through the National Recovery and Resilience Plan (Piano Nazionale di Ripresa e Resilienza, NRRP), part of the Next Generation EU (NGEU) programme.

Between 2023 and 2027, enterprises and institutions will invest mainly in Cloud Computing services, Cybersecurity platforms and Big Data management.

Cloud computing services are a key component of all end-user technology initiatives affecting the flexibility and scalability of IT. Cloud computing had a growth rate of +15,6 % in 2023, reaching a value of € 6,3 billion.

Cybersecurity platforms ensure the protection of data and technology assets in the face of growing cyber risks. At the end of 2023, the cybersecurity market recorded a growth rate of +11,5%, reaching a value of € 1,8 billion. The main areas of investment are Disaster Recovery and Business Continuity.

AI / Cognitive services are advanced tools for analysing and exploiting data, which are essential for managing the information assets of companies and public institutions. The generation of large amounts of data now affects all business functions and proper data management enables companies to extract value. Many companies are therefore implementing data strategy initiatives aimed at comprehensive data management. By the end of 2023, the AI/Cognitive market recorded a growth rate of +31,1%, reaching a value of € 674 million.

The international context, with the conflicts between Russia and Ukraine and between Israel and Hamas, is still complex, but these conflicts do not seem to have a substantial effect on the ICT market at the moment. At the macroeconomic level, the effect of lower interest rates and the consensus on future interest rate reductions seems to prevail over the uncertainty caused by geo-political externalities.



Main risks and uncertainties to which SYS-DAT S.p.A. is exposed

The Company adopts specific procedures in the management of risk factors aimed at preventing risks related to the Company's activities and aimed at maximising value for its stakeholders. The main risks can be grouped into external and internal risks, as described below.

External risks

Risks related to current macroeconomic conditions.

Uncertainty in the Company's key markets, financial markets and the general economic situation or geopolitical situation could affect the investments and financial position of the Company's customers, with a possible impact on the Company's business operations, operating results and financial position. The Company uses diversification on its customer base in terms of size, sector and geographical exposure to mitigate this risk.

Risks related to processes, regulations and authority measures

The Company collects and processes personal data, and the leakage of such data or failure to process it in accordance with applicable regulations may have a materially adverse effect on the Company's business and reputation and lead to claims for damages, as well as fines and orders imposed by authorities. The Company has implemented specific procedures on privacy and data processing with the identification of responsibility for processing.

ICT market risks

The intensification of competition in the Company's market could affect the Company's ability to maintain or increase its market share, to improve the profitability of its operations or to retain current customers or acquire new customers. The Company continues to invest in marketing and business operations and in the quality of its products and services to improve market positioning.

Risks related to competition

The competitiveness of the Company's software solutions could weaken if the Company fails to meet requirements resulting from technological changes in the operating environment or customer demand, which could have a negative effect on business operations, results of operations and financial position. The Company continues to invest in research and development to innovate products and services to be technologically relevant and competitive in the market.

Internal Risks

Risks Related to the Company's Operations

The Company's business operations and financial position depend in part on the continuation of customer relationships, as well as the successful sale of additional solutions. Any decline in sales could have a negative effect on the Company's operating results and financial position. The Company continues to invest in customer relationships, customer satisfaction and product and service innovation to mitigate the risk with customers.

Risks related to loss of key personnel

The loss of key people and qualified personnel could have an adverse effect on the Company's business operations and financial position, and the Company may not necessarily be able to recruit and retain people with the required skills. The Company continuously invests in recruitment and retention activities in the context of its long-standing ESG and employee focus policy.

Risks relating to defects in software solutions or negligence or abuse by employees

The software solutions offered by the Company could have defects or deficiencies that could cause disruptions to its customers. Such disruptions could cause financial losses and damage to the reputation of the Company and its



customers. The Company pays specific attention to the quality of the software produced and installed and invests in continuous improvements with constant monitoring of any defects or deficiencies.

Risks related to key partnerships

The possible interruption of supplies and/or these relationships or the non-renewal of contracts, as well as the Company's inability to identify alternative suppliers capable of meeting the Company's needs, could lead to difficulties in procuring the relevant components or services in sufficient quantities and in a timely manner to ensure the continuity of sales activities. The Company has long-term relationships with its strategic suppliers and continuously identifies consistent alternatives to replace suppliers when necessary.

Risks related to computer systems and intellectual property rights

The Company's operations and software solutions rely heavily on IT systems, and any malfunctions and breaches of these networks and solutions, as well as potential failures in customer information systems, could adversely affect the Company's reputation, operations and financial position. The Company's policy does not include procedures for registering intellectual property and, despite the implementation of specific procedures, such as limited access to source code and authentication, there is a potential risk of confidentiality. The Company operates high-level, certified data centres and invests in monitoring and cybersecurity tools, including active source code and intellectual property protection policies.

Risks related to failure to identify and/or integrate potential acquisition targets

The Company aims to grow inorganically through selective acquisitions. For this reason, the implementation of the Company's growth strategy depends in part on the Company's ability to identify suitable acquisition targets. However, there is no guarantee that the Company's potential future acquisitions can be made on favourable terms or that suitable target companies will be available. The Company believes that the current highly fragmented market environment is conducive to an acquisitive policy and continues to invest in scouting, relational and structured activities to identify acquisition targets.

Analysis of reclassified profit and loss statement

| <i>in thousand di Euro</i> | 30-Sept-24 | % | 30-Sept-23 | % |
|-----------------------------|-------------------|-------------|-------------------|-------------|
| Operating Revenues | 40.640 | 99% | 32.809 | 99% |
| Other Revenues | 318 | 1% | 167 | 1% |
| Total revenues | 40.958 | 100% | 32.977 | 100% |
| Purchasing cost | 2.427 | 6% | 1.716 | 5% |
| Service cost | 13.253 | 32% | 10.740 | 33% |
| Personnel | 16.791 | 41% | 13.437 | 41% |
| Other operating cost | 306 | 1% | 315 | 1% |
| Total operating cost | 32.778 | 80% | 26.207 | 79% |
| EBITDA | 8.180 | 20% | 6.770 | 21% |

| | | | | |
|---------------------------------|--------------|------------|--------------|------------|
| Amortisations and depreciations | 2.406 | 6% | 1.674 | 5% |
| Provisions and writedowns | 295 | 1% | 192 | 1% |
| EBIT | 5.479 | 13% | 4.904 | 15% |

| | | | | |
|-----------------------------------|--------------|------------|--------------|------------|
| Financial income | 20 | 0% | 8 | 0% |
| Financial expenses | -47 | 0% | -215 | -1% |
| Income (Loss) before taxes | 5.452 | 13% | 4.697 | 14% |

| | | | | |
|--------------------------|--------------|-----------|--------------|-----------|
| Income taxes | 1.733 | 4% | 1.676 | 5% |
| Net income (Loss) | 3.719 | 9% | 3.021 | 9% |



The results of operations for the nine months ended 30 September 2024 were as follows:

- Total revenues of €40.958 thousand (€32.977 thousand in the first nine months of 2023), an increase in revenues of €7.981 thousand (+24,2%) due to higher sales in all business lines
- EBITDA amounted to €8.180 thousand (€6.770 thousand in the first nine months of 2023), an increase of €1.411 thousand (+20,8%) due to the correct management of operating expenses, which increased proportionally to the increase in revenues despite the seasonality of July and August
- EBIT of €5.479 thousand (€4.904 thousand in the first nine months of 2023), increased by €575 thousand (+11,7%) with an increase in depreciation and amortisation due to past acquisitions and capitalisation of software developments;
- Net profit of €3.719 thousand (€3.021 thousand in the first nine months of 2023), increased by €698 thousand (+23,1%) consistent with the increase in revenue and EBITDA.

