



TXT GROUP

STAR Conference – Fall Edition

October 12, 2021

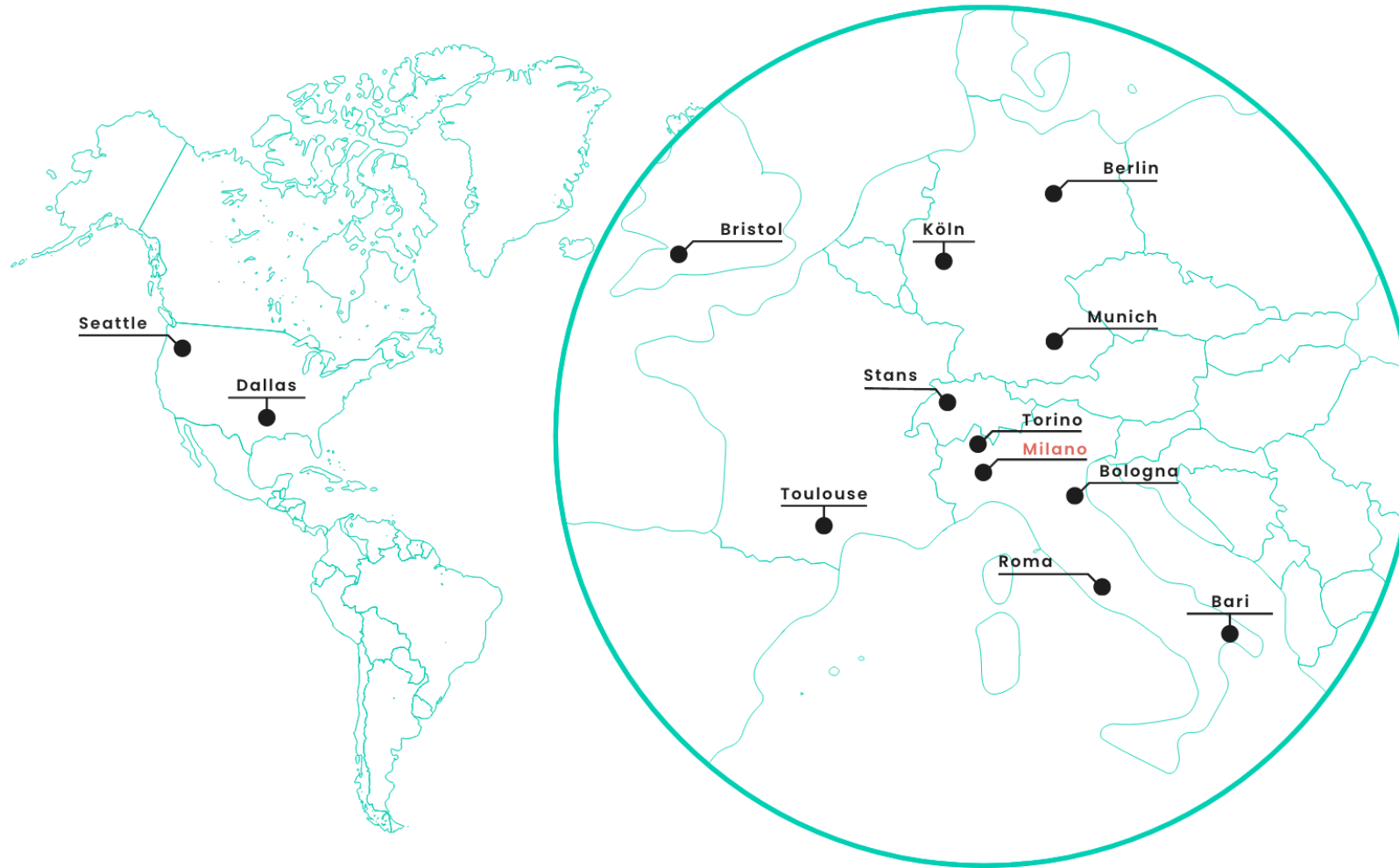


Your Global Digital Enabler

TXT is an international IT Group, end-to-end provider of consultancy, software services and solutions, supporting the digital transformation of customers' products and core processes. With a proprietary software portfolio and deep expertise in vertical domains, TXT operates across different markets, with a growing footprint in Aerospace, Aviation, Defense, Industrial, Government and Fintech.

