WE TAKE YOUR BUSINESS ABOVE THE CLOUDS

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

March 2019
MARKET ANALYSIS
Worldwide Cloud Trends
1. Autonomous Things
2. Augmented analytics
3. AI-driven development
4. Digital Twins
5. Empowered edge (Cloud)
6. Immersive Technology
7. Blockchain
8. Smart spaces
9. Digital ethics & privacy
10. Quantum computing
How many of them are Cloud based?

1. Autonomous Things
2. Augmented analytics
3. AI-driven development
4. Digital Twins
5. Empowered edge (Cloud)
6. Immersive Technology
7. Blockchain
8. Smart spaces
9. Digital ethics & privacy
10. Quantum computing
Global trends of Digital Enabler

DIGITAL TRENDS

Cloud, IoT and Mobile Business are leading the growth but still are a green field.

All the digital trends will include, as a foundation, Cloud based technology, applications and DevOps.

Worldwide Cloud Growth 2016-2020

Growth Trends
IaaS and PaaS growth will continue with the highest CAGR rate in the Cloud Arena

Revenue Trends
IaaS + PaaS represents the highest volume in Cloud revenue (excluding Cloud Advertising that is not an IT service)
Italy Cloud Computing trends

Growth Trends

Hybrid as a multi-cloud enabler will lead the growth of both Private and Public cloud

Revenue Trends

Hybrid + Virtual Private represent the highest volumes in Cloud revenues
Gartner predicts that by 2025, 80% of enterprises will shut down their traditional data centers. In fact, 10% of organizations already have. This data point does not necessarily mean everything is going to the cloud, but IT leaders do need to start thinking about where current and future workloads will live based on business reasons (e.g., customer engagement, GDPR regulations), not technology reasons.

Source: Top 10 Trends Impacting Infrastructure & Operations for 2019

Analysts say

IBM Institute forecast

In 3 Years

98%

Percent of companies forecasting using multiple hybrid clouds within three years

Source: Survey of 1106 executives across 19 industries and 20 countries. Published on IBM Assembling your cloud orchestra, October 2018
Why companies move to Cloud

Being global and digital is imperative.

Being global means global process governance.

Governance and digital mean tech performance, data security and process reliability.

1. No more CAPEX in no core investments
2. Top 3 business continuity fault causes are:
   - #1 Datacenter technology level
   - #2 Cyber security
   - #3 Human Error
3. Scalability and flexibility
4. Competences
Italian Cloud between past and future

**Past**
Trend has been consistent over years and companies are still at their youth in cloud adoption.

Source: Netconsulting Cube 2018

**Future**
Cloud growth will stay strong due to the boost of new digital areas (i.e. Analytics, IoT, AI etc.) and due to the adoption of Cloud for Business Critical apps.

Source: Netconsulting Cube 2018
WIIT AT A GLANCE
We support our clients on a global level
Geographical coverage of clients connected to our datacenters

70 connected countries

70% Top clients with DR/BC
90% Top clients run ERP suites
80% Top clients run SAP

70 Top clients
+200 Mid clients
2,5B annual transactions

4 Italian branches

2 Global branches
global datacenter
2 enterprise datacenter

Top clients with DR/BC
Top clients run ERP suites
Top clients run SAP

70 Top clients
200 Mid clients
2,5B annual transactions

Top clients with DR/BC
Top clients run ERP suites
Top clients run SAP

70 Top clients
+200 Mid clients
2,5B annual transactions

Top clients with DR/BC
Top clients run ERP suites
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Top clients with DR/BC
Top clients run ERP suites
Top clients run SAP

70 Top clients
+200 Mid clients
2,5B annual transactions
## Wiit Market Positioning

<table>
<thead>
<tr>
<th><strong>CLOUD TYPE</strong></th>
<th><strong>SERVICES</strong></th>
<th><strong>PUBLIC Cloud</strong></th>
<th><strong>System Integrator</strong></th>
<th><strong>Datacenter Provider</strong></th>
<th><strong>WIIT</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SaaS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>PaaS</strong></td>
<td>SAP Application Support</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SAP system mngmnt &amp; other APP</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Database Management</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SOC &amp; Cyber Security</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>System management</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Help Desk</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>IaaS</strong></td>
<td>Dedicated and shared servers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Backup &amp; Data Storage</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Data Center</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Full stack control to guarantee critical SLAs**
Wiit Strategic Asset
Tier IV datacenter for business critical applications

- Wiit deploys two dedicated Enterprise Class Data-Centers in Italy
  - **Milan**: Primary Data Center, certified **TIER 4 Constructed Facility**, where the most complex and critical ERP infrastructures are hosted and managed
  - **Castelfranco Veneto (TV)**: the data center that enables **Business Continuity** services for Milan Tier IV DC
- The level of use of the 2 Data-Centers is only **35% of total capacity**

