



ALMAWAVE: REVENUES OF EURO 36.5 MILLION IN 9M 2024

Major strategic investments in generative Artificial Intelligence and growth on international markets continue

- Total revenues and other income of Euro 36.5 million, of which Euro 34.4 million operating revenues
- Overseas revenues +58% YoY - accounting for 26.6% of operating revenues - also thanks to the strong performances from acquisitions made
- Adj.¹ EBITDA of Euro 7.8 million, with a 22.6% margin
- Net Profit of Euro 2.2 million (6.4% margin)
- Backlog at Euro 58 million
- Significantly boosted Artificial Intelligence spend of Euro 9.4 million (+58% vs 2023), focused on the strategic Velvet generative AI project and the product strategy
- Net Financial Position² cash positive for Euro 6.5 million
- Board proposal regarding the launch of a Buyback Plan
- Signing of a commercial agreement between the subsidiary Almaxwave do Brasil and Almaxviva Experience
- Approval of the 2023 Sustainability Report

Rome, November 6, 2024 – The Board of Directors of Almaxwave S.p.A., an Italian enterprise listed on the Euronext Growth Milan (Ticker: AIW) and a member of the Almaxviva Group, a Data & Artificial Intelligence player, today approved the 9M 2024 consolidated results³ for the first nine months of 2024.

The performance highlights total revenues and other income of Euro 36.5 million, an increased positive margin on the previous year of 22.6%, thanks to the greater focus on high added value projects and an adjusted cash positive NFP of Euro 8.3 million, significantly improving on the previous quarter (+27,3% vs HY24), despite the major strategic investments during the period. These reached a total of Euro 9.4 million (+58% vs 9M23) to support the artificial intelligence products and solutions of the Group companies and to develop the Velvet "Large Language Model" (LLM) trained on Cineca infrastructure. A unique project focused on market contexts and enterprise capabilities consistent with the corporate strategy. The relevant backlog, mainly featuring contracts related to customers in the Public sector and Transportation sector, demonstrates the strength of the path taken by Almaxwave, making a substantial contribution to the achievement of the Group's goals.

The Chief Executive Officer of Almaxwave, Valeria Sandei, stated: *"Within a quickly changing market which offers a growing number of opportunities, we in fact seek to establish ourselves as AI segment leaders. Our industrial investments - strongly growing and unique in Italy - confirm and consolidate a distinctive technical know-how and our growing array of assets. In particular, we are steadfastly pursuing the development of our foundational Velvet generative Artificial Intelligence model. This is*

Figures rounded, while percentages calculated on exact numbers

¹ Industrial result – not including therefore non-recurring costs.

² Net of provisions for lease liabilities and for potential future outlays also related to M&A's, the NFP would be cash positive for Euro 8.3 million.

³ Unaudited figures.



a major investment, through which we seek to consolidate our positioning, including through integration with the AI products we have built thus far, and with the multiple solutions available for our platform's vertical sectors. All of this against a now clear European and domestic regulatory backdrop, which the company has taken into careful consideration on its journey."

Sandei continued: *"The results for the first nine months of the year of Almawave report a positive cash position, good margins due to the volume mix, current and also prospective revenues supported by a significant backlog and solid operating structures and major technological investments. All this allows us to chart a positive course for the future, as we remain entirely focused on achieving our challenging development and strategic positioning objectives."*

Almawave's CEO, finally, underlined: *"From a business point of view, the performances highlight, along with multiple key domestic projects, the development of activities on international markets such as North America, LATAM, and EMEA - particularly in Africa - which open up new perspectives, also thanks to the various major partnerships and agreements signed with large Groups and international institutions. All this with forgetting our constant focus on Sustainability, which is well represented in fourth 2023 certified Report."*

Specifically, in the first nine months of 2024, international market business development continued to advance (+58% YoY). Overseas revenues in fact in 9M 2024 account for 26.6%, continually increasing on the 14.4% in the first nine months of the previous year. These results benefit from strong growth on the LATAM (Latin America) market and the development of new business in Africa, an increasingly important market for the Group.

Almawave recently announced a number of major strategic initiatives. We highlight in particular the Memorandum of Understanding signed with the United Republic of Tanzania's Information & Communication Technologies Commission (ICTC) to launch the Velvet Large Language Model (LLM) in Swahili, a significant step to promote advanced Artificial Intelligence and support language development in East Africa.

