

TXT Group Corporate Presentation

Tech Sector Day
May 19 | 2021

Daniele MISANI, CEO
Andrea FAVINI, IR

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Enrico Magni

Chairman

A seasoned entrepreneur with a solid track record in driving companies' growth, Enrico joined TXT as relative majority Shareholder and became first CEO in 2018 and then Chairman in 2020 with the goal to drive the growth path of TXT.



Misani Daniele

Group CEO

+ 20 years in TXT, strong international background in business development and delivery, in 2020 Daniele Misani has been appointed Group CEO after the achievement of brilliant results in driving the international growth of the Aerospace & Aviation business as Managing Director of TXT Group.



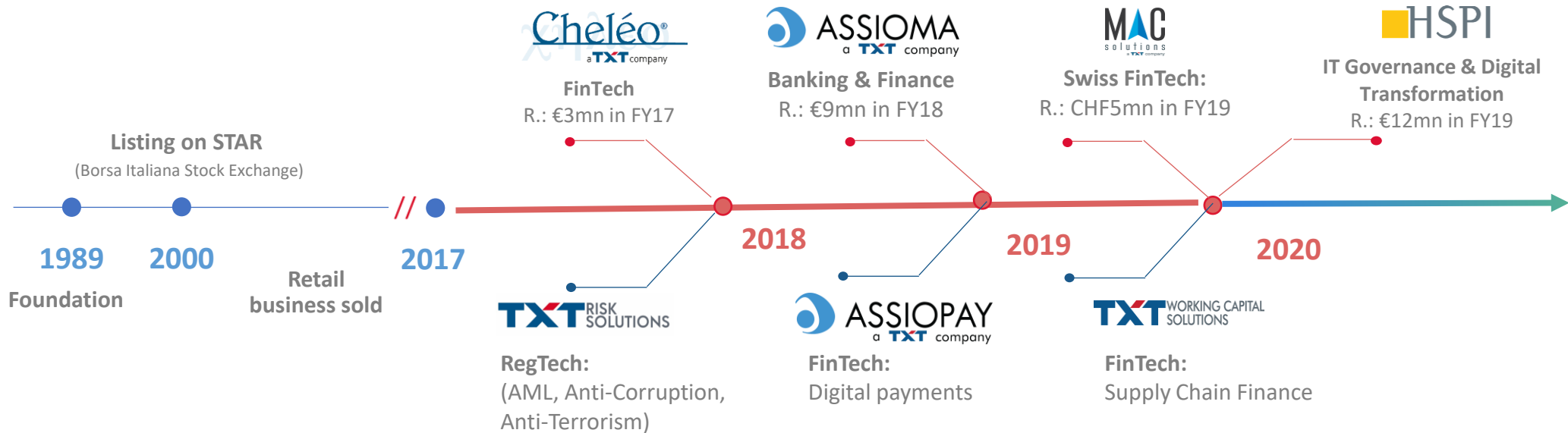
Eugenio Forcinito

Group CFO

+20 years experience in the Finance and Administration sector and a deep knowledge of managerial dynamics, in the last fifteen years Eugenio has always been focused and committed to the sustainable growth and development of TXT Group.

_Reboot completed: a new phase of growth ahead

_AN ACCELERATED GROWTH PATH



FY2016: Best historical results since IPO *



* Included Retail business sold in FY2017



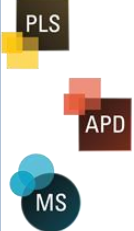








Strategic software, consultancy and innovative services

FY2020: New record performance achieved



_A valuable partner for products & processes digitalization

_AEROSPACE







<p>Product Development</p>		<p>On-board Software</p>		
<p>Customer Engineering & Manufacturing</p>		<p>Product Configuration</p>		
<p>Aircraft Operations</p>		<p>Training & Simulation</p>		

