



# TXT Group

# 9 months 2021 Results

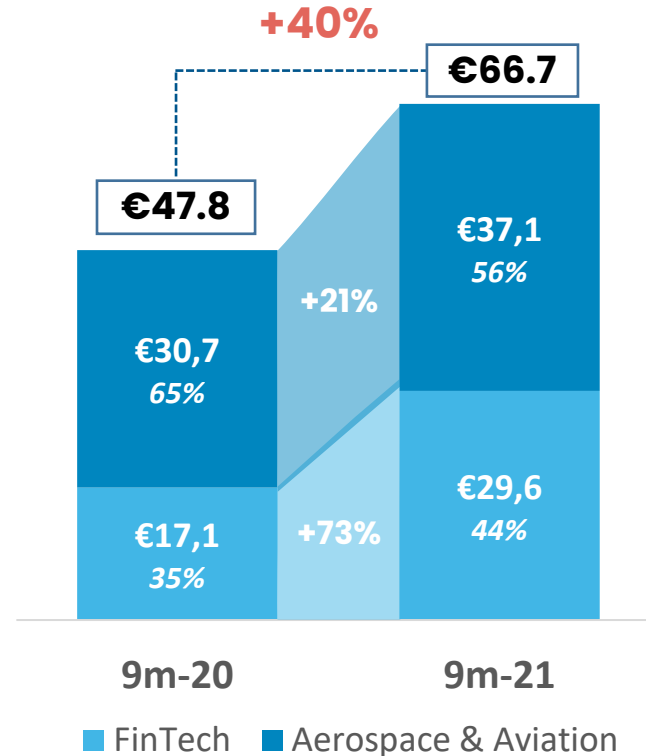
Call with Investors  
November 9 | 11.00am (CEST)

Daniele MISANI, CEO  
Andrea FAVINI, IR

Since 2018, constantly improving quarterly Revenues and EBITDA results.  
Fast reboot after COVID-19 outbreak.

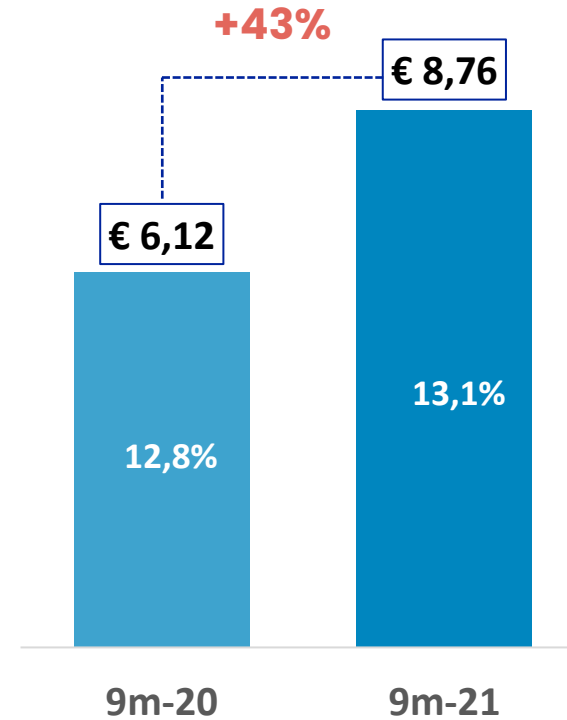
#neverbetter

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



M&A Q4-20 and 9m-21:  
€ 12.2Mn

**EBITDA**  
(€mn, % on total revenues)



M&A Q4-20 and 9m-21:  
€ 1.7Mn \*

\* Including negative impact from startups



**EBIT**

**€ 5.4Mn** 9m-21, **+58.7%** vs. 9m-20

**SOFTWARE REVENUES**

**€6.3Mn** -3% vs. 9m-20, recovering from -12% in Q1-21

**INTERNATIONAL REVENUES**

**€ 17.2 Mn** 26% of total revenues

**CASH + TREASURY SHARES AVAILABLE FOR GROWTH**

**€ 38Mn** Short term net financial resources & **+ €11Mn\*** in Treasury Shares

*\* Value calculated with stock price of € 8.72 per share (Share Price Sep 30th, 2021)*



