



TXT Group: Corporate overview

INTERMONTE ROAD SHOW- PARIS

April 10, 2025

Daniele MISANI, CEO
Andrea FAVINI, IR

TXT has always been a **pioneer in Digital Innovation**. Founded in 1989, since 2000 it has been listed in Milan Stock Exchange, Star Segment. In 2018 a new course has been started, with a plan of accelerated and sustainable growth.

TXT is an **Ecosystem of vertical excellences and digital competences**. With a proprietary **smart solutions portfolio** and deep expertise in vertical domains, TXT support its customers in understanding the business paradigm that the new digital world requires, enabling their transformation.

TXT is expanding across **different markets**, with a growing footprint in Aerospace, Aviation, Defense, Industrial, Telco, Government and Fintech, by leveraging more than 3000 experts, competence centers in AI, cybersecurity, XR, IoT. International business is 25% growing, with particular focus in North America and DACH region.



Your Global Digital Enabler



€305m Revenues FY 2024 (Consolidated)
Solid Financial structure

Guaranteed by operating excellence & innovation

July 2000
Listed on the Italian Stock Exchange

STAR segment (TXT.MI)

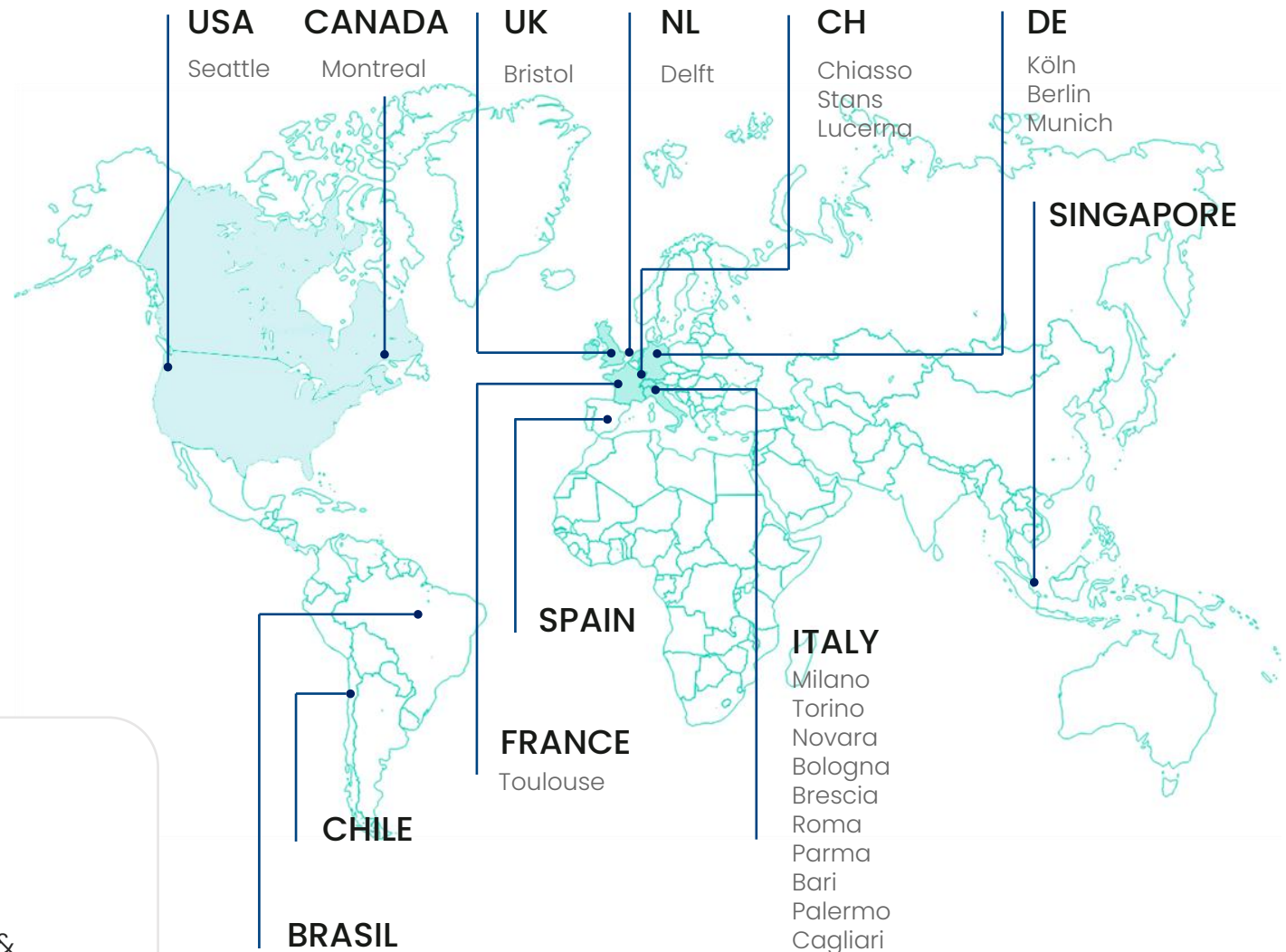
20+
 Locations worldwide

30+
Certified Cross-Industry Quality

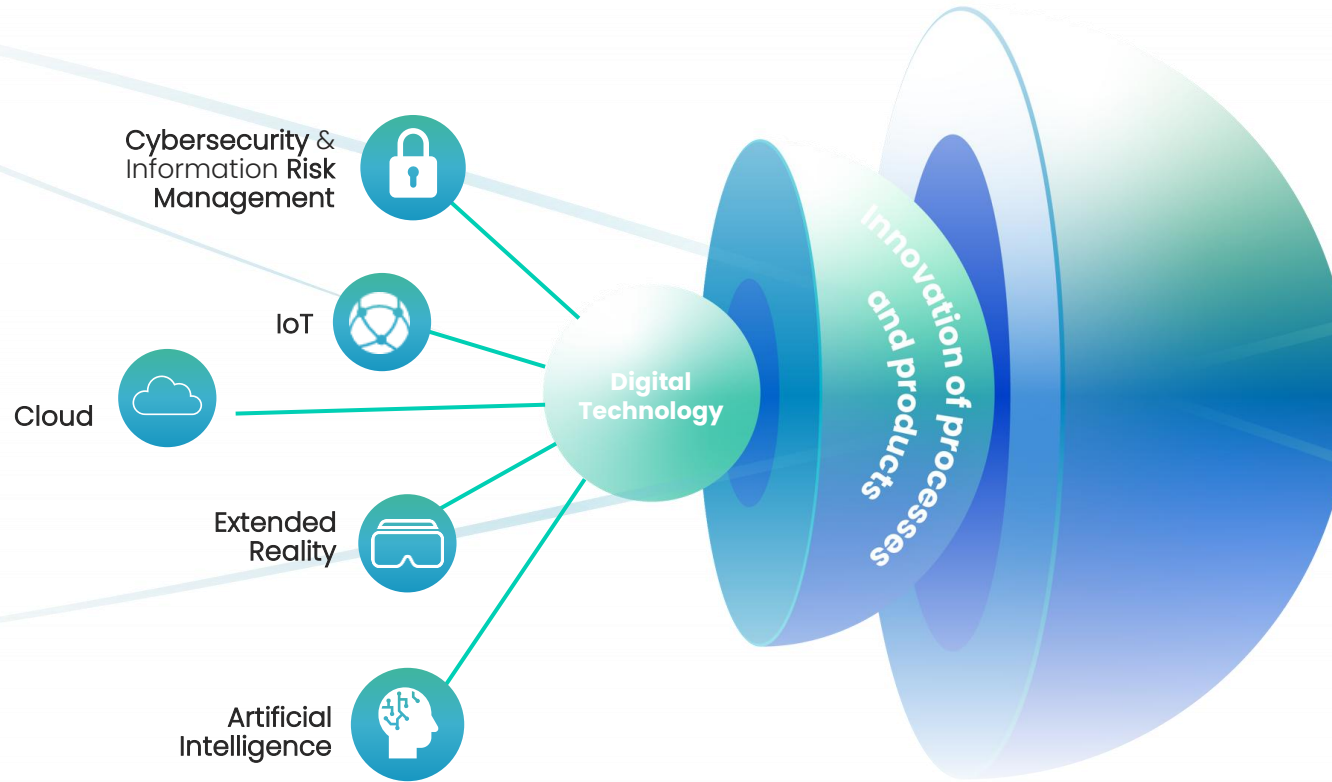
Years Experience

3000+
Specialised Know-how

Specialised engineers & professionals



Digital Innovation



Smart Solutions

Innovative Platforms to accelerate customers' business
 % EBITDA Target ~ 20%
21% of Business*

Digital Advisory

Reshaping and automatization of processes
 % EBITDA Target ~ 15%
16% of Business*

Software Engineering

Digitization & Servitization of products
 % EBITDA Target ~ 12%
63% of Business*



Aerospace & Defence



Industrial & Automotive



Telco, Media & Gaming



Fintech



Public Sector



MarTech

*Percentages of business incidence by offering segment are calculated on FY-2024 Revenues (Consolidated) of € 305Mn



Ecosystem of Excellences

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**.

