



TXT Group: Corporate overview

STAR Conference 2022

March 24

Daniele MISANI, CEO

Andrea FAVINI, IR

Your Global Digital Enabler

TXT is an international IT Group, end-to-end provider of consultancy, software services and solutions, supporting the digital innovation 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.



Making it Possible

TXT Group has a solid network of multidisciplinary competences and vertical excellences, developed in industries in which we are the leader. We arrange them in a dynamic and productive way, according to the evolution of the markets. From consulting, to design and implementation of digital solutions: with us, customers identify and achieve their highest goals for their business evolution. Because we listen, understand, and enable them for continuous innovation.



Never better.





15+
Locations
worldwide

1000+ Advanced Know-how
Specialised engineers & professionals

Since **July 2000**
Listed on the Italian Stock Exchange
STAR segment (TXT.MI)

30+
Years Experience
Certified Quality, Cross-Industry

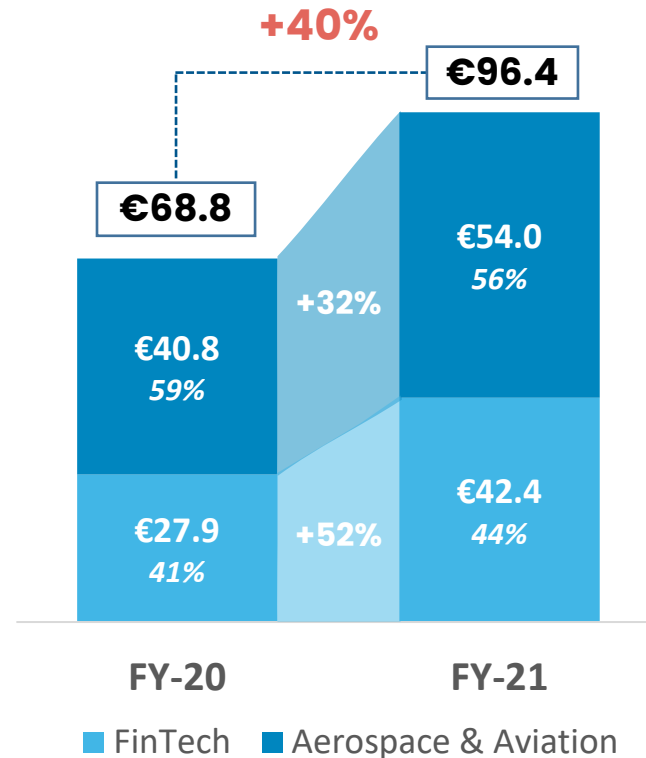


Consolidated FY 2021 results show solid organic growth accelerated by M&A

#neverbetter

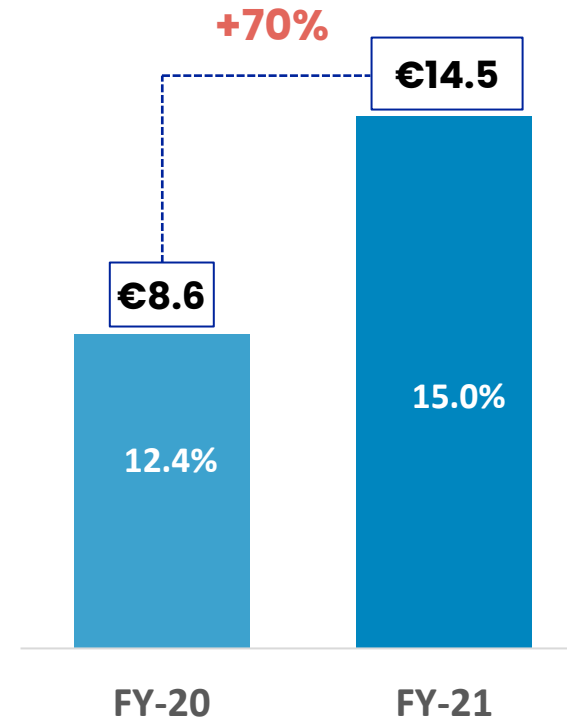
FY 2021 results

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



M&A contribution:
€18.5Mn

EBITDA
(€mn, % on total revenues)



M&A contribution:
€3.3Mn *

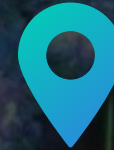
* Including negative impact from startups





Revenues
(pro-forma *)

€108.6mn



EBITDA
(pro-forma *)

€16.5mn

** All current companies aggregated
from January 2021*

Never better.