# Sustainable growth, diversification



## Aerospace & Aviation

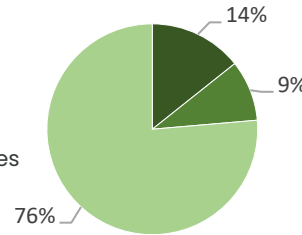
Turnover 9m-2021: 37.1M €  
**+21%**

EBITDA margin 9m-2021:  
**14.8%**

International revenues:  
**34% of total**

### Revenues breakdown

- Software
- Advanced services
- Projects



## Fintech

Turnover 9m-2021: 29.6M €  
**+73%**

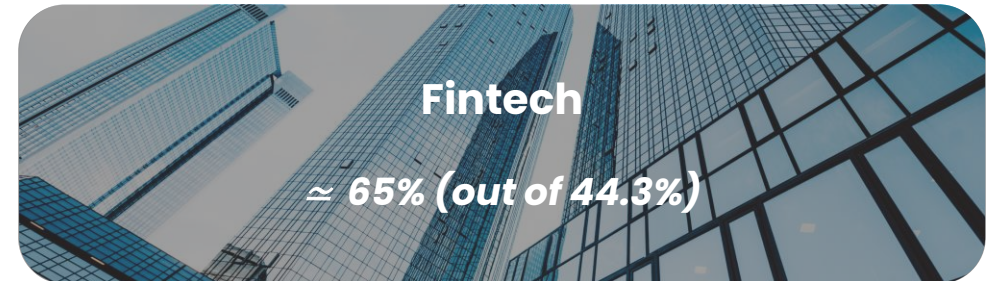
EBITDA margin 9m-2021:  
**12.1%**

International revenues:  
**15% of total**

Software revenues 9m-2021:  
**1.2M €**



R&D Investments (Start-ups)  
9m-2021:  
**1.0M €**





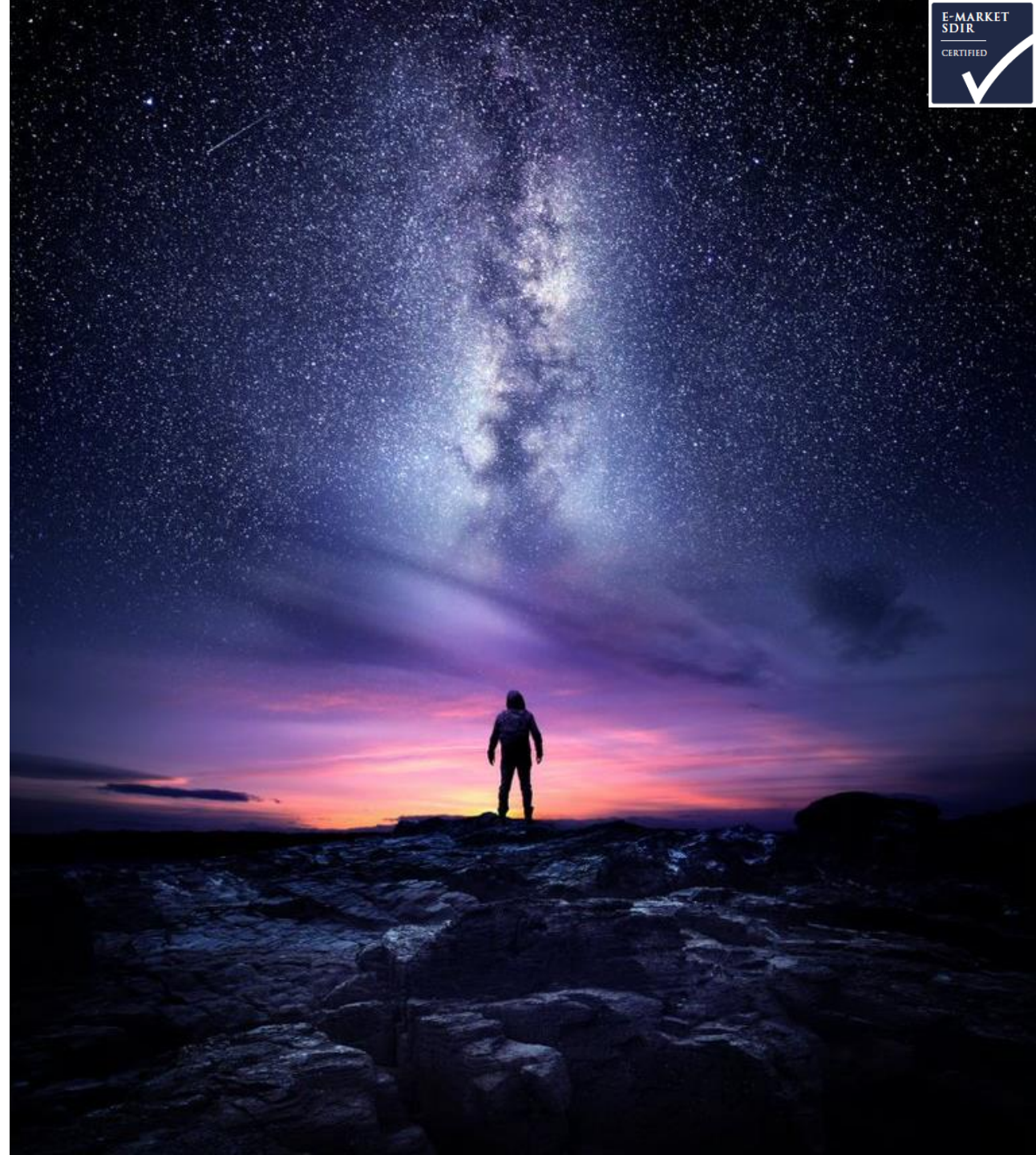
# **— Q3 & October Main Events**



# focus on accelerated GROWTH

- Teratron contribution in 2021 is 5Mln revenues, 1Mln EBITDA, estimated double in 2022 with additional contributions coming from synergies.
- We expect to close new operations in Q421 to start with an additional contribution in line with Teratron operation.
- Solid pipeline of further acquisitions.

*We are very proud of the results achieved and the forecasts for the fourth quarter, which allow us to pursue with great positivity and determination our investment plan in specialised **proprietary solutions** and in **strategic acquisitions** to increase our positioning in different markets in different geographies, increasing TXT's value and profitability.*



## New contracts with main Banking Institution & Regional Public Entity for proprietary platform FARADAY (RegTech)



TXT entered in October 2021 in new, multi-year contracts with the Italian branch of a main international banking institution and with a regional public IT company for the supply of FARADAY, TXT's proprietary platform that leverage on artificial intelligence (AI) and machine learning (ML) algorithms to offer best-in-class solutions for risk management, AML and compliance.

## Successful integration of TeraTron GmbH and new synergies ready to take off



After the acquisition of TeraTron GmbH finalized in the Q3, TXT has successfully completed the integration process for the new acquired company and is now ready to benefit from the commercial, technological and market synergies identified during the acquisition process and now ready to take off.

## TXT together with European Space Agency (ESA) for Immersive Search and Rescue (ISAR) Project



TXT is ready to take off for a new space opportunity! Leveraging on its deep knowledge in Training and Simulation, TXT will develop a VR-simulation environment based on WEAVR, TXT proprietary platform, for the development of a new immersive VR solution for first responder training based on space data, this time at disposal of Search & Rescue (SAR) professionals.