<table>
<thead>
<tr>
<th>TIER</th>
<th>Datacenter Class</th>
<th>Site infrastructure Definition</th>
<th>Components IT capacity to support load</th>
<th>Distribution Path</th>
<th>Maintenance w/o service downtime</th>
<th>Fault tolerant = w/o manual intervention</th>
<th>Compart mentation = all components are separated and duplicated</th>
<th>Continuous Cooling</th>
<th>Availability year average</th>
<th>Fault probability in 5 yrs</th>
<th>Fault probability in 10 yrs</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>Enterprise Corporations</td>
<td>Fault tolerant</td>
<td>2N+1 Fully Redundant</td>
<td>Double Active-Active</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>99.995%</td>
<td>4,9%</td>
<td>9,6%</td>
</tr>
<tr>
<td>3</td>
<td>Large Business</td>
<td>Concurrently maintainable</td>
<td>N+1 Fault Tolerant</td>
<td>One Active One Standby</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>99,982%</td>
<td>28,0%</td>
<td>48,2%</td>
</tr>
<tr>
<td>2</td>
<td>Medium Size Business</td>
<td>Redundant</td>
<td>N+1 single</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>99,75%</td>
<td>90,6%</td>
<td>99,1%</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Small Business</td>
<td>Basic</td>
<td>N single</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>99,67%</td>
<td>95,0%</td>
<td>99,8%</td>
<td></td>
</tr>
</tbody>
</table>

(*) Source: Uptime Institute Website – Tier Certification of Constructed Facility – March 2018
The new trend for Critical Corporate Apps

<table>
<thead>
<tr>
<th>Business Continuity</th>
<th>Managed Services</th>
<th>Wiit Delivery Platform</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Needs:</strong> multiple users, less confidential information, local data compliance, geographical localization</td>
<td><strong>Needs:</strong> high and guaranteed service levels, business continuity, information security, personalization, integration, scalability, flexibility</td>
<td><strong>Critical Applications (SAP-ERP, CRM, EPM, etc.) core platforms and infrastructures</strong></td>
</tr>
</tbody>
</table>

**Critical Business App**

- Critical Applications (SAP-ERP, CRM, EPM, etc.) core platforms and infrastructures
- Needs: high and guaranteed service levels, business continuity, information security, personalization, integration, scalability, flexibility

**Non Critical Business App**

- Non Critical Applications
- Needs: multiple users, less confidential information, local data compliance, geographical localization
Shareholding Structure at March 2019

No. Shares 2.652.066

Free Float 35.1%
Wilt Fin Srl 61.5%
Own Shares 2.4%
Orizzonte SGR 0.9%
Moving to the STAR segment of MTA Market started November 2018

IPO expected in H1 2019

We expect a strong improvement of stock liquidity and expansion to potential international investors and technology focused funds

*IPO price
Average price from IPO*
Daily average liquidity*

* Share Information updated on March 13th 2019
Leading the best market Financial indicators

Revenue CAGR 2016-2018

+28% Wiit
+21% Cloud Market

KEY FINANCIALS (€mn)

+28% Revenue
+49% EBITDA Adj.
+64% EBIT

CAGR 2016-2018

Source: Netconsulting Cube 2018
Key financials - Backlog

WIIT Group operates with multiannual contracts that grants a high predictability of the business

48.7 €mn* of Backlog
as at 1\textsuperscript{st} January 2019,
equal to 1.9 times 2018A sales

**Typical WIIT’s Contract Scheme**

- Multiannual maturity: 3-5 years standard
- High penalties for the client in case of early termination: usually ~50-70% of residual contract value from the 2\textsuperscript{nd}-3\textsuperscript{rd} year on
- Quarterly or monthly invoicing
- WIIT has the right to interrupt services if the client does not pay

(*) data audited in January 2019
...leading Wiit to achieve a Sharp Growth...

- Continued revenues growth in the last years, riding the Cloud market trend to expand the client base and the services offered.
- Big potential for a margin expansion thanks to a scalable platform with fixed costs mainly:
  - Personnel
  - Connectivity costs
  - Rent

![Chart showing SALES (€mn) and EBITDA Adj.* (M€) and MARGIN %]

<table>
<thead>
<tr>
<th>Year</th>
<th>SALES (€mn)</th>
<th>EBITDA Adj.* (M€)</th>
<th>MARGIN %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015A</td>
<td>12.7</td>
<td>3.8</td>
<td>25.2%</td>
</tr>
<tr>
<td>2016A</td>
<td>15.5</td>
<td>4.7</td>
<td>30.6%</td>
</tr>
<tr>
<td>2017A</td>
<td>19.6</td>
<td></td>
<td>43.3%</td>
</tr>
<tr>
<td>2018A</td>
<td>25.2</td>
<td></td>
<td>41.3%</td>
</tr>
</tbody>
</table>

