



PRESS RELEASE

The Board of Directors of the Itway Group has approved the Interim Report on Operations ended 31 March 2024

QUARTERLY ITWAY:

- **REVENUE JUMPED TO €12.557 MILLION (+25%) COMPARED TO €10.007 MILLION IN THE FIRST QUARTER OF 2023**
- **PROFIT MARGINS:
EBITDA GROWTH 307 THOUSAND EUROS COMPARED TO 250 THOUSAND IN 2023, EBIT SLIGHTLY DOWN TO 79 THOUSAND EUROS**
- **PRE-TAX PROFIT IMPROVED SHARPLY FROM 4 THOUSAND EUROS IN THE FIRST QUARTER OF 2023 TO 35 THOUSAND EUROS**
- **THE COMPANY HAS NO EXPOSURE TO RUSSIAN, BELARUSIAN, UKRAINIAN AND THOSE INVOLVED IN THE ISRAELI/PALESTINIAN CONFLICT MARKETS**

Ravenna, 15 May 2024 – The **Board of Directors of Itway S.p.A.** - a company listed on the Euronext Milan Market of the Italian Stock Exchange, head of the Group leader in the design, production and distribution of e-business solutions, **chaired by G. Andrea Farina, today approved the Interim Report on Operations as at 31 March 2024.**

The main results achieved by the Itway Group in the Consolidated Income Statement in the first quarter of the 2024 financial year are shown below, compared with the economic situation in the January - March 2023 quarter.

The Group closed the first quarter of 2024 with:

- **Consolidated revenues** amounted to Euro 12,557 million, a strong increase (+25%) compared to Euro 10,007 million in the same period of the previous year.
- **Gross Operating Profit (EBITDA)** amounted to 307 thousand Euros, up from 250 thousand Euros in the same period of 2023.
- **EBIT** amounted to Euro 79 thousand, slightly down compared to Euro 89 thousand in the same period of the previous year.
- **Profit before tax** of 35 thousand Euros, a sharp increase compared to 4 thousand Euros in the same period of 2023.

In the quarter ended 31 March 2024, revenues increased by 25.5% while the Group's operating results were substantially stable: EBITDA increased by 57 thousand Euros, EBIT decreased by approximately 10 thousand Euros and pre-tax profit increased by 31 thousand Euros.

The result is affected by the increase in costs, which is mainly linked to the significant investments in progress, and in particular is linked to the increase in personnel costs by 47% (+465 thousand Euros) and employees. The number of average employees increased from 79 units (31 March 2023) to 102 units (31 March 2024); 9 average units refer to the purchase of Seacom, which has 34 employees, while the inclusion of qualified personnel in the Group generated an increase of 14 units including executives, senior account managers, junior account managers, project managers, developers, Service desk, cybersecurity consultant, systems engineers and back office, as provided for in the company's investment plans.

During the first quarter, the Itway Group **continued to invest in the Cybersecurity, IoT and Artificial Intelligence (AI), Cyber Safety and Big Data markets, all connected and interrelated markets.**

SECTOR TRENDS: CYBER SECURITY PRODUCTS (VAD + PS)

Through the VAD + PS Cyber Security Products sector, the Group operates in Greece and Turkey, as a Value Added Distributor with associated Project Services, in the sale of specialized Cyber Security products (software and hardware), certification services on distributed software technologies and technical assistance and design services, pre- and after-sales services.

(/ 000 Euro)	Quarter ended at	
	31/03/2024	31/03/2023
Revenues	10.472	8.827
EBITDA	695	662
EBIT	641	645
PBT	687	688

The breakdown by country is broken down below:

Itway Turkey continues to experience a complex economic phase due to the persistent devaluation and the not always effective economic-monetary policies put in place by the central government, to which are added political and economic tensions between Turkey and Israel caused by the Israel-Palestine conflict. Despite these objective difficulties, which have had a heavy impact on the purchasing power of both private and public companies, the results of the quarter confirm a substantial stability.

Itway Turkey confirms itself as a top player in the Turkish Cyber security market; The results for the year indicate a good capacity for growth, in a complex context, with an increase in turnover of +69.5% in local currency compared to the previous year. This significant increase, considering the devaluation of the exchange rate (Euro against Turkish Lira), recorded a substantial stability in revenues and first margin, both in percentage and absolute values. The net result was positively

impacted by foreign exchange gains recorded during the period by the subsidiary, which sells and buys using the US dollar as its accounting currency.

Itway Hellas, the Greek subsidiary, recorded a 47% increase in turnover and increased its market share. The Company, specialized in Cyber security, continues to grow, year after year, in a market, the Greek one, which is progressively emerging from a tense and delicate economic situation and is showing important signs of vitality, especially in the PA sector, banks and large infrastructure companies where important investments have been made in the field of process digitization. with positive consequences for the demand for cyber security. To support the growth in turnover and the introduction of new vendors, investments have been made in the technical team with a consequent increase in personnel costs of +29%. General and service costs grew by 29%, mainly due to the energy crisis generated by the Ukrainian conflict. EBITDA and EBIT improving.