Analysis of reclassified balance sheet statement

| <i>in thousand Euro</i> | 30-Sept-24 | 31-Dec-23 | Delta |
|--|-------------------|------------------|---------------|
| Trade receivables | 14.462 | 16.015 | -1.553 |
| Activities for work in progress | 1.398 | 1.699 | -301 |
| Inventories | 184 | 194 | -10 |
| Trade payables (excluding non-current portion) | -2.932 | -4.543 | 1.612 |
| Advance payments on work in progress | -1.546 | -1.783 | 237 |
| Commercial net working capital | 11.567 | 11.582 | -15 |
| Other current assets | 3.073 | 2.340 | 733 |
| Tax debts | -2.889 | -2.092 | -797 |
| Other current liabilities | -11.104 | -8.696 | -2.408 |
| Net working capital | 648 | 3.135 | -2.487 |
| Tangible assets | 862 | 788 | 73 |
| Right of use | 4.827 | 3.995 | 833 |
| Goodwill | 8.954 | 8.954 | 0 |
| Other intangible assets | 7.954 | 7.384 | 570 |
| Deferred tax assets | 1.266 | 615 | 650 |
| Other non current assets | 2.128 | 88 | 2.040 |
| Employee benefits | -6.643 | -6.662 | 19 |
| Provisions | -233 | -330 | 97 |
| Deferred tax liabilities | -1.786 | -1.794 | 7 |
| Net fixed capital | 17.328 | 13.038 | 4.290 |
| Net invested capital | 17.976 | 16.173 | 1.802 |
| Net financial position | -36.603 | -3.115 | -33.488 |
| Net assets | 54.579 | 19.288 | 35.291 |
| Total Net assets and Net financial position | 17.976 | 16.173 | 1.802 |

Net invested capital increased by €1.802 thousand between 31 December 2023 and 30 September 2024.

Commercial net Working Capital did not change substantially during the reporting period. The balance of Net working capital as of 30 September 2024 was EUR 648 thousand, a decrease compared to the previous period mainly due to an increase in current liabilities for property leases, due to the signing of new contracts for company premises, which also resulted in an increase in Right of use assets.

Net assets as of 30 September 2024 increased due to the result for the period and the listing of the Company on the regulated market Euronext Milan STAR segment on 2 July 2024.



Analysis of net financial debt and net financial position

The evolution of net financial debt and net financial position is shown below.

| Net Financial Position | 30-Sept-24 | 31-Dec-23 | Var | Var % |
|--|----------------|----------------|---------------|----------------|
| <i>(Euro thousand)</i> | | | | |
| A. Liquid assets | 24.190 | 14.437 | 9.752 | 67,6% |
| B. Cash equivalents | 0 | 0 | 0 | n/a |
| C. Tradeable securities | 28.123 | 4.633 | 23.490 | 507,0% |
| D. Liquidity (A) + (B) + (C) | 52.312 | 19.070 | 33.242 | 174,3% |
| E. Current financial debt | -33 | -15 | -18 | 119,9% |
| F. Current portion of non current debt | -5.642 | -4.895 | -747 | 15,2% |
| G. Current financial indebtness (E) + (F) | -5.675 | -4.910 | -765 | 15,6% |
| H. Net current financial debt (D) + (G) | 46.638 | 14.160 | 32.477 | 229,4% |
| I. Non-current financial debt | -1.034 | -1.620 | 586 | -36,2% |
| J. Bonds issued | 0 | 0 | 0 | n/a |
| K. Other non-current financial debt | -9.000 | -9.425 | 425 | -4,5% |
| L. Non-current financial debt (I) + (J) + (K) | -10.034 | -11.045 | 1.011 | -9,2% |
| M. Net Financial Position (H) + (L) | 36.603 | 3.115 | 33.488 | 1075,0% |

The Company had a positive net financial position of €36.603 thousand as of 30 September 2024 compared to €3.115 as of 31 December 2023.

The improvement in the net financial position as of 30 September 2024 compared to 31 December 2023, amounting to a total of €33.488 thousand, is mainly due to the liquidity resulting from the Company's listing on the regulated market Euronext Milan STAR segment carried out on 2 July 2024 with net proceeds of €32.678 thousand.

The Company has no financing contracts in place that require compliance with financial parameters.

Research and development activities.

In the nine months to 30 September 2024, the Company continued its research and development activities. All costs incurred were capitalised in the reporting period.

Research and development activity in the nine months to 30 September 2024 focused mainly on five application areas: ERP, SAP, CRM, Retail and Other, including Artificial Intelligence and Digital Commerce.

The total cost of R&D in the first nine months of 2024 was EUR 2,009 thousand.

Below are the most significant projects for each product family:

- ERP: Tool for data capture, integration with couriers and RFID, Commercial and product area optimisation.
- SAP add-ons: AddOn SAP Ship One (courier interface), AddOn SAP HIS (medical conventions), WEBApp HIS (care plans and appointments, conventions).
- CRM: Catalogue enhancements with additional import/export, order enhancement with availability and statistics and advanced filters, virtual showroom and budget enhancements.
- RETAIL: Management of stock lists, replenishment of showroom space, additional communication modules.
- Other projects mainly related to the development of AI and Digital Commerce software applications.



Reclassified cash flow statement

Below is the reclassified cash flow statement comparing the nine months to 30 September 2024, the first half of 2024, before the IPO, and the nine months to 30 September 2023.

| <i>Thousand Euro</i> | 30-Sept-24 (9 months) | 30-Jun-24 (6 months) | 30-Sept-23 (9 months) |
|--|----------------------------------|---------------------------------|----------------------------------|
| Net Income | 3.719 | 2.621 | 3.021 |
| Taxes | 1.733 | 1.366 | 1.674 |
| Depreciation | 2.406 | 1.561 | 1.674 |
| Other variations | 21 | 9 | 728 |
| Funding from operations | 7.879 | 5.557 | 7.097 |
| Change in inventories | 311 | 339 | -914 |
| Change in trade receivables | 1.553 | 560 | 645 |
| Change in trade payables | -1.610 | -1.377 | -484 |
| Change in other assets and liabilities | 1.305 | 1.978 | 2.532 |
| Taxes paid | -1.515 | -396 | -1.007 |
| Operating Cash Flow | 7.924 | 6.662 | 7.869 |
| Investments in intangible assets | -2.087 | -1.454 | -1.110 |
| Investments in tangible assets | -309 | -276 | -105 |
| Equity investments | -2.602 | -1.037 | -592 |
| Interest income collected | 58 | 51 | 30 |
| Change in other financial assets | -23.491 | -324 | -676 |
| Investment activities Cash Flow | -28.431 | -3.041 | -2.454 |
| Change in financial debts | -4 | -4 | -7 |
| Repayment of loans | -1.167 | -775 | -1.141 |
| Increase share capital | 33.992 | 0 | 0 |
| Listing expenses | -1.885 | 0 | 0 |
| Distribution of dividends | -660 | -660 | -660 |
| Interest paid | -16 | -33 | -150 |
| Financial activities Cash Flow | 30.260 | -1.472 | -1.958 |
| Liquidity from changes in the consolidation area | 0 | 0 | -1.105 |
| Total cash generated (absorbed) | 9.752 | 2.149 | 2.353 |
| Cash and cash equivalent at the beginning of the period (01.01) | 14.437 | 14.437 | 13.867 |
| Total cash generated (absorbed) | 9.752 | 2.149 | 2.353 |
| Cash and cash equivalent at the end of the period | 24.190 | 16.586 | 16.220 |

In the first nine months of 2024, operating cash flow was EUR 7.924 thousand compared to EUR 6.662 thousand in the first six months to 30 June 2024 and EUR 7.869 thousand in the first nine months of 2023. The trend in operating cash is driven by higher taxes paid in the period of approximately €508 thousand due to the unfavourable trend in tax payments on account and balances, and by the trend in average payment times, in particular from a DSO of 93 days at 30 September 2023 to a DSO of 85 days at 30 September 2024, and from a DPO of 78 days at 30 September 2023 to a DPO of 55 days at 30 September 2024. These trends are related to specific factors in the relevant periods, in particular a favourable cycle as of 30 September 2023. For reference, operating cash flow for the whole 2023 FY was EUR 7.296 thousand.

Capital expenditure in the first nine months of 2024 is related to capitalisation of development expenditure and minimal investments in licences and hardware, investments in equity related to payments from acquisitions in previous years and current acquisitions, in particular Flexxa, and short-term cash investment activities in diversified, low-risk investment-grade products including bonds and, to a small extent, equity.