TOP CUSTOMERS



_An emerging player with innovative solutions

FINTECH_

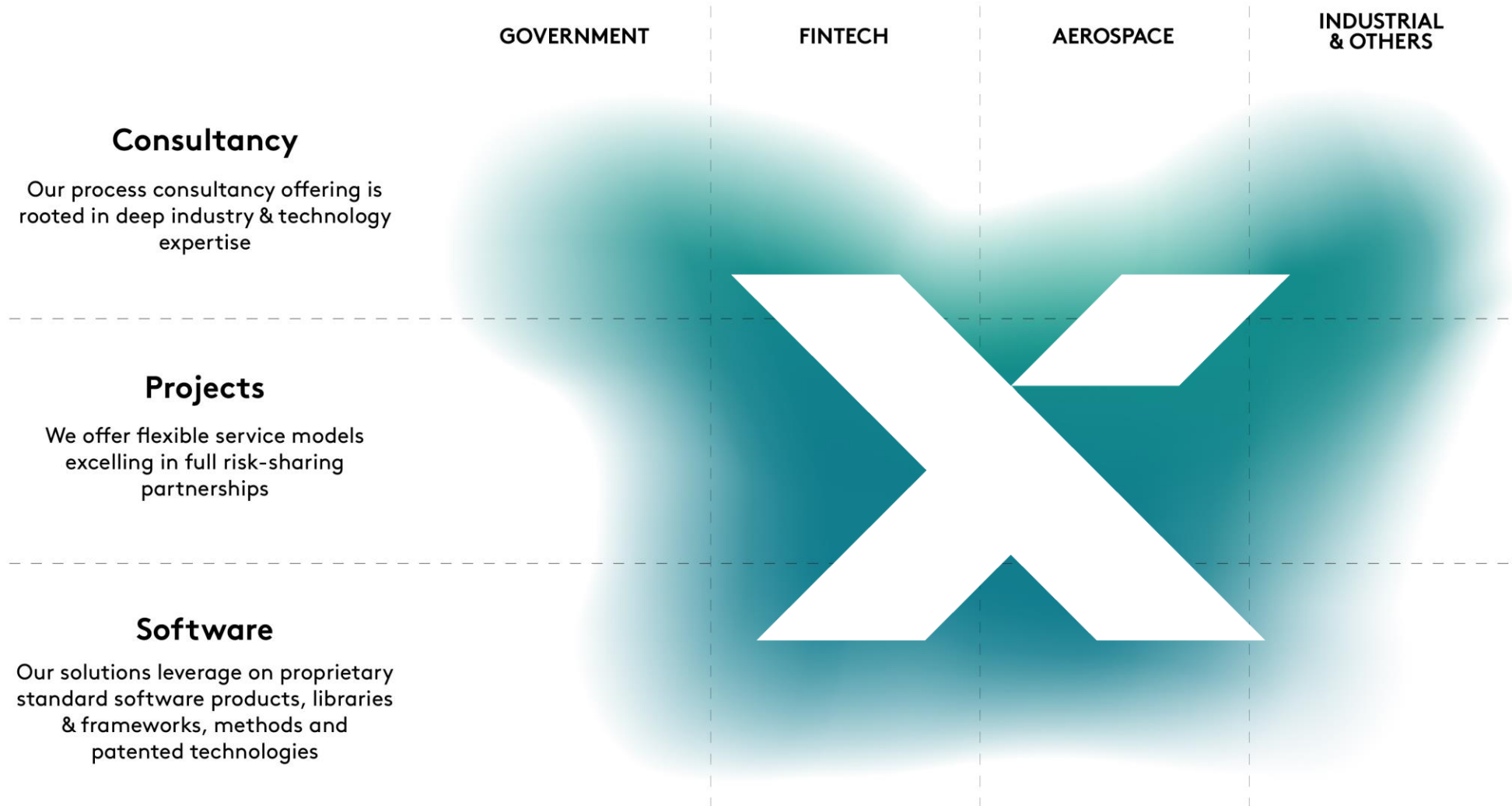
Financing, Credit & NPL Management		Proprietary software suite for the management of NPL, Leasing, Factoring & Salary-backed loan
Compliance & AML solutions		Proprietary RegTech platform for Anti-Money Laundering, Anti-Terrorism and more
Supply Chain Finance		Innovative proprietary software solution (marketplace) to facilitate working capital financing of large companies
Digital Payments		Proprietary SaaS solution for the digitization of payments, meal vouchers and loyalty programs
Software Quality & Development		First mover & Italian leader in Software Quality & Development services for the Banking Industry
IT Governance & Digital Transformation		Advanced consultancy know-how in Digital Innovation, Process mining, IT Governance, & Cybersecurity

