



TXT Group: FY-2024 Results

Call with Investors
March 17 | 11 a.m. (CET)

Daniele MISANI, CEO
Andrea FAVINI, IR

FY-2024 results show strong boost in the organic growth of the Top Line sustained by increasing investments - also for M&A-, with EBITDA Margin at 13%.



Revenues

€305 Mn

+36%

vs. FY-2024



Solid Organic Growth in FY-24

+22%*

+€50 Mn



EBITDA

€39.2 Mn

+24%

13% of revenues

*Including revenues from non-core activities in the Telco market for ~€12Mn (mid-to-high single-digit EBITDA margin)



Solid profitability recorded in FY-2024 after the accounting effects related to previous years' M&A (*PPA, Goodwill Impairment*), thanks to synergies and operational efficiency



EBIT (Op. Profit)
(consolidated)

€25.5 Mn*

Equal to 8.4% of revenues



Net Profit
(consolidated)

€15.9 Mn

+3% vs. FY-2023



Dividend
(proposal)

€0.25/share

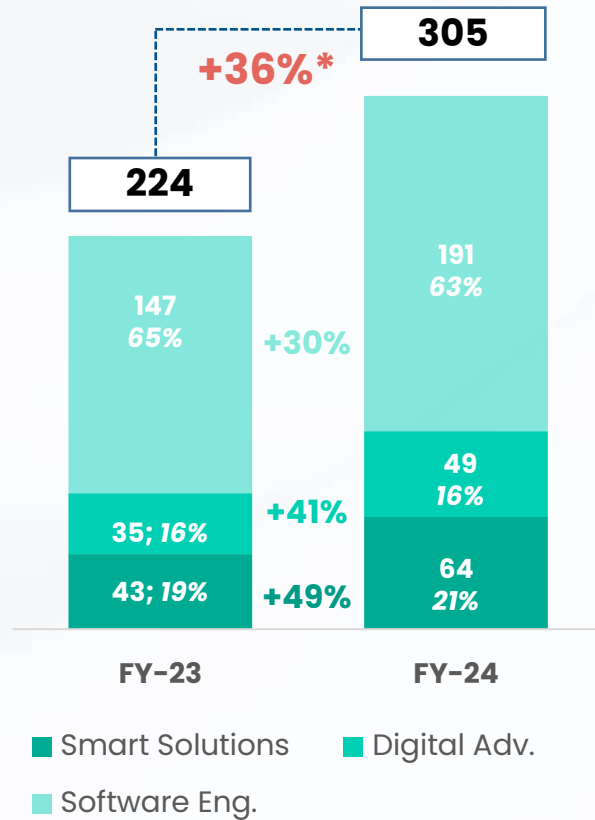
Same as per PY

*Including €4.1Mn related to PPA and €1.7Mn related to impairment on goodwill from previous years' investments
EBIT Adjusted at €31.3Mn in FY-2024 (10.3% of revenues), +28.6% vs. FY-2023

