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This presentation may contain forward looking statements including statements regarding our intent, belief or current expectations with respect to TXT’s businesses and operations, market conditions, results of operation and financial condition, capital adequacy, specific provisions and risk management practices. Readers are cautioned not to place undue reliance on these forward looking statements. TXT does not undertake any obligation to publicly release the result of any revisions to these forward looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of unanticipated events. While due care has been used in the preparation of forecast information, actual results may vary in a materially positive or negative manner. Forecasts and hypothetical examples are subject to uncertainty and contingencies outside TXT’s control. Past performance is not a reliable indication of future performance.

Unless otherwise specified all information is for the First 9 months ended 30 September 2018.
Historical Performance of TXT

Revenue (m€)

- 2013: 20.9
- 2014: 21.8
- 2015: 24.9
- 2016: 33.1
- 2017: 35.9
- 9m 2018: 28.6

Average annual growth rate (CAGR) 14%

EBITDA (m€)

- 2013: 1.3
- 2014: 1.7
- 2015: 2.0
- 2016: 3.8
- 2017: 3.5
- 9m 2018: 2.8

Average annual growth rate (CAGR) 28%
Two Business Divisions, with an Industry Focus: Key Facts & Figures

**Aerospace & Aviation**
- International provider of High-tech Software Solutions & Services to Global Aerospace, Aviation & Automotive Industry
- Revenues 9m 2018: 22.7 m€
- Revenues breakdown:
  - Services 84%
  - Software 16%
- EBITDA: ~6%
- Team: 395 pp

**Fintech**
- First mover & Italian leader in Software Quality services for Italian Banking Industry, and vendor of Fintech software applications
- Revenues 9m 2018: 5.9 m€
- EBITDA: ~6%
- Team: 155 pp
An international, specialized provider of software solutions (software Products and engineering Services) supporting customers in their mission-critical core processes and throughout their product lifecycles.

**Aerospace & Aviation**
Product development, on-board software & systems, customer engineering, manufacturing and aircraft operations

**Automotive & Transport**
On-board software and systems
Key Facts & Figures

350+ Specialized Engineers

30+ Years Experience

9 Locations Worldwide

Revenue breakdown by geography:
- Italy: 55%
- USA: 10%
- D: 7%
- F: 11%
- NL: 5%
- Other 4%
- UK: 8%

€31m
A Longstanding, Global Customer Base across the Industry Value Chain

- A diversified Customer Base of Industry Leaders
- Long-term partnership underpinning highly repeatable revenues streams
- A growing number of new, high-potential int’l customers in recent years
- A significant up-selling opportunity

<table>
<thead>
<tr>
<th>60%</th>
<th>20%</th>
<th>10%</th>
<th>10%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aircraft Manufacturers (Fixed &amp; Rotary Wings)</td>
<td>1st Tier Suppliers &amp; MRO</td>
<td>Airlines &amp; Lessors</td>
<td>Automotive (OEMs &amp; 1st Tier)</td>
</tr>
<tr>
<td>AIRBUS</td>
<td>BOEING</td>
<td>GE Aviation</td>
<td>Rolls-Royce</td>
</tr>
<tr>
<td>LEONARDO</td>
<td>SAAB</td>
<td>LIEBHERR</td>
<td>CAE</td>
</tr>
<tr>
<td>PILATUS</td>
<td>ATR</td>
<td>REUSER</td>
<td>SR Technics</td>
</tr>
<tr>
<td>EMBRAER</td>
<td>ROY</td>
<td>UTC Aerospace Systems</td>
<td>Avio Aero</td>
</tr>
<tr>
<td>COMAC</td>
<td>EUROFIGHTER Typhoon</td>
<td>AVIAGE SYSTEMS</td>
<td>Lufthansa Consulting</td>
</tr>
<tr>
<td>SUKHOI</td>
<td>superjet INTERNATIONAL</td>
<td>RECAB</td>
<td>NETJETS</td>
</tr>
<tr>
<td>MITSUBISHI Aerospace Industries</td>
<td>UTC Aerospace Systems</td>
<td>Lufthansa Consulting</td>
<td>Lufthansa Consulting</td>
</tr>
</tbody>
</table>

Academia & Research

- VirginiaTech
- Cranfield University
- University of Dayton
- University of Southampton
- University of Nottingham
- UPM
- Cranfield
Value Proposition Spanning the Entire Product Life-cycle

- **Breadth and Depth**: focus on **high-value niches**, but understand the whole picture
- **Industry and Technology expertise**: **Engineering Services**, backed by **Software Assets**
- **Flexible engagements models**, with **turn-Key service engagements weighting ¾ of total**