The financing activities were largely driven by the listing process on the regulated market Euronext Milan STAR segment on 2 July 2024.

The cash from changes in consolidation area had no impact on the first nine months of 2024 as the consolidation area did not change.

In the first nine months of 2024, the Company therefore generated cash of €9.752 thousand compared to €2.353 thousand generated for the nine months ended 30 September 2023 net of cash from changes in consolidation area.



Outlook on operations

The significant growth in the first nine months of 2024, both in terms of revenues and margins, was based on a number of elements that can be summarised as follows:

- The up-selling and cross-selling activities, generated by an enrichment of the offer thanks to new solutions developed by the research and development activities and from the companies acquired in the second half of 2023
- The evolution of the software commercial proposal from 'On Premise' to 'Software as a Service
- The increase in recurring Cloud fees, coming from more and more customers and solutions managed in Outsourcing, and recurring maintenance fees
- The identification of software proposals that brought tangible benefits by enabling new business models (e.g. Virtual Showroom, Omnichannel)
- The acquisition of new medium to large customers

The Group's focus in the coming years will be on strengthening its offering and operations, acquiring additional companies and developing a better position from an ESG perspective.

The offering will be strengthened through the identification and development of new complementary solutions for vertical markets. The new solutions will be created as a result of research and development activities, as the Group invests approximately 5% of revenues in research and development activities each year. In the coming years, research and development activities will be oriented towards the following areas:

- 'Software as a service' technology in the public cloud offering (multi-tenant), with highly configurable standard solutions that require a low level of customisation
- The creation of middleware that will simplify the interconnection between the different solutions offered by the Group
- The creation of a Group development framework to facilitate implementations and the transfer of know-how

In addition, from an operational point of view, the structure will grow in step with the growth of the business, the Group will continue to consolidate and expand its relationships with Universities and Vendor Partners (SAP, Microsoft, ..), focusing on maximising customer satisfaction and maintaining the attraction of additional young future talent.

As specified in the following paragraph, at the beginning of July 2024 the Company completed the listing of its ordinary shares on Euronext Milan and its STAR segment, starting trading on the market on 2 July 2024. The proceeds to the Company from the issue of new shares amount to approximately €32 million after the full exercise of the greenshoe option). These proceeds will be used by the Company to continue to develop and focus on the key pillars of its strategy based on: (i) the acceleration of its M&A activity to acquire new companies in the IT market; (ii) new hires and new investments towards its current staff in order to pursue long-term value creation and expand its business capacity; (iii) maximising value creation, through comprehensive service offerings, a multi-sectoral approach, implementation of new technologies and customer retention; (iv) strengthening its capital structure; and (v) further expanding its territorial presence.

Significant events during the third quarter of 2024

On 2 July 2024, SYS-DAT began trading on the regulated market Euronext Milan - STAR Segment after completion of the offer with a price of €3.40 per share, resulting in a capitalisation of the Company of approximately €103 million (and of approximately €106 million following the full exercise of the greenshoe option).

On 8 July 2024, SYS-DAT communicated the composition of its share capital, following the execution of the share capital increase, and that it had received from Alkemia Capital Partners SGR S.p.A. the notification that the 5% share capital threshold had been exceeded.

On 9 July 2024, SYS-DAT announced that the 987,000 shares subject to the over-allotment option had been placed in full, and that no stabilisation transactions had been carried out during the stabilisation period from 2 July 2024 until 9 July 2024.

On 11 July 2024, SYS-DAT announced that, on 10 July 2024, it had executed the tranche of the capital increase by issuing 987,000 shares, for an equivalent value of €3,355,800.00, of which €49,350.00 was share capital and €3,306,450.00 was share premium.

On 23 July 2024, SYS-DAT announced that it had completed the acquisition of the entire share capital of SYS-DAT Verona S.r.l., of which the Company already held 82%. The acquisition of SYS-DAT Verona marked a further step in



the growth path of the SYS-DAT Group and the consolidation of its position in the management systems and cybersecurity sector.

On 7 August 2024, SYS-DAT announced that it had signed the binding Term Sheet for the acquisition of the entire share capital of Flexxa S.r.l., a company that offers services in the cybersecurity and business continuity field, at a valuation in line with the multiples of previous acquisitions, of around 5 times EBITDA. The closing was finalised and announced on 24 September 2024.

Significant events after 30 September 2024

On 4 November 2024, SYS-DAT announced that it had acquired the entire share capital of Glam S.r.l. and Glam Digital Lab S.r.l., companies based in Bologna that offer consulting and software production services in the digital commerce sector, such as CRM, web marketing, retail analysis, score management and web development, at a valuation in line with the multiples of previous acquisitions, of approximately 5 times EBITDA.

On 12 November 2024, SYS-DAT announced that it had acquired the entire share capital of Matrix Solution S.r.l., a Milan-based company that offers document archiving services and workflow processes, optical reading and business continuity, at a valuation in line with the multiples of previous acquisitions, of approximately 5 times EBITDA.

Potential Conflicts of Interest

Some Directors and the Chief Executive Officer directly hold interests in the Company's share capital and have a familial relationship with each other. Consequently, these private interests are in potential conflict with their obligations as directors or officers of the Company. In particular, it should be noted that:

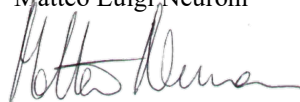
- The Chairman of the Company's Board of Directors Vittorio Neuroni: (i) holds 28.2% of the share capital of SYS-DAT S.p.A.; and (ii) is the father of the Company's CEO Matteo Luigi Neuroni and the Company's Executive Director Marta Neuroni;
- The Company's Chief Executive Officer Matteo Luigi Neuroni: (i) holds 17.2% of the share capital of SYS-DAT S.p.A.; (ii) is the son of the Company's Chairman of the Board of Directors Vittorio Neuroni; (iii) is the brother of the Company's Executive Director Marta Neuroni; and (iv) is the brother-in-law of the Company's Deputy Chairman of the Board of Directors Emanuele Edoardo Angelidis;
- The Vice Chairman of the Board of Directors, Emanuele Edoardo Angelidis: (i) holds 13.0% of the share capital of SYS-DAT S.p.A.; and (ii) is the brother-in-law of the Company's Executive Director Matteo Luigi Neuroni;
- The Company's Executive Director Marta Neuroni: (i) holds 6.5% of the share capital of SYS-DAT S.p.A.; (ii) is the daughter of the Chairman of the Board of Directors of the Company Vittorio Neuroni; and (iii) is the sister-in-law of the Company's Managing Director Matteo Luigi Neuroni.

Relationships with controlled and parent companies

With regard to relationships between the Company and its subsidiaries, all controlled companies are subject to direction and coordination of SYS-DAT S.p.A. as per art. 2497 – bis of the Italian Civil Code.