* EBITDA adjusted excluding the figurative cost of Performance Shares and IPO costs.
Wilt boasts a big cash generation potential:

- Facilities now used at 40% of their capacity
- Limited maintenance capex for technological update and for continued R&D (approx. €1.0mn per year on average in 2014-2018)
- Development capex mainly for new clients (set-up costs to be sustained in the first contract year)
- Modest NWC needs
**Fixed assets mainly include the two Wiit’s datacenters (today used at approx. 40% of their capacity) – amortization in 5 years**

**Goodwill refers to the merger of Senvenlab S.r.l. into Wiit in 2014 and acquisition of a division of Visiant Technologies in 2015, Adelante Group and Foster in 2018**

**3,7mn capex of 2017 impacted on 2018 EBIT**

### Income Statement

**IFRS Form (€ 000)**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intangible Assets</td>
<td>717</td>
<td>917</td>
<td>1,402</td>
<td>4,050</td>
</tr>
<tr>
<td>Intangible Assets - Goodwill</td>
<td>1,315</td>
<td>1,315</td>
<td>1,315</td>
<td>9,736</td>
</tr>
<tr>
<td>Property plant and equipment</td>
<td>6,579</td>
<td>8,920</td>
<td>12,912</td>
<td>13,823</td>
</tr>
<tr>
<td>Other Tangible Assets</td>
<td>1,864</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Investments in associates</td>
<td>464</td>
<td>464</td>
<td>458</td>
<td>68</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td>10,939</td>
<td>11,616</td>
<td>16,087</td>
<td>27,677</td>
</tr>
<tr>
<td>Inventories</td>
<td>50</td>
<td>12</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>4,040</td>
<td>4,023</td>
<td>3,292</td>
<td>4,699</td>
</tr>
<tr>
<td>Intercompany receivables</td>
<td>594</td>
<td>875</td>
<td>1,122</td>
<td>461</td>
</tr>
<tr>
<td>Advance Tax</td>
<td>314</td>
<td>300</td>
<td>377</td>
<td>685</td>
</tr>
<tr>
<td>Other liquid assets</td>
<td>556</td>
<td>475</td>
<td>395</td>
<td>1,734</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>5,554</td>
<td>5,685</td>
<td>5,186</td>
<td>7,580</td>
</tr>
<tr>
<td>Tax current liabilities</td>
<td>92</td>
<td>292</td>
<td>366</td>
<td>669</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>2,602</td>
<td>1,729</td>
<td>2,058</td>
<td>3,802</td>
</tr>
<tr>
<td>Payables vs related companies</td>
<td>756</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other payables and current liabilities</td>
<td>704</td>
<td>708</td>
<td>807</td>
<td>2,056</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>4,154</td>
<td>2,729</td>
<td>3,231</td>
<td>6,528</td>
</tr>
<tr>
<td><strong>Net Working Capital</strong></td>
<td>1,400</td>
<td>2,956</td>
<td>1,955</td>
<td>1,053</td>
</tr>
<tr>
<td>Other payables and non-current liabilities</td>
<td>300</td>
<td>300</td>
<td>200</td>
<td>1,340</td>
</tr>
<tr>
<td>Employee benefits liabilities</td>
<td>467</td>
<td>817</td>
<td>918</td>
<td>1,259</td>
</tr>
<tr>
<td>Provisions for deferred tax liabilities</td>
<td>32</td>
<td>29</td>
<td>29</td>
<td>214</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td>999</td>
<td>1,166</td>
<td>1,167</td>
<td>2,813</td>
</tr>
<tr>
<td><strong>NET INVESTED CAPITAL</strong></td>
<td>11,340</td>
<td>13,406</td>
<td>16,875</td>
<td>25,917</td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td>2,960</td>
<td>4,512</td>
<td>24,755</td>
<td>22,243</td>
</tr>
<tr>
<td><strong>Net Financial Debt (Cash)</strong></td>
<td>8,380</td>
<td>8,895</td>
<td>(7,880)</td>
<td>4,383</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at year-end</strong></td>
<td>2,103</td>
<td>3,610</td>
<td>21,514</td>
<td>17,930</td>
</tr>
</tbody>
</table>
Balance Sheet
Low NWC and indebtedness