Almawave has also entered into a strategic agreement with Visa to make tourist destinations more attractive through the in-depth analysis of visitors' spending habits. This project seeks to better understand tourists' preferences and improve the travel experiences offered.

The Memorandum of Understanding with Reach Digital, the digital transformation division of Reach Group, part of the Abu Dhabi-based International Holding Company (IHC), was also a major development. This agreement focuses on developing new business synergies in the Middle East and North African markets, with a focus on the United Arab Emirates, Saudi Arabia, Morocco and Egypt.

Finally, we highlight the partnership in North America with DestinationThink in the destination marketing segment to improve traveler sentiment and foster the sustainable growth of tourism destinations globally.

These initiatives reflect the company's commitment to a strengthened international presence and the adoption of innovations targeted to the specific needs of the various markets. Moreover, the recent key acquisitions made by the parent company Almaviva in Brazil (Magna Sistemas - now Almaviva Solutions - a Brazilian IT services enterprise offering innovative and customized solutions



for public and private customers), and in the US (Iteris, a US leader in the management of intelligent mobility infrastructure), may bring an additional element of partnership and business synergy to boost the value of Almaxwave's products and technologies.

In terms of technology, in addition to the multiple solution and product initiatives already underway in various vertical domains and on the AIWave platform, the Velvet project is the company's flagship strategic investment, which, in collaboration with Cineca, is developing a foundational, open-source, multi-lingual Artificial Intelligence model that seeks to support multiple sectors, creating a versatile AI ecosystem applicable to domestic and international environments. In particular, specialization in the Portuguese language and Swahili (the latter now also supported by the MoU with the ICT Commission of Tanzania), will enable a distinctive positioning for Almaxwave on markets deemed strategic such as Brazil and Africa.

Other Board motions

Ordinary and Extraordinary Shareholders' Meeting call notice

The Board of Directors called the Shareholders' Meeting for December 16 in first call and, if necessary, for the following day in second call in order to pass resolutions upon:

- the authorization to purchase and dispose of treasury shares, pursuant to Article 2357 and subsequent of the Civil Code, and upon the proposal to reduce the number of members of the Board of Directors from ten to nine (following the resignation of a Director effective May 31, as per the disclosure to the market in a press release dated May 27, 2024), in ordinary session;
- the proposed amendment of some Articles of the By-Laws, substantially in order to incorporate certain changes introduced by the "Capital Law", in extraordinary session.

The call notice and related documents required by the applicable regulations, including the Directors' Report on the items on the Agenda of the Shareholders' Meeting, will be made available to the public at the Company's registered office and at the 1Info storage mechanism (www.1info.it), according to the timeframes and in the manner set out by the applicable regulations, and will also be available in the Investors section of the Company's website (www.almaxwave.com).

Authorization of the purchase and disposal of treasury shares

With regard to the authorization to purchase and dispose of treasury shares, the Board of Directors has considered it appropriate to provide the Company with an effective instrument that enables it to pursue one or more of the purposes permitted by the regulation as applicable, including those listed below by way of example: (i) to take actions in support of the liquidity of the Company's share so as to facilitate smooth trading and avoid or contain abnormal price movements, as well as to regularize trading and price trends, against any distorting phenomena related, in particular, to excessive volatility or low trading liquidity; (ii) to have in place a securities portfolio to be used, consistent with the Company's strategic guidelines, to service any corporate transactions, employing the shares for the purposes of consideration, contribution, exchange, other acts of disposal and/or use, etc.; and (iii) to use treasury shares to serve any future incentive plans for employees and/or Directors of the Company and/or its subsidiaries, including to serve variable compensation policies based on financial instruments, either through the free grant of purchase options or through the free allocation of shares (stock option and stock grant plans).



The requested authorization will cover a maximum number of ordinary shares of the Company leading the Company, including through subsidiaries, if the purchase option is exercised in full, to hold a number of treasury shares not exceeding 1,500,000, representing in total approximately about 5 percent of the Company's share capital.

Signing of a commercial agreement between the subsidiary Almawave do Brasil Informática LTDA and Almaviva Experience S.A.