The CEO

Matteo Luigi Neuroni







CONSOLIDATED STATEMENTS AS OF 30 SEPTEMBER 2024

Balance sheet statement

| <i>(Euro)</i> | Note | 30-Sept-24 | 31-Dec-23 |
|---|------|-------------------|-------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Goodwill | 3.1 | 8.954.306 | 8.954.306 |
| Intangible assets | 3.2 | 7.953.541 | 7.383.815 |
| RoU assets | 3.3 | 4.827.286 | 3.994.658 |
| Tangible assets | 3.4 | 861.517 | 788.073 |
| Equity investments and other non-current assets | 3.5 | 2.127.767 | 87.617 |
| Deferred tax assets | 3.6 | 1.265.710 | 615.481 |
| Total non-current assets | | 25.990.126 | 21.823.949 |
| Current assets | | | |
| Inventories | 3.7 | 184.436 | 194.184 |
| Trade receivables | 3.8 | 14.462.205 | 16.015.464 |
| Activities for work in progress on order | 3.9 | 1.398.126 | 1.699.430 |
| Other receivables and current assets | 3.10 | 3.073.020 | 2.340.020 |
| Current financial assets | 3.11 | 28.122.960 | 4.633.409 |
| Cash and cash equivalent | 3.12 | 24.189.532 | 14.437.097 |
| Total current assets | | 71.430.280 | 39.319.605 |
| TOTAL ASSETS | | 97.420.406 | 61.143.554 |
| EQUITY AND LIABILITIES | | | |
| Share Capital | 3.13 | 1.564.244 | 1.015.000 |
| Other reserves | 3.13 | 49.124.809 | 13.870.044 |
| Net result | 3.13 | 3.722.761 | 4.232.371 |
| Third parties' equity | 3.13 | 167.182 | 170.895 |
| Total group equity | | 54.578.995 | 19.288.310 |
| Non current liabilities | | | |
| Non current financial liabilities | 3.14 | 10.034.248 | 11.024.509 |
| Deferred taxes liabilities | 3.6 | 1.786.412 | 1.793.642 |
| Employee benefits | 3.15 | 6.642.743 | 6.661.793 |
| Provisions | 3.16 | 233.060 | 330.346 |
| Total non current liabilities | | 18.696.464 | 19.810.289 |
| Current liabilities | | | |
| Current financial liabilities | 3.14 | 5.651.577 | 4.909.934 |
| Trade payables | 3.17 | 2.954.756 | 4.564.410 |
| Advance payments on work in progress | 3.9 | 1.546.147 | 1.783.180 |
| Current tax debt | 3.18 | 2.888.755 | 2.091.846 |
| Other current debts and liabilities | 3.19 | 11.103.712 | 8.695.585 |
| Total current liabilities | | 24.144.947 | 22.044.955 |
| TOTAL LIABILITIES AND EQUITY | | 97.420.406 | 61.143.554 |



Income statement

| | Notes | 30 September | |
|---|-------|-------------------|-------------------|
| | | 2024 | 2023 |
| <i>(Euro)</i> | | | |
| Operating Revenues | 4.1 | 40.640.000 | 32.809.344 |
| Other Revenues | 4.2 | 317.978 | 167.267 |
| Total Revenue | | 40.957.978 | 32.976.611 |
| Purchasing cost | 4.3 | 2.141.975 | 2.054.352 |
| Changes in inventories | 4.3 | 285.494 | -338.723 |
| Service cost | 4.4 | 13.461.385 | 10.739.887 |
| Personnel | 4.5 | 16.582.617 | 13.436.528 |
| Other operating cost | 4.6 | 306.294 | 314.934 |
| Total operating cost | | 32.777.765 | 26.206.978 |
| EBITDA | | 8.180.213 | 6.769.633 |
| Amortisations and depreciations | 4.7 | 2.406.157 | 1.673.775 |
| Provisions and writedowns | 4.8 | 295.275 | 192.102 |
| EBIT | | 5.478.781 | 4.903.756 |
| Income (expenses) from equity investments | 4.9 | 20.052 | 8.181 |
| Other financial income (expenses) | 4.9 | -142.739 | -302.182 |
| Value adjustments to financial assets and liabilities | 4.9 | 95.915 | 87.113 |
| Income before taxes | | 5.452.009 | 4.696.868 |
| Income taxes | 4.10 | 1.732.961 | 1.675.511 |
| Net Income | | 3.719.048 | 3.021.357 |

Comprehensive Income Statement

| | 30 September | |
|---|------------------|------------------|
| | 2024 | 2023 |
| <i>(Euro)</i> | | |
| Net Income | 3.719.048 | 3.021.357 |
| Net income attributable to third parties | -3.713 | -6.433 |
| Net Income attributable to shareholders | 3.722.761 | 3.027.790 |
| Other comprehensive Income/(losses) that will be re-classified as Income/(losses): | 0 | 0 |
| Fiscal impact | 0 | 0 |
| Total OCI to be reclassified as Income/(loss) | 0 | 0 |
| Other comprehensive Income/(losses) that will not be re-classified as Income/(losses): | | |
| Actualised Income/(losses) from IAS 19 defined benefits | 218.869 | 158.639 |
| Fiscal impact | -51.658 | -38.656 |
| Total OCI not reclassifiable as Income/(loss) | 167.211 | 119.983 |
| Comprehensive Net Income | 3.886.259 | 3.141.340 |



Statement of changes in shareholders' equity

| | Reserves | | | | | | | | | | Total net assets of the parent company | Third party capital and reserves | Profit (loss) of this parties | Total third-party net asset | Total equity |
|---|------------------|------------------------|----------------|-----------------------|-------------------------|----------------|----------------|---------------------------|--------------------------|----------------------------|--|----------------------------------|-------------------------------|-----------------------------|-------------------|
| | Share Capital | Share premium reserves | Legal reserves | OCI - IAS 19 reserves | IFRS 2 warrant reserves | FTA reserves | Other reserves | Undivided profit reserves | Retained profit reserves | Profit (Loss) for the year | | | | | |
| Total as of 31 Dec 2022 | 1,015,000 | 60,000 | 203,000 | 221,573 | 84,136 | 543,619 | 778,006 | 2,422,230 | 6,797,777 | 3,676,628 | 15,801,969 | 147,356 | 14,175 | 161,531 | 15,963,500 |
| Allocation of profit from the previous financial year to parent compa | | | | | | | | | 226,902 | -886,652 | -659,750 | | | 0 | -659,750 |
| Allocation of profit from the previous financial year to subsidiaries | | | | | | | | 2,789,976 | | -2,789,976 | 0 | 14,175 | -14,175 | 0 | 0 |
| Change in consolidation area | | | | | | | | 33,000 | -267,059 | | -234,059 | | | 0 | -234,059 |
| Warrant fair value adjustment | | | | | 55,735 | | | | | | 55,735 | | | 0 | 55,735 |
| Total profit (Loss) for the financial year | | | | -78,850 | | | | | | 4,232,371 | 4,153,520 | -5 | 9,369 | 9,364 | 4,162,884 |
| Total as of 31 Dec 2023 | 1,015,000 | 60,000 | 203,000 | 142,722 | 139,871 | 543,619 | 778,006 | 5,245,206 | 6,757,620 | 4,232,371 | 19,117,415 | 161,526 | 9,369 | 170,895 | 19,288,310 |
| Allocation of profit from the previous financial year to parent compa | | | | | | | 1,722,857 | | 660,000 | -2,382,857 | 0 | | | 0 | 0 |
| Allocation of profit from the previous financial year to subsidiaries | | | | | | | | 1,849,513 | | -1,849,513 | 0 | 9,369 | -9,369 | 0 | 0 |
| Capital increase IPO | 549,244 | 33,620,776 | | | | | | -178,006 | | | 33,992,014 | | | 0 | 33,992,014 |
| Listing expenses | | | | | | | | -1,884,758 | | | -1,884,758 | | | 0 | -1,884,758 |
| Closing Directors' Severance Indemnity | | | | | | 26 | | 9,616 | -7,564 | | 2,077 | | | 0 | 2,077 |
| Distribution of dividends | | | | | | | | | -660,000 | | -660,000 | | | 0 | -660,000 |
| Warrant / Stock options fair value adjustment | | | | | -44,908 | | | | | | -44,908 | | | 0 | -44,908 |
| Rounding | | -1 | | | | | 1 | | | | 0 | | | 0 | 0 |
| Total profit (Loss) for the financial year | | | | 167,211 | | | | | | 3,722,761 | 3,889,972 | | -3,713 | -3,713 | 3,886,259 |
| Total as of 30 Sept 2024 | 1,564,244 | 33,680,775 | 203,000 | 309,933 | 94,963 | 543,645 | 438,101 | 7,104,335 | 6,750,056 | 3,722,761 | 54,411,814 | 170,895 | -3,713 | 167,182 | 54,578,995 |