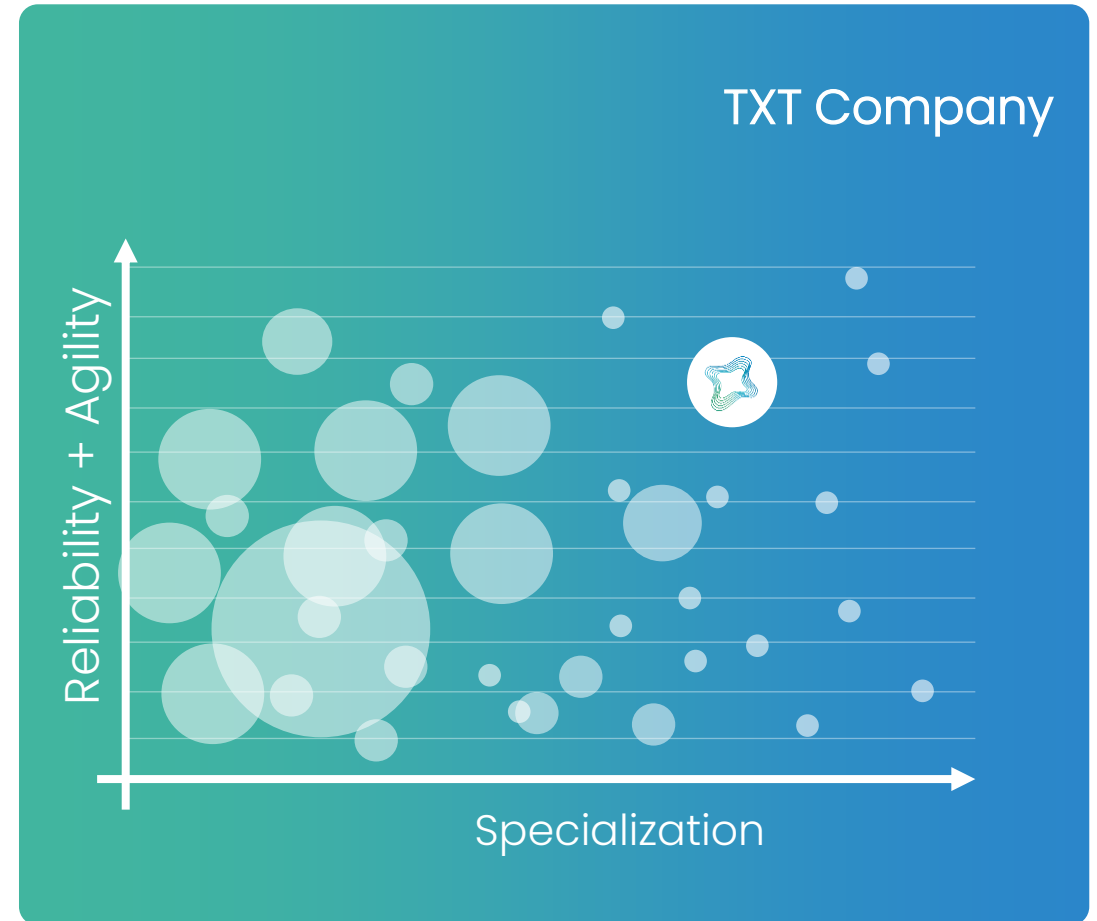
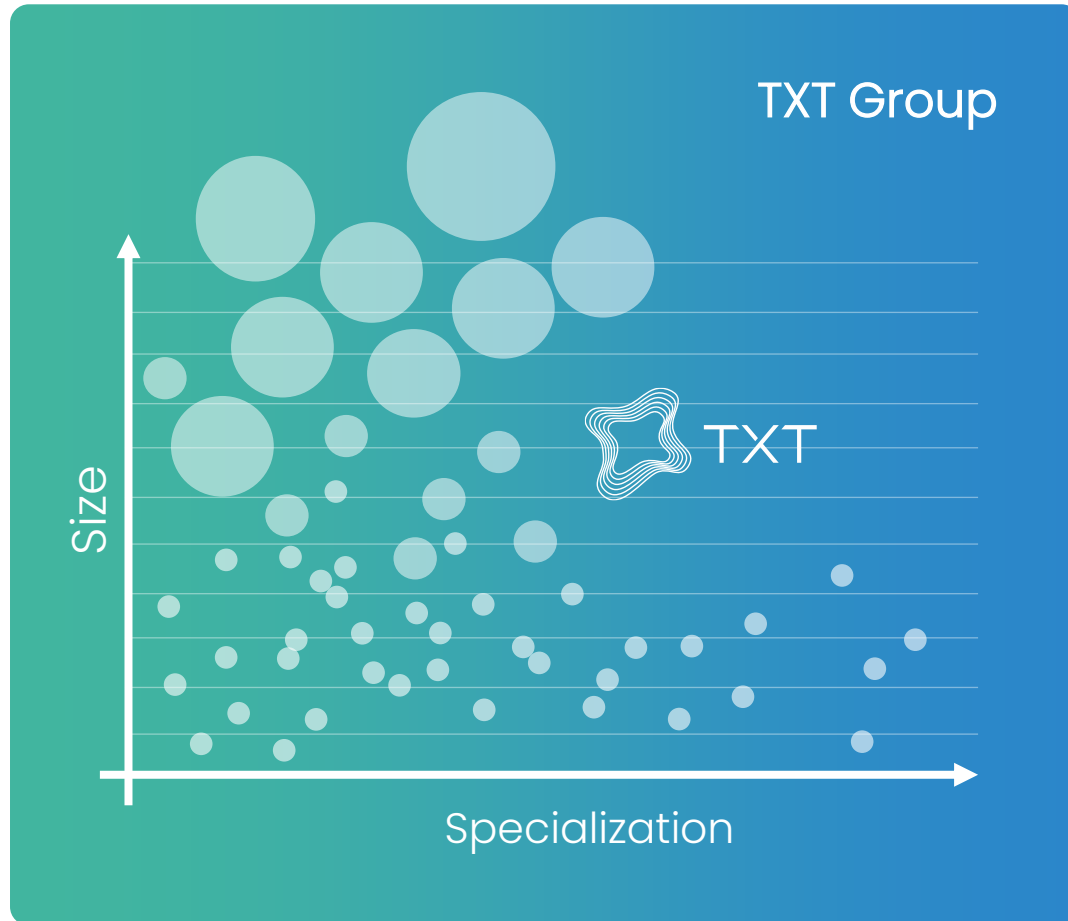


TXT Group strategy is designed to leverage Technical and Commercial **Synergies**, and **Operational Excellence**



Market position

TXT today is an emerging player in the digital innovation market, competing against tech giants, in Italy and Internationally, by aggregating highly specialized digital boutiques and established businesses.

