



TXT Group: Corporate overview

London Roadshow

February 27^o, 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 2000 experts, competence centers in AI, cybersecurity, XR, IoT. International business is 30% growing, with particular focus in North America and DACH region.

Your Global Digital Enabler



TXT Group at a Glance

€355m Pro-forma Revenues FY 2024 (Preliminary)
Solid Financial structure

Guaranteed by operating excellence & innovation

July 2000
Listed on the Italian Stock Exchange

STAR segment (TXT.MI)

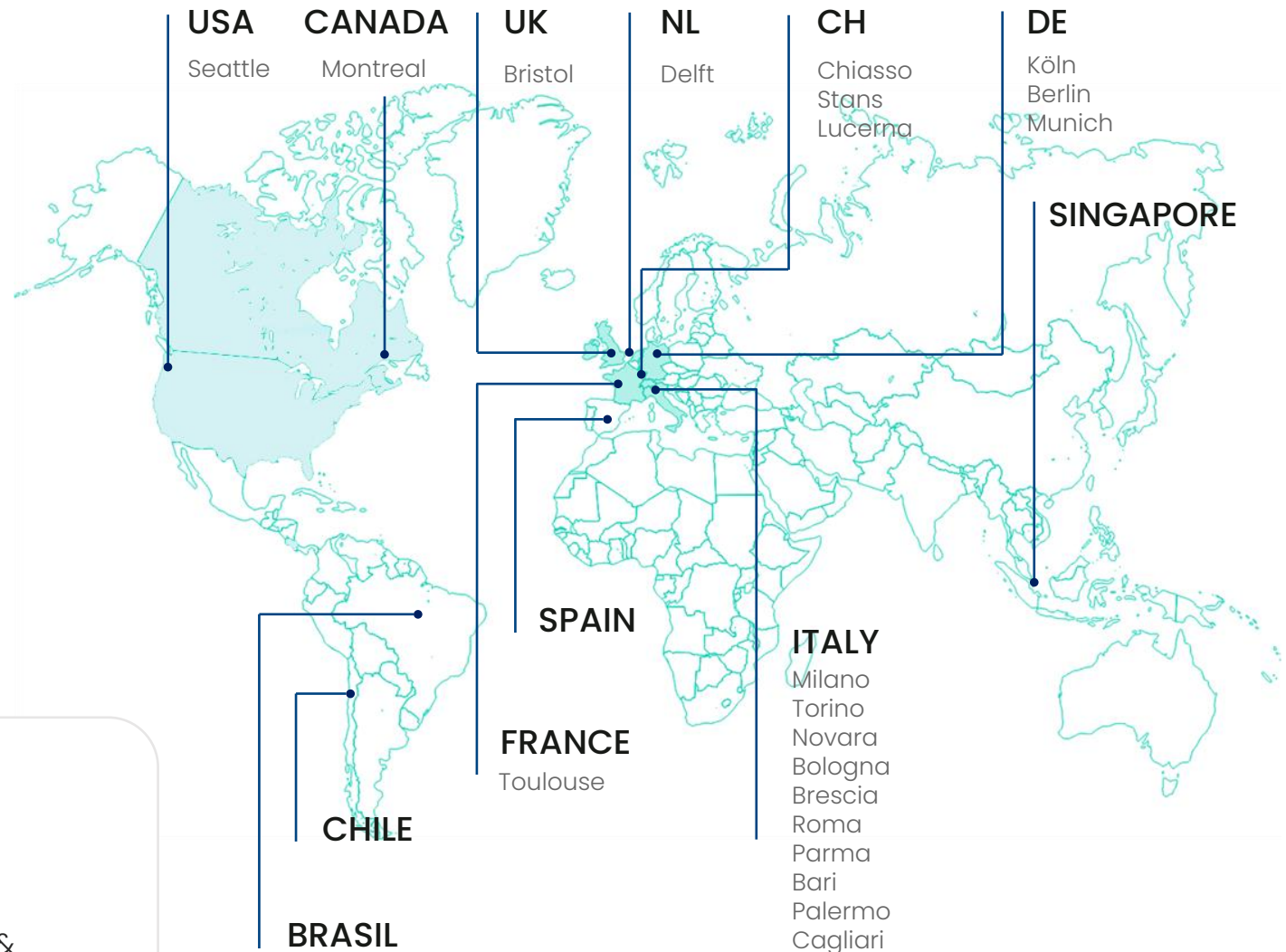
20+
Locations worldwide

30+