TOP CUSTOMERS



_diversifying: by adjacent Offerings, Geographies & Markets

_YOUR GLOBAL DIGITAL ENABLER





_Q1-2021 HIGHLIGHTS

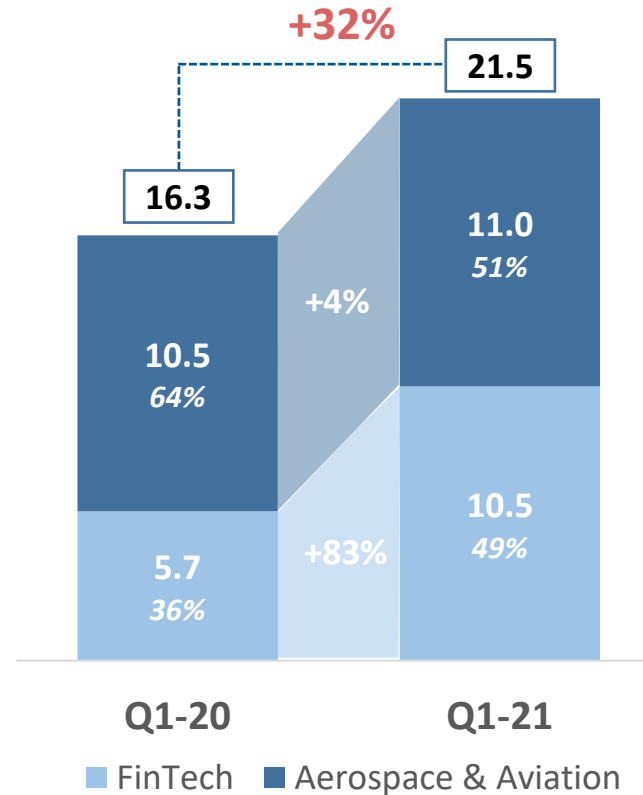


_Q1 Results: 2021 vs. 2020

Since 2018, constantly improving quarterly Revenues and EBITDA results

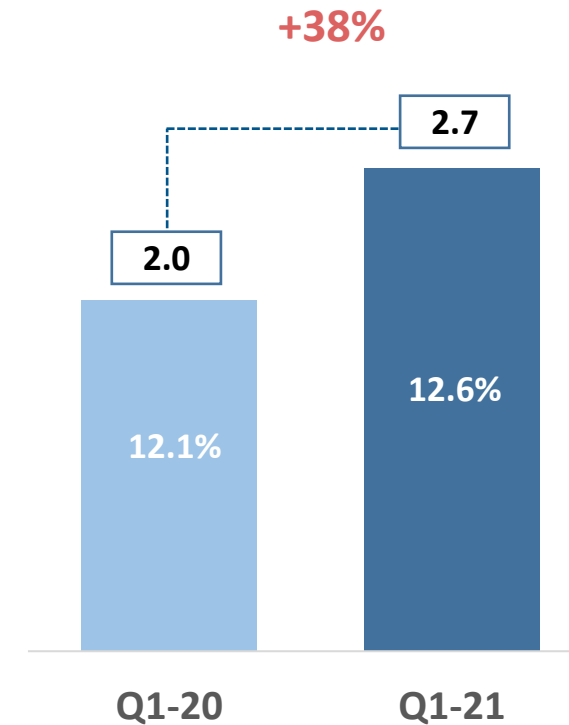
#NEVERBETTER

Revenues by Market
(€mn, % on total revenues)