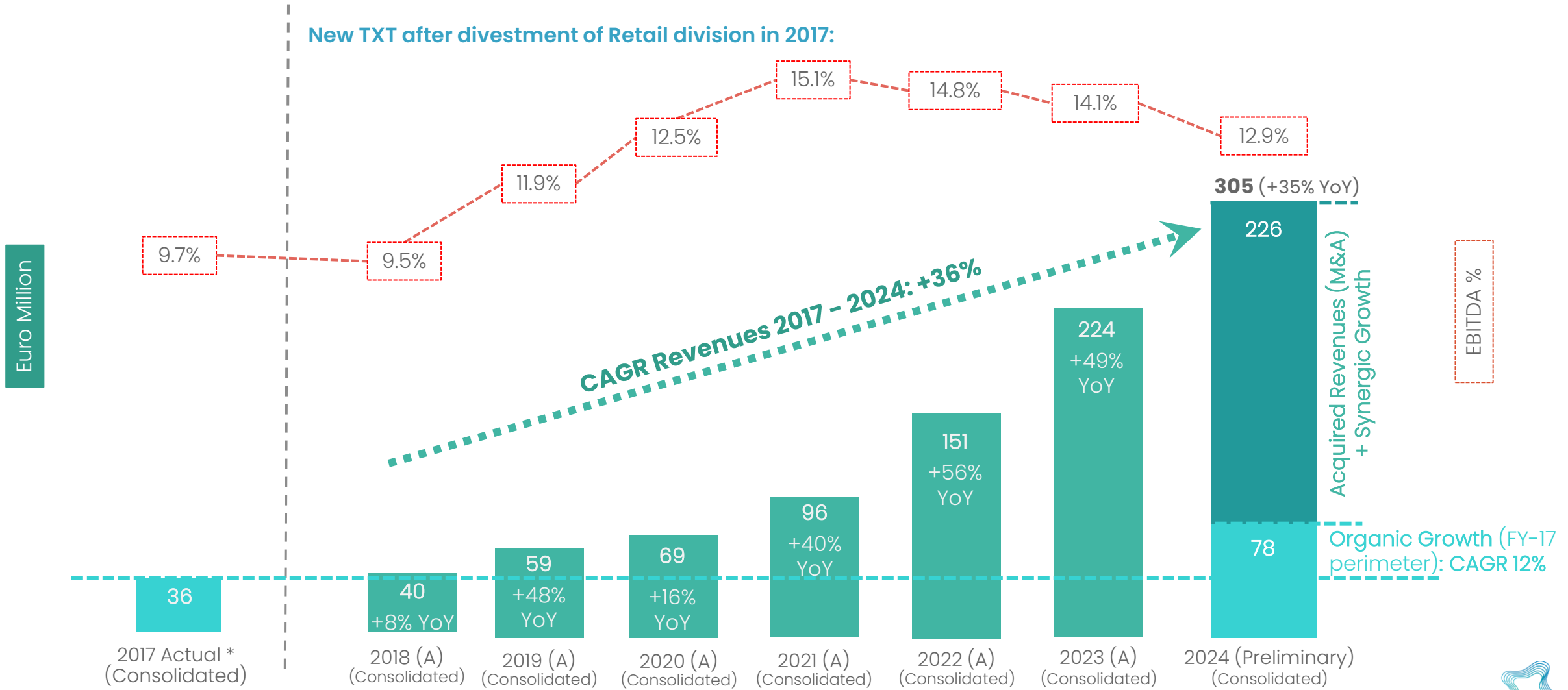


TXT Group positioning vs. TXT's Companies



Historical Trading Results (2018-2024)

After the divestment of the retail division in 2017, revenues and EBITDA Margin have benefit from TXT Group's growth strategy driven by diversification and investments in innovation and synergies