Certified Cross-Industry Quality

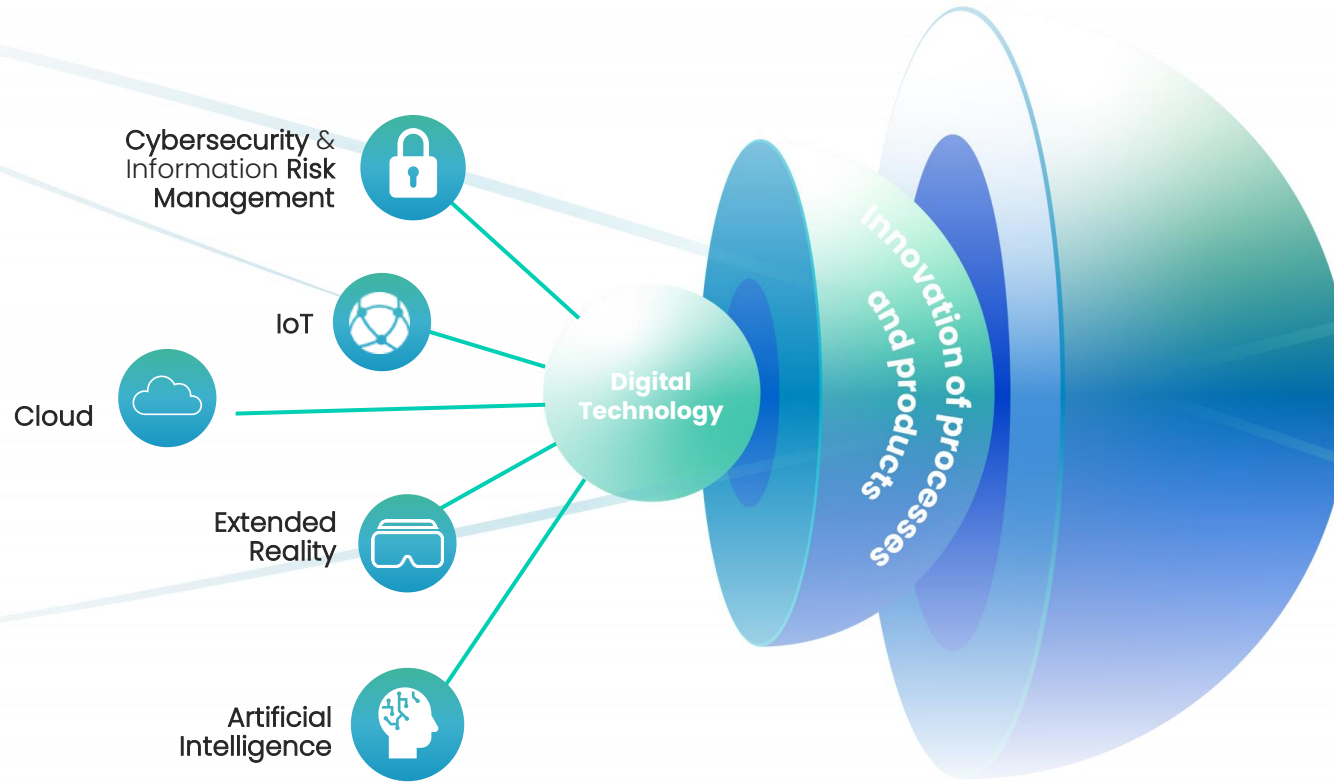
Years Experience

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 Preliminary) of € 304Mn



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**.

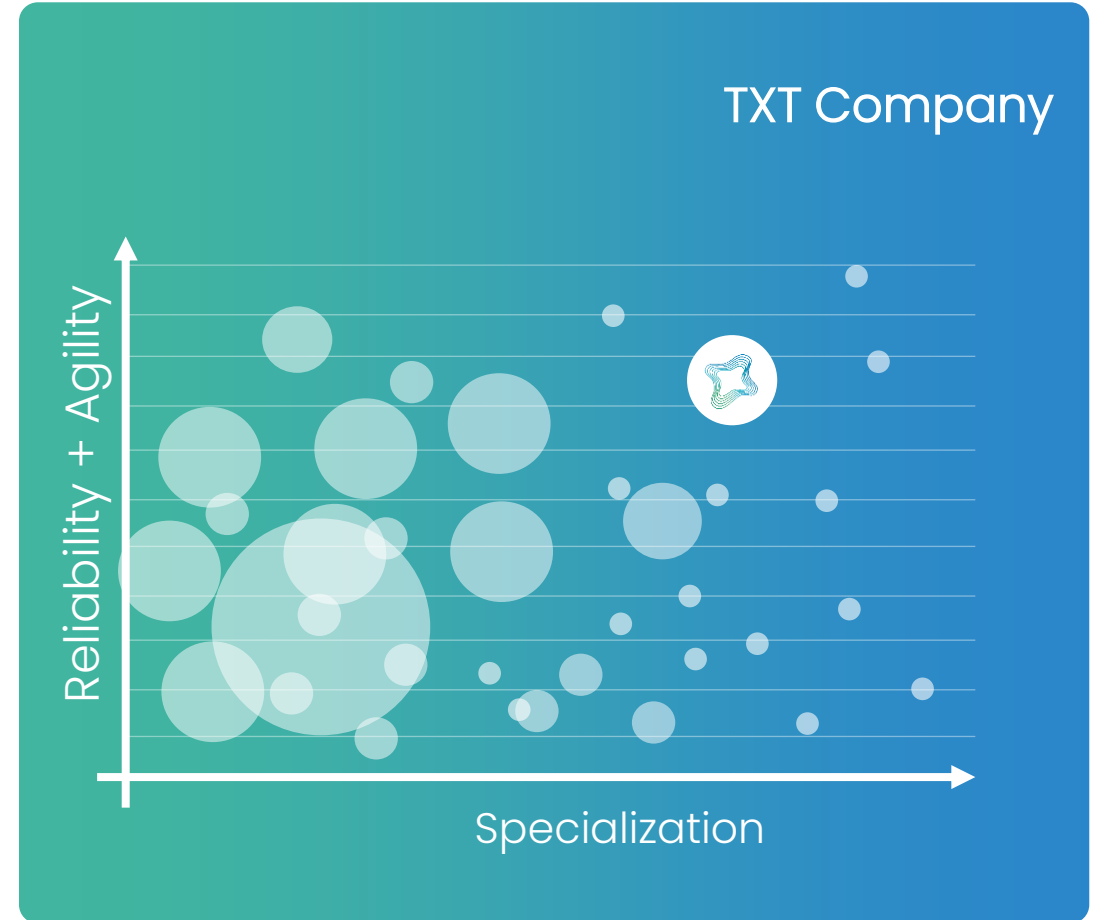
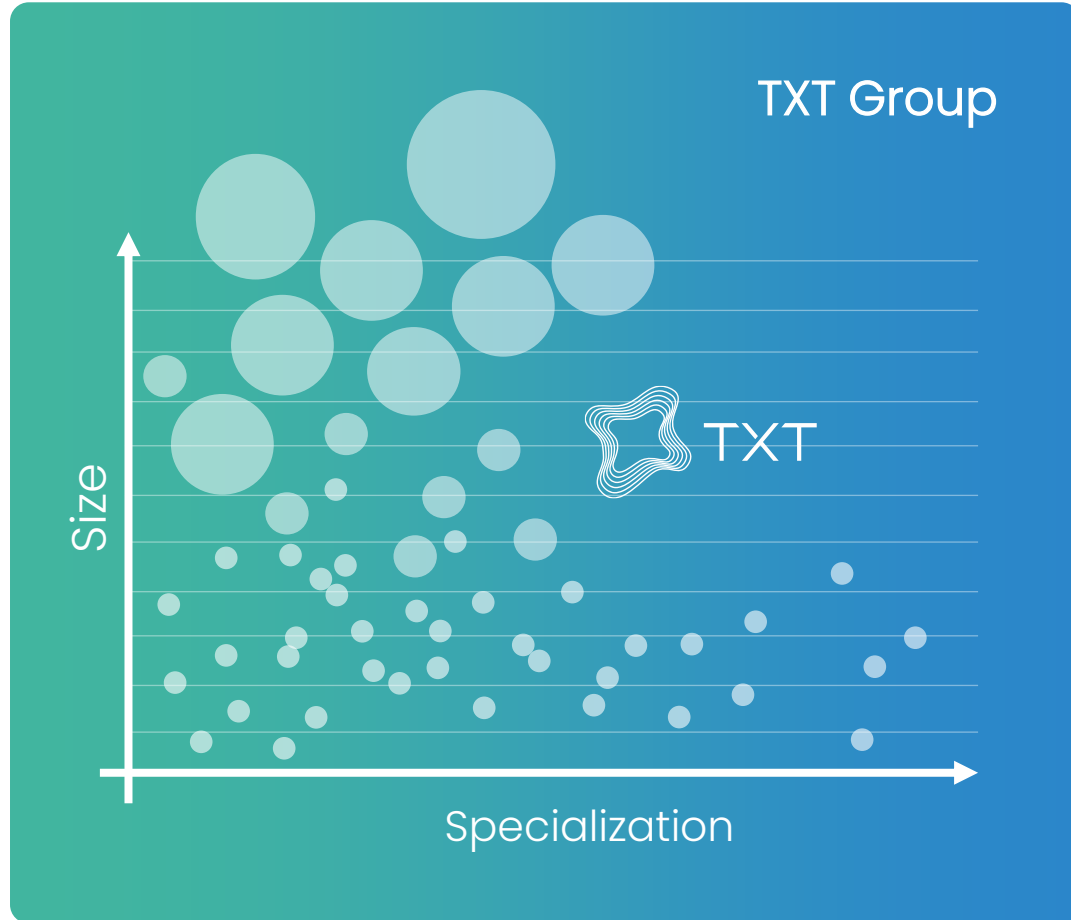