M&A 2020: € 5.0Mn

EBITDA
(€mn, % on total revenues)



M&A 2020: € 0.4Mn



NET PROFIT EXPANSION

€ 1,2Mn Q1-21 NET PROFIT, **+391%** vs Q1-20



SOFTWARE REVENUES

€ 2Mn -14% vs. Q1-20, due to the slow-down of new business in civil aviation



R&D + COMMERCIAL INVESTMENT (*expensed in the P&L*)

€ 4.2Mn in Q1-21, +13.2% vs Q1-20



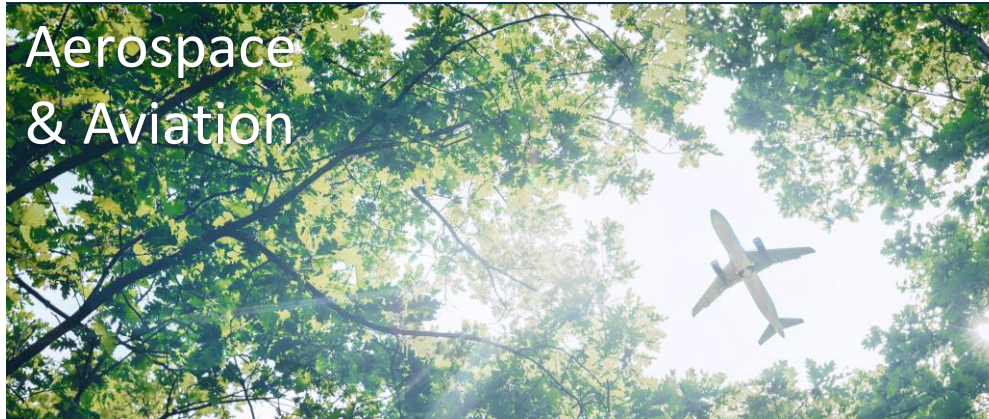
CASH + TREASURY SHARES AVAILABLE FOR GROWTH

€ 67Mn Cash & Cash equivalents & **> €9Mn*** in Treasury Shares

** Value calculated with stock price of € 7,42 per share*

_Sustainable growth, new areas of expansion

TXT Group: Division & Markets_



Aerospace & Aviation

Turnover
Q1-2021:



11.0M €
+4.4%

EBITDA margin
Q1-2021:



12.7%

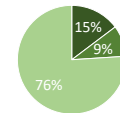
International
revenues:



35%
of total

Revenues
breakdown

- Software
- Advanced services
- Projects



Fintech

Turnover
Q1-2021:



10.5M €
+83.3%

EBITDA margin
Q1-2021:



12.4%

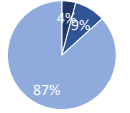
Net operating
investment for product
Start-ups:



0.3M € in Q1-21

Revenues
breakdown

- Advanced services
- Products
- Projects & Consultancy



Industrial, Manufacturing, Automotive & Transportation

< 15%



Public Sector

<12%

_Aerospace & Aviation



AIRBUS (NAVBLUE) and PACE partnership

We provide flight crews with optimized speeds and altitudes fully integrated in NAVBLUE's electronic flight folder eFF+



New positive outlook for our XR platform WEAVR

Large market debut, first contracts via Unity marketplace (<https://unity.com/products/weavr>).
New strategic partnerships signed (Academic: PoliTO, Industrial: Paladin AI).

_Fintech



First Success for POLARIS

Maire Tecnimont Group is launching a financial program aimed at fostering the growth of strategic Italian suppliers.