The Board of Directors of Almawave authorized the signing of a three-year commercial agreement concerning the provision of professional services, consultancy and technology products by the subsidiary Almawave do Brasil Informática LTDA ("Almawave do Brasil") to Almaviva Experience S.A. (a company whose entire share capital is held, directly and indirectly, by Almaviva S.p.A.).

The transaction is part of the commercial relationship between Almawave do Brasil and Almaviva Experience and will enable Almawave do Brasil to continue to benefit from commercial synergies within the Group to which it belongs to expand its presence in the Brazilian market, thanks in part to Almaviva Experience's leadership position and the integration of the two companies' technological expertise and innovative solutions.

The total value of the Contract, for its entire duration, is conservatively estimated to be in the range of BRL 55 million, or, at current exchange rates, approximately Euro 9 million.

The transaction is between related parties given the fact that Almawave Experience and Almawave do Brasil are companies under the common control of Almaviva S.p.A.. More specifically, the Transaction qualifies as a Significant Related Party Transaction pursuant to Annex 2 of the Regulation adopted by Borsa Italiana containing provisions on related parties applicable to companies with shares admitted to trading on the Euronext Growth Milan ("EGM Related Party Transactions Regulation") and the "Related Party Transactions Policy" adopted by the Company's Board of Directors at its meeting of March 4, 2021 and updated at its meeting of June 30, 2022 ("RPT Policy"), in that, considering the total estimated value of the Contract, it is determined that the threshold of 5% of the "Countervalue Significance Ratio", as defined in the aforementioned Annex 2 of the EGM Related Parties Regulation, has been exceeded.

The Related Party Transactions Committee, comprising the Company's Independent Directors, issued a favorable Opinion on the Company's interest in the completion of the Transaction, as well as on the appropriateness and substantive fairness of its terms prior to the Board resolution.

It should be noted that the Board of Directors voted unanimously, with a number of Directors abstaining in view of the positions they hold on Almaviva Experience's Board of Directors. The Company will proceed to publish, according to the timeframes and in the manner prescribed by current regulations, the Disclosure Document, prepared in accordance with Article 2 of the EGM Related Parties Regulation and Annex 3 thereto, as well as Article 9.1 of the RPT Policy.

2023 Sustainability Report

The report addresses all company stakeholders, presenting Almawave's strategic and operational developments in 2023 in terms of the United Nations' Sustainable Development Goals (SDGs) 2030 Agenda. It also sets out the guidelines of the company's sustainability strategy for the short, medium and long term, setting targets to 2025 and 2030.



Almawave has developed and defined its Sustainable Development strategy by making a concrete commitment to the building of a digital and responsible economic model. Highlighting this commitment, the company has reached the fourth edition of its Sustainability Report, certified by EY, which reflects its ongoing commitment and dedication to sustainable and innovative business progress. This strategy blends social, environmental, and governance factors, both in terms of the marketing of products and services and business operations, allowing us to foster an ethical, inclusive digital transition, with a reduced environmental impact. This integrated model allows Almawave to create shared social, economic and environmental value both for its customers and for the company population. The recent acquisitions, such as that of Mabrian, a Travel solutions leader, and the merger by incorporation with PerVoice, have expanded our offerings and strengthened the market position.

Recognizing the importance of a proactive approach to effectively enacting its sustainability vision, Almawave had already decided by 2022 to define a Strategic Sustainability Plan consisting of clear and measurable goals covering the four areas relevant to us: Governance, Responsible Digital Transformation, People and Environment. In most cases, expectations were exceeded by achieving several of the set targets well in advance.

Examples include the increase of the female presence on the Board to 33%, the introduction from 2023 of sustainability criteria to the remuneration policies of top management, and the launch of training courses on ESG topics for the Board, consolidating the vision of a company that rewards sustainable and responsible practices. In 2023, the Board of Directors also appointed a three-member Supervisory Board (SB) (previously it was single-member) and undertook a major initiative to assess its corporate projects against the Sustainable Development Goals (SDGs) of Agenda 2030, which revealed that, for 99% of its activities, the Almawave Group was able to operate as a responsible and proactive player in building a sustainable future.