TXT Group strategy is designed to leverage Technical and Commercial **Synergies**, and **Operational Excellence**



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.

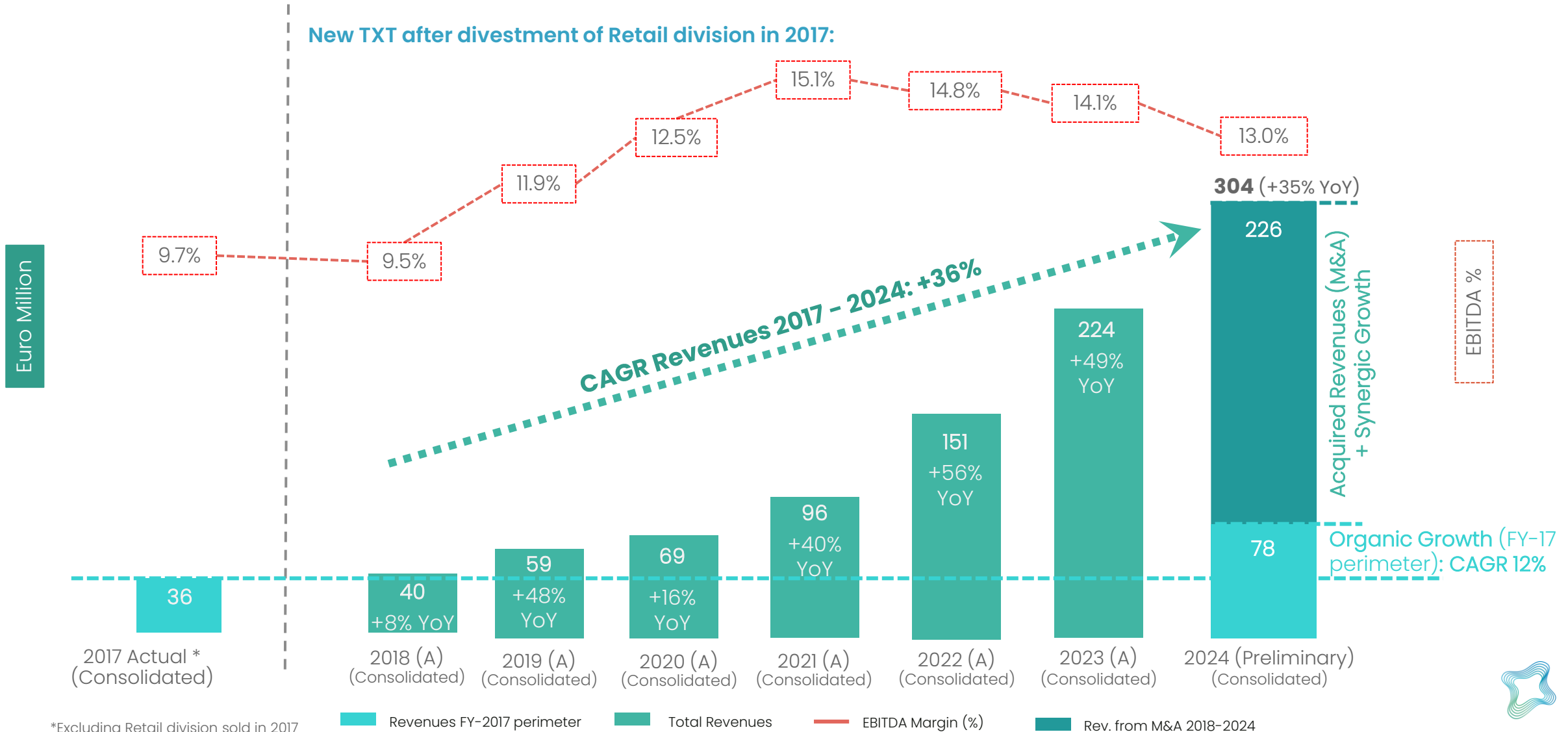


TXT Group positioning vs. TXT's Companies



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



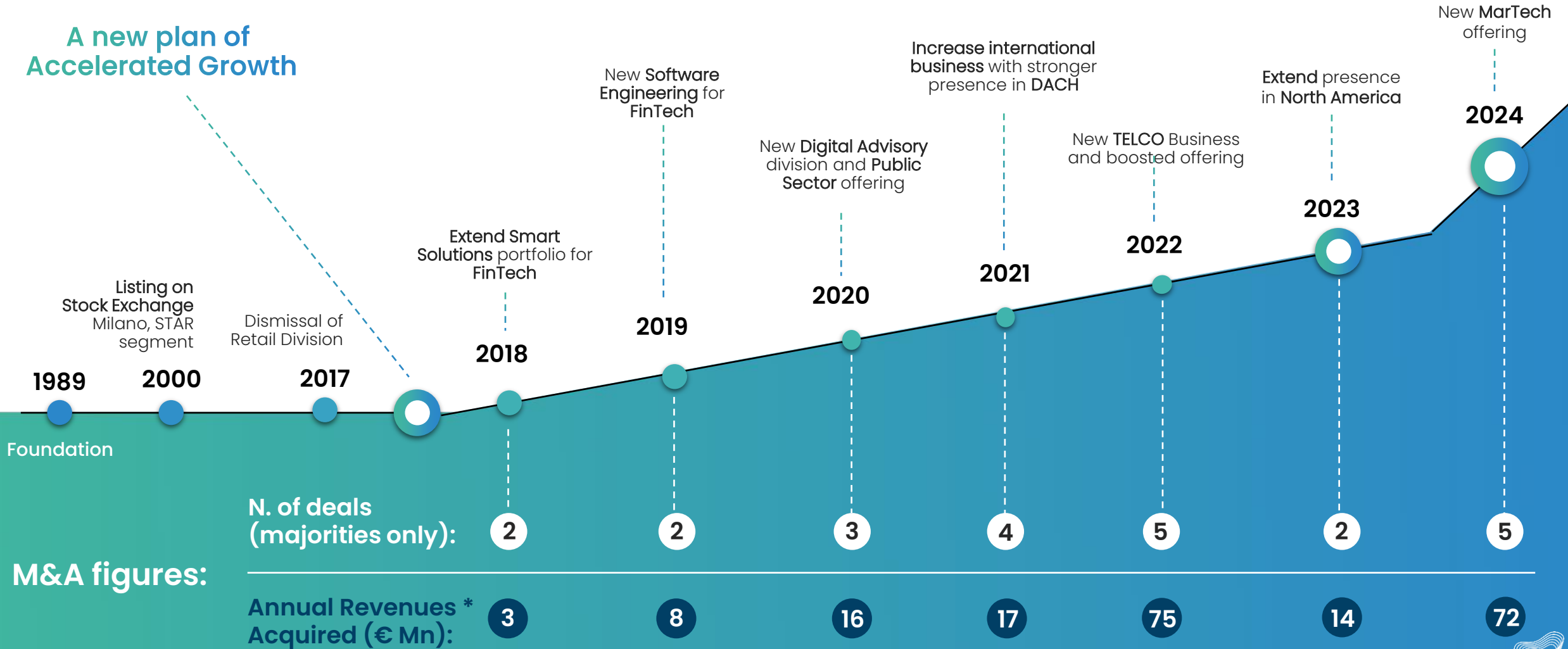
*Excluding Retail division sold in 2017



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



Growth pillars:

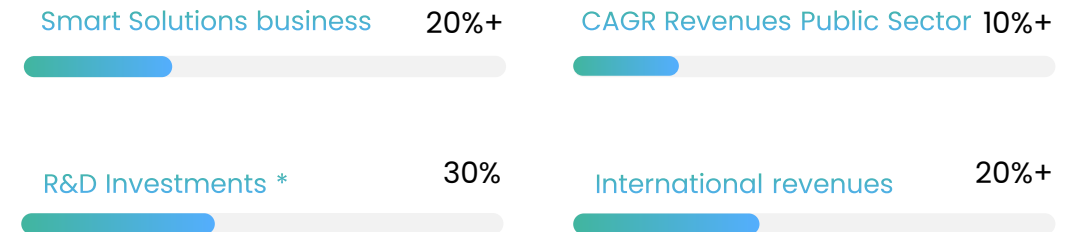
External

- **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 business divisions with proprietary IPs





