



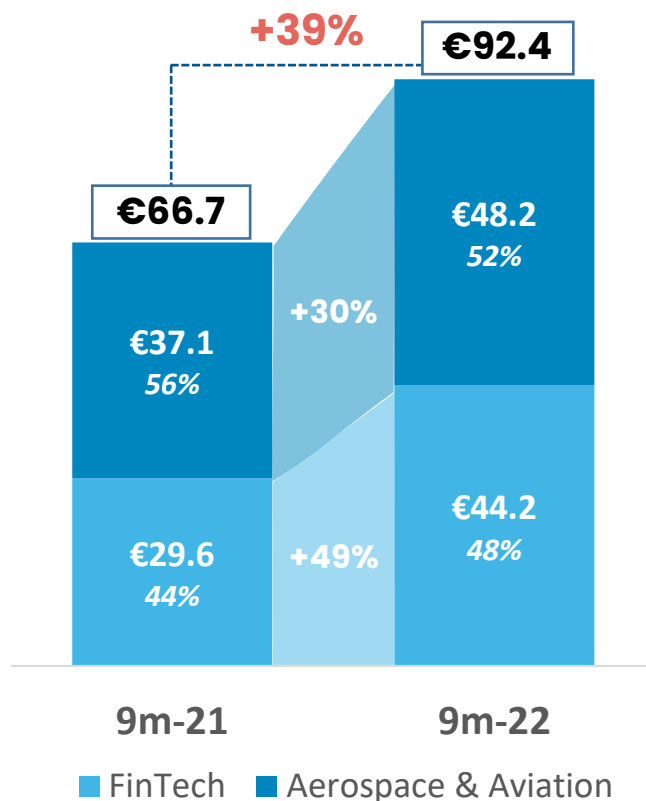
TXT Group: **9 months 2022 Results**

Call with Investors
November 9 | 11.00am (CET)

Daniele MISANI, CEO
Andrea FAVINI, IR

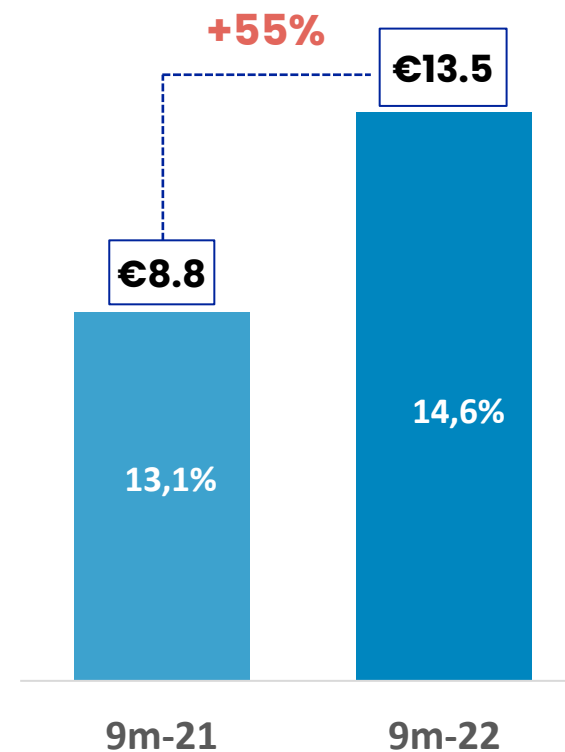
Strong organic growth and M&A contribution to constantly improve KPIs

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



M&A contribution 9m-2022:
€ 13.8Mn (+21%)

EBITDA (€mn, % on total revenues)



M&A contribution 9m-2022:
€ 3.2Mn (+36%)





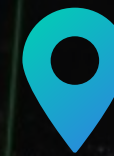
Solid Organic
Growth

+18%
vs. 9m-2021



Positive M&A
Contribution

+€14 Mn
Revenues 9m-2022 *
** Consolidated in TXT*



Operating Profit
(EBIT)

+71%
€9.2 Mn
10% of Revenues

 LBA

 NOVIGO

 TERATRON

 QUENCE

#neverbetter.