TXT is headquartered in Milan and has subsidiaries in Italy, Germany, the United Kingdom, France, Switzerland and the United States of America. The holding company TXT e-Solutions S.p.A, has been listed on the Italian Stock Exchange, STAR segment (TXT.MI), since July 2000.





10+
Location
worldwide

1000+
Specialise Know-how
Specialised engineers
& professionals

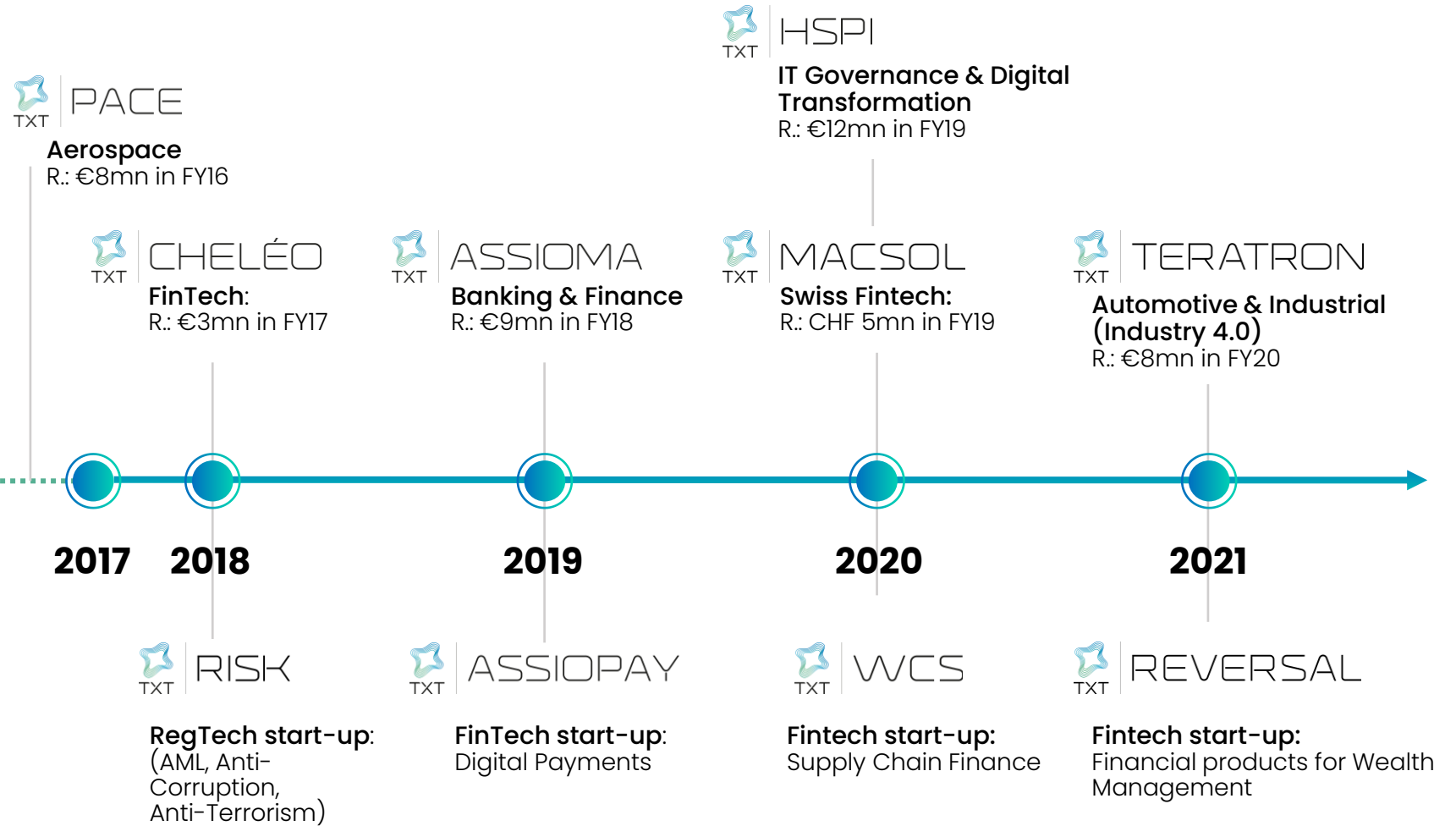
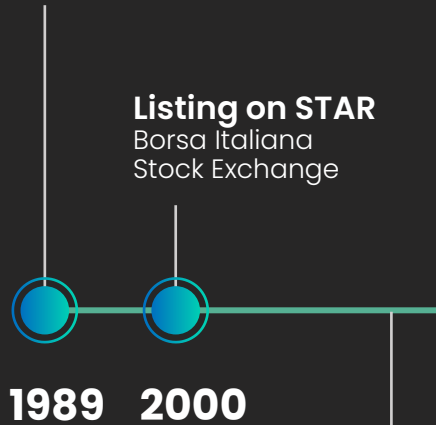
30+
**Certified Cross-
Industry Quality**
Years Experience