NET
PROFIT

€7.3mn



New
Companies

+5

Organic
Growth

+13.3% vs 20

 REVERSAL

 LBA

 NOVIGO

 TERATRON

 QUENCE

Never better.

**EBIT**

€ 9.6Mn FY-21, **+ €6.5Mn** vs. FY-20 (+205%)

**R&D Investments**

€6.9Mn invested in proprietary platforms (R&D costs fully expensed in the year)

**SOFTWARE REVENUES (Proprietary platforms)**

€8.4Mn from SW licenses, **+ €14Mn** from services around proprietary SW

**INTERNATIONAL REVENUES**

€ 28.7 Mn 30% of total revenues

**NET DEBT (Adjusted) + TREASURY SHARES AVAILABLE FOR GROWTH**

€ 3.8Mn (Net Debt Position) **+ €10Mn*** in Treasury Shares

** Value calculated with stock price of € 10.14 per share
(Share Price Dec 31st, 2021)*



A Successful Story

Foundation

Listing on STAR

Borsa Italiana
Stock Exchange

1989

2000

2017

Sale of Retail
Division

 PACE

Aerospace
R.: €8mn in FY16

 CHELÉO
FinTech
R.: €3mn in FY17

 ASSIOMA
Banking & Finance
R.: €9mn in FY18

 HSPI
**IT Governance & Digital
Transformation**
R.: €12mn in FY19

 MACSOL
Swiss Fintech
R.: CHF 5mn in FY19

 TERATRON
**Automotive & Industrial
(Industry 4.0)**
R.: €9mn in FY21 **Q3-21**

 NOVIGO
FinTech: Consumer Credit
R.: €3mn in FY21 **Q4-21**

 LBA
FinTech: Digital Payments
R.: €2.5 mn in FY21 **Q4-21**

 QUENCE
FinTech: SW Quality
R.: €2.7mn in FY21 **Q4-21**

2018

2019

2020

2021

 RISK
RegTech start-up:
(AML, Anti-Corruption,
Anti-Terrorism)

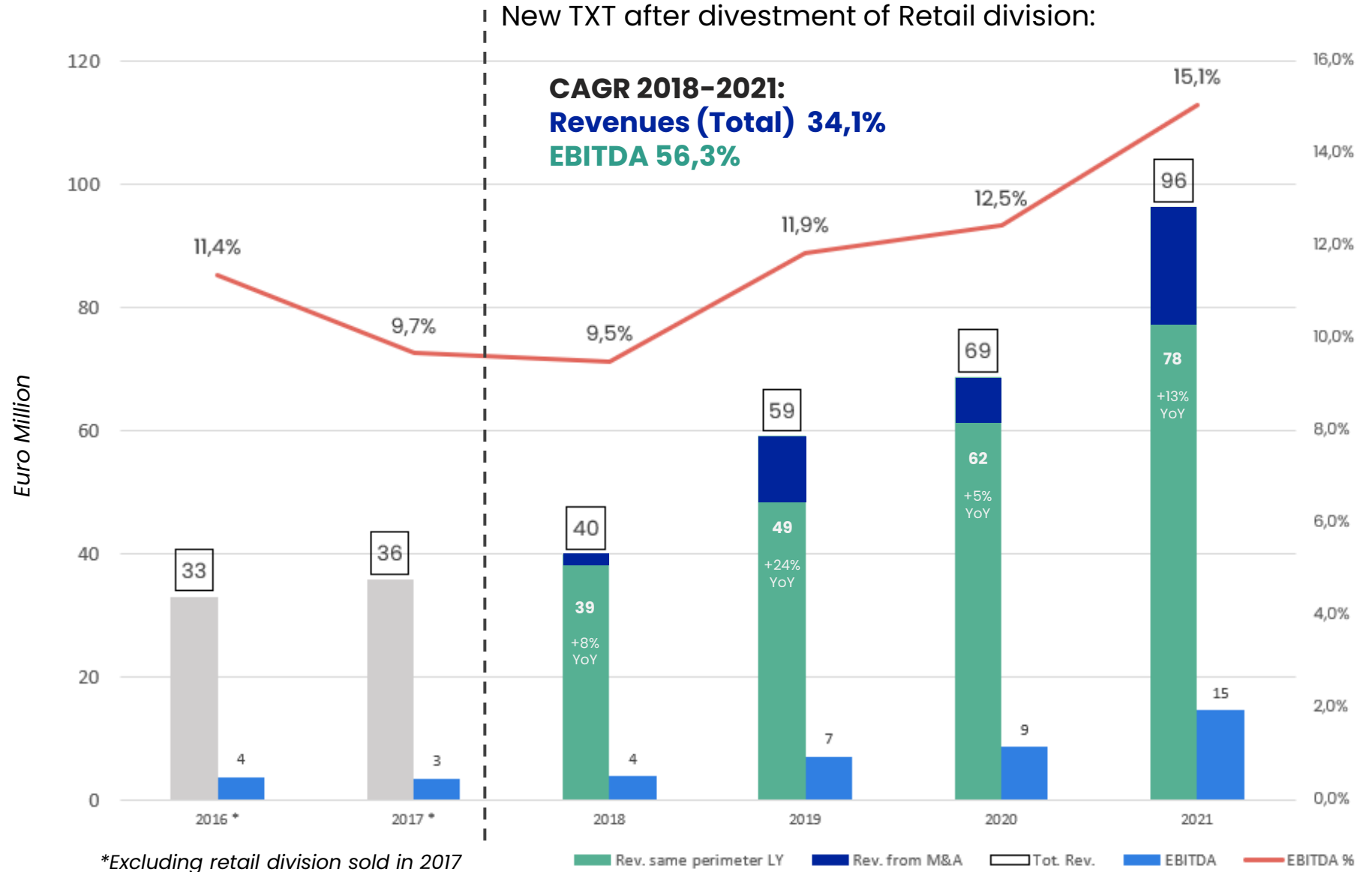
 ASSIOPAY
FinTech start-up:
Digital Payments