Cash flow statement

| (Euro) | 30 September | |
|--|--------------------|-------------------|
| | 2024 | 2023 |
| Net income | 3.719.048 | 3.021.357 |
| Taxes | 1.732.961 | 1.674.024 |
| Depreciation | 2.406.157 | 1.673.775 |
| Other variations | 21.008 | 727.632 |
| Funding from operations | 7.879.174 | 7.096.788 |
| Change in inventories | 311.053 | -913.844 |
| Change in trade receivables | 1.553.259 | 645.454 |
| Change in trade payables | -1.609.654 | -484.197 |
| Change in other assets and liabilities | 1.304.532 | 2.532.123 |
| Taxes paid | -1.514.807 | -1.007.245 |
| Operating cash flow | 7.923.558 | 7.869.079 |
| Investments in intangible assets | -2.087.433 | -1.110.190 |
| Investments in tangible assets | -309.135 | -104.619 |
| Equity investments | -2.601.849 | -592.212 |
| Interest income collected | 57.597 | 29.908 |
| Change in other financial assets | -23.490.606 | -676.448 |
| Investment activities Cash Flow | -28.431.427 | -2.453.561 |
| Change in financial debts | -3.896 | -7.277 |
| Repayment of loans | -1.166.874 | -1.141.008 |
| Increase share capital | 33.992.014 | 0 |
| Listing expenses | -1.884.758 | 0 |
| Dividends | -660.000 | -659.750 |
| Interest paid | -16.182 | -149.874 |
| Financial activities cash flow | 30.260.304 | -1.957.909 |
| Liquidity from changes in the consolidation area | 0 | -1.104.544 |
| Total cash flow (net of changes in consolidation area) | 9.752.436 | 2.353.064 |
| Cash and cash equivalent at the beginning of the period | 14.437.097 | 13.866.857 |
| Total cash flow | 9.752.436 | 2.353.064 |
| Cash and cash equivalent at the end of the period | 24.189.533 | 16.219.920 |



NOTES ON FINANCIAL STATEMENTS AS 30 SEPTEMBER 2024

1. General information

1.1 Introduction

SYS-DAT S.p.A. is a company incorporated and with legal domicile in Italy, with registered office in Milano (MI), Via Muzio Attendolo detto Sforza 7/9, incorporated under the law of the Italian Republic.

SYS-DAT is operating in the ICT market largely in Italy for the corporate world, from micro-enterprises to large multinationals, and is rooted in many years of experience developed in the market of IT solutions for the main industrial segments and services typical of Made in Italy.

SYS-DAT offers IT solutions for its clients' mission-critical processes.

1.2 Consolidation Area

These consolidated financial statements as of 30 September 2024 include the economic and financial position of the Company and the companies in which it holds the majority of voting rights.

The companies included in the consolidation area are fully consolidated under EU-IFRS accounting principles, rules and best practices.

The following table shows the consolidated companies as of 30 September 2024. The scope of consolidation has not changed since 31 December 2023 except for the change from 82% of the shares in SYS-DAT Verona to 100% of the shares in July 2024

| <i>(Euro)</i> | Office | Share capital | Shares % |
|---------------------|-------------------------|---------------|----------|
| LOGIC ONE SRL | Palermo | 40.000 | 100% |
| MODASYSTEM SRL | Bassano del Grappa (VI) | 250.000 | 100% |
| BTW INFORMATICA SRL | Milano | 50.000 | 100% |
| NEKTE SRL | Milano | 204.890 | 100% |
| HARS SRL | Modena | 115.000 | 100% |
| SYS-DAT VERONA SRL | Verona | 200.000 | 100% |
| HUMATICS SRL | Verona | 10.000 | 70% |
| EMMEDATA SRL | Civitanova Marche (MC) | 31.200 | 100% |
| TRIZETA SRL | Monselice (PD) | 10.000 | 100% |
| VCUBE SRL | Novellara (RE) | 10.000 | 70% |
| SISOLUTION SRL | Milano | 11.000 | 100% |

The Company finalised and announced on 24 September 2024 the agreement to purchase and sell 100% of the shares of Flexxa S.r.l., which will be consolidated as of 1 October 2024, together with subsequent acquisitions.

2. Summary of accounting principles adopted

The Company adopts International Financial Reporting Standards, issued by the International Accounting Standards Board, and adopted by the European Union (the 'International Accounting Standards') for the preparation of its financial statements.

It should be noted that the Company has prepared the previous three-year financial statements (the 'Three-Year Financial Statements') for the years ended 31 December 2023 and 2022 on a voluntary basis in accordance with International Financial Reporting Standards (the 'EU-IFRS'), as part of the listing process (the 'IPO') of the Company's shares on Euronext Milan, a market managed by Borsa Italiana S.p.A, for the purpose of its inclusion in the Offer Prospectus of the IPO as, previously, the Company prepared its financial statements in accordance with the regulations applicable in Italy and the accounting principles issued by the Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili, as amended by the Organismo Italiano di Contabilità (the 'Italian Accounting Principles'). The Offering Prospectus was



published on 19 June 2024 following approval by CONSOB (approval notification No. 0061583/24 of 19 June 2024) and is available on the Company's website.

The financial statements have been prepared in accordance with International Financial Reporting Standards approved by the European Commission and in force as of 30 September 2024. EU-IFRS means all International Financial Reporting Standards, all International Accounting Standards (IAS) and all interpretations of the International Financial Reporting Interpretations Committee (IFRIC), formerly the Standing Interpretations Committee (SIC).

The financial statements include the statement of financial position, income statement, statement of comprehensive income, statement of changes in equity and cash flow statement.

The Company has chosen to present the income statement by nature of expense, while assets and liabilities in the statement of financial position are divided into current and non-current. The cash flow statement presents cash flows from operating activities according to the indirect method. The formats used are those that best represent the economic and financial situation of the Company.

The operating cycle is the time between the acquisition of assets for the production process and their realisation in cash or cash equivalents. When the normal operating cycle is not clearly identifiable, its duration is assumed to be twelve months.

The statements have been drawn up in Euros, the Company's functional currency (Euro, EUR or €). The financial statements, balance sheets and profit and loss accounts, notes to the financial statements and explanatory tables are expressed in euro, unless otherwise indicated.

The prospectuses have been prepared

- on the basis of the best knowledge of the EU-IFRS and taking into account the best doctrine on the subject; any future orientations and interpretative updates will be reflected in subsequent financial years, according to the procedures from time to time provided for by the reference accounting standards;
- on a going concern basis, on an accrual basis, in accordance with the principle of relevance and materiality of information, the prevalence of substance over form, and with a view to fostering consistency with future presentations. Assets and liabilities, costs and revenues are not offset against each other, unless this is permitted or required by International Accounting Standards;
- on the basis of the conventional historical cost convention, except for the valuation of financial assets and liabilities where the application of the fair value criterion is mandatory and for the financial statements of companies operating in economies subject to hyperinflation, which are prepared on the basis of the current cost criterion.

The preparation of financial statements requires the application of accounting principles and methodologies by the directors that, in certain circumstances, are based on difficult and subjective valuations and estimates, based on historical experience and assumptions that are from time to time considered reasonable and realistic in light of the relevant circumstances.

In addition, certain valuation processes, particularly with regard to impairment of fixed assets, are generally only fully performed in the annual financial statements, unless significant indicators of impairment require immediate action and assessment.

For further details on accounting principles and valuation criteria, commentary on accounting methodologies including estimates and assumptions, and financial risk management, please refer to the Interim Report on Operations as of 30 June 2024, in the section 'Summary of Accounting Policies Adopted'. As of 30 September 2024, there were no significant effects regarding changes in International Financial Reporting Standards (IFRSs) detailed in the Half-year financial statements as of 30 June 2024.



3. Notes on the balance sheet statement

3.1 Goodwill

Goodwill as of 30 September 2024 refers to acquisitions made over the years, with a value of Euro 8,954 thousand, unchanged with respect to the financial statements as of 31 December 2023.

The Directors verified the sustainability of the forecasts of the main economic and equity indicators contained in the consolidated business plan for the period 2024-2027.

The analysis conducted did not reveal any impairment indicators and confirmed that the assumptions adopted are still valid to date, in light of both the results achieved and the coverage resulting from the impairment tests of the balance sheet values recognised as of 31 December 2023.

The Group's directors therefore deemed that the conditions existed to confirm the goodwill values as of 30 September 2024, without updating the impairment test.

3.2 Intangible assets other than goodwill

Intangible assets other than goodwill mainly refer to capitalised software development costs and intangible assets related to acquisitions made over the years (software, client portfolio); client portfolios are amortised at a rate of one-tenth of the original value, while software is mainly amortised at a rate of one-fifth of the original value, even though some of the acquired companies had a historical rate of one-third for software.