For over ten years, Almawave's R&D laboratories have been engaged in the development and application of proprietary AI technologies; in this regard, we have invested a total of more than Euro 40 million in R&D since 2010, of which Euro 6.5 million in 2023. In the same year, the increased number of innovative projects contributing to improving ESG impacts have enabled us to achieve the related target in the Sustainability Plan. Against this backdrop, Almawave identified the need to have a specific body (AI Utilization Committee) with the purpose of monitoring, testing and implementing guidelines for the application of new technological solutions. Almawave, in 2023, confirmed the reliability and security of personal data management, without recording privacy breaches or disruptions, through international certifications. The company promotes inclusion, with females comprising 27% of the workforce and a balance of young talent and senior figures, while supporting pay parity. On the environmental front, Almawave has migrated 98.5% of its processes to the Green Cloud, has hit its waste collection targets early, and reduced environmental impacts through hybrid-working policies and sustainable mobility. Committed to social responsibility, Almawave also adopts ESG criteria for supplier selection, consolidating its ethical and sustainable values.

Almawave Group Financial Highlights 9M 2024

ALMAWAVE - HIGHLIGHTS (Euro millions)	9M 2024	9M 2023	YoY %
Revenues and other income	36.5	41.6	(12.3%)
Adjusted EBITDA	7.8	8.7	(10.7%)
Adjusted EBITDA Margin	22.6%	21.7%	
Adjusted EBIT	3.5	5.3	(34.1%)
Adjusted EBIT Margin	10.1%	13.1%	
	9M 2024	HY 2024	
Adjusted Net Financial Position	8.3	6.6	27.3%

Note: margins calculated on operating revenues

ALMAWAVE - HIGHLIGHTS (Euro millions)	9M 2024	9M 2023	YoY %
Revenues and other income	36.5	41.6	(12.3%)
Reported EBITDA	7.0	8.4	(16.7%)
Reported EBITDA Margin	20.3%	20.9%	
Reported EBIT	2.7	4.9	(45.8%)
Reported EBIT Margin	7.8%	12.3%	
Reported Net Result	2.2	3.6	(39.3%)
Reported Net Result Margin	6.4%	9.1%	
	9M 2024	HY 2024	
Net Financial Position	6.5	4.8	35.4%

Note: margins calculated on operating revenues

This press release is available on Almawave's website at www.almawave.it, in the Investor relations section.



Almawave S.p.A. is an Italian company, listed on the Euronext Growth Milan (AIW.MI) market and engaged in the field of Data & Artificial Intelligence. The Group offers proprietary technologies, solutions and services which realize AI and data's potential in the digital evolution of companies and public administrations. It boasts more than 400 domestic and international customers, in sectors including Government, Finance, Energy & Utilities, Tourism and Healthcare, operating directly and through partners. The Almawave team consists of approx. 450 professionals. The Group uses AI technology labs dedicated to developing products, platforms and vertical solutions targeting various market segments. Almawave's technological asset base, conceived and built as a model of natural experience in the interaction between man and machine, can interpret text and voice in over 40 languages, interacting in multi-channel mode, analyzing data and information with a view to knowledge development and automation to support decisions. Its skill centers also allow the potential of data to be achieved in complex contexts, combining expertise on key market frameworks in areas such as Data Management, Machine Learning, Location Intelligence, and the knowledge of business processes in related vertical sectors.

The Almawave scope, part of the Al maviva Group, includes the companies SisTer, The Data Appeal Company, Mabrian Technologies, Obda Systems, Almawave do Brasil, and Almawave Usa. www.almawave.com

For further information:

Almawave contacts (External press office):

Thanai Bernardini, mob. 335.7245418, me@thanai.it

Alessandro Bozzi Valenti, mob. 348.0090866, alessandro.valenti@thanai.it

IR Contacts:

Davide Diotallevi, investor.relations@almawave.it

Euronext Growth Advisor Contacts:

Banca Mediolanum, tel. 02.9049.2525, ecm@mediolanum.it

Almaviva Group contacts:

Ilaria De Bernardis, Media Relations Manager, mob. 342.9849109, i.debernardis@almaviva.it

Mariagrazia Scaringella, Media Relations, tel. 06.3993.1, mob. 340.8455510, m.scaringella@almaviva.it