## New licenses contract with main Chinese player in the aviation market



As of the start of November 2021, TXT has been awarded with an upfront licenses contract for the supply of an advanced modelling software to one of the main Chinese institution active in the aviation market, with great opportunities to further expand its presence in the APAC market





# TXT flies again:

## Market recovery driven by Zero emission programs and urban mobility

- **Pacelab FPO** joining the #1000solutions challenge, an initiative by the Solar Impulse Foundation that place us among **solutions that meet high standards in profitability and sustainability** and present them to decision-makers to fast-track their implementation.
- **New commercial successes in H2-2021:**
  - Trial contract signed in October with primary North American airline (200+ aircrafts, 100+ destinations)
  - Ongoing negotiation of final contract with major North American cargo line after successful trial period
- Continues promising volume of **Pacelab SUITE** in **projects with** major European **e-VTOL OEMs and** with **UK Government Organization ATI (Flyzero initiative)**





# 9 months-2021 FINANCIALS

# Profit & loss: 9months details

| € thousand                             | 9m 2021       | %           | 9m 2020       | %           | Var %       |
|--|---------------|-------------|---------------|-------------|-------------|
| <b>REVENUES</b>                        | <b>66,733</b> | <b>100</b>  | <b>47,826</b> | <b>100</b>  | <b>39.5</b> |
| Direct costs                           | 40,122        | 60.1        | 26,345        | 55.1        | 52.3        |
| <b>GROSS MARGIN</b>                    | <b>26,611</b> | <b>39.9</b> | <b>21,482</b> | <b>44.9</b> | <b>23.9</b> |
| Research and Development costs         | 5,091         | 7.6         | 5,045         | 10.5        | 0.9         |
| Commercial costs                       | 6,481         | 9.7         | 5,755         | 12.0        | 12.6        |
| General and Administrative costs       | 6,283         | 9.4         | 4,562         | 9.5         | 37.7        |
| <b>EBITDA</b>                          | <b>8,756</b>  | <b>13.1</b> | <b>6,119</b>  | <b>12.8</b> | <b>43.1</b> |
| Depreciation                           | 1,767         | 2.6         | 1,470         | 3.1         | 20.2        |
| Amortization                           | 1,280         | 1.9         | 919           | 1.9         | 39.3        |
| Riorganization and Non Recurrent Costs | 347           | 0.5         | 350           | 0.7         | (1.0)       |
| <b>OPERATING PROFIT (EBIT)</b>         | <b>5,362</b>  | <b>8.0</b>  | <b>3,379</b>  | <b>7.1</b>  | <b>58.7</b> |
| Financial income (charges)             | 345           | 0.5         | 1,168         | 2.4         | (70.4)      |
| <b>EARNINGS BEFORE TAXES (EBT)</b>     | <b>5,707</b>  | <b>8.6</b>  | <b>4,546</b>  | <b>9.5</b>  | <b>25.5</b> |
| Taxes                                  | (1,576)       | (2.4)       | (939)         | (2.0)       | 67.9        |
| <b>NET PROFIT</b>                      | <b>4,131</b>  | <b>6.2</b>  | <b>3,608</b>  | <b>7.5</b>  | <b>14.5</b> |



# Profit & loss: Q3 details

| € thousand                             | Q3 2021       | %           | Q3 2020       | %           | Var %        |
|--|---------------|-------------|---------------|-------------|--------------|
| <b>REVENUES</b>                        | <b>23,034</b> | <b>100</b>  | <b>15,718</b> | <b>100</b>  | <b>46.5</b>  |
| Direct costs                           | 13,037        | 56.6        | 8,258         | 52.5        | 57.9         |
| <b>GROSS MARGIN</b>                    | <b>9,997</b>  | <b>43.4</b> | <b>7,461</b>  | <b>47.5</b> | <b>34.0</b>  |
| Research and Development costs         | 1,778         | 7.7         | 1,331         | 8.5         | 33.5         |
| Commercial costs                       | 3,109         | 13.5        | 2,497         | 15.9        | 24.5         |
| General and Administrative costs       | 2,016         | 8.8         | 1,555         | 9.9         | 29.6         |
| <b>EBITDA</b>                          | <b>3,093</b>  | <b>13.4</b> | <b>2,076</b>  | <b>13.2</b> | <b>49.0</b>  |
| Depreciation                           | 644           | 2.8         | 495           | 3.1         | 30.0         |
| Amortization                           | 435           | 1.9         | 303           | 1.9         | 43.7         |
| Riorganization and Non Recurrent Costs | 71            | 0.3         | 0             | 0.0         | n.s.         |
| <b>OPERATING PROFIT (EBIT)</b>         | <b>1,943</b>  | <b>8.4</b>  | <b>1,278</b>  | <b>8.1</b>  | <b>52.1</b>  |
| Financial income (charges)             | 74            | 0.3         | 276           | 1.8         | (73.0)       |
| <b>EARNINGS BEFORE TAXES (EBT)</b>     | <b>2,018</b>  | <b>8.8</b>  | <b>1,553</b>  | <b>9.9</b>  | <b>29.9</b>  |
| Taxes                                  | 43            | 0.2         | (676)         | (4.3)       | n.s.         |
| <b>NET PROFIT</b>                      | <b>2,061</b>  | <b>8.9</b>  | <b>878</b>    | <b>5.6</b>  | <b>134.8</b> |