 WCS
Fintech start-up:
Supply Chain Finance

 REVERSAL
Fintech start-up:
Financial products for Wealth
Management



_Revenues & EBITDA CAGR (2018-2021) show extraordinary growth



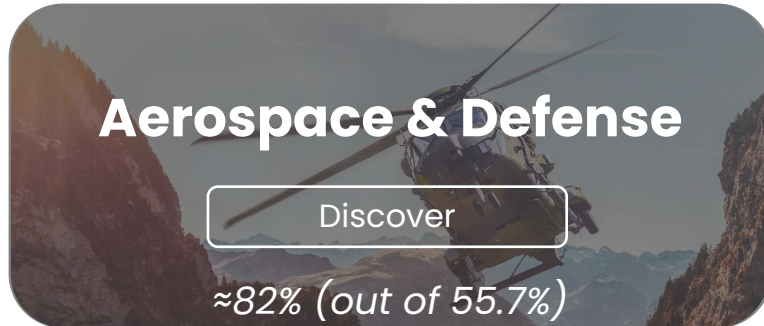
The background features a complex, abstract pattern of wavy, horizontal lines in various shades of teal and blue. These lines are interspersed with numerous small, glowing dots of the same color, creating a sense of depth and movement. The overall effect is reminiscent of a digital data stream or a stylized representation of a market's volatility.

MARKETS & OFFERING

Core Markets

We are an **international specialized provider of digital solutions** relying on distinctive technological and business-critical core processes expertise to support major players in different markets with a unique ability to solve customers' problems within their digital transformation journey by driving innovation.

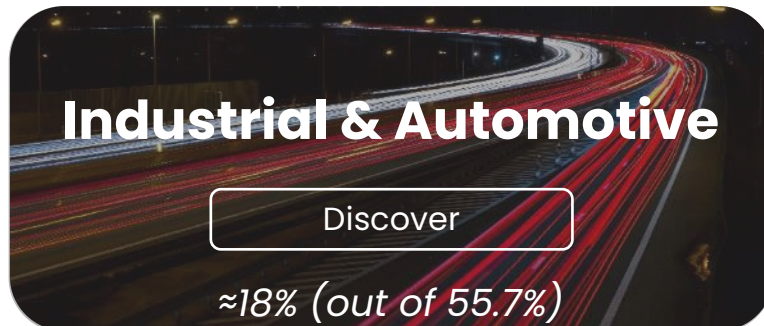
Aerospace & Aviation



Aerospace & Defense

Discover

≈82% (out of 55.7%)