The following table shows the breakdown of intangible assets other than goodwill as of 30 September 2024 and 31 December 2023.

| <i>(Euro)</i> | 30-Sept-24 | 31-Dec-23 |
|--|------------------|------------------|
| Capitalized software development costs | 4.117.656 | 2.995.283 |
| Software | 1.005.327 | 1.269.923 |
| Customer portfolio | 2.771.308 | 3.046.911 |
| Other intangibles | 59.249 | 71.698 |
| Total intangibles other than goodwill | 7.953.540 | 7.383.815 |

During the reporting period, there were no indications of possible impairment losses of intangible assets.

In the first nine months of 2024, the Company continued its development activities. The related costs incurred were capitalised in the relevant period, totalling EUR 2.009 thousand.

The Company's research and development activities are aimed at both the introduction of new products and the implementation of new production processes. The activity is divided into various phases, ranging from the conception and start-up of the design process of the new product or process to large-scale industrialisation.

3.3 Right-of-use assets and current and non-current lease liabilities

The main financial information relating to the leasing contracts held by the Company, which mainly acts as a lessee, is shown in the following table.

| <i>(Euro)</i> | 30-Sept-24 | 31-Dec-23 |
|--|------------------|------------------|
| Net book value of right-of-use assets (property) | 3.801.815 | 3.210.433 |
| Net book value of right-of-use assets (cars) | 1.025.471 | 784.225 |
| Total net book value of right-of-use assets | 4.827.286 | 3.994.658 |
| Current lease liabilities | 830.378 | 640.569 |
| Non current lease liabilities | 4.325.666 | 3.484.563 |
| Total lease liabilities | 5.156.044 | 4.125.132 |



| <i>(Euro)</i> | 30 September | |
|--|----------------|----------------|
| | 2024 | 2023 |
| Depreciation of right-of-use assets (property) | 386.277 | 206.015 |
| Depreciation of right-of-use assets (cars) | 266.483 | 124.505 |
| Depreciation of right-of-use assets | 652.760 | 330.520 |
| Interest expense for lease | 105.679 | 109.928 |
| Property lease fees | 444.320 | 272.869 |
| Cars lease fees | 279.108 | 140.269 |
| Total lease interest fees | 723.428 | 413.138 |

3.4 Tangible assets

Tangible assets did not change substantially compared to the previous period.

| <i>(Euro)</i> | 30-Sept-24 | 31-Dec-23 |
|------------------------------|----------------|----------------|
| Buildings | 75.798 | 70.957 |
| Plant and machinery | 143.562 | 175.892 |
| Other tangibles | 642.158 | 541.224 |
| Total tangible assets | 861.518 | 788.073 |

Buildings refer to offices and car parking spots, whereas plant and machinery mainly refer to internal systems such as electrical, air conditioning and telephone systems, and other tangible assets include furniture, hardware and company vehicles.

During the period under review, there were no indications of possible impairment of tangible assets.

As of 30 September 2024, there were no encumbrances on real estate assets.

3.5 Equity investments and other non-current assets

The following table shows the breakdown of equity investments and other non-current assets as of 30 September 2024 and 31 December 2023.

| <i>(Euro)</i> | 30-Sept-24 | 31-Dec-23 |
|--|------------------|---------------|
| Other equity investments | 2.062.669 | 23.000 |
| Other non-current assets | 65.098 | 64.617 |
| Total equity investments and other non-current assets | 2.127.767 | 87.617 |

The change of EUR 2.040 thousand between 31 December and 30 September 2024 relates to the entry of the company Flexxa into the group, the consolidation of which will take place as of 1 October 2024. The balancing entry for the participation is the earn-out payables for the purchase of the participation, net of the payments made in September 2024.

There are no changes from other equity investments in non-controlling shareholdings.

Other non-current assets include various security deposits.



3.6 Deferred tax assets and liabilities

Deferred tax assets and deferred tax liabilities arise from temporary differences between the value attributed to an asset or liability in the balance sheet and the value attributed to that same asset or liability for tax purposes.

The following table shows the situation of deferred tax assets (DTA) and deferred tax liabilities (DTL) as of 30 September 2024 and 31 December 2023.

| <i>(Euro)</i> | 30-Sept-24 | 31-Dec-23 |
|--------------------------------|------------|-----------|
| Deferred Tax Assets (DTA) | 1.265.710 | 615.481 |
| Deferred Tax Liabilities (DTL) | 1.786.412 | 1.793.642 |

3.7 Inventory

Inventories as of 30 September 2024 and 31 December 2023 amounted to €184 thousand and €194 thousand, respectively, and consisted mainly of minimum software and hardware licences.

3.8 Trade receivables

The following table shows the detailed statement of trade receivables as 30 September 2024 and 31 December 2023.

| | 30-Sept-24 | 31-Dec-23 |
|--|-------------------|-------------------|
| Trade receivables from customers | 15.402.734 | 16.778.678 |
| Trade receivables from other related parties | 31.538 | 36.314 |
| Gross trade receivables | 15.434.272 | 16.814.992 |
| Provision for trade receivables | -972.067 | -799.528 |
| Trade receivables | 14.462.205 | 16.015.464 |

The carrying value of trade receivables is deemed to approximate their fair value in all reporting periods. For trade receivables from related parties, please refer to the relevant section of this document.

Trade receivables are improving in view of the increase in revenues. Average Days Sales Outstanding (DSO) for the first nine months of 2024 were 85 days, compared to 93 days as of 30 September 2023.

Note that almost all trade receivables are from Italy.

3.9 Activities for work in progress on order / Advance payments on work in progress

Assets related to contract work in progress as of 30 September 2024, which amounted to €1.398 thousand and €1.699 thousand as of 31 December 2023, mainly related to inventories of work in progress on order for long-term contracts.

Work in progress (WIP) assets are stated gross of future losses yet to be accrued, which are classified as provisions for risks and charges.

The following table presents the net carrying amount of work in progress on order assets and related advanced payments for the first nine months of 2024 and 31 December 2023.

| <i>(Euro)</i> | 30-Sept-24 | 31-Dec-23 |
|--|------------|-----------|
| Activities for work in progress on order | 1.398.126 | 1.699.430 |
| Advance payments for work in progress | 1.546.147 | 1.783.180 |

Work in progress on order decreased due to the reduced emphasis on lump-sum contracts.



3.10 Other credits and current activities

The following table shows the breakdown of other receivables and current assets as of 30 September 2024 compared to other receivables as of 31 December 2023.

| <i>(Euro)</i> | 30-Sept-24 | 31-Dec-23 |
|----------------------|-------------------|------------------|
| Tax credits | 822.547 | 344.673 |
| Other credits | 290.684 | 405.697 |
| Other current assets | 1.959.789 | 1.589.650 |
| Total | 3.073.020 | 2.340.020 |

3.11 Current financial asset

Current financial assets refer to investments of part of the cash generated in readily available securities with low risk, measured at fair value with impact on the income statement (FVTPL), increased significantly from 31 December 2023 to 30 September 2024 due to the proceeds from the listing on the Euronext Milan STAR segment on 2 July 2024.

| <i>(Euro)</i> | 30-Sept-24 | 31-Dec-23 |
|---------------------------------|-------------------|------------------|
| Current financial assets | 28.122.960 | 4.633.409 |
| Total | 28.122.960 | 4.633.409 |

3.12 Cash and cash equivalents

The table below shows the detailed statement of cash and cash equivalents as of 30 September 2024 and 31 December 2023, which also increased significantly from 31 December 2023 to 30 September 2024 due to the proceeds from the listing of the Company on the Euronext Milan STAR segment on 2 July 2024.

| <i>(Euro)</i> | 30-Sept-24 | 31-Dec-23 |
|--|-------------------|-------------------|
| Bank deposits | 24.169.199 | 14.415.146 |
| Cash and cash equivalents | 20.333 | 21.951 |
| Total cash and cash equivalents | 24.189.532 | 14.437.097 |

In the periods under review, cash and cash equivalents were not subject to restrictions or restrictions. For changes in cash and cash equivalents in the years under review, see the cash flow statement.