# NET cash: Solid financial position

| € thousand                                    | 30.09.2021    | 31.12.2020    | Var             |
|---|---------------|---------------|-----------------|
| Cash  | 24,078        | 11,933        | 12,145          |
| Trading securities at fair value              | 48,589        | 68,161        | (19,572)        |
| Short term Financial Debts                    | (34,489)      | (30,636)      | (3,853)         |
| <b>Short term Financial Resources</b>         | <b>38,179</b> | <b>49,458</b> | <b>(11,279)</b> |
| Non current Financial Debts - Lessors IFRS 16 | (3,877)       | (3,580)       | (297)           |
| Other Non current Financial Debts             | (30,799)      | (23,818)      | (6,981)         |
| Non current Financial Debts                   | (34,676)      | (27,398)      | (7,278)         |
| <b>Net Available Financial Resources</b>      | <b>3,503</b>  | <b>22,060</b> | <b>(18,557)</b> |

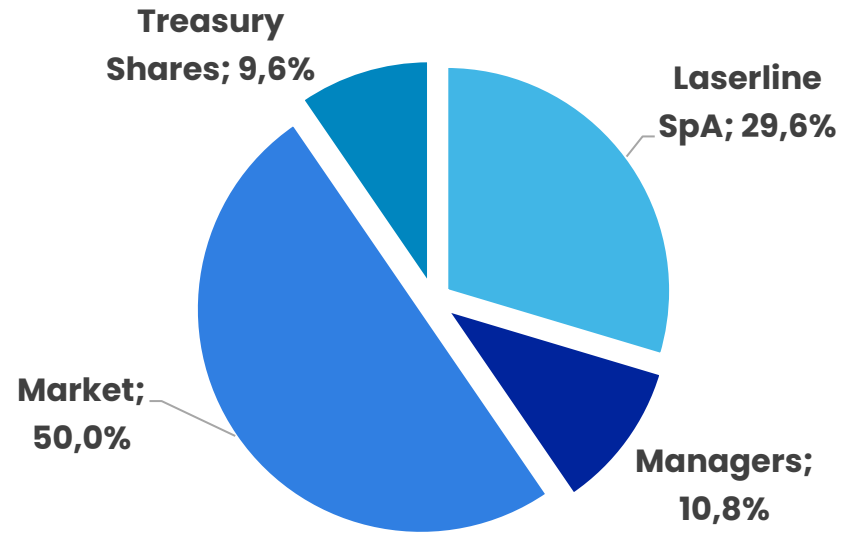


| € thousand   | 30.09.2021     | 31.12.2020     | Change        |
|--|----------------|----------------|---------------|
| Intangible assets                                  | 41,703         | 37,653         | 4,050         |
| Tangible assets                                    | 11,254         | 7,460          | 3,794         |
| Other fixed assets                                 | 16,474         | 2,299          | 14,175        |
| <b>Fixed Assets</b>                                | <b>69,431</b>  | <b>47,412</b>  | <b>22,019</b> |
| Inventories  | 9,626          | 4,749          | 4,877         |
| Trade receivables                                  | 29,354         | 35,411         | (6,057)       |
