

INVESTOR PRESENTATION

INTERNATIONAL GROUP ACTIVE IN TREASURY & BANKING SOFTWARE MARKET

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section 1

Executive Summary

Executive Summary

PITECO GROUP is an important player active in Financial Software market, offering Risk, Treasury & Banking software solutions

It is developing a challenging internationalization and diversification process, driven by 3 business lines:

1. PITECO Spa, the leading Italian **Software House** for **Corporate Cash Management and Financial Planning** serving more than 600 large industrial groups active in a highly diversified number of business sectors (Banks and P.A. excluded)
2. MYRIOS S.r.l., an Italian **Software House** offering **Risk Management, Capital Markets and Compliance software** to Banks & Large Corporates
3. JUNIPER PAYMENTS LLC, **Software House** leader in USA with **proprietary solutions for digital payment and clearing house services to approximately 3.300 American Banks**, managing the settlement of Interbank financial flows (bank transfers and checks collection) for over 3 billions USD per day. It can be considered one of the largest US interbank networks

PITECO GROUP FINANCIAL STATEMENTS FY2018:

- **Revenues:** € 20,2 million, +19% (FY2017: € 17,0 million)
- **EBITDA:** € 8,3 million, +28% (FY2017: € 6,5 million); EBITDA margin 41%
- **Pre-tax Profit:** € 5,7 million, +66% (FY2017: € 3,5 million)
- **Net Profit:** € 5,3 million, +56% (FY2017: € 3,4 million)
- **Operating cash flow:** € 6,2 million (32% Revenues)
- **Net Financial Position:** € 15,3 million (FY2017: € 6,5 million)
- **Net Financial Position including Put option:** € 26,8 million (FY2017: € 9,0 million)

On July 31, 2015, Piteco Spa has been **listed** on **AIM Italia Market** with a **Global Offering** amounting to € 16.5 million (of which € 5 million in Convertible Bonds)

On September 25, 2018, Piteco Spa has been **admitted** on the main market (**MTA**)

section 2

Group Presentation

Presentation of PITECO

PITECO, which stands for “Pianificazione Tesoreria Computerizzata”, has been **active for over 30 years** on the Italian market. It is the leading company in Italy for **design, development and implementation of solutions for treasury management** in terms of size, number of resources, range of services offered and managed customers

PITECO holds three operating locations (Milan, Padua and Rome) and more than **600 software installations**. Milan, the headquarter, coordinates the activities and hosts the customer care service

The company offers **three product families**. The first, **PITECO EVO**, presents an integrated solution for the management of corporate finance and consists of 17 different modules. The second, **CBC**, meets the requirements of efficient management of the workflows of companies towards national and international banks.

The third, **MATCH.IT**, dedicated to analysis and matching of complex data flows

Software sales (about 15% of annual revenues) allows PITECO to generate significant recurring revenues from maintenance fees (55% of revenues, steadily increasing year by year) and services with high added value (30% of annual revenues). These features and the large customer base, spread over several industries and characterised by **very high retention** and the constant growth of the company (it acquires approx. 30 new clients per year on average, mainly medium to large companies), enable the company to record a remarkable **EBITDA**

The potential market includes all industrial companies (no banks and no public administration) that consider treasury management important to oversee and enhance the treasury function in case they increase their revenues and need to track their cash flows



CASH MANAGEMENT



FINANCIAL PLANNING



PAYMENT FACTORY



RISK MANAGEMENT



GLOBAL LIQUIDITY MANAGEMENT



SEPA



FINANCIAL SUPPLY CHAIN



SPECIALIZED SERVICES

Presentation of JUNIPER



Juniper Payments serves a specialized niche market of wholesale correspondent banking. The company is the market leader in this sector with **more than 3.300 banks and credit unions utilizing its online platform** software to transmit and receive daily transactions that total over \$3 billion. No other U.S. third-party service provider maintains connections to more financial institutions exception the U.S. Federal Reserve.

SaaS Model. All products and support are delivered as services over the Internet. The system is modular in design, so correspondents may add new modules to their product over time. These modules may then be enabled for all or for a sub-set of the end user financial institutions. This provides a highly customized and dynamic service to meet each customers specific requirements

Juniper's headquarters is in Wichita, Kansas (USA), with data center in Kansas and Nebraska. The company has 20 long tenured employees.

Juniper is:

- Regulated as Technology Service Provider under FFIEC by U.S. Federal Banking Agencies;
- SSAE 16 Type II audited.

Juniper has:

- Private Data Centers with a fully mirrored Disaster Recovery site;
- 99,999% uptime since inception of company.