Industrial & Automotive

Discover

≈18% (out of 55.7%)

Turnover

54M € +32% YoY **42M €** +52% YoY

EBITDA margin

18% **11%**

SW Revenues*

16M € **6M €**

International business

41% **16%**

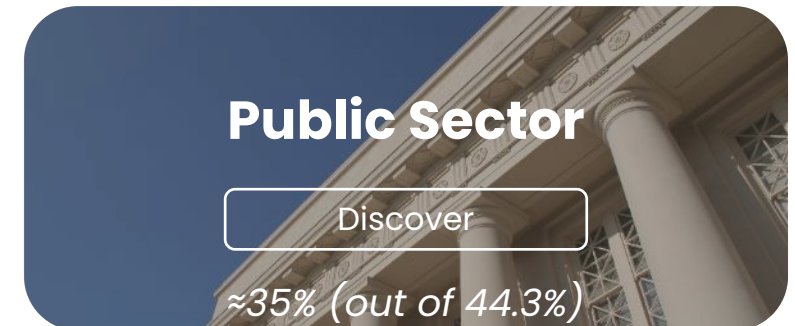
Fintech



FinTech

Discover

≈65% (out of 44.3%)



Public Sector

Discover

≈35% (out of 44.3%)

* SW Revenues includes revenues from services around proprietary products



Business Models

Licenses or Software as a Service:

We provide digital solutions as SaaS or upon license.

Leave It Up To Us:

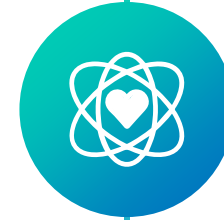
Enjoy the benefits of getting your turn-key digital solutions from an experienced one-stop supplier.

Shoulder-to-shoulder:

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



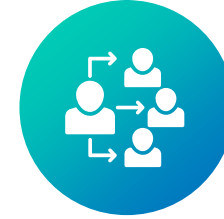
From consulting, to design and implementation of digital solutions



Focus on customers' core **processes** and **products**



Innovative digital Platforms



Solid network of multidisciplinary competences and vertical excellences



Aerospace Platforms

Our Pacelab range of commercial off-the-shelf software products is the result of more than two decades of working with and carefully listening to a highly diverse customer base from the aerospace & defense industries. It is based on a strong commitment to sustained innovation and product quality that addresses both customers' business and technological needs.

Pacelab Suite

[Discover](#)

Generic platform for model-based, multi-disciplinary design, which supplies the basic functional & procedural infrastructure for the modeling, analysis, sizing & optimization of complex engineering systems.

Pacelab FPO

[Discover](#)

Holistically optimizes ALL flight phases from climb to descent, relying on high-fidelity and real-time data to deliver information that is accurate, relevant and complete.

Pacelab ACE

[Discover](#)

Fully digital environment to connect all actors in the cabin configuration process. Leverage the benefits of digital collaboration with customers & teams and keeps config data up-to-date and consistent across the entire process.

Pacelab ACE myCabin

[Discover](#)

With a dedicated business rules, a rich component catalog & many smart features designed to support cabin investigations, lets you set up valid layouts & place your products in a correct configuration, much faster than any CAD application!

Pacelab Mission Suite

[Discover](#)

Analysis tool which brings together aircraft definition, aircraft performance & cost investigations in a single environment & delivers reliable projections of key metrics: payload capacity, max range, direct operating cost.

Pacelab WEAVR

[Discover](#)

A uniquely holistic XR training platform designed to manage every part of the training process – from content creation and deployment to user management and performance tracking.

Fintech Platforms

Our **FinTech** products range from best-in-class financial software for the management of financing to innovative platforms for different mission-critical needs as Risk management and Digital payments, offered as SaaS and designed to be responsive with unique customer needs.

[Discover](#)

Cheleo Suite

Financial software modules for the management of Leasing, Loan, Salary-backed loan, Factoring, Non-performing loan (NPL) and more

[Discover](#)

Faraday

RegTech platform for Anti-Money Laundering (AML), Anti-Corruption (AC), Anti-Terrorism (AT) and more

[Discover](#)

Polaris

Fintech digital platform for the Supply Chain Finance Programs

[Discover](#)

Assiopay

Digital solutions for payments, vouchers, loyalty programs management and e-commerce.