3.13 Net Equity

The following table shows the detailed statement of liquid assets as of 30 September 2024 and as 31 December 2023

| <i>(Euro)</i> | 30-Sept-24 | 31-Dec-23 |
|--|-------------------|-------------------|
| Share Capital | 1.564.244 | 1.015.000 |
| Share premium reserves | 33.680.775 | 60.000 |
| Other reserves | 736.065 | 1.120.877 |
| Reserves from FTA | 543.645 | 543.619 |
| Reserves from OCI | 309.933 | 142.722 |
| Profits (losses) carried forward | 13.854.391 | 12.002.826 |
| Profit (loss) for the financial year of the parent company | 3.722.761 | 4.232.371 |
| Total equity of the parent company | 54.411.814 | 19.117.415 |

Minority interests in shareholders' equity (third parties' equity) was Euro 167 thousand as of 30 September 2024 and Euro 171 thousand as of 31 December 2023.



The listing of the Company on the Euronext Milan STAR segment on 2 July 2024 resulted in an increase in share capital and share premium reserve. The listing costs, amounting to Euro 1.885 thousand net of deferred tax effects, were deducted from shareholders' equity.

3.14 Financial liabilities (current and non-current)

Current financial liabilities increased to €5.652 thousand as of 30 September 2024 from €4.910 thousand as of 31 December 2024.

Non-current financial liabilities increased to €10.034 thousand as of 30 September 2024 from €11.025 thousand as of 31 December 2024.

The changes are largely explained by payables from acquisitions, which changed due to payments for acquisitions in previous years in the amount of €2.602 thousand, including the acquisition of Flexxa, already detailed in previous sections. Earn-out payables represented a total of €8.741 thousand as of 30 September 2024, of which the current portion was €4.081 thousand and the non-current portion was €4.660 thousand compared to €9.303 thousand at 31 December 2024, of which the current portion was €3.399 thousand and the non-current portion was €5.904 thousand.

3.15 Funds for employee benefits

Provisions for employee benefits, which amounted to €6,643 thousand as of 30 September 2024, substantially unchanged from €6.662 as of 31 December 2023, refer to the reserve for employee severance set aside for employees.

3.16 Provisions for risks and liabilities

Provisions for risks and charges, which amounted to €233 thousand as of 30 September 2024, down from €330 thousand as of 31 December 2023, mainly refer to the severance indemnity provision (hereinafter 'TFM') set aside for directors.

3.17 Trade payables

The following table shows a breakdown of trade payables as of 30 September 2024 and 31 December 2023.

| <i>(Euro)</i> | 30-Sept-24 | 31-Dec-23 |
|---|-------------------|------------------|
| Trade payables to suppliers | 2.738.791 | 4.217.499 |
| Trade payables to other related parties | 215.965 | 346.911 |
| Trade payables | 2.954.756 | 4.564.410 |

Trade payables mainly relate to transactions for the purchase of services. The average payment days, calculated on the costs of purchases and services net of Directors expenses, for the first nine months of 2024 amounted to 55 days, compared to 78 days as of 30 September 2023.

3.18 Tax Liabilities

Taxes payable amounted to € 2.889 thousand as of 30 September 2024 and € 2.092 thousand as of 31 December 2023.

3.19 Other current debts and liabilities

Other current payables and liabilities as of 30 September 2024 were € 11.104 thousand and as of 31 December 2023 were € 8.696 thousand. The change is mainly attributable to increases in deferred income and accrued employee and director bonuses.



4. Notes to the income statement

4.1 Operating revenues

The following table shows the breakdown of revenues for the first nine months of 2024 and 2023.

| <i>Euro thousand</i> | 30-Sept-24 | % | 30-Sept-23 | % |
|----------------------|-------------------|-------------|-------------------|-------------|
| Operating Revenues | 40.640.000 | 99% | 32.809.344 | 99% |
| Other Revenues | 317.978 | 1% | 167.267 | 1% |
| Total Revenue | 40.957.978 | 100% | 32.976.611 | 100% |

4.2 Other revenues and income

Other Revenues mostly relate to income from previous years recorded in the reference period.

4.3 Cost of purchasing goods and changes in inventories

Costs for purchases of hardware and software, mainly for resale, amounted to EUR 2.142 thousand for the first nine months of 2024, substantially in line with EUR 2.054 thousand in the first nine months of 2023.

Changes in inventories of EUR 285 thousand for the nine months ended 30 September 2024 and EUR (339) thousand for the nine months ended 30 September 2023 consisted mainly of work-in-progress (WIP) inventories and were driven by the performance of lump-sum contracts, as already described in Note 3.9.

4.4 Personnel costs

Personnel costs for the first nine months of 2024 amounted to EUR 16.623 thousand compared to EUR 13.437 thousand in the first nine months of 2023. The 23.7% increase in personnel costs is less than proportional to the increase in revenue in the reporting periods.

The following table shows the number of employees of the Company, on a consolidated basis, as of 30 September 2024 and for the year ended 31 December 2023, by category. The numbers as of 30 September 2024 include employees of Flexxa but not of additional acquisitions announced after 30 September 2024.

| <i>Number of employees at end period</i> | 30-Sept-24 | 31-Dec-2023 |
|--|-------------------|--------------------|
| Senior executives | 7 | 8 |
| Managers | 39 | 30 |
| White collar | 390 | 390 |
| Total number of employees | 436 | 428 |

4.5 Services costs

Cost of services for the first nine months of 2024 amounted to EUR 13.420 thousand compared to EUR 10.740 thousand in the first nine months of 2023. The 24.9% increase in cost of services grows in line with the growth of the business.

4.6 Other operating costs

Other operating expenses amounted to EUR 306 thousand for the first nine months of 2024, in line with EUR 315 thousand for the first nine months of 2023.



4.7 Amortizations and depreciations

Depreciations and amortisations amounted to EUR 2.406 thousand for the first nine months of 2024 compared to EUR 1.674 thousand for the first nine months of 2023. The increase is almost entirely due to intangible assets and in particular the capitalisation of development costs and the effects of acquisitions at the end of 2023, calculated using Purchase Price Allocation (PPA) under IFRS 3 rules as shown in the relevant balance sheet items as in Note 3.2.

4.8 Provisions and write-downs

Provisions and write-downs amounted to Euro 295 thousand for the first nine months of 2024 compared to Euro 192 thousand for the first nine months of 2023, in line with the growth of the business.

4.9 Financial income and expenses

The balance of financial income and expenses improved to EUR (27) thousand for the first nine months of 2024 compared to EUR (207) thousand for the first nine months of 2023, due to the value adjustments of financial assets and liabilities related to investment activities started in 2022.

4.10 Income taxes for the financial year

Taxes for the period amounted to EUR 1.733 thousand for the first nine months of 2024 compared to EUR 1.676 thousand for the first nine months of 2023, which is in line with the average tax rate of 32%.

5. Sector information

The Company has not identified separate operating segments, as the business activities and review of operating results are carried out at the company and group level in the context of the individual entity, with the active involvement of the Group CEO. The group considers each subsidiary as a separate cash generating unit (CGU) and prepares separate financial statements for each company it consolidates.

6. Transactions with related parties

Transactions with related parties, identified as per IAS 24, are mainly of a commercial nature and are carried out at normal market conditions.

Related parties fall into three categories:

- Directors and strategic managers of the Company
- Directors of subsidiary companies, minority shareholders and their related parties
- External companies related to the Directors that provide services or products to the group.

In the following pages we present the consolidated balance sheets and income statements showing the amounts of transactions related parties pursuant to Consob Resolution No. 15519 of 27 July 2006.