€69m Revenues FY-2020
Solid Financial structure
Guaranteed by operating
excellence & Innovation

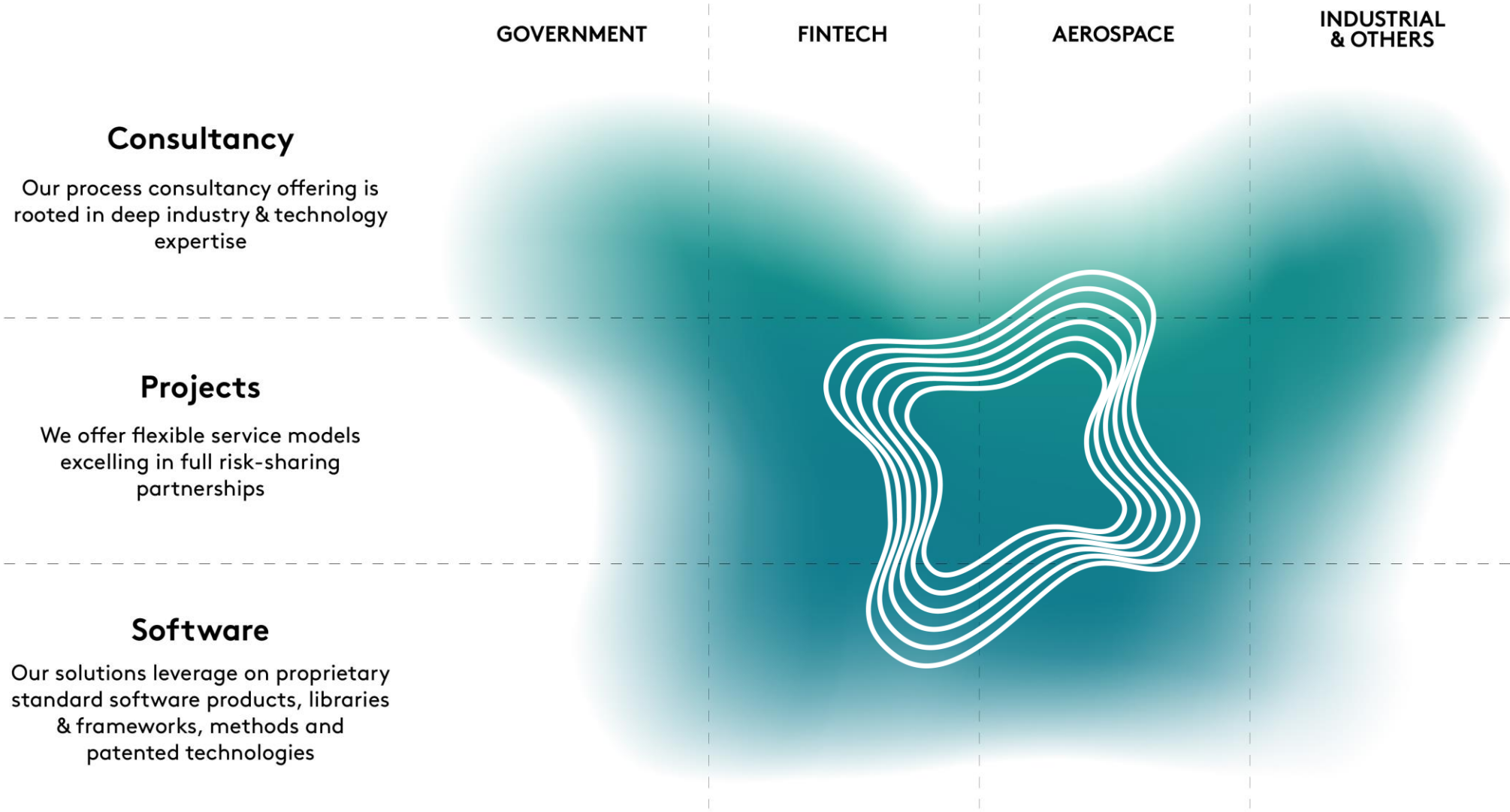


A Successful Story

Foundation



Growth Path



Business Models

Licenses or Software as a Service:

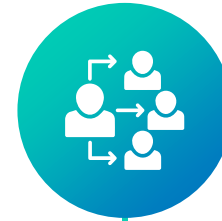
We provide digital solutions as SaaS or upon license.

Leave It Up To Us:

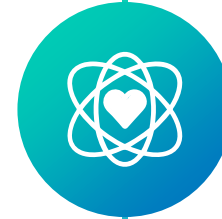
Enjoy the benefits of getting your turn-key digital solutions from an experienced one-stop supplier.

Shoulder-to-shoulder:

our experts work world-wide in the customers' premises, with a work package approach or following Customers' needs.



From consulting, to design and implementation of digital solutions



Focus on your core processes and products



Solid network of multidisciplinary competences and vertical excellences



Highly efficient development process



Never Better.

H1-2018

H1-2021

Best historical results since IPO

€19M
Revenues



€44M