<table>
<thead>
<tr>
<th>PRODUCT DEVELOPMENT</th>
<th>CUSTOMER ENGINEERING &amp; MANUFACTURING</th>
<th>OPERATIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-Design &amp; Evaluation</td>
<td>On-board Software</td>
<td>Training &amp; Simulation</td>
</tr>
<tr>
<td>10%</td>
<td>30%</td>
<td>25%</td>
</tr>
<tr>
<td>20%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>25%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OEMs &amp; 1st Tier Suppliers</th>
<th>Airlines &amp; Lessors</th>
<th>Automotive &amp; Transport</th>
</tr>
</thead>
<tbody>
<tr>
<td>Key</td>
<td>Key</td>
<td>Gear</td>
</tr>
</tbody>
</table>

- **Fully packaged software assets & related services**
- **Services & exploitable software assets**: proprietary software libraries, methods & reference applications
How We Do It - An Expanding Set of Flexible Engagement Models

Turn-Key service engagements weight ¾ of the total, while Time & Material account for the remaining ¼.

- New engagement model
- Currently in place with a leading North-American Airline
Providing the perfect mix of:
• specialization in multiple niches across our target industries value chain
• ability to serve customers locally, yet on a global scale
• Software Products and Engineering Services
## Growth Strategy - Main Growth Initiatives

### Solid Foundations
- **Solid Management Team** with a track record in **self-sustainable organic growth** AND acquisitions
- **340+ specialised engineers**, with global delivery & support capability
- «People»'s Technology AND Industry expertise, backed by a portfolio of **software assets**
- **Breadth** AND **depth** across the Product Lifecycle, with focus on software
- **50+ Customers**, industry leaders
- Track record in **risk-sharing & results-based** engagements

### Identified Growth Initiatives

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Inorganic Growth</strong></td>
<td></td>
</tr>
</tbody>
</table>
- Aims to accelerate organic growth  
- Be a platform to aggregate niche players:  
  - Engineering Services: focus on Int’l growth  
  - Products: extend existing products (buy vs. make) and enter new high-value niches |
| **2. Organic International Expansion** |  
- Grow the share of wallet in current customers: focus on higher-value activities and risk-sharing engagement models  
- Capture new Int’l customers, leveraging on the combination of software assets and specialized service capabilities |
| **3. Offering Innovation** |  
- Product innovation: extend the capabilities and the range of the offering of Sw Assets  
- Service innovation: expand the offering with Managed Services |
| **4. Automotive & other similar Industries** |  
- Diversification & upside-growth opportunity  
- Will be pursued primarily through Inorganic Growth |

To become an **Int’l, specialized, multi-niche, mid-sized (100 m€) provider of Engineering “Solutions”** serving the **global Aerospace & Aviation Industry**
Market Opportunity

A large & healthy Industry: global groups, with high speed of innovation and sustained R&D / Engineering spending

Engineering Solutions & Service Market worth 130 bn€; Aerospace & Automotive accounts for 20% each; Business Models evolving

Europe accounts for major market share

Not only large R&D and Engineering Service providers: fragmented competitive landscape, that offers space for both organic and inorganic growth, around software niches of high specialisation across the product life-cycle
A unique spectrum of specialized high-value niches across the entire Product Life-Cycle, that differentiates us from local and global competitors

- **Small, Local Players:**
  - Deep in single niches, compete mainly in price and locally
  - TXT differentiates and competes with its depth **AND** breadth, know-how **AND** IPs, resources to invest in co-innovation, ability to follow customers globally. Small local players are possible acquisition targets

- **European-based Large Players:**
  - Grown via acquisitions and massive time & material contracts, are challenged on responsiveness, flexibility and margins. Forced to focus on high-volume low-value activities to bill large teams and spread across a wide spectrum of industries/domains (not only SW-related services!)
  - TXT differentiates and competes with its people **AND** IP approach, focus on SW-related activities, and its 30 years track record in managing results-based engagements and profitable turn-key contracts

- **Large Off-shore Players:**
  - Mainly from India, historically rooted in technology-based; largely leveraging on off-shore delivery models, they lack the proximity and customer intimacy needed to deepen business understanding. Forced to focus on high-volume low-value execution activities to bill massive teams.
  - TXT differentiates and competes with its technology **AND** industry expertise, the depth of its know-how, a balanced compromise between proximity (local teams) and “near-shoring” (corporate competence center), that turns into an attractive value proposition for customers, especially in high-value, results-based engagements
Fintech
Provider of specialised Services and Software supporting customers in Banking & Finance market along their business-critical processes and their Digital Transformation journey