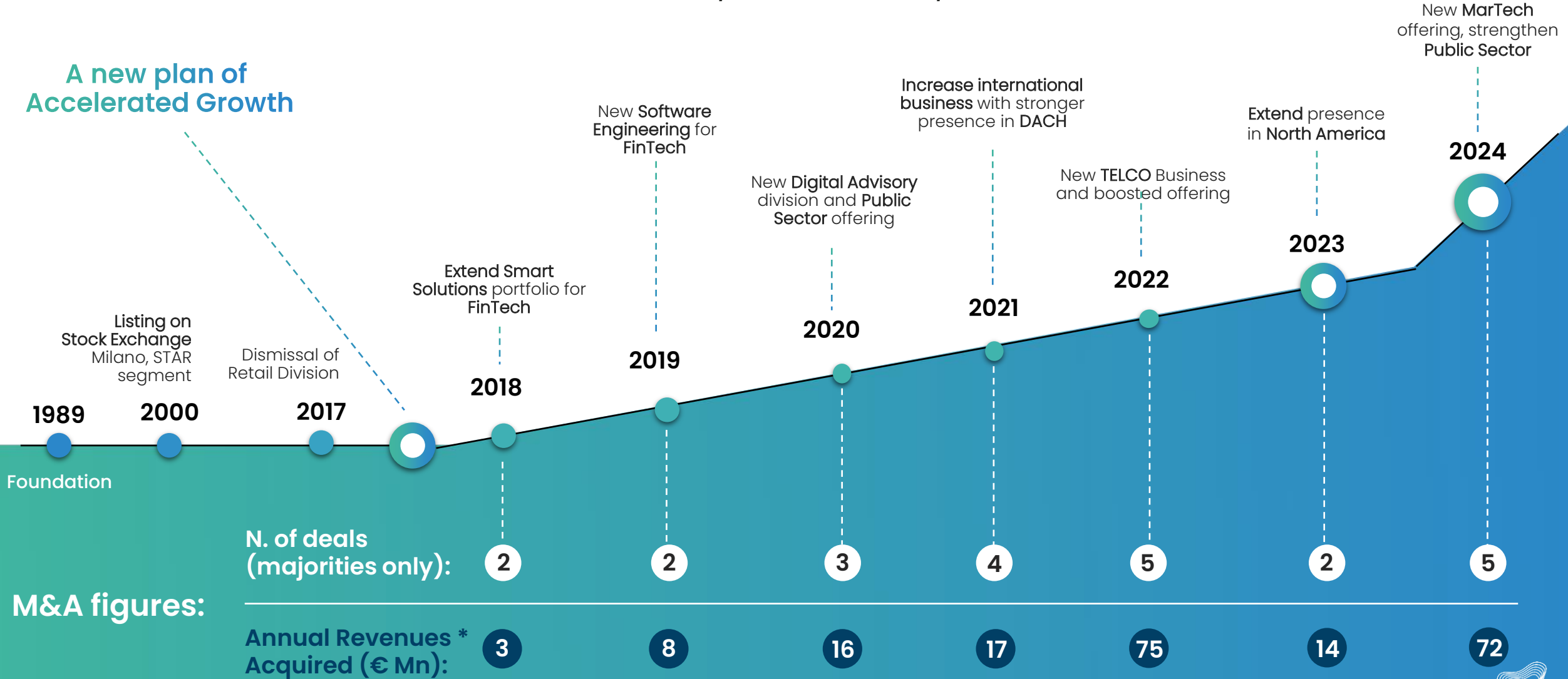
*Excluding Retail division sold in 2017



A sustainable growth boosted by M&A

Mix of complementary competences, new business in domestic market, and international expansion of core expertise

A new plan of Accelerated Growth



M&A figures:

N. of deals (majorities only):

Annual Revenues * Acquired (€ Mn):

* Pro-Forma revenue figures



Focus on Profitable Growth

Growth pillars:

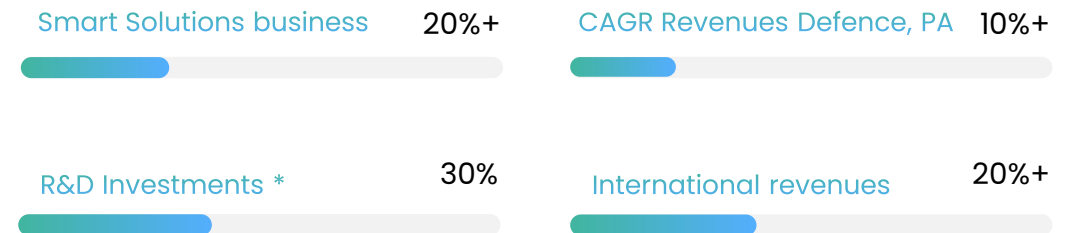
External

- **M&A:** after **20+ acquisitions completed** in the last 7 years, **continuous focus on sustainable investments** (5-8xEBITDA) with the engagement of entrepreneurs (partial TXT share-based payments) to consolidate a mix of established business and high-potential SMEs with the following goals:
 - **Markets diversification:** to mitigate risks and maximize TXT positioning in the domestic and international digital market
 - **Blue-chip customers:** as main target customers to ensure business continuity and growth
 - **Geography:** domestic and international (EU and US)

Internal

- **Commercial & Technological synergies:** leveraging strong track record of **double-digit organic growth recorded from 2018**, synergies are expected to play a crucial role as booster to the accelerated growth plan of the next years.
- **Cross & Up-selling** initiatives between excellences of TXT Group
- **National Recovery and Resilience Plan (NRRP)** as business accelerator for TXT in key sectors (e.g., Public, Health)
- **ESG agenda:** our Smart Solutions portfolio is designed to support the ESG agenda and related targets of main TXT customers in different sectors

Key targets FY 2025:



* Figures related to Smart Solutions division with proprietary IPs



_FY 2024 HIGHLIGHTS & FY 2025 GUIDANCE



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%.



* 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

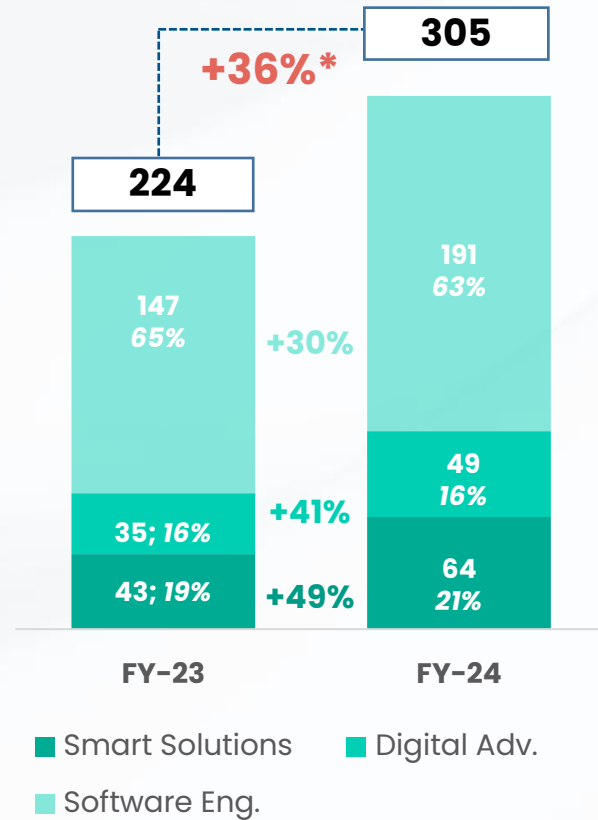
*Including €4.1Mn related to PPA and €1.7Mn related to impairment on goodwill from previous years' M&A investments
EBIT Adjusted at **€31.3Mn** in FY-2024 (**10.3% of revenues**), **+28.6%** vs. FY-2023



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.