**R&D INVESTMENTS (fully expenses in the quarter)**

€ 5.8Mn 9m-22, **+14%** vs. 9m-21

**SOFTWARE LICENSES REVENUES**

€ 7.3Mn +16% vs. 9m-21, **+ € 20Mn** from services around proprietary SW

**INTERNATIONAL REVENUES**

€ 26Mn 29% of total revenues

**SOLID FINANCIAL STRUCTURE + TREASURY SHARES AVAILABLE FOR FINANCING GROWTH**

€ 13Mn (Net Financial Debt) **+ € 13 Mn*** in Treasury Shares

** Value calculated with stock price of € 11,2 per share (Share Price Sep. 30th, 2022)*



Sustainable growth, diversification

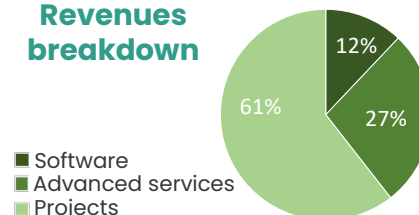
Aerospace & Aviation

✈️ Turnover 9m-2022: 32.3M €
+30% (+12% Like-for-like)

🏢 EBITDA margin 9m-2022
17%

🌐 International revenues
35% of total

Revenues
breakdown



■ Software
■ Advanced services
■ Projects



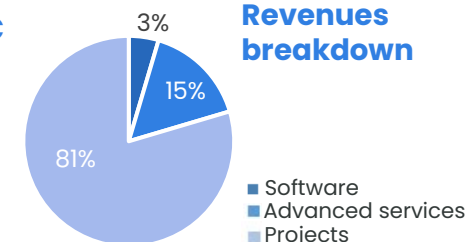
Fintech

💰 Turnover 9m-2022: 30.3M €
+49% (+25% Like-for-like)

🏢 EBITDA margin 9m-2022
12%

🌐 International revenues
20% of total

Revenues
breakdown



■ Software
■ Advanced services
■ Projects





_ 9 months–22 Main Events & Future Evolutions

Organic Growth:

- **9-months main drivers**
- **Expected evolution**
- **Public Sector**, with subsidiary HSPI SpA, recoded organic growth of 26% driven by multi-year contracts related to CONSIP (purchasing center of the Italian public administration) public tenders for the digitalization of the Italian public sector. Positive trend confirmed for Q4 '22, 2023, 2024;
- **Fintech** business grew at an accelerated rate (+23% organic) thanks to commercial synergies and new multi-million contracts, both fix-price projects contracts and recurrent software agreements.
- **Civil Aviation**: recorded organic growth of 20% driven by strong market positioning of subsidiary PACE GmbH that benefits from the reboot of the market that suffered a significant slow-down during covid outbreak;
- **Defense** segment continuously growing, with +8% YoY growth (organic) recorded in the first 9 months 2022 thanks to strong positioning in European defense programs, expected to remain a growth pillar;
- **Industrial & Automotive** is leveraging on synergies with new acquired companies, with TeraTron (organic revenues share) and the industrial offering of TXT that recorded an organic growth of 13%, with positive projections for new business, also from new-acquired companies.

**Double-digit growth in
all Division and Markets**



M&A:

- **Latest Achievements**
- **Future Milestones**

- On October 3, 2022, TXT has announced the **acquisition of 100% of Soluzioni Prodotti Sistemi S.r.l. ("SPS")**;
- On October 3, 2022, TXT has also announced the **acquisition of the remaining 21,4% of Ennova SpA ("Ennova")** from the minority shareholders and managers of Ennova, as a result of which **TXT holds the 100% of the capital of Ennova**. TXT will consolidate the results of Ennova from October 2022.
- On November 4, 2022, TXT **has signed an agreement for the investment in ProSim Training Solutions ("ProSim-TS")**, Dutch-based software house specialized in the development and marketing of proprietary solutions for the civil aviation training market.
- For Q4 2022 and 2023, **TXT plans to continue its M&A plan** by consolidating **new established businesses and smaller but high-potential realities**, with the aggregation of new technologies, specialised skills and excellence in markets that are already proprietary or adjacent to the current ones, with ambitious growth targets. **M&A will be financed using the cash already available in TXT's bank accounts and the treasury shares** (1,163,885 shares as of September 30, 2022).



TXT acquired Soluzioni Prodotti Sistemi S.r.l.