**Organic Growth** aims to strengthen the *Service* offering:
- Expand current core offering of Software Quality Services
- Develop new Services around Bank’s Digital Transformation needs (e.g. RPA – Robotic Process Automation)

**M&A & Organic Growth**

**M&A** aims to strengthen both *Service and Product* offering:
- **Services**: *new customers* around existing Services and/or *new specialised Services*
- **Products**: *new* high-value *Fintech Software* solutions of *European relevance* (ready re. BCE compliance requirements)

**Software Quality Services**
- RPA – Robotic Process Automation

**Financing Life-cycle Management**

**Credit and NPL Management**

**Risk Management**

**Bank’s Treasury Management**
Software Quality Services

- Since 15 years focused on **Software Quality** and on **Independent Testing, Verification & Validation** of software, to ensure the functioning, functional fit, and compliance of IT systems.

- Adapted best practices, tools & methods from Aerospace to the needs of the Banking Industry, leveraging on:
  - **Domain Expertise** in core Banking domains: **Functional Testing** accounts for the largest share
  - **Deep knowledge** of **Methodologies** and **Tools**, spanning across the entire QA process
  - Testing Services both “on-site” and “off-site”, with an approach based on “Test Factory” and “Test Automation”

- It targets the 40-50 top Italian Banking institutions, with **long-lasting relationships** with all key clients.
Acquired last July CHELEO:

- **Market**: Financial Institutions, Banks and NPL Servicers
- **Offering**: a comprehensive & competitive suite of software modules supporting the management of financing products across their entire life-cycle:
  - Issuing (Leasing, Loans, Factoring, Personal & salary-based Financing)
  - Credit Collection
  - Non Performing Loans
- **Business Model** heavily leveraging on recurrent Software & Service Fees, resulting in a strong P&L structure
- **Solid financials**:
  - Revenues 2017: 2.8m€
  - EBITDA 2017: 0.95m€ (34%)
- **Commercial synergies and cross-selling opportunities** across the combined customer base of leading Banks and Financial Institutions
Summary & Financial Details
<table>
<thead>
<tr>
<th></th>
<th>9m 2018</th>
<th>%</th>
<th>9m 2017</th>
<th>%</th>
<th>Var</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td>28.627</td>
<td>100,0</td>
<td>26.032</td>
<td>100,0</td>
<td>10,0</td>
</tr>
<tr>
<td>Direct costs</td>
<td>15.942</td>
<td>55,7</td>
<td>14.906</td>
<td>57,3</td>
<td>7,0</td>
</tr>
<tr>
<td><strong>GROSS MARGIN</strong></td>
<td>12.685</td>
<td>44,3</td>
<td>11.126</td>
<td>42,7</td>
<td>14,0</td>
</tr>
<tr>
<td>Research and Development costs</td>
<td>2.154</td>
<td>7,5</td>
<td>1.864</td>
<td>7,2</td>
<td>15,6</td>
</tr>
<tr>
<td>Commercial costs</td>
<td>3.884</td>
<td>13,6</td>
<td>3.456</td>
<td>13,3</td>
<td>12,4</td>
</tr>
<tr>
<td>General and Administrative costs</td>
<td>3.818</td>
<td>13,3</td>
<td>3.183</td>
<td>12,2</td>
<td>19,9</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>2.829</td>
<td>9,9</td>
<td>2.623</td>
<td>10,1</td>
<td>7,9</td>
</tr>
<tr>
<td>Amortization, depreciation</td>
<td>1.365</td>
<td>4,8</td>
<td>512</td>
<td>2,0</td>
<td>n.m.</td>
</tr>
<tr>
<td><strong>OPERATING PROFIT (EBIT)</strong></td>
<td>1.464</td>
<td>5,1</td>
<td>2.111</td>
<td>8,1</td>
<td>(30,6)</td>
</tr>
<tr>
<td>Financial income (charges)</td>
<td>(385)</td>
<td>(1,3)</td>
<td>(95)</td>
<td>(0,4)</td>
<td>n.m.</td>
</tr>
<tr>
<td><strong>EARNINGS BEFORE TAXES (EBT)</strong></td>
<td>1.079</td>
<td>3,8</td>
<td>2.016</td>
<td>7,7</td>
<td>(46,5)</td>
</tr>
<tr>
<td>Taxes</td>
<td>(80)</td>
<td>(0,3)</td>
<td>(625)</td>
<td>(2,4)</td>
<td>(87,2)</td>
</tr>
<tr>
<td><strong>NET PROFIT CONTINUING OPERATIONS</strong></td>
<td>999</td>
<td>3,5</td>
<td>1.391</td>
<td>5,3</td>
<td>(28,2)</td>
</tr>
<tr>
<td>Net Profit Discontinued Operations (sale of TXT Retail)</td>
<td>-</td>
<td></td>
<td>838</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>NET PROFIT</strong></td>
<td>999</td>
<td>2,229</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