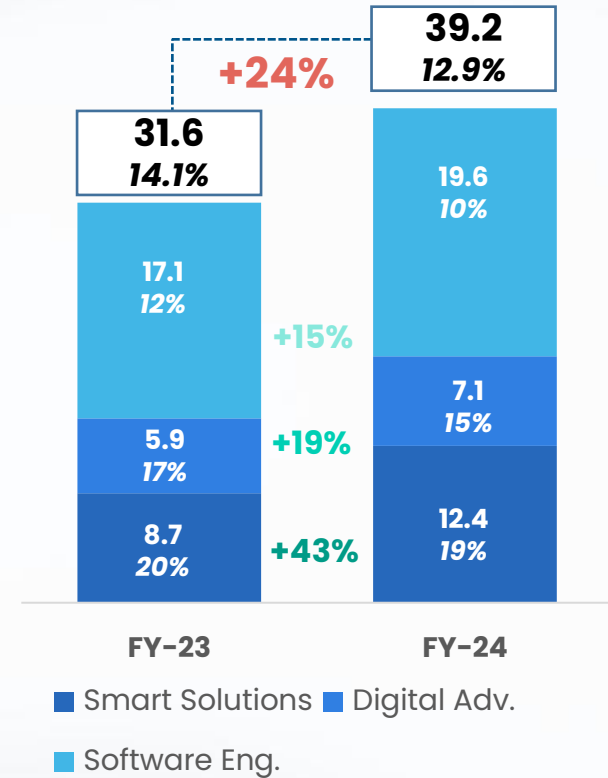
_KPIs: FY-2024 by Offering

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



* Organic Revenues Growth FY-24: +22%

EBITDA (€mn, % on revenues)



**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)



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



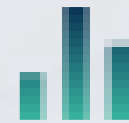
Target Revenues
Organic Growth
FY-25

>8%*



Target EBITDA
Margin FY-25

>14%



Continuing
M&A plan

Net Debt
<2.5xEBITDA

SAVE THE DATE: 27 MAY 2025 CAPITAL MARKETS DAY

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



TXT

_ OFFERING & MARKETS





Ecosystem of multidisciplinary competences and vertical excellences, customers can rely on experts.

Smart Solutions market-ready for specific verticals in customers' core processes.

Exploit TXT Group' **centers of excellence** with specializations in Artificial Intelligence, AR/VR, IoT, Cloud and Cybersecurity.

Leverage **commercial synergies** to up-sell and cross-sell digital innovation services and smart solutions.



Go-to-Market

Licenses, Subscription and SaaS

We accelerate the customer's digital transition by providing advanced vertical solutions.

Leave It Up To Us:

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

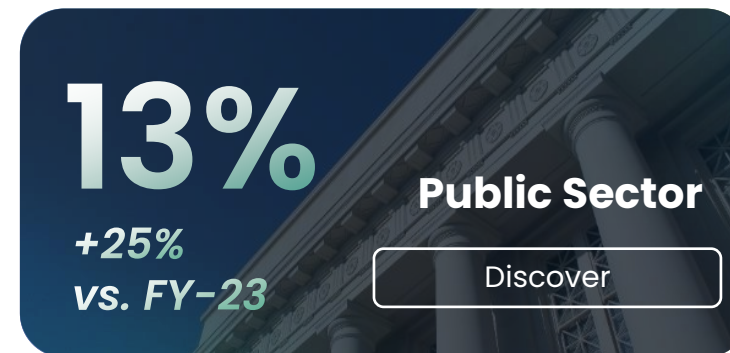
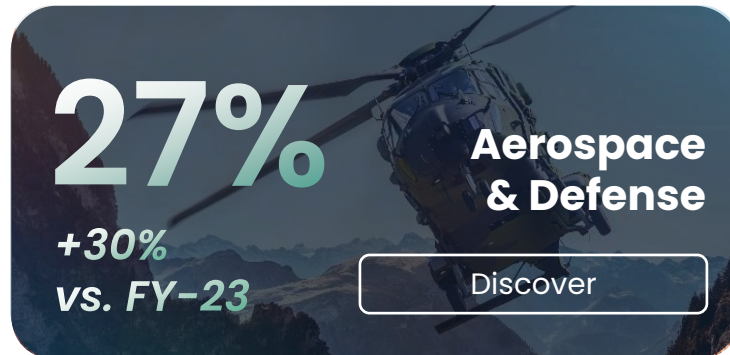
Shoulder-to-shoulder:

our experts work advising and consulting, following Customers' needs in their digital journey.



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.