_FY 2024 Highlights (preliminary results)

FY-2024 preliminary results showed **double-digit organic growth of revenues** and **solid profitability** after **increasing investment** to sustain accelerated growth and M&A



Revenues
€304 Mn

+35%
vs. FY-2023



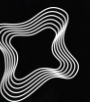
Solid **Organic**
Growth in FY-24

+22.3%
+€50 Mn



EBITDA
(consolidated)

€39 Mn
Equal to 13.0% of revenues





Pro-Forma
Revenues

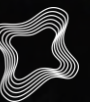
€355 Mn



Pro-forma
EBITDA

€50 Mn

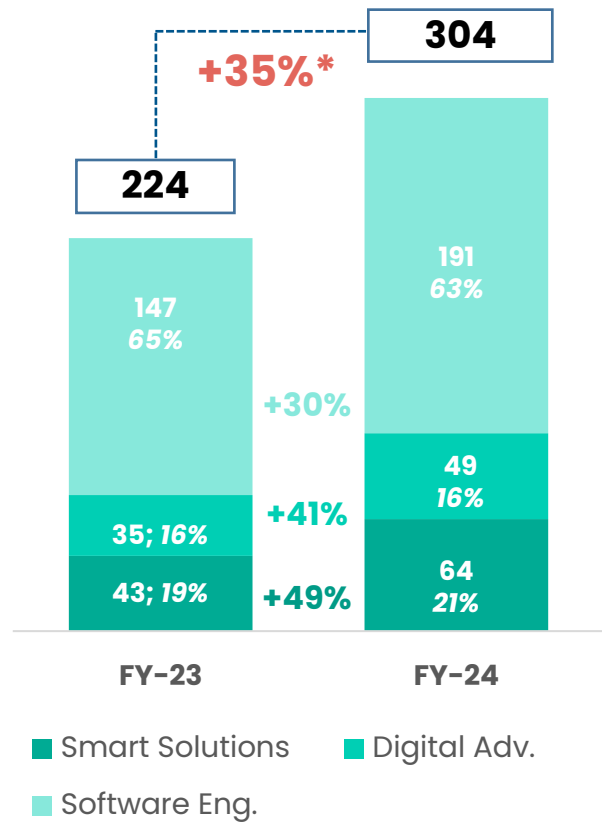
Equal to 14.1% of revenues



_KPIs: FY-2024 by Offering

KPIs reported in **FY-2024** (preliminary) show continuity in the growth plan of TXT based on the mix of strong organic growth of all segments, M&A contribution and synergies: EBITDA margin at 13.0%.

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



* Organic Revenues Growth FY-24: +22%



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 similar colors, creating a sense of depth and movement. The overall effect is reminiscent of a digital data stream or a stylized landscape of light.

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:

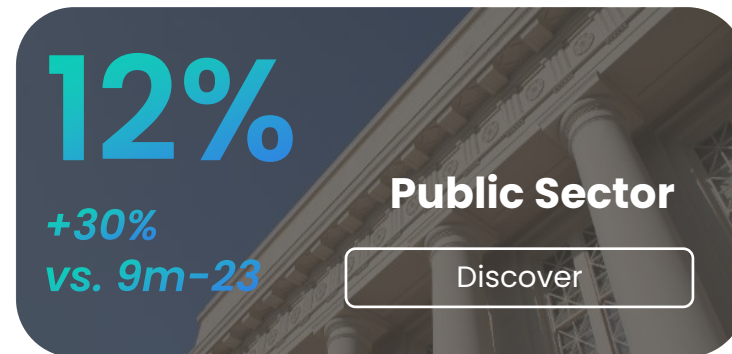
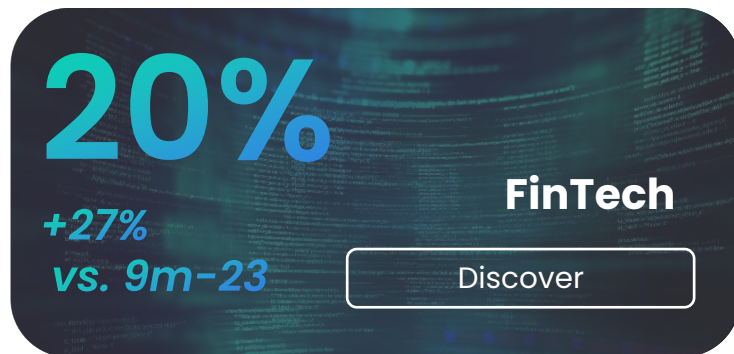
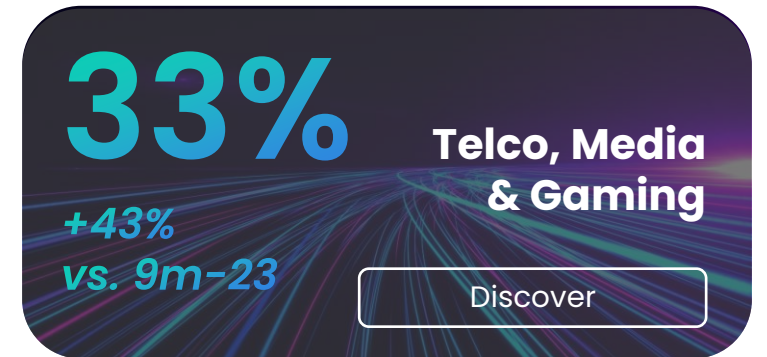
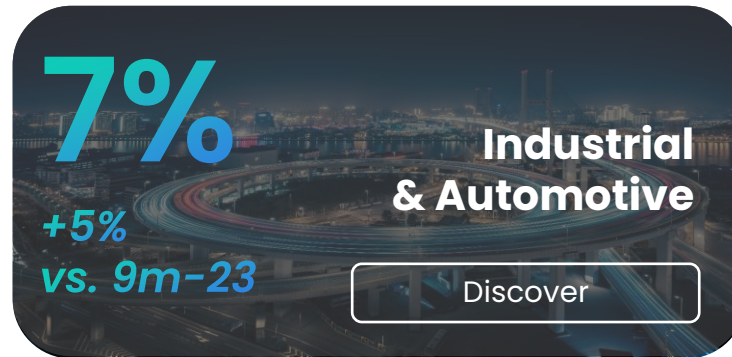
Large corporations Enjoy the benefits of getting their turn-key digital solutions from an experienced one-stop supplier.