Juniper's **business model** is based on **recurring revenues**. 90% of annual revenues are based on "right to use" services by end-users via principal customer contracts. The remaining 10% is due to customization fees and technical advisory and support. An average contract lasts generally for about 5 years or more and the contracts have a **very high retention rate**.



ENTERPRISE



DIGITAL TRANSFORMATION



BRANCH



DATA CENTER

Presentation of Myrios

Myrios develops treasury, capital markets and risk management software:

Myrios Financial Modelling, a software solution dedicated to the manufacturing and service industries (40%) as well as to banks (60%). The solution helps clients with the complex calculations and procedures of the Finance & Risk Management areas.

The **business model** is based on software **rental license fees** and on methodological-functional advisory, ensuring high revenues leveraged on the consolidated customer portfolio.

The company has software engineers skilled in financial issues, financial analysts and professionals in the quantitative assessment of derivatives, securities, financial instruments and consultants with a strong knowledge of the processes.

Myrios is based in **Turin** and **Geneva (CH)** with 16 employees.

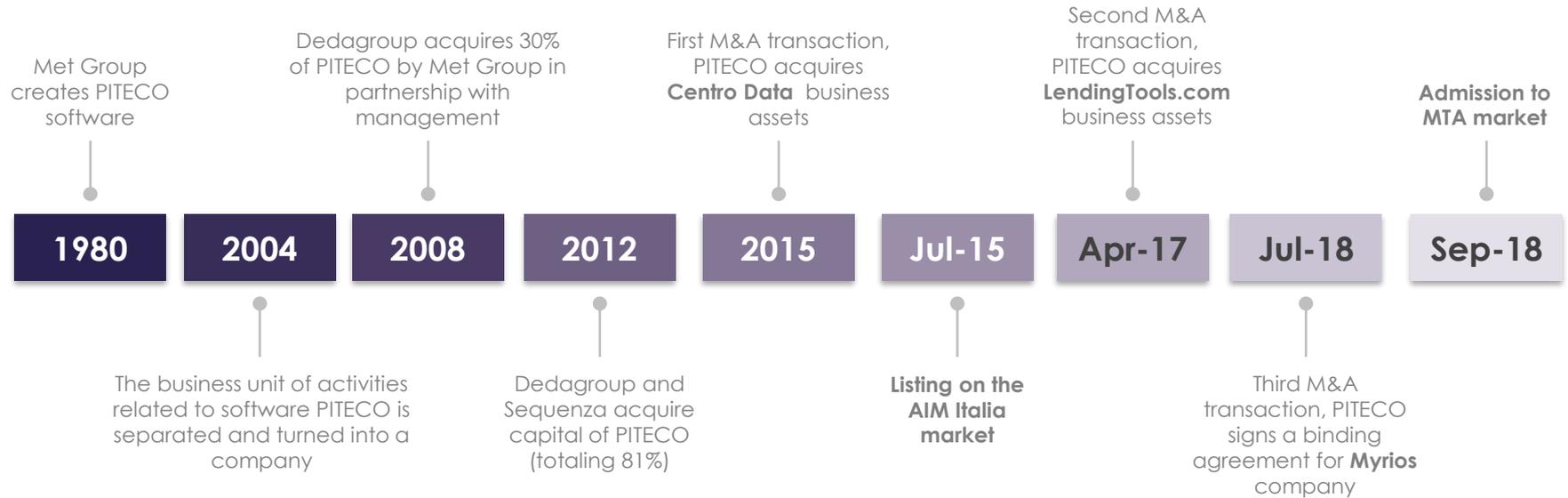
More than 50% of the turnover is represented by **recurring fees**, granting relevant cash-flow visibility. Software lumpsum licenses reach 20% of the turnover. The company offers **massive returns** and generates huge visible cash flows.

Myrios has high retention rate of rental contracts due to high flexible and scalable configuration as a result of recent design and innovative technology. This is one of the main reason for the success in the software substitution of competitors.