Our Smart Solutions:

Vertical Applications empowered by cutting-edge technology

Our Smart Solution offering is rooted on **deep expertise in vertical domains** where we are recognised as **leaders and innovators**. Our tools support **core processes and products of large enterprises** to evolve their products **leveraging technologies**, while **enhancing our strategic positioning** in the Global Digital Market and exploiting synergies with the other Group divisions.

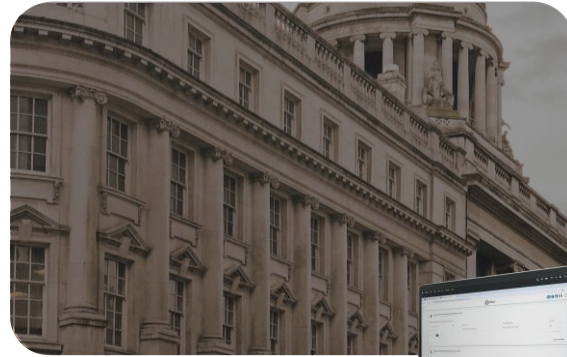
Some examples of our Smart Solutions:

Aerospace



On-Board **Cloud**-Based Flight Profile Optimization (ESG tool)

Banking & Finance



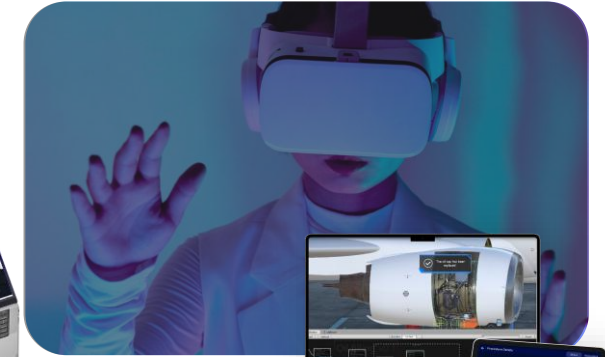
AML & Risk Management tool based on **AI and ML** (ESG tool)

Industrial



Cloud-based customer facing configuration platform

X-industry



Cutting-edge **XR** platform for technical training

ARR *

7Mn

+48% YoY

2Mn

+30% YoY

7Mn

+15% YoY

2Mn

+52% YoY

* ARR FY-2024



Our range of COTS software solutions is the result of more than two decades of working with and carefully listening to a highly diverse customer base from the **Aerospace & Defense, Automotive, Industry & Beyond**. It is based on a strong commitment to sustained innovation and product quality that addresses both customers' business and technological needs.

Preliminary Design

[Discover](#)

Product Configuration

[Discover](#)

Flight Operations

[Discover](#)

Embedded Graphics

[Discover](#)

Flight Simulation

[Discover](#)

Smart Factory

[Discover](#)

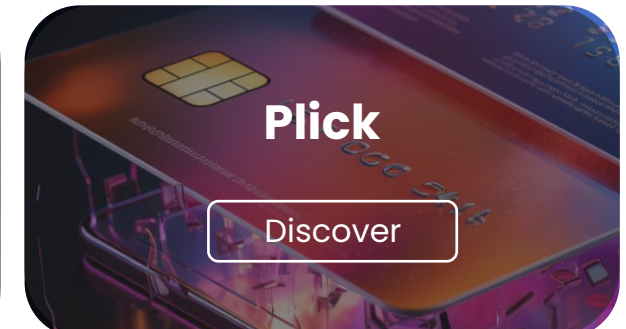
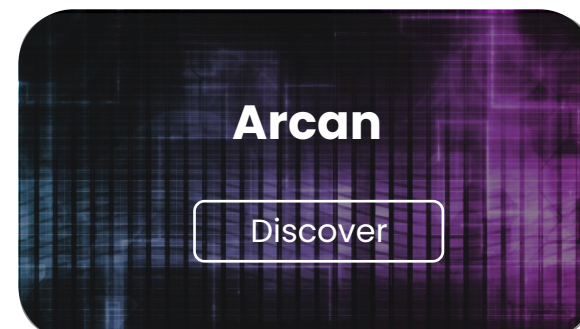
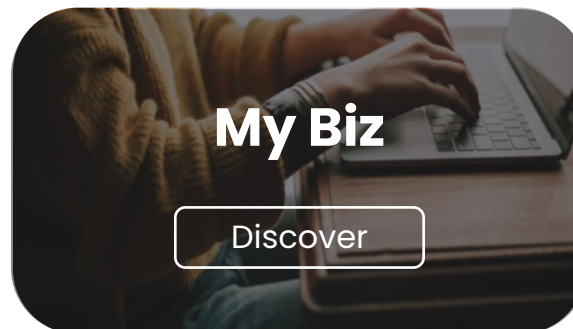
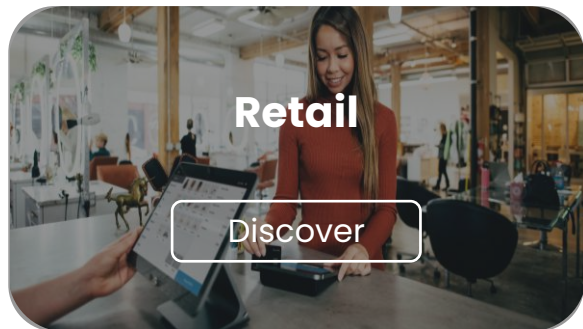
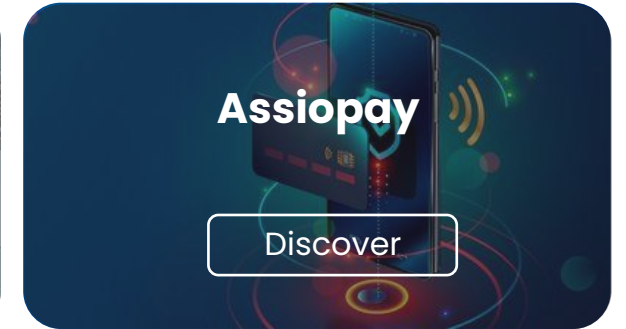
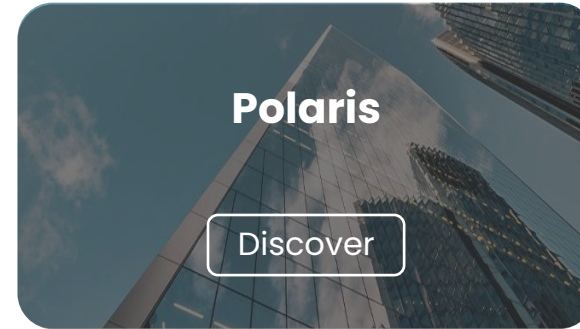
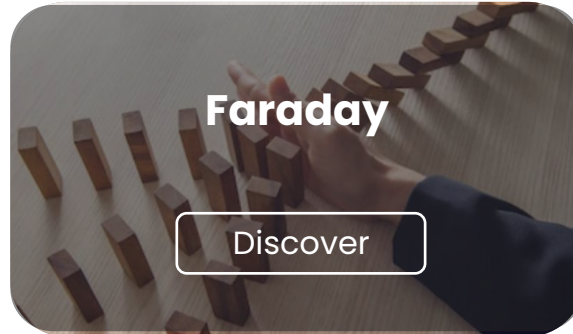
Virtual and AI based Training