Shoulder-to-shoulder:

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



We are expanding across different markets, with a **growing footprint** in Aerospace, Aviation, Defense, Industrial, Automotive, Telco, Government and Fintech, by leveraging more than 2000 experts, **competence centers** in AI, cybersecurity, XR, IoT.



*Percentages of market incidence are calculated on 9m-2024 Revenues (Consolidated) of € 220Mn

Our Smart Solutions:

Vertical Applications empowered by cutting-edge technology

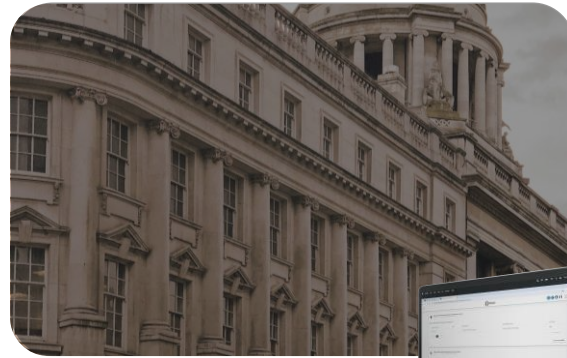
Our Smart Solution offering is rooted on **deep expertise in vertical domains** where TXT Group's excellences are recognised as **leaders and innovators**. Our proprietary tools are supporting **core processes and products of large enterprises** and blue-chip customers to evolve their products **leveraging technologies**, while **enhancing the strategic positioning** of the TXT Group 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



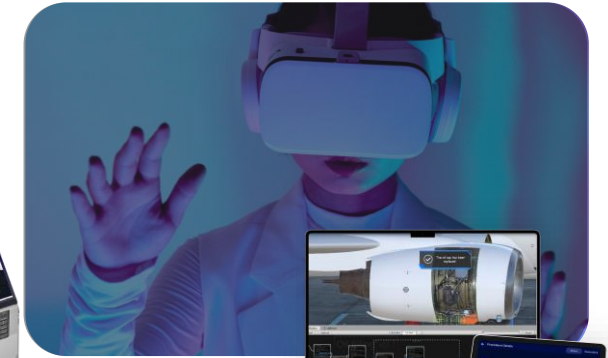
AML & Risk Management tool based on **AI and ML** (ESG tool)

Industrial



Cloud-based customer facing configuration platform

X-industry



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

ARR *

6Mn
+48% YoY

2Mn
+30% YoY

6Mn
+15% YoY

2Mn
+52% YoY

*Forecast ARR FY-2024



Our range of commercial off-the-shelf 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](#)