- SPS was founded in Rome in 2009 and today has **100+ resources** distributed over the three operating **offices in Rome, Bari and Milan**;
- **Offering** of SPS in the ICT consulting field guarantees **certified skills and technological leadership** in projects for the **digitization of enterprise** processes, covering the design, analysis, implementation phases up to integrated testing and post-production assistance for large companies and SMEs;
- In the **innovative projects field**, SPS offers **IoT solutions** and other digital solutions for the **monitoring of information systems and Apps** developed in the technological observatory by internal resources and with the contribution of research funds
- During **2021 SPS** reported consolidated **revenues of Euro 9.5 million**, with CAGR 2018-2021 equal to 23%. Adjusted **EBITDA margin of 15%** in 2021. **Double-digit revenue growth expected for 2022.**
- TXT will consolidate the results of SPS starting from October 2022.



- **ProSim Training Solutions ("ProSim-TS") is a Dutch-based software house** specialized in the development and marketing of **proprietary solutions for the civil aviation training market**;
- The **initial investment** consists of a **capital increase in ProSim-TS against which TXT will own a minority stake (40%)**, and **the agreement includes further investments round** that will allow TXT to increase its ownership in ProSim-TS up to 100%.
- TXT aims to **accelerate the growth plan and expand the product portfolio of ProSim-TS** by providing financial capital, unmatched software development skills and worldwide presence by leveraging the established positioning of PACE GmbH in the civil aviation market;
- This new venture will combine unique TXT software engineering capabilities with cutting-edge proprietary pilot training products developed by ProSim-TS;
- For 2022, ProSim-TS (stand-alone) is forecasting revenues of Euro 1.5 million generated from the sale of proprietary software.





9 months-2022 FINANCIALS

Profit & loss: 9 months 2022 details

€ thousand	9 months 2022	%	9 months 2021	%	Var %
REVENUES	92,400	100	66,733	100	38.5
Direct costs	56,538	61.2	40,122	60.1	40.9
GROSS MARGIN	35,862	38.8	26,611	39.9	34.8
Research and Development costs	5,778	6.3	5,091	7.6	13.5
Commercial costs	8,813	9.5	6,481	9.7	36.0
General and Administrative costs	7,740	8.4	6,283	9.4	23.2
EBITDA	13,531	14.6	8,756	13.1	54.5
Depreciation	4,293	4.6	3,047	4.6	40.9
Riorganization and Non Recurrent Costs	75	0.1	347	0.5	(78.4)
OPERATING PROFIT (EBIT)	9,163	9.9	5,362	8.0	70.9
Financial income (charges)	(1,631)	(1.8)	345	0.5	n.a.
EARNINGS BEFORE TAXES (EBT)	7,532	8.2	5,707	8.6	32.0
Taxes	(2,196)	(2.4)	(1,576)	(2.4)	39.3
NET PROFIT	5,336	5.8	4,131	6.2	29.2



Profit & loss: Q3 2022 details

€ thousand	Q3 2022	%	Q3 2021	%	Var %
REVENUES	29,862	100	23,034	100	29.6
Direct costs	18,056	60.5	13,037	56.6	38.5
GROSS MARGIN	11,806	39.5	9,997	43.4	18.1
Research and Development costs	1,824	6.1	1,778	7.7	2.6
Commercial costs	3,094	10.4	3,109	13.5	(0.5)
General and Administrative costs	2,548	8.5	2,016	8.8	26.4
EBITDA	4,340	14.5	3,094	13.4	40.3
Depreciation	1,747	5.9	1,079	4.7	61.9
Riorganization and Non Recurrent Costs	0	0.0	71	0.3	(100.0)
OPERATING PROFIT (EBIT)	2,593	8.7	1,944	8.4	33.4
Financial income (charges)	(260)	(0.9)	74	0.3	n.a.
EARNINGS BEFORE TAXES (EBT)	2,333	7.8	2,018	8.8	15.6
Taxes	(520)	(1.7)	43	0.2	n.a.
NET PROFIT	1,813	6.1	2,061	8.9	(12.0)



NET Financial Debt: Solid financial position

€ thousand	30.09.2022	31.12.2021	Var
Cash	40,378	36,076	4,302
Trading securities at fair value	46,293	48,869	(2,576)
Other Short Term Financial Assets	1,141	-	1,141
Short term Financial Debts	(42,979)	(47,125)	4,146
Short term Financial Resources	44,833	37,820	7,013
Non current Financial Debts - Lessors IFRS 16	(3,760)	(4,209)	449
Other Non current Financial Debts	(54,034)	(45,260)	(8,774)
Non current Financial Debts	(57,794)	(49,469)	(8,325)
Net Financial Debt	(12,961)	(11,649)	(1,312)