| Other short term assets                            | 7,264          | 5,782          | 1,482         |
| Trade payables                                     | (3,851)        | (4,176)        | 325           |
| Tax payables                                       | (2,900)        | (3,164)        | 264           |
| Other payables and short term liabilities          | (18,503)       | (17,471)       | (1,032)       |
| <b>Net working capital</b>                         | <b>20,990</b>  | <b>21,131</b>  | <b>(141)</b>  |
| <b>Severance and other non current liabilities</b> | <b>(4,672)</b> | <b>(4,740)</b> | <b>68</b>     |
| <b>Capital employed - Continuing Operations</b>    | <b>85,749</b>  | <b>63,803</b>  | <b>21,946</b> |
| Shareholders' equity                               | 88,824         | 85,454         | 3,370         |
| Shareholders' equity - minority interest           | 427            | 409            | 18            |
| Net financial debt                                 | (3,503)        | (22,060)       | 18,557        |
| <b>Financing of capital employed</b>               | <b>85,748</b>  | <b>63,803</b>  | <b>21,945</b> |



## Shareholding Structure September 30<sup>th</sup>, 2021\*

*Latest Public Data Available as of 30 September 2021*



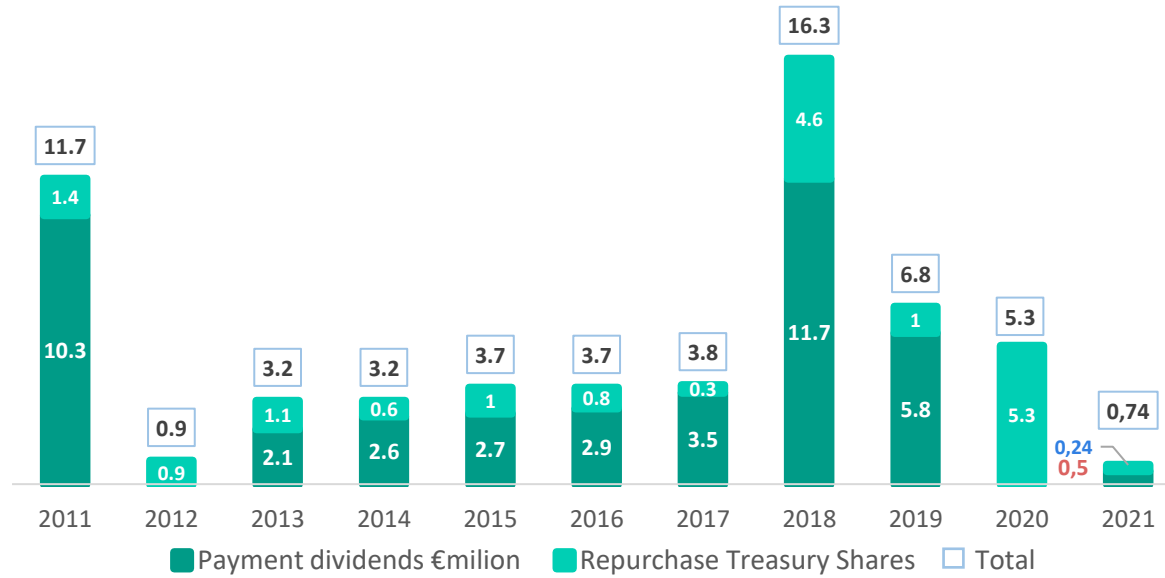
### Market Data

|                            |             |
|----------------------------|-------------|
| Share Price Dec 31st, 2018 | 9.66€/share |
| Share Price Sep 30th, 2021 | 8.72€/share |
| Mkt Sep 30th, 2021         | 103.1m €    |
| Dividend Yield             | 0,5%        |





## 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               |      |                |

\_Dividends & shareholding's return





**TXT**