[Discover](#)

Retail

Multi-cash & multi-currency management comprehensive of a solid promotion system, invoice printing & management, loyalty cards, ticket history, gift card, refund, food stamps management.

[Discover](#)

MyBiz

Web-based framework to digitize and consolidate company processes and application modules. HR Management, Projects, Orders, Management Control, Budget, Documents, Workflow, Finance, Distribution, Retail and more!



focus on PROFITABLE GROWTH

- For the Q1 2022, revenues of Euro 28/29 million are expected, up by approximately 35% compared to Q1 2021 (Euro 21 million), of which Euro 3 million of organic growth (+ 15% compared to Q1 2021) and Euro 4 million deriving from acquisitions.
- Solid pipeline of new potential acquisitions to boost the growth of TXT Group in 2022

CASH + TREASURY SHARES AVAILABLE FOR GROWTH

- **€ 40Mn** Short term net financial resources
- **>€10Mn** in Treasury Shares
- **>€ 14Mn** financial investment in Banca del Fucino

"We are evaluating new investment opportunities that would lead TXT to revenue volumes in excess of €150m already in 2022."





FY-2021 FINANCIALS

Profit & loss: FY 2021 details

€ thousand	2021	%	2020	%	Var %
REVENUES	96,363	100	68,753	100	40.2
Direct costs	57,013	59.2	39,470	57.4	44.4
GROSS MARGIN	39,350	40.8	29,283	42.6	34.4
Research and Development costs	6,890	7.2	6,684	9.7	3.1
Commercial costs	9,751	10.1	7,636	11.1	27.7
General and Administrative costs	8,193	8.5	6,403	9.3	28.0
EBITDA	14,516	15.1	8,560	12.5	69.6
Depreciation	2,436	2.5	2,016	2.9	20.8
Amortization	2,122	3.7	2,802	7.1	(24.3)
Riorganization and Non Recurrent Costs	356	0.4	592	0.9	(39.9)
OPERATING PROFIT (EBIT)	9,602	10.0	3,150	4.6	204.8
Financial income (charges)	706	0.7	570	0.8	n.m.
Non-recurrent financial income (charges)	0	0.0	2,157	3.1	n.m.
EARNINGS BEFORE TAXES (EBT)	10,308	10.7	5,877	8.5	75.4
Taxes	(2,469)	(2.6)	(1,162)	(1.7)	n.m.
NET PROFIT	7,839	8.1	4,715	6.9	66.3



NET cash: Solid financial position

€ thousand	31.12.2021	31.12.2020	Var
Cash	36,076	11,933	24,143
Trading securities at fair value	48,869	68,161	(19,292)
Short term Financial Debts	(44,570)	(30,635)	(13,935)
Short term Financial Resources	40,375	49,459	(9,084)
Non current Financial Debts - Lessors IFRS 16	(4,209)	(3,580)	(629)
Other Non current Financial Debts	(45,260)	(23,818)	(21,442)
Non current Financial Debts	(49,469)	(27,398)	(22,071)
Net Cash/(Debt)	(9,094)	22,061	(31,155)
Non-monetary debts for adjustment of the price of the 2021 acquisitions to be paid in TXT shares	5,253	-	5,253
Net Cash/(Debt) Adjusted	(3,841)	22,061	(25,902)