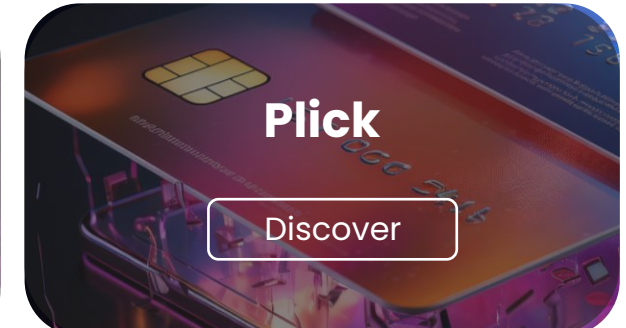
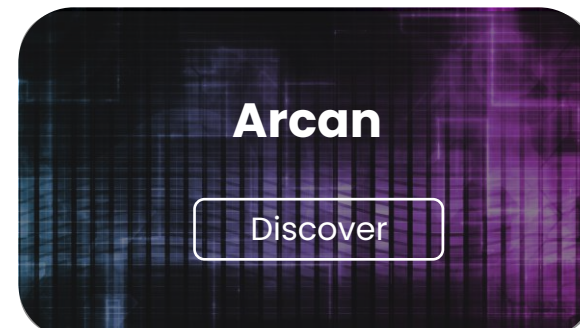
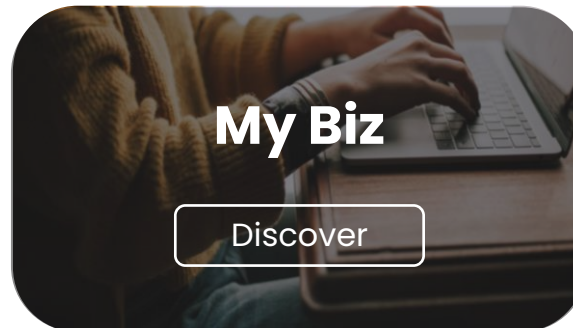
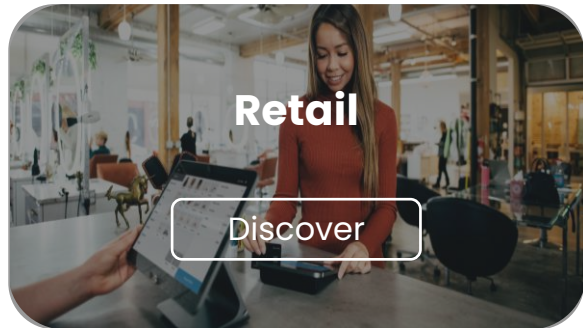
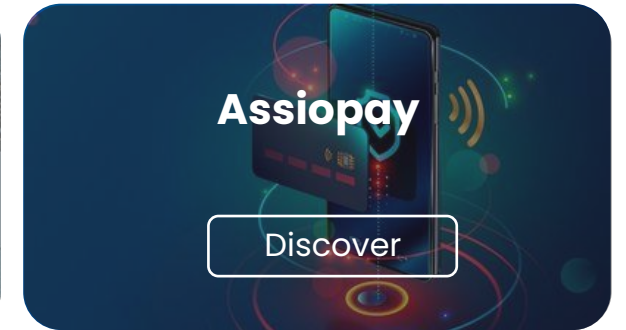
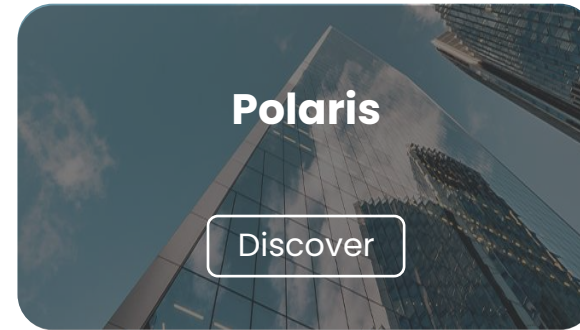
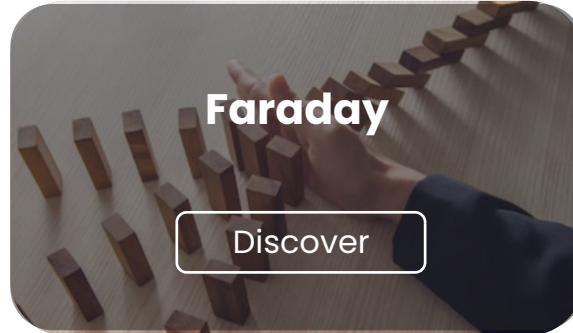
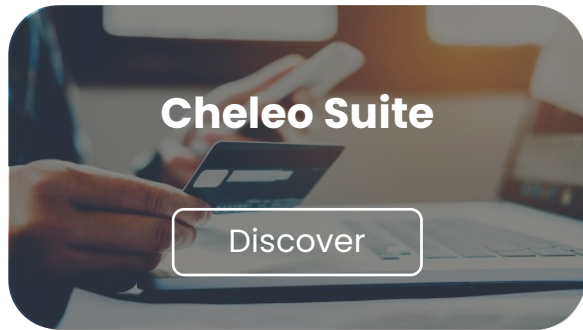
Virtual and AI based Training

[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.



FINANCIALS

Profit & loss: 9m-2024 details

€ thousand	30.09.2024	%	30.09.2023	%	Var %
REVENUES	219,564	100	159,356	100	37.8
Direct costs	148,048	67.4	102,670	64.4	44.2
GROSS MARGIN	71,516	32.6	56,686	35.6	26.2
Research and Development costs	10,464	4.8	6,724	4.2	55.6
Commercial costs	18,683	8.5	15,466	9.7	20.8
General and Administrative costs	14,339	6.5	13,093	8.2	9.5
EBITDA	28,030	12.8	21,403	13.4	31.0
Amortization, Depreciation & Write-offs	8,719	4.0	7,372	4.6	18.3
OPERATING PROFIT (EBIT)	19,311	8.8	14,031	8.8	37.6
Financial income (charges)	(2,585)	(1.2)	(101)	(0.1)	2470.9
EARNINGS BEFORE TAXES (EBT)	16,726	7.6	13,930	8.7	20.1
Taxes	(4,758)	(2.2)	(4,134)	(2.6)	15.1
NET PROFIT	11,968	5.5	9,796	6.1	22.2



Profit & loss: Q3-2024 details

€ thousand	Q3 2024	%	Q3 2023	%	Var %
REVENUES	81,370	100	52,057	100	56.3
Direct costs	55,151	67.8	32,722	62.9	68.5
GROSS MARGIN	26,219	32.2	19,335	37.1	35.6
Research and Development costs	3,726	4.6	2,224	4.3	67.5
Commercial costs	7,184	8.8	4,980	9.6	44.3
General and Administrative costs	4,775	5.9	4,650	8.9	2.7
EBITDA	10,534	12.9	7,481	14.4	40.8
Amortization, Depreciation & Write-offs	3,351	4.1	2,395	4.6	39.9
OPERATING PROFIT (EBIT)	7,183	8.8	5,087	9.8	41.2
Financial income (charges)	(1,239)	(1.5)	(1,078)	(2.1)	14.9
EARNINGS BEFORE TAXES (EBT)	5,944	7.3	4,009	7.7	48.3
Taxes	(1,928)	(2.4)	(999)	(1.9)	93.0
NET PROFIT	4,016	4.9	3,010	5.8	33.4