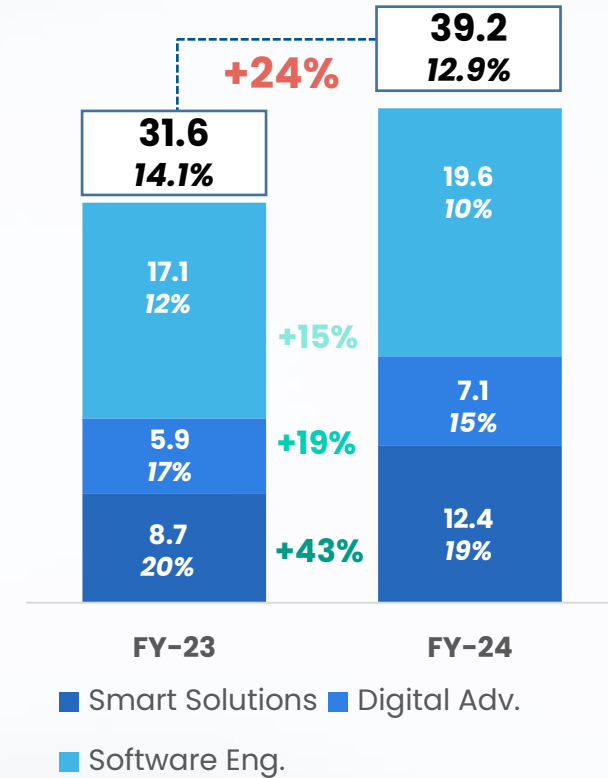


KPIs by Division (offering) reported in **FY-2024** show growth in all the divisions, with growth rates that outperformed the market trends in each relevant segment. Smart Solutions and Digital Advisory profitability close to mid-term target despite strong investments incurred, Software Engineering division below the target, expected to improve in 2025.

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



EBITDA (€mn, % on revenues)



* Organic Revenues Growth FY-24: +22%



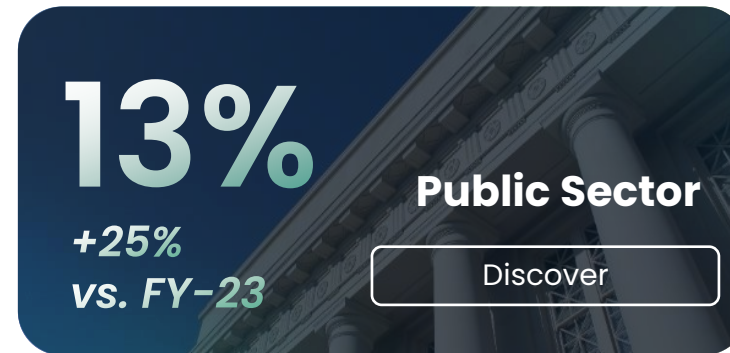
**R&D INVESTMENTS (fully expenses in the period)****€ 15Mn** FY-24, **+65%** vs. FY-23**SMART SOLUTIONS REVENUES****€ 64Mn** FY-24, **+49%** vs. FY-23**INTERNATIONAL REVENUES****€ 78Mn** 25% of total revenues**SUSTAINABLE DEBT (ADJUSTED) & TREASURY SHARES FOR FINANCING GROWTH****€ 91Mn** (Net Debt Adjusted) - **€ 11Mn*** in Treasury Shares

* Value calculated with stock price of € 35,10 per share (Share Price Dec. 31st, 2024)



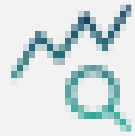
Core Markets & Incidence

We are expanding across different markets, with a **growing footprint** in Aerospace, Aviation, Defense, Industrial, Automotive, Telco, Government and Fintech, by leveraging more than 3000 experts, **competence centers** in AI, cybersecurity, XR, IoT.



FY-2024 Pro-Forma Results

Pro-Forma KPIs for 2024 include the results of the companies acquired during the year within the TXT perimeter as if they had been consolidated since January 1, 2024.