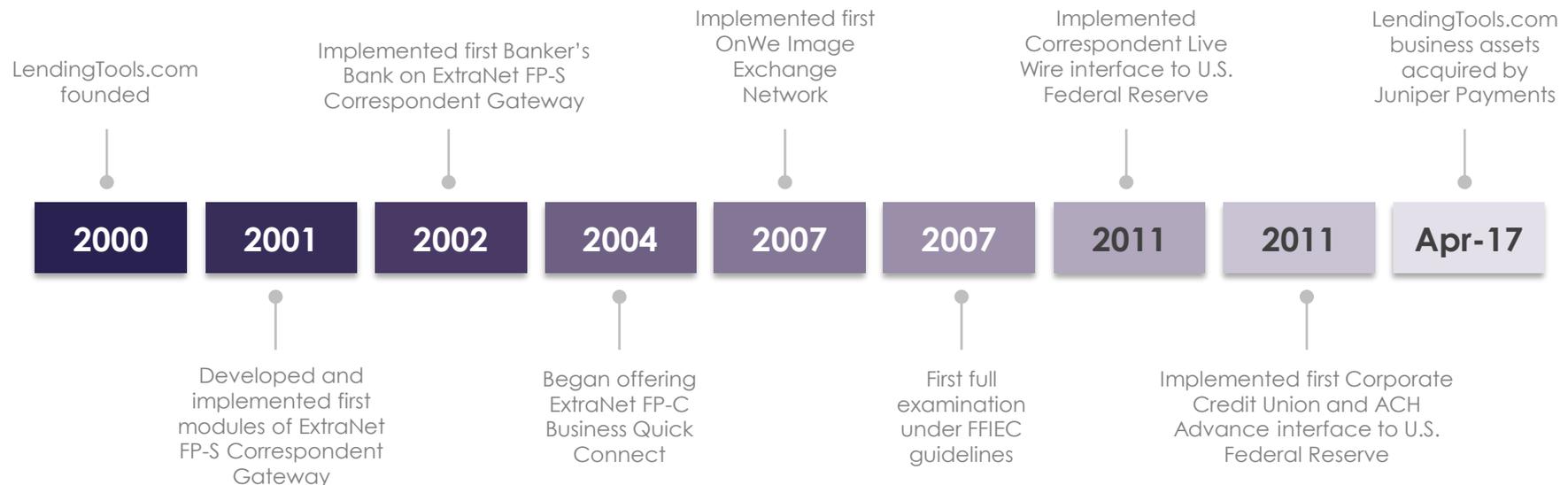


Storyline

P I T E C O

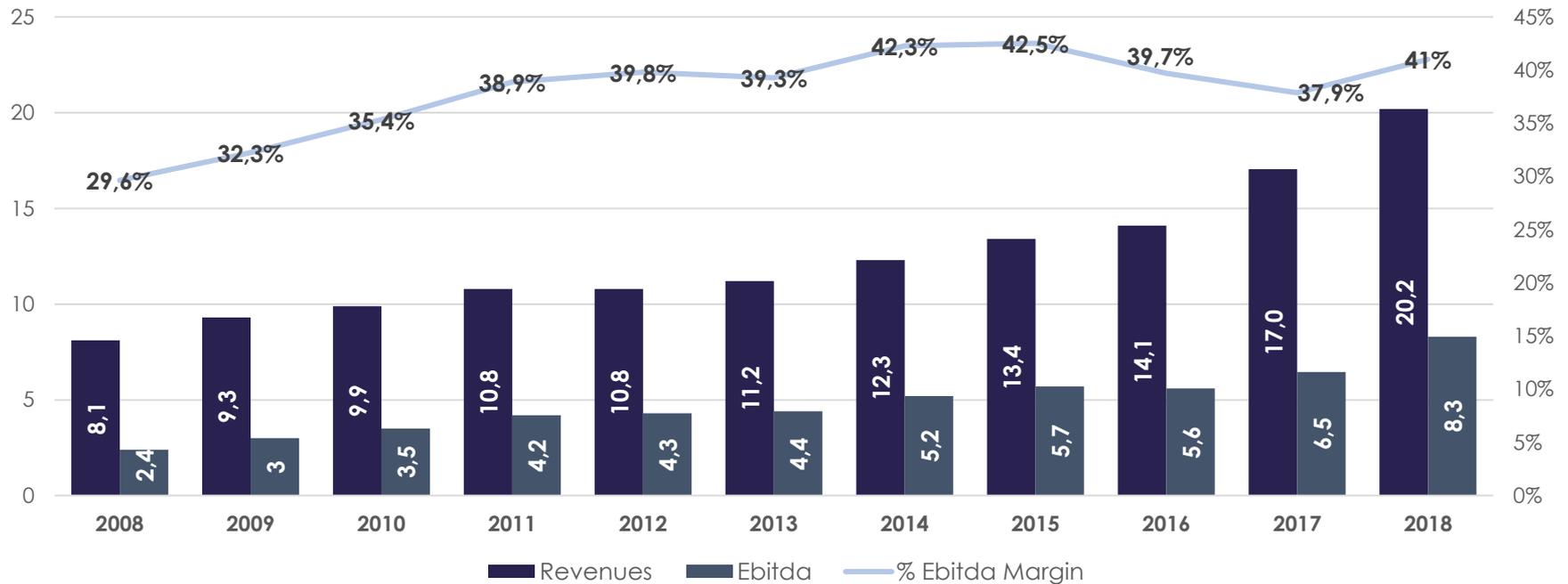


J U N I P E R



PITECO Group at a glance

Financial Data 2008-2018 (€/m)