CHELEO strengthens its positioning in NPL market

Beginning of a long-term collaboration with AMCO for the management of a portfolio of leasing receivables sold to them in March 2021.



_Q1-2021 FINANCIALS



_PROFIT & LOSS: Q1 details

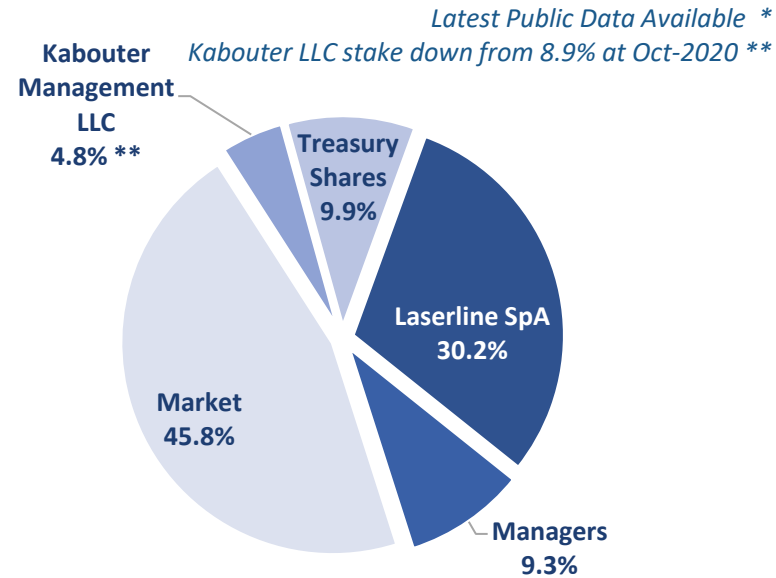
€ thousand	Q1 2021	%	Q1 2020	%	VAR %
REVENUES	21,481	100.0	16,255	100.0	32.2
Direct costs	13,210	61.5	8,981	55.3	47.1
GROSS MARGIN	8,271	38.5	7,274	44.7	13.7
Research and Development costs	1,650	7.7	1,803	11.1	(8.5)
Commercial costs	2,513	11.7	1,872	11.5	34.2
General and Administrative costs	1,405	6.5	1,634	10.1	(14.0)
EBITDA	2,703	12.6	1,965	12.1	37.6
Amortization, depreciation and write downs	975	4.5	793	4.9	23.2
Reorganization and non-recurring costs	0	0	0	0	0
OPERATING PROFIT (EBIT)	1,728	8.0	1,172	7.2	47.4
Financial income (charges)	256	1.2	(672)	(4.1)	<i>n.a.</i>
EARNINGS BEFORE TAXES (EBT)	1,984	9.2	500	3.1	296.8
Taxes	(746)	(3.5)	(248)	(1.5)	200.8
NET PROFIT	1,238	5.8	252	1.6	391.3

€ thousand	31.03.2021	31.12.2020	VAR
Cash	13,461	11,933	1,528
Trading securities at fair value	53,469	68,161	(14,692)
Cash & Cash equivalents	66,930	80,094	(13,164)
Short term bank loans	(28,992)	(28,181)	(811)
Options referred to M&A (Put/Call – Earn Out)	(964)	(960)	(4)
Short term financial debts – Lessors IFRS 16	(1,470)	(1,494)	24
Short term Financial Resources	35,504	49,459	(13,955)
Other Non-current Financial Debts	(16,444)	(18,874)	2,430
Non-current financial debts – Lessors IFRS 16	(3,279)	(3,580)	301
Options referred to M&A (Put/Call – Earn Out)	(4,944)	(4,944)	0
Non-current Financial Debts	(24,667)	(27,398)	2,731
Net Available Financial Resources	10,837	22,061	(11,224)