Pro-Forma
Revenues FY-24

€355 Mn



Pro-Forma
EBITDA FY-24

€50 Mn



Pro-Forma
EBITDA Margin

14.0%



FY-2025 Guidance



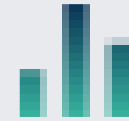
Target Revenues
Organic Growth
FY-25

>8%*



Target EBITDA
Margin FY-25

>14%



Continuing
M&A plan

**Net Debt
<2.5xEBITDA**

**After compensating appx. €12Mn of non-core revenues recognised in FY-2024 and not expected in FY-2025*



_Business Evolution & Subsequent Events



Growth trends 2025 by Division

- **Smart Solutions:** low-double digit growth rate expected, leveraging return on R&D investments (€ 15Mn, +65% YoY). In **Aerospace & Defence**, TXT forecasts continuity in the trend recorded in the last 2 years thanks to defence programs and ESG offering (civil). **Fintech** will boost thanks to Digital Payments and RegTech, with benefits from the appointment of new Director, Nicola Cordone (former SIA CEO). **MarTech** offering with Refine fully consolidated will boost synergies with other divisions, while the **closing** of **IT Value** expected by **April 2025** will strengthen digital offering for PS.
- **Digital Advisory:** organic growth of appx. 10% is expected, with digital offering for the **Public Sector** driving the growth thanks to the €100 Mn backlog (2025-2028). Successfully started the €7.5 million contract for the period 2025-2028 with ESA (**European Space Agency**) under the ESA HRE (**Human and Robotic Exploration Programme Security Services**) initiative. **MarTech** offering – fully consolidated from 2025-, expected to benefit from MarTech market trend and synergies.
- **Software Engineering:** mid-single digit organic growth expected after compensation of one-off 2024 activates, with growth driven by **Defence** Programs such as the GCAP (*Global Combat Air Programme*), and as a technology partner for the new joint venture *Leonardo Rheinmetall Military Vehicles* (LRMV). The consolidation of **Webgenesys** is supporting the positive development of the entire division, thanks to its strong results and order backlog in Public Sector, and the technological and commercial synergies with other divisions and markets.



TXT M&A in Smart Solutions: IT Values

- On March 5, 2025, TXT announced the signing of the investment contract in **IT Values**, a **software boutique** specialising in developing and selling **digital innovation solutions** to **optimise processes** of **public administration** and, more broadly, the enterprise market.
- Founded in Rome in 2022, today IT Values offers flexible and integrated applications that evolve alongside customers' businesses, ensuring high performance, advanced security standards, and maximum reliability through enabling technologies integrated into its proprietary **Smart Solutions suite**, such as **cybersecurity** and **AI**.
- IT Values has over 20 specialised in-house resources, primarily developers and digital innovation experts, with **expected revenues exceeding €5.0 million for 2025**, with **EBITDA margin of over 40%**.
- **Strong synergies** within the Public Sector segment, where the WebGenesys and HSPI will act as partners for distributing IT Values' innovative solutions and related services.
- The price (**EV**) agreed for the purchase of 100% of IT Values **at closing** is **€15Mn** (6xEBITDA Adjusted 2024), of which **20% in TXT Shares**.
- **Closing** expected by **April 2025**.



Webgenesys Investment: Closing announced

- On December 30, 2024, TXT announced the **closing** of the investment in **Webgenesys**, ICT company founded in 2009 that currently operates as a digital enabler, positioning itself as a **driver of digital innovation primarily for Public Administration**.
- Webgenesys represents a significant step in the sustainable growth plan of TXT in the Public Sector and above thanks to:
 - **Robust order-backlog and assigned tenders for € 200+ Mn** to be added to the backlog of tenders already acquired by TXT Group for the period 2025-2028, positioning the TXT Group as a future leader in in the domestic Public Sector market.
 - **Substantial Top line expected at € 45Mn in 2025** to be consolidated into the Software Engineering division from January 2025, with strong profitability and **EBITDA margin** above **20%**.
 - **Expansion of geographic coverage** serving Local and Central Public Administrations, with strong presence in the south Italian market.
 - **Innovative digital offering** and **complementary expertise** to address a larger scope in the digitalization of the Italian Public Sector.
 - **Strategic & Sustainable investment** (EV of € 63Mn, **7.3xEBITDA 2024**)
 - **Strong management team** committed to the growth plan of TXT (**4.7% stake in TXT**).