Revenues
+32% *

€2.1M
EBITDA



€5.7M
EBITDA
+40% *

€74M*
Net Cash



€11M
Net Cash

*Included €88.2M of Retail Business sold in FY17 net by extraordinary dividend payment

* CAGR H1-2018 - H1-2021



Value Creation



EBIT

€ 3.4Mn H1-21 EBIT, **+62.7%** vs. H1-20



SOFTWARE REVENUES

€4.2Mn -4% vs. H1-20, recovering from -12% in Q1-21



INTERNATIONAL REVENUES

€ 10.9 Mn 25% of total revenues



CASH + TREASURY SHARES AVAILABLE FOR GROWTH


€ 34Mn short term net financial resources (June 2021) & **+ €10Mn*** in Treasury Shares

** Value calculated with stock price of € 8.0 per share*



Core Markets

Aerospace & Aviation

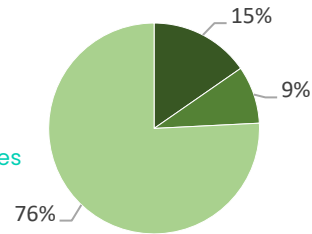
 Turnover H1-2021: 23.3M €
+12%

 EBITDA margin H1-2021:
13.7%

 International revenues:
33% of total

Revenues breakdown

- Software
- Advanced services
- Projects



Fintech

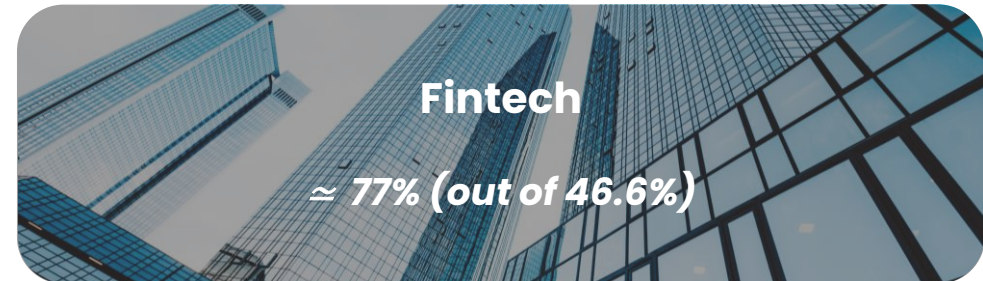
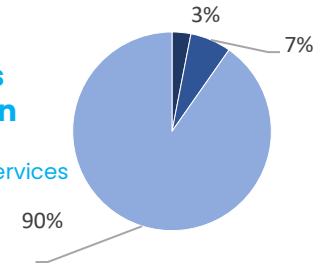
 Turnover H1-2021: 20.4M €
+81.2%