_BALANCE SHEET: details

<i>€ thousand</i>	31.03.2021	31.12.2020	VAR
Intangible assets	37,311	37,653	(342)
Tangible assets	7,054	7,460	(406)
Other fixed assets	16,691	2,299	14,392
Fixed Assets	61,056	47,412	13,644
Inventories	5,826	4,749	1,077
Trade receivables	34,070	35,411	(1,341)
Other short term assets	6,683	5,782	901
Trade payables	(4,206)	(4,176)	(30)
Tax payables	(5,506)	(5,147)	(359)
Other payables and short term liabilities	(20,055)	(17,471)	(2,584)
Net working capital	16,812	19,148	(2,336)
Severance and other non current liabilities	(2,770)	(2,757)	(13)
Capital employed - Continuing Operations	75,099	63,803	11,296
Shareholders' equity	85,936	85,454	482
Shareholder's equity (Minority interests)	0	409	(409)
Net financial debt/(cash)	(10,837)	(22,060)	11,223
Financing of capital employed	75,099	63,803	11,296

Shareholding Structure March 31st, 2021*

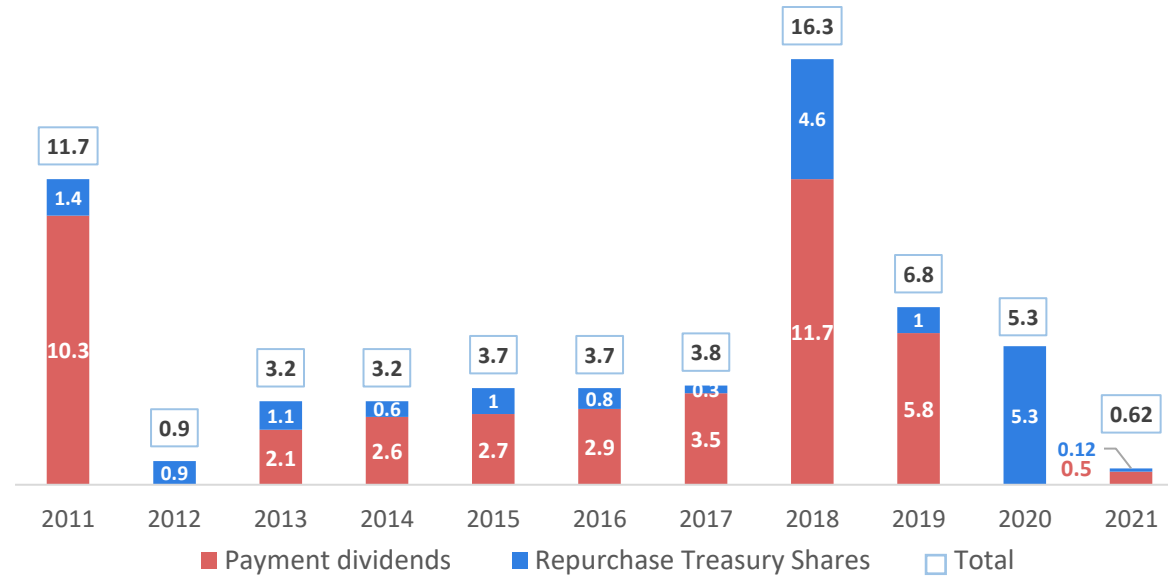


Market Data

Share Price Dec 31st, 2010	1.51€/share*
Share Price Mar 31st, 2021	7.42€/share
Mkt Mar 31st, 2021	87m€
Dividend Yield	0,5%

*rebased for free share distribution**

Dividends and Treasury Shares Repurchase (€m)



Dividends

Year	Dividends	Year	Dividends
2013	0.20 € / share	2017	0.30 € / share
2014	Free Share Distribution 1:1	2018	1.00 € / share
2014	0.25 € / share	2019	0.50 € / share
2015	Free Share Distribution 1:10	2020	nil
2015	0.25 € / share	2021	0.04 € / share
2016	0.25 € / share		



Q&A