TXT Retail Results reclassified among Discontinued Operations in 9m 2017.
## Strong Balance Structure

<table>
<thead>
<tr>
<th>€ thousand</th>
<th>30.9.2018</th>
<th>31.12.2017</th>
<th>Total variance</th>
<th>of which Cheleo</th>
<th>of which TXT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intangible assets</td>
<td>15,342</td>
<td>7,332</td>
<td>8,010</td>
<td>8,276</td>
<td>(266)</td>
</tr>
<tr>
<td>Tangible assets</td>
<td>3,758</td>
<td>793</td>
<td>2,965</td>
<td>80</td>
<td>2,885</td>
</tr>
<tr>
<td>Other fixed assets</td>
<td>1,089</td>
<td>735</td>
<td>354</td>
<td>0</td>
<td>354</td>
</tr>
<tr>
<td><strong>Fixed Assets</strong></td>
<td>20,189</td>
<td>8,860</td>
<td>11,329</td>
<td>8,356</td>
<td>2,973</td>
</tr>
<tr>
<td>Inventories</td>
<td>3,667</td>
<td>2,528</td>
<td>1,139</td>
<td>-</td>
<td>1,139</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>10,805</td>
<td>14,681</td>
<td>(3,876)</td>
<td>810</td>
<td>(4,686)</td>
</tr>
<tr>
<td>Other short term assets</td>
<td>3,098</td>
<td>2,533</td>
<td>565</td>
<td>171</td>
<td>394</td>
</tr>
<tr>
<td>Trade payables</td>
<td>(964)</td>
<td>(1,341)</td>
<td>377</td>
<td>(136)</td>
<td>513</td>
</tr>
<tr>
<td>Tax payables</td>
<td>(785)</td>
<td>(1,052)</td>
<td>267</td>
<td>(22)</td>
<td>289</td>
</tr>
<tr>
<td>Other payables and short term liabilities</td>
<td>(9,686)</td>
<td>(11,046)</td>
<td>1,360</td>
<td>(330)</td>
<td>1,690</td>
</tr>
<tr>
<td><strong>Net working capital</strong></td>
<td>6,135</td>
<td>6,303</td>
<td>(168)</td>
<td>493</td>
<td>(350)</td>
</tr>
<tr>
<td><strong>Severance and other non current liabilities</strong></td>
<td>(2,935)</td>
<td>(2,609)</td>
<td>(326)</td>
<td>(317)</td>
<td>(9)</td>
</tr>
<tr>
<td><strong>Capital employed - Continuing Operations</strong></td>
<td>23,389</td>
<td>12,554</td>
<td>10,835</td>
<td>8,532</td>
<td>2,303</td>
</tr>
<tr>
<td>Shareholders’ equity</td>
<td>88,201</td>
<td>99,894</td>
<td>(11,693)</td>
<td>3,464</td>
<td>(15,157)</td>
</tr>
<tr>
<td>Net financial debt</td>
<td>(64,812)</td>
<td>(87,340)</td>
<td>22,528</td>
<td>5,068</td>
<td>17,460</td>
</tr>
<tr>
<td><strong>Financing of capital employed</strong></td>
<td>23,389</td>
<td>12,554</td>
<td>10,835</td>
<td>8,532</td>
<td>2,303</td>
</tr>
</tbody>
</table>

### Acquisition of Cheleo
31.7.2018
Dividends & Shareholder’s Return 2011-2018

- **Dividends**
  - 2011: 1 € /share (extraordinary, rebased)
  - 2012: Free Share Distribution 1:1
  - 2013: 0.20 € /share (rebased)
  - 2014: Free Share Distribution 1:1
  - 2014: 0.25 € /share
  - 2015: Free Share Distribution 1:10
  - 2015: 0.25 € /share
  - 2016: 0.25 € /share
  - 2017: 0.30 € /share
  - 2018: 1.00 € /share

- **Share Price**
  - 31.12.2010: 1.51€/share (rebased for free share distribution)
  - 31.1.2019: 9.51€ /share
  - Market Cap: 111m€
TXT Market Capitalization (m€)

Updated to 31 January 2019
Shareholding Structure - January 2019

- Laserline SpA: 25.6%
- A. Braga Illa: 14.0%
- Treasury Shares: 10.7%
- Managers: 4.9%
- Market: 44.8%