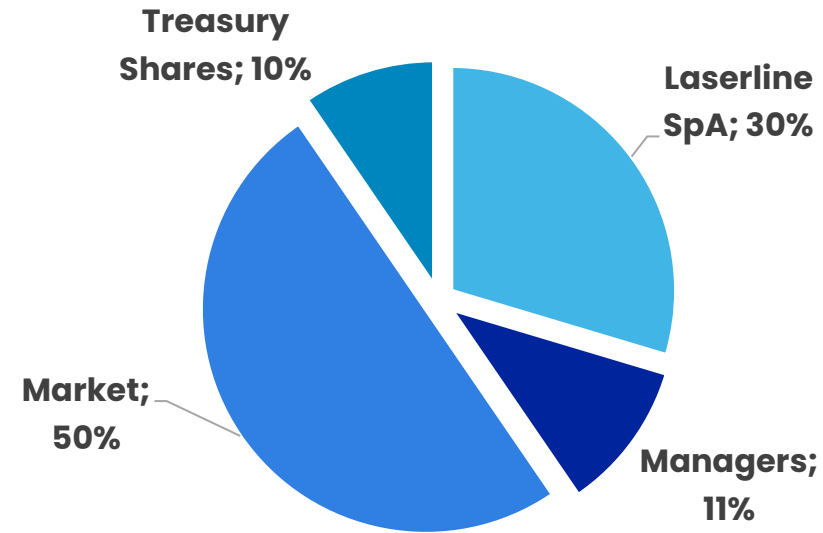
Balance sheet: details

€ thousand	31.12.2021	31.12.2020	Change
Intangible assets	52,626	37,653	14,973
Tangible assets	12,126	7,460	4,666
Other fixed assets	16,529	2,299	14,230
Fixed Assets	81,281	47,412	33,869
Inventories	7,810	4,749	3,061
Trade receivables	43,156	35,411	7,745
Other short term assets	8,864	5,782	3,082
Trade payables	(6,303)	(4,176)	(2,127)
Tax payables	(5,700)	(5,147)	(553)
Other payables and short term liabilities	(23,650)	(17,471)	(6,179)
Net working capital	24,177	19,148	5,029
Severance and other non current liabilities	(3,297)	(2,757)	(540)
Capital employed - Continuing Operations	102,161	63,803	38,358
Shareholders' equity	92,655	85,454	7,201
Shareholders' equity - minority interest	412	409	3
Net financial debt	9,094	(22,060)	31,154
Financing of capital employed	102,161	63,803	38,358



Shareholding Structure December 31st, 2021*

Latest Public Data Available as of 31 December 2021



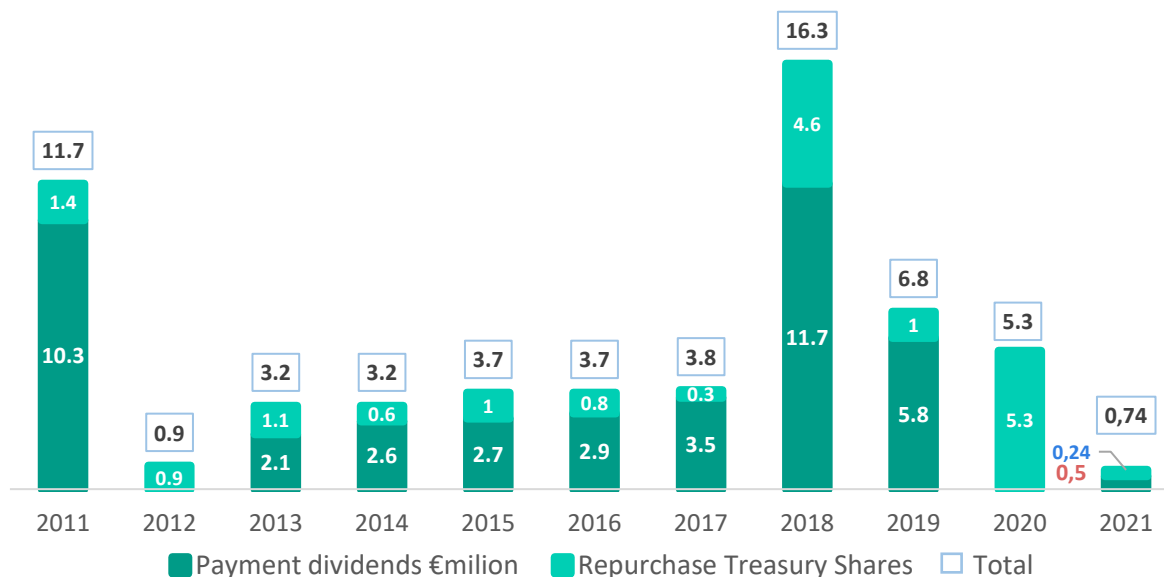
Market Data

Share Price Dec 31 st , 2018	9.66€/share
Share Price Dec 31 st , 2021	10.14€/share
Mkt Dec 31 st , 2021	119.3m €
Dividend Yield	<i>n.a.</i>



_Dividends & shareholding's return

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	2022	nil

With the aim of best pursuing the accelerated growth plans through acquisitions and continuing investments in proprietary platforms to increase the value of the Group and, also in view of the current situation of geopolitical uncertainty and macroeconomic instability, the Board resolved to propose to the Shareholders Meeting not to distribute a dividend.

The Board discussed the possibility of distributing a dividend during the year linked to market developments and future economic and political contingencies.





TXT