SEGMENT PERFORMANCE: *ACTIVITIES OF THE PARENT COMPANY AND OTHER SCALE-UP SEGMENTS*

The parent company **Itway S.p.A.** is an operating holding company and is divided into two business segments: **Corporate and Operating**.

Corporate Sector:

- carries out Group management activities ; he deals with administrative and financial management, organization, strategic planning and operational control, budgeting process, human resources management, general affairs, legal affairs, marcomm management, corporate information systems and extraordinary finance operations of the Group companies. In summary, the Corporate sector is responsible for the strategic and operational governance and financial and human capital management of the Group.

Operational Sector:

- There are two Business Units operating in the holding company: **Cyber Security and Cyber Safety**.
 - **Cyber Security - Cyber Resiliency**: deals with consulting, design, system integration; in short, **IT Services in the** field of IT and OT Cyber Security, in particular on Cyber Risk Management, GDPR, Cyber Resiliency;
 - **Cyber Safety**: with the patented and proprietary product , **ICOY™®** operates in the occupational safety market in the so-called EH&S (Environment, Health & Safety) segment. This Business Unit, which has been the subject of major investments in an extremely innovative product, is at an advanced stage of start-up.

Other sectors in scale-up:

- **4Science S.p.A.** is the **Data Science** Business Unit, specialized in Data Science and Data Management services and solutions for the market of digital repositories of scientific research, cultural heritage and Big Data. 4 Science is in Scale-up.

This is the sector where there have been the largest investments in the three Business Units that compose it (Cyber Security, Cyber Safety, Data Science), where a total of 14 highly professional

and highly specialized resources have been included in addition to the employees of the Company Seacom S.r.l. acquired in the quarter.

Itway S.p.A. continued the activities of the two Business Units, **Cyber Security and Cyber Safety**. As mentioned above, new technical and commercial staff have joined and the pipeline of opportunities is growing strongly.

In the **Cyber Security Business Unit**, a new product line called "Itway Cyber Security & Cyber Resiliency 360 [™]" has been created, which responds to the problems of the new market defined as Cyber Risk Management, extended to Cyber Resiliency, now better defined thanks to the Cyber Resiliency Act issued by the EU.

With regard to **4Science S.p.A.**, the **Data Science Business Unit**, in the quarter ended March 31, 2024, total revenues remained at Q1 2023 levels with revenues from products and services up 3.3% compared to the first quarter of 2023, while general costs increased by 12.6%. EBITDA amounted to -109 thousand Euros, just below budget (-85 thousand Euros), EBIT amounted to -194.9 thousand Euros and the pre-tax result for the period was -229 thousand Euros.

In order to better understand the **performance of the parent company Itway S.p.A.**, the summary income statement of this company, gross of intercompany income components, is presented below:

	Quarter ended at	
	31/03/2024	31/03/2023
(/000 Euro)		
Total Revenues	1.389	798
EBITDA	42	(104)
EBIT	(41)	(173)
PBT	(81)	(217)

As previously commented , **the development of the Business Units headed by Itway have given a strong boost to both revenues and operating results, all of which have improved significantly.**

NET FINANCIAL POSITION

The Group's current net financial position as at 31 March 2024 is substantially unchanged, while the non-current net financial position is affected by the 5-year loan received in the quarter from Banca Progetto S.p.A. mainly used for the purchase of 60% of Seacom S.r.l.

The Parent Company's net financial position includes a loan received from 4Science amounting to Euro 1,330 thousand (Euro 1,417 thousand at 31 December 2023).

RESEARCH AND DEVELOPMENT ACTIVITIES

During the quarter, investments were made in the development of new products and services, in particular in the business units described above, for a total of Euro 200 thousand, capitalized in intangible assets.

As required by paragraph 2 of Article 154-bis of the T.U.F., the manager responsible for preparing the corporate financial reports of the Itway Group, Sonia Passatempi, declares that the accounting-corporate information contained in this press release corresponds to the document results, books and accounting records. The figures presented in this press release have not been audited.

This press release is available at the Company's registered office and on the Company's website at www.itway.com, at the Italian Stock Exchange and at the authorized centralized storage mechanism called "Emarket Storage" managed by Spafid Connect S.p.A., and can be consulted at www.emarketstorage.com

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4 SCIENCE 4science.it

Founded in Ravenna on 4 July 1996 by G. Andrea Farina, and listed since 2001 on the Italian Stock Exchange on Euronext Milan (EXM), **Itway S.p.A.** is the head of a group that operates in the IT sector for the design, production and distribution of technologies and solutions in the cybersecurity, artificial intelligence (AI), cloud computing, big data and infrastructure sectors. The mission of the Itway Group is to offer its customers high quality standards by anticipating needs and proposing itself as a specialized and innovative player for Digital Transformation. The Itway Group is present in 5 countries: Italy, Greece, Turkey, USA and UAE with 9 operating offices in Ravenna, Milan, Trento, Rome, Naples, Athens, Istanbul, Ankara, Kansas City and Dubai-Hamiryah-Sharjah.