[Discover](#)

Smart Sensors

[Discover](#)

Our **FinTech** smart solutions 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.



TXT

_ FINANCIALS, SHAREHOLDING & MARKET DATA



_Profit & loss: FY-2024 details

| € 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 |



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 |



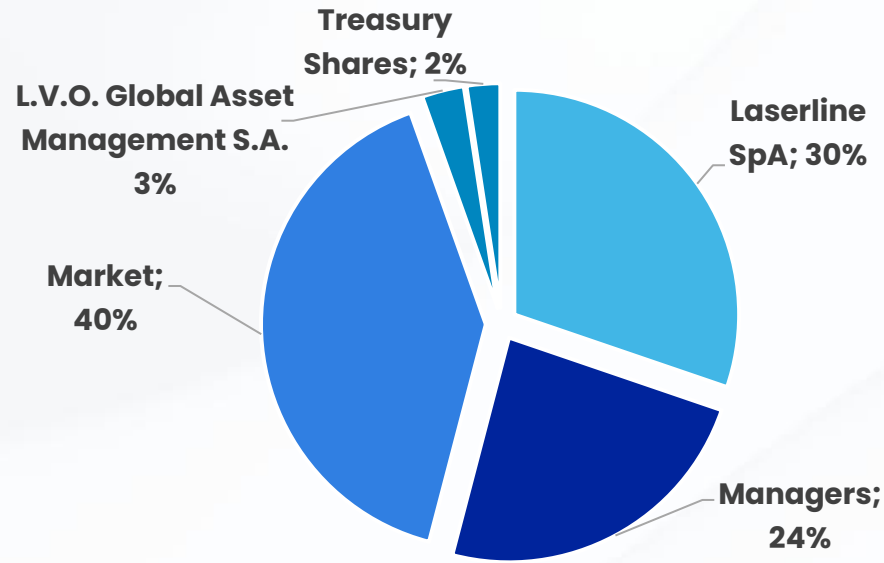
_ Balance sheet: details

| € 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

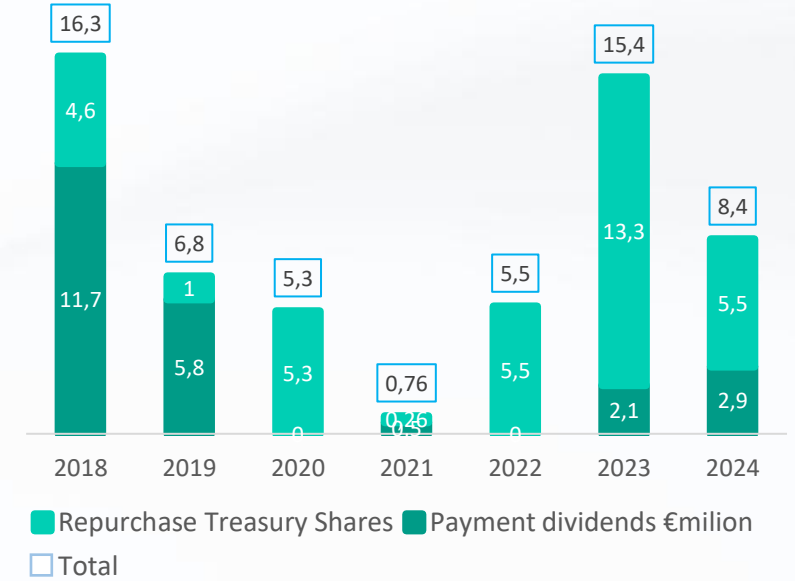


Market Data

| | |
|--|--------------|
| 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