TXT

FINANCIALS



€ thousand	2024	%	2023	%	Var %
REVENUES	304,545	100	224,394	100	35.7
Direct costs	202,385	66.5	143,112	63.8	41.4
GROSS MARGIN	102,160	33.5	81,282	36.2	25.7
Research and Development costs	14,879	4.9	9,035	4.0	64.7
Commercial costs	27,176	8.9	24,227	10.8	12.2
General and Administrative costs	20,945	6.9	16,388	7.3	27.8
EBITDA	39,160	12.9	31,632	14.1	23.8
Amortization, Depreciation & Write-offs	13,631	6.7	11,443	8.0	19.1
OPERATING PROFIT (EBIT)	25,530	8.4	20,188	9.0	26.5
Net Financial/Extraordinary income (charges)	(2,989)	(1.0)	835	0.4	n.a.
EARNINGS BEFORE TAXES (EBT)	22,541	7.4	21,023	9.4	7.2
Taxes	(6,627)	(2.2)	(5,511)	(2.5)	20.2
NET PROFIT	15,914	5.2	15,512	6.9	2.6



_Profit & loss: Q4-2024 details

€ thousand	Q4 2024	%	Q4 2023	%	Var %
REVENUES	84,981	100	65,038	100	30.7
Direct costs	54,337	63.9	40,441	62.2	34.4
GROSS MARGIN	30,644	36.1	24,597	37.8	24.6
Research and Development costs	4,415	5.2	2,311	3.6	91.0
Commercial costs	8,493	10.0	8,761	13.5	(3.1)
General and Administrative costs	6,606	7.8	3,295	5.1	100.5
EBITDA	11,130	13.1	10,230	15.7	8.8
Amortization, Depreciation & Write-offs	4,912	5.8	4,071	6.3	20.6
OPERATING PROFIT (EBIT)	6,219	7.3	6,158	9.5	1.0
Financial income (charges)	(404)	(0.5)	936	1.4	n.a.
EARNINGS BEFORE TAXES (EBT)	5,815	6.8	7,094	10.9	(18.0)
Taxes	(1,869)	(2.2)	(1,377)	(2.1)	35.7
NET PROFIT	3,946	4.6	5,717	8.8	(31.0)



NET Financial Debt: Solid financial position

.000 Euro	31.12.2024	31.12.2023	Var
Cash	(58,250)	(37,927)	20,324
Trading securities at fair value	(17,283)	(24,058)	(6,775)
Other Short Term Financial Assets	(254)	(810)	(556)
Short term Financial Debts	65,658	57,654	(8,004)
Short term Financial Debts	(10,130)	(5,141)	4,988
Non current Financial Debts - Lessors IFRS 16	10,476	7,058	3,418
Other Long Term Financial Assets	-	(700)	700
Other Non current Financial Debts	108,517	50,505	58,012
Non current Financial Debts	118,993	56,863	62,130
Net Financial Debt	108,863	51,721	57,142
Non-monetary debts for adjustment of the price of the acquisitions to be paid in TXT shares	(380)	(2,500)	2,120
Financial Investment - Banca Del Fucino	(17,778)	(17,778)	-
Adjusted Net Financial Debt	90,705	31,443	59,262