Balance sheet statement with the inclusion of related parties

| (Euro) | 30 September | | | 31 December | | |
|---|-------------------|--------------------------|-------|-------------------|--------------------------|-------|
| | 2024 | of which related parties | % | 2023 | of which related parties | % |
| ASSETS | | | | | | |
| Non-current assets | | | | | | |
| Goodwill | 8.954.306 | | | 8.954.306 | | |
| Intangibles other than goodwill | 7.953.541 | | | 7.383.815 | | |
| RoU assets | 4.827.286 | 1.768.148 | 36,6% | 3.994.658 | 867.038 | 21,7% |
| Tangible assets | 861.517 | | | 788.073 | | |
| Equity investments and other non-current assets | 2.127.767 | | | 87.617 | | |
| Deferred tax assets | 1.265.710 | | | 615.481 | | |
| Total non-current assets | 25.990.126 | | | 21.823.949 | | |
| Current assets | | | | | | |
| Inventories | 184.436 | | | 194.184 | | |
| Trade receivables | 14.462.205 | 31.538 | 0,2% | 16.015.464 | 36.314 | 0,2% |
| Activities for work in progress on order | 1.398.126 | | | 1.699.430 | | |
| Other receivables and current assets | 3.073.020 | | | 2.340.020 | | |
| Current financial assets | 28.122.960 | | | 4.633.409 | | |
| Cash and cash equivalent | 24.189.532 | | | 14.437.097 | | |
| Total current assets | 71.430.280 | | | 39.319.605 | | |
| TOTAL ASSETS | 97.420.406 | | | 61.143.554 | | |
| NET EQUITY AND LIABILITIES | | | | | | |
| Share Capital | 1.564.244 | | | 1.015.000 | | |
| Other reserves | 49.124.809 | | | 13.870.044 | | |
| Net result | 3.722.761 | | | 4.232.371 | | |
| Third parties' equity | 167.182 | | | 170.895 | | |
| Total equity | 54.578.995 | | | 19.288.310 | | |
| Non current liabilities | | | | | | |
| Non current financial liabilities | 10.034.248 | 6.437.614 | 64,2% | 11.024.509 | 6.162.632 | 55,9% |
| Deferred taxes liabilities | 1.786.412 | | | 1.793.642 | | |
| Employee benefits | 6.642.743 | 246.306 | 3,7% | 6.661.793 | 274.806 | 4,1% |
| Provisions | 233.060 | 188.448 | 80,9% | 330.346 | 314.682 | 95,3% |
| Total non current liabilities | 18.696.464 | | | 19.810.289 | | |
| Current liabilities | | | | | | |
| Current financial liabilities | 5.651.577 | 4.025.624 | 71,2% | 4.909.934 | 3.278.258 | 66,8% |
| Trade payables | 2.954.756 | 215.965 | 7,3% | 4.564.410 | 346.911 | 7,6% |
| Advance payments on work in progress | 1.546.147 | | | 1.783.180 | | |
| Current tax debts | 2.888.755 | | | 2.091.846 | | |
| Other current debts and liabilities | 11.103.712 | 655.099 | 5,9% | 8.695.585 | 878.325 | 10,1% |
| Total current liabilities | 24.144.947 | | | 22.044.955 | | |
| TOTAL LIABILITIES AND EQUITY | 97.420.406 | | | 61.143.554 | | |

Lease assets with related parties represent a significant portion of the Group's leases, which are accounted for in accordance with IFRS 16.

Financial liabilities include lease liabilities related to lease agreements but are mainly related to future payments for the acquisition of subsidiaries, in the form of a fixed price or earn-out and follow the increase in acquisitions over the years.

Provisions refer to directors' severance pay (TFM).



Other current payables and liabilities refer to variable components of Directors' remuneration or salary costs to be paid in the following period and increase following the trend of directors' remuneration and the Group's results.

Income statement with the inclusion of related parties.

(Euro)

| | 30 September | | | 30 September | | |
|---|-------------------|--------------------------|-------|-------------------|--------------------------|-------|
| | 2024 | of which related parties | % | 2023 | of which related parties | % |
| Operating Revenue | 40.640.000 | 87.493 | 0,2% | 32.809.344 | 29.623 | 0,1% |
| Other Operating Revenue | 317.978 | | | 167.267 | | |
| Total Revenue | 40.957.978 | | | 32.976.611 | | |
| Purchasing cost | 2.141.975 | 98.924 | 4,6% | 2.054.352 | 74.359 | 3,6% |
| Changes in inventories | 285.494 | | | -338.723 | | |
| Service cost | 13.461.385 | 4.363.859 | 32,4% | 10.739.887 | 3.456.609 | 32,2% |
| Personnel | 16.582.617 | 838.900 | 5,1% | 13.436.528 | 771.716 | 5,7% |
| Other operating cost | 306.294 | | | 314.934 | | |
| Total operating cost | 32.777.765 | | | 26.206.978 | | |
| EBITDA | 8.180.213 | | | 6.769.633 | | |
| Amortisations and depreciations | 2.406.157 | 168.957 | 7,0% | 1.673.775 | 77.180 | 4,6% |
| Provisions and writedowns | 295.275 | | | 192.102 | | |
| EBIT | 5.478.781 | | | 4.903.756 | | |
| Income (expenses) from equity investments | 20.052 | | | 8.181 | | |
| Other financial income (expense) | -142.739 | -72.576 | 50,8% | -302.182 | -21.018 | 7,0% |
| Value adjustments to financial assets and liabilities | 95.915 | | | 87.113 | | |
| Income before taxes | 5.452.009 | | | 4.696.868 | | |
| Income taxes | 1.732.961 | | | 1.675.511 | | |
| Net Income | 3.719.048 | | | 3.021.357 | | |

Purchase costs are mainly related to the relationship with Nav-Lab S.r.l., a partner that sells Microsoft licences and services to Nekte and SYS-DAT Verona, subsidiaries of the Group.

Costs for services represent a significant portion of the Group's total costs for services as they mainly refer to Directors' remuneration, which in turn is a significant portion of total costs for services.

Depreciation, amortisation and other financial expenses refer to leases that are accounted for in accordance with IFRS 16 and involve depreciation of assets for the right of use and interest expense of lease liabilities.



START UP

Stock

97%

S5

35%

65%

INCOME STATEMENT

EXPENSES
Research and development 1,017,295.00
Marketing expenses 2,839,500.00
Marketing 890,739.00
NET INCOME 59,677,892.00

INCOME STATEMENT

S5

+

+

YEAR END



ATTESTATION OF STATEMENTS AS OF 30 SEPTEMBER 2024

Pursuant to Article 154-bis, paragraph 5 of Legislative Decree 58/98 (TUF) and Article 81-ter of Consob Regulation No. 11971/1999 (Issuers' Regulation)

1. The undersigned Matteo Luigi Neuroni, Chief Executive Officer, and Andrea Matteo Baldini, the Group CFO, in his capacity as Manager in charge of preparing the corporate accounting documents of Sys-Dat S.p.A. (“*Dirigente Preposto*”), herein attest, also taking into account the provisions of Article 154-bis, paragraphs 3 and 4, of Legislative Decree no. 58 of 24 February 1998

- the adequacy in relation to the characteristics of the company and
- the effective application of the administrative and accounting procedures for the preparation of the Financial Statements during the first nine months of 2024.

2. In this regard, no significant issues emerged.

3. It is also certified that:

3.1 the abbreviated consolidated financial statements as of 30 September 2024:

a) have been prepared in accordance with the applicable International Accounting Standards recognised in the European Community pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002;

b) correspond to the results of the accounting books and records;

c) give a true and fair view of the financial position, results of operations and cash flows of the issuer and the group of companies included in the consolidation.

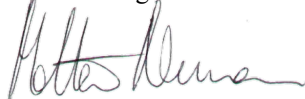
3.2 The Management report includes a reliable analysis of references to important events that occurred in the first nine months of the financial year and their impact on the consolidated financial statements for the first nine months of 2024, together with a description of the main risks and uncertainties for the remaining three months of the financial year.

The interim management report also includes a reliable analysis of information on material transactions with related parties.

Milan, 14 November 2024

The CEO

Matteo Luigi Neuroni



The Group CFO (*Dirigente Preposto*)

Andrea Matteo Baldini



LAST 12 MONTHS

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PERFORMANCE

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PROJECT 10

Learn more about our latest performance metrics, visit our website for more information.



PROJECT 10

Learn more about our latest performance metrics, visit our website for more information.



PROJECT 10

Learn more about our latest performance metrics, visit our website for more information.

VALUE

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