NET Financial Debt: Solid financial position

.000 Euro	30.09.2023	31.12.2023	Var
Cash	(25.072)	(37.927)	12.855
Trading securities at fair value	(25.871)	(24.058)	(1.813)
Other Short Term Financial Assets	-	(810)	810
Short term Financial Debts	58.046	57.654	392
Short term Debt	7.103	(5.141)	12.244
Non current Financial Debts - Lessors IFRS 16	6.569	6.423	146
Other Long Term Financial Assets	(339)	(700)	361
Other Non current Financial Debts	65.932	51.140	14.791
Non current Financial Debts	72.162	56.863	15.299
Net Debt	79.265	51.722	27.543
Non-monetary debts for adjustment of the price of the 2021 acquisitions to be paid in TXT shares	(1.533)	(2.500)	967
Financial Investments	(17.778)	(17.778)	-
Net Debt Adjusted	59.954	31.444	28.510



€ thousand	30.09.2024	31.12.2023	Change
Intangible assets	116,105	85,900	30,205
Tangible assets	22,457	20,430	2,026
Other fixed assets	23,515	24,462	(947)
Fixed Assets	162,077	130,792	31,285
Inventories	25,718	18,733	6,985
Trade receivables	85,424	74,346	11,078
Other short term assets	16,778	14,876	1,902
Trade payables	(27,514)	(21,585)	(5,929)
Tax payables	(9,368)	(11,208)	1,840
Other payables and short term liabilities	(36,582)	(34,761)	(1,821)
Net working capital	54,456	40,402	14,055
Severance and other non current liabilities	(6,960)	(5,603)	(1,357)
Capital employed - Continuing Operations	209,573	165,590	43,983
Shareholders' equity	130,260	113,852	16,408
Shareholders' equity - minority interest	49	17	32
Net financial debt	79,265	51,721	27,544
Financing of capital employed	209,573	165,590	43,983

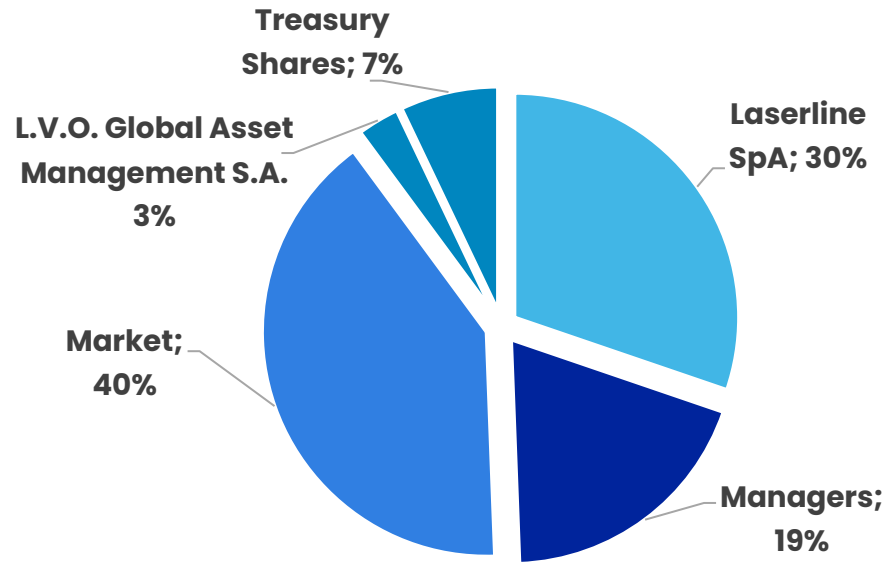


The background features a complex, abstract pattern of teal and blue wavy lines and particles, creating a sense of depth and movement. The lines are thin and densely packed, with some particles appearing as small, bright dots. The overall effect is a dynamic, digital landscape.

Shareholding Structure & Market Data

Shareholding Structure September 30th, 2024*

* Latest Public Data Available as of 30 Sep. 2024

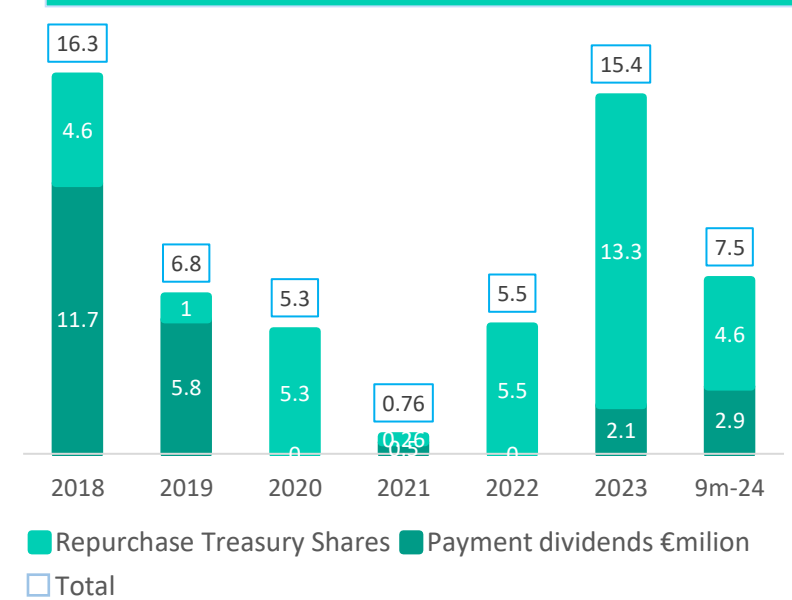


Market Data

Share Price Dec 31st, 2019	9.66€/share
Share Price Jun. 30th, 2024	27.30€/share
Mkt Sep. 30th, 2024	330m €
Dividend Yield	1.3%

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

Dividends and Treasury Shares Repurchase (€m)



Dividends

Year	Dividends
2019	0.50 € / share
2020	nil
2021	0.04 € / share
2022	nil
2023	0.18 € / share
2024	0.25 € / share



Q & A



TXT