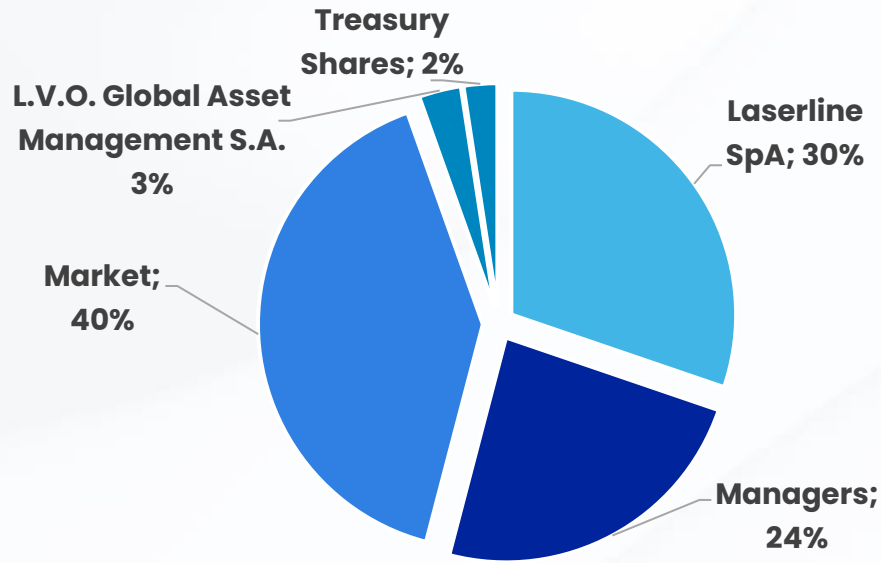


€ thousand	31.12.2024	31.12.2023	Change
Intangible assets	159,254	85,900	73,354
Tangible assets	28,840	20,430	8,410
Other fixed assets	26,506	24,462	2,045
Fixed Assets	214,601	130,792	83,809
Inventories	23,737	18,733	5,004
Trade receivables	114,054	74,346	39,708
Other short term assets	20,198	14,876	5,322
Trade payables	(43,342)	(21,585)	(21,757)
Tax payables	(10,879)	(11,208)	329
Other payables and short term liabilities	(48,481)	(34,761)	(13,720)
Net working capital	55,287	40,402	14,886
Severance and other non current liabilities	(9,200)	(5,603)	(3,597)
Capital employed – Continuing Operations	260,688	165,590	95,098
Shareholders' equity	149,764	113,852	35,912
Shareholders' equity - minority interest	2,061	17	2,044
Net financial debt	108,863	51,721	57,142
Financing of capital employed	260,688	165,590	95,098



Shareholding Structure December 31st, 2024*

* Latest Public Data Available as of 31 Dec. 2024

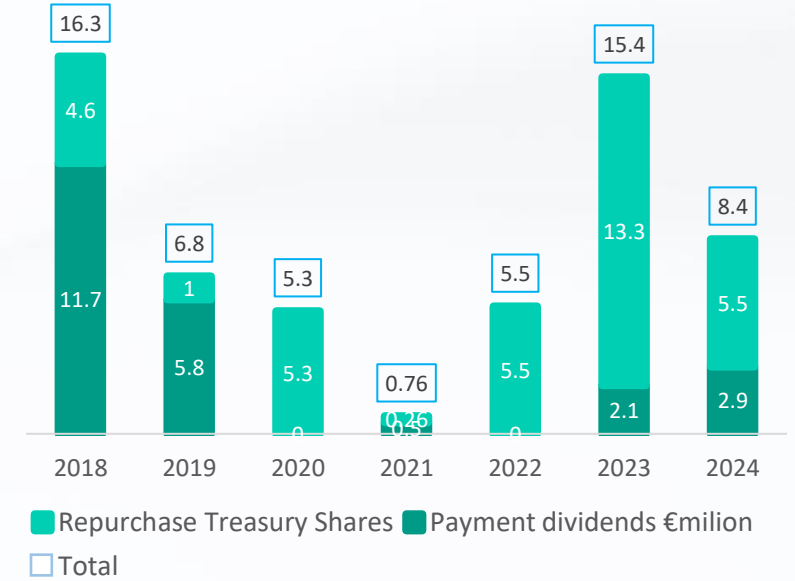


Market Data

Share Price Dec 31 st , 2019	9.66€/share
Share Price Dec. 31 st , 2024	35.10€/share
Mkt Dec. 31 st , 2024	445m €
Dividend Yield	0.7%

* Price per share of 19.82€ as of 31 Dec. 2023

Dividends and Treasury Shares Repurchase (€m)



Dividends

Year	Dividends
2019	nil
2020	0.04 € / share
2021	nil
2022	0.18 € / share
2023	0.25 € / share
2024	0.25 € / share



TXT

Q & A