<table>
<thead>
<tr>
<th>IFRS Form (€ 000)</th>
<th>2015 Non Consolidated</th>
<th>2016 Consolidated</th>
<th>2017 Consolidated</th>
<th>2018 Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NET SALES</strong></td>
<td>12,791</td>
<td>15,341</td>
<td>19,556</td>
<td>25,237</td>
</tr>
<tr>
<td>Cost of products and service sold (excl. IPO costs)</td>
<td>5,944</td>
<td>7,586</td>
<td>7,255</td>
<td>10,121</td>
</tr>
<tr>
<td>Cost of employees (excl. Figurative cost Perf. Shares)</td>
<td>2,532</td>
<td>2,616</td>
<td>3,606</td>
<td>4,395</td>
</tr>
<tr>
<td>Other cost and charges</td>
<td>527</td>
<td>400</td>
<td>217</td>
<td>309</td>
</tr>
<tr>
<td>Variation of inventory</td>
<td>1</td>
<td>38</td>
<td>12</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total costs</strong></td>
<td>9,004</td>
<td>10,640</td>
<td>11,089</td>
<td>14,826</td>
</tr>
<tr>
<td><strong>EBITDA Adjusted</strong></td>
<td>3,787</td>
<td>4,701</td>
<td>8,467</td>
<td>10,412</td>
</tr>
<tr>
<td>Amortisation, depreciation</td>
<td>1,931</td>
<td>2,300</td>
<td>3,433</td>
<td>5,108</td>
</tr>
<tr>
<td>Figurative cost of Performance Share 2016-2018</td>
<td>585</td>
<td>394</td>
<td>283</td>
<td></td>
</tr>
<tr>
<td>IPO Costs</td>
<td>455</td>
<td></td>
<td>142</td>
<td></td>
</tr>
<tr>
<td><strong>OPERATING PROFIT</strong></td>
<td>1,856</td>
<td>1,817</td>
<td>4,186</td>
<td>4,878</td>
</tr>
<tr>
<td>Depreciation of investments in associates</td>
<td>(750)</td>
<td>0</td>
<td>(6)</td>
<td>0</td>
</tr>
<tr>
<td>Financial income</td>
<td>28</td>
<td>19</td>
<td>42</td>
<td>7</td>
</tr>
<tr>
<td>Financial costs</td>
<td>(354)</td>
<td>(466)</td>
<td>(452)</td>
<td>(508)</td>
</tr>
<tr>
<td>Exchange rate differences</td>
<td>(1)</td>
<td>(18)</td>
<td>92</td>
<td>(90)</td>
</tr>
<tr>
<td><strong>RESULT BEFORE TAXES</strong></td>
<td>779</td>
<td>1,352</td>
<td>3,862</td>
<td>4,287</td>
</tr>
<tr>
<td>Income taxes</td>
<td>583</td>
<td>441</td>
<td>725</td>
<td>791</td>
</tr>
<tr>
<td><strong>NET RESULT</strong></td>
<td>195</td>
<td>911</td>
<td>3,137</td>
<td>3,496</td>
</tr>
</tbody>
</table>

*EBITDA adjusted excluding the Figurative cost of Performance Shares, IPO costs, cost relating M&A.

- **Big potential for a margin expansion** thanks to a scalable platform with fixed costs mainly
- **Performance shares plan** generates a figurative cost ex IAS principles (tax deductible)
- **IPO cost**: cost related to listing process
- **M&A cost**: cost related to due diligence for Merger and Acquisition
- **Tax benefits** active from year 2016 on:
  - “Super-ammortamento”: 140% overvaluation of the 2017 investments in new assets purchased or leased. Opportunity to benefit of subsidy for investments in intangible capital goods (software and IT systems)
Group Annual Economic Results 2016-2020E (Y19 Estimate by Analysts Consensus)

(E) Average of Analysts Consensus for the year ending December 31, 2019 (source: Banca IMI, Intermonte SIM and Midcap LCM, October 2018)
Focus on Acquisition Strategy

1. **Acquisitions in Italy** to increase Wiit’s market share and gain synergies (example: data centres)

2. **Strategic acquisitions to enter more effectively in foreign markets** leveraging on:
   - a local established brand
   - a native salesforce with relationships with local clients, knowledge of local market and datacenter in the country

2. **Cost savings mainly achievable thanks to the centralization of operations in Italy.** Two examples:

   **Profile**
   - Cloud players with a business model **comparable** to Wiit and multiannual contracts schemes
   - IT players which can be considered part of the current Wiit Value Chain (for instance Datacenter, Cloud IaaS), have a client base suitable to an up-selling strategy and possibly multiannual contracts

   **Synergies**
   - cost synergies
   - cost synergies + revenue synergies (up-selling)

   **Integration risks**
   - lower (same business model)
   - medium

**Italy**

**Europe (FR, DE)**

**External Growth**

**M&A STRATEGY**
WE TAKE YOUR BUSINESS ABOVE THE CLOUDS

wiit.cloud