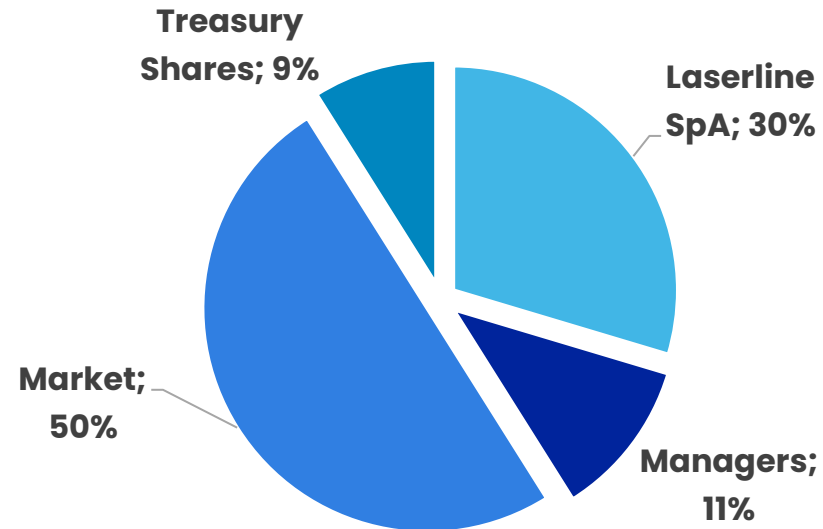


€ thousand	30.09.2022	31.12.2021	Change
Intangible assets	56,507	55,182	1,325
Tangible assets	12,632	12,126	506
Other fixed assets	24,450	16,529	7,921
Fixed Assets	93,589	83,837	9,752
Inventories	16,167	7,810	8,357
Trade receivables	31,835	43,156	(11,321)
Other short term assets	9,032	8,864	168
Trade payables	(6,108)	(6,303)	195
Tax payables	(4,718)	(5,700)	982
Other payables and short term liabilities	(23,354)	(23,650)	296
Net working capital	22,854	24,177	(1,323)
Severance and other non current liabilitie	(3,174)	(3,297)	123
Capital employed - Continuing Operation	113,269	104,717	8,552
Shareholders' equity	100,307	92,655	7,652
Shareholders' equity - minority interest	0	412	(412)
Net financial debt	12,962	11,649	1,313
Financing of capital employed	113,269	104,716	8,553



Shareholding Structure September 30th, 2022*

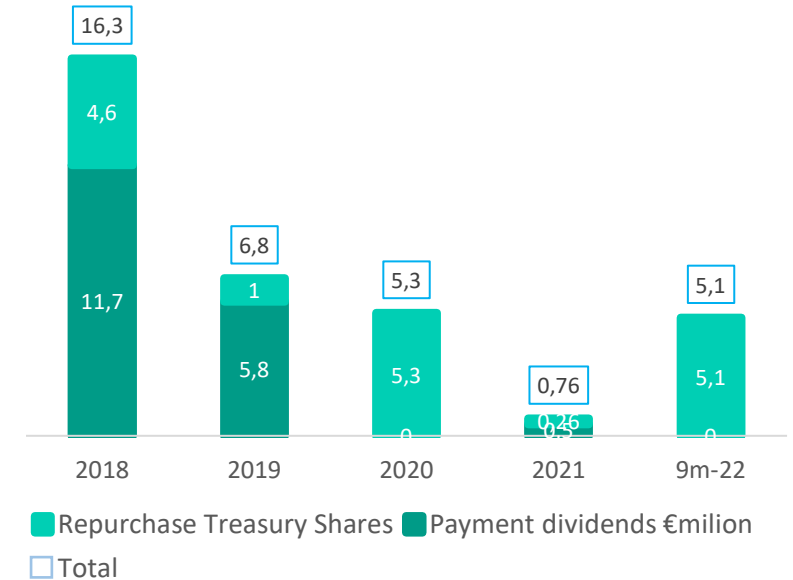
Latest Public Data Available as of 30 Sep. 2022



Market Data

Share Price Dec 31st, 2018	9.66€/share
Share Price Sep 30th, 2022	11.20€/share
Mkt Sep 30th, 2022	132.6m €
Dividend Yield	n.a.

Dividends and Treasury Shares Repurchase (€m)



Dividends

Year	Dividends
2018	1.00 € / share
2019	0.50 € / share
2020	nil
2021	0.04 € / share
2022	nil



Q & A