 EBITDA margin H1-2021:
12.1%

 International revenues:
15% of total

Revenues breakdown

- Software
- Advanced services
- Projects



Profit & Loss:

(€ thousand)	H1 2021	%	H1 2020	%	Var %
REVENUES	43,699	100.0%	32,108	100.0%	36.1%
Direct costs	27,085	62.0%	18,087	56.3%	49.7%
GROSS MARGIN	16,614	38.0%	14,021	43.7%	18.5%
Research and Development costs	3,313	7.6%	3,714	11.6%	(10.8%)
Commercial costs	3,757	8.6%	3,258	10.1%	15.3%
General and Administrative costs	3,882	8.9%	3,007	9.4%	29.1%
EBITDA	5,663	13.0%	4,042	12.6%	40.1%
Amortization, depreciation and write downs	1,927	4.4%	1,591	5.0%	21.1%
Reorganization and non-recurring costs	316	0.7%	350	1.1%	(9.6%)
OPERATING PROFIT (EBIT)	3,419	7.8%	2,101	6.5%	62.7%
Financial income (charges)	271	0.6%	892	2.8%	(69.7%)
EARNINGS BEFORE TAXES (EBT)	3,689	8.4%	2,993	9.3%	23.3%
Taxes	(1,619)	(3.7%)	(263)	(0.8%)	515.6%
NET PROFIT	2,071	4.7%	2,730	8.5%	(24.2%)



Balance Sheet :

€ thousand	31.06.2021	31.12.2020	Var.
Intangible assets	37,035	37,653	(618)
Tangible assets	7,657	7,460	197
Other fixed assets	16,269	2,299	13,970
Fixed Assets	60,961	47,412	13,549
Inventories	5,862	4,749	1,113
Trade receivables	32,605	35,411	(2,806)
Other short term assets	6,402	5,782	620
Trade payables	(3,783)	(4,176)	393
Tax payables	(3,972)	(3,164)	(808)
Other payables and short term liabilities	(18,454)	(17,471)	(983)
Net working capital	18,661	21,131	(2,470)
Severance and other non current liabilities	(4,477)	(4,740)	263
Capital employed – Continuing Operations	75,145	63,803	11,342
Shareholders' equity	86,050	85,454	596
Shareholders' equity (minority interests)	233	409	(176)
Net financial debt	(11,139)	(22,060)	10,921
Financing of capital employed	75,144	63,803	11,341

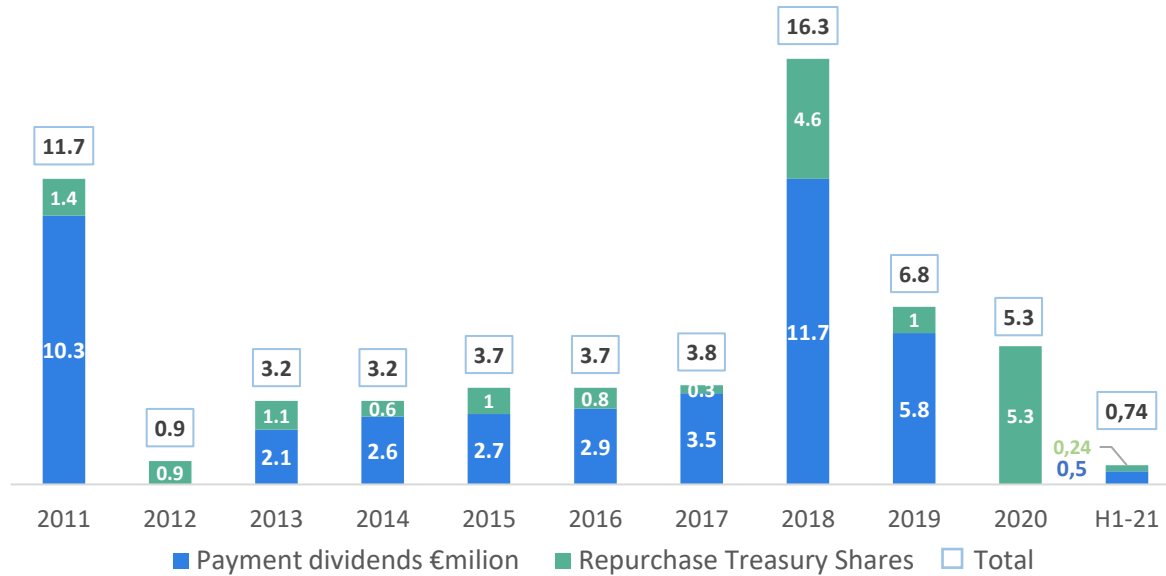


Net Cash:

€ thousand	30.06.2021	31.12.2020	Var
Cash & Cash equivalents	12,942	11,933	1,009
Trading securities at fair value	53,638	68,161	(14,523)
Current financial assets	-	-	-
Current bank loans	(32,350)	(30,636)	(1,714)
Short term Financial Resources	34,229	49,458	(15,229)
Non current financial debts - Lessors IFRS 16	(3,976)	(3,580)	(396)
Other Non current Financial Debts	(19,114)	(23,818)	4,704
Non current Financial Debts	(23,090)	(27,398)	4,308
Net Available Financial Resources	11,139	22,060	(10,921)

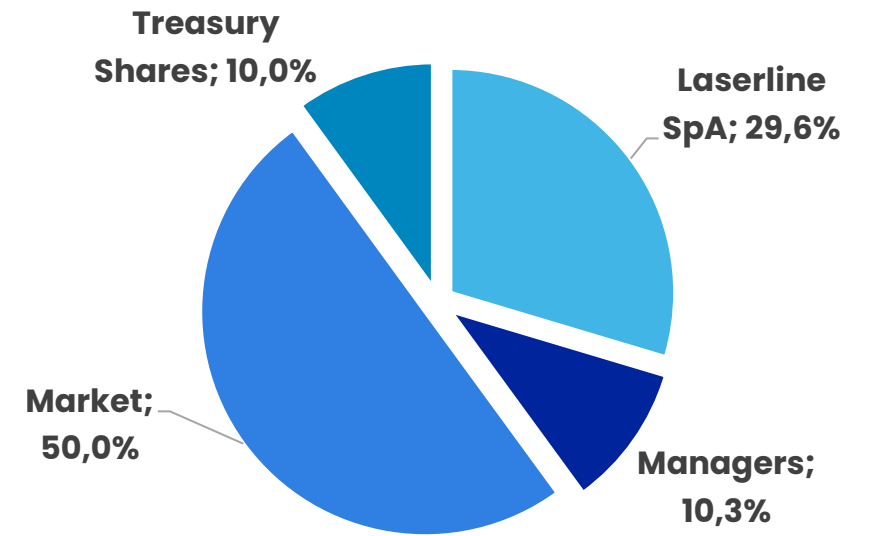


Dividends and Treasury Shares Repurchase (€m)



Shareholding Structure June 30th, 2021*

* Latest Public Data Available
30 June 2021

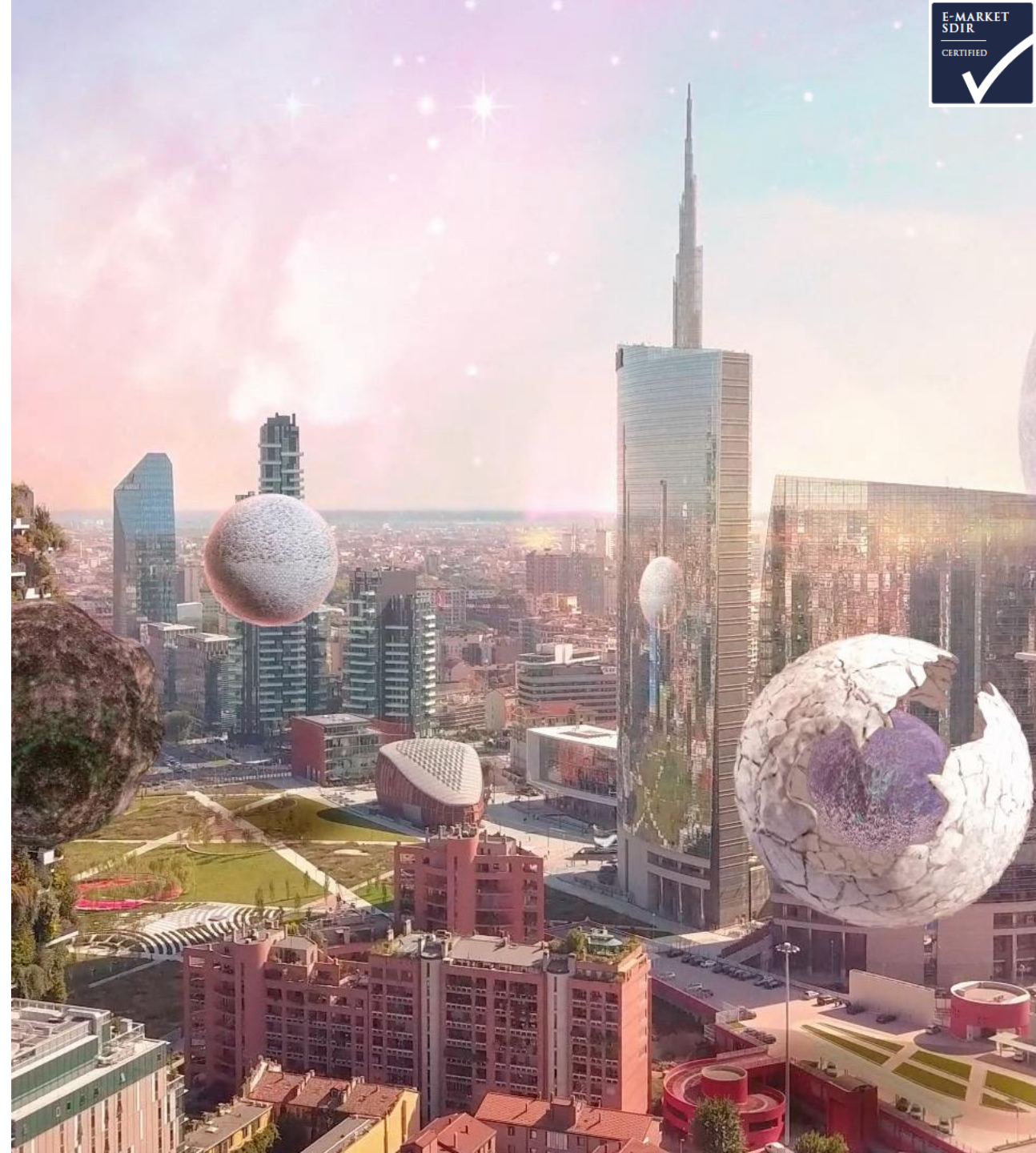


Rebranding Campaign:

Reboot of Our **Visual Identity**

- Reinforce the TXT Group **identity**
- Enhance the **excellence** of each part
- Show the **change of speed**
- Leverage synergies: designed by **HSPI Digital Unit**

TXT Group is going through a phase of change and strong growth. We are aggregating a network of synergic excellencies with the strategic ambition to maintain and expand the strong momentum in all key sectors of our business. This is why we have decided to create, with creative and innovative thinking, a new visual identity capable not only of communicating our nature as digital innovators and our flexibility in responding to ongoing change, but also of reinforcing the group identity, enhancing the excellence of all its parts.



TXT acquires TeraTron GmbH:

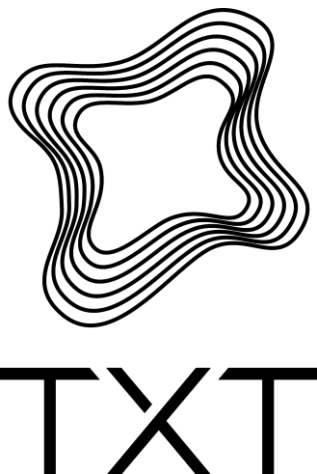
strengthened IoT offering

- TXT e-solutions S.p.A. (“TXT”) announces the acquisition of TeraTron GmbH, acquiring 100% of its capital.
- TXT continues its internationalisation process with a further acquisition in Germany.
- This new acquisition strengthens TXT IoT offering in its already robust Automotive & Industrial (Industry 4.0) sector.
- Expected €9 million revenues with **EBITDA** of approximately **€2 million full year results 2021**. TXT will consolidate results starting from 1 August 2021.





Never Better.



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