○ About **600 Corporate** clients for Cash Management and Financial Planning solutions in **42 different countries**

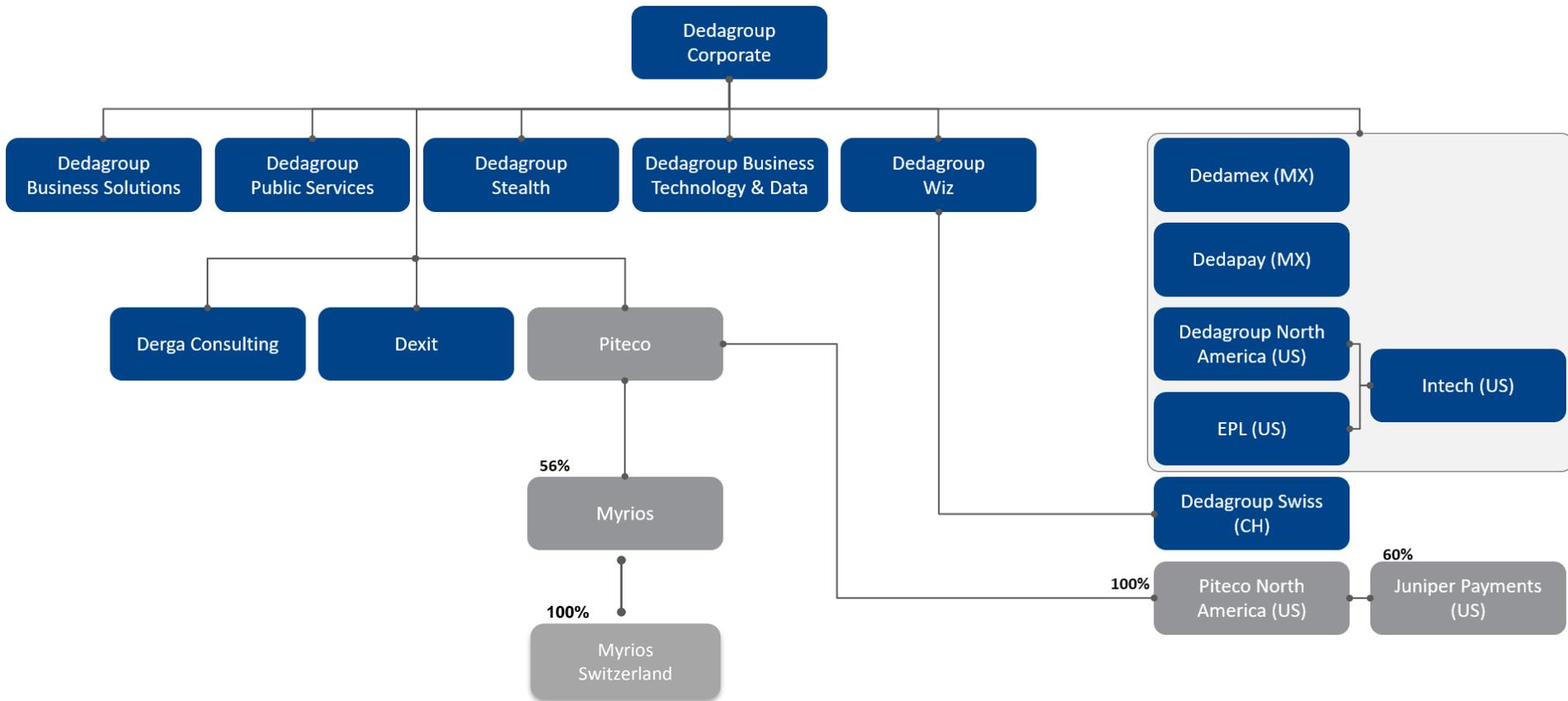
○ **Approximately 65% of revenues** derives from **recurring fees** and it's continuously growing

○ About **3.300 financial institutions** clients for Banking solutions in **USA market**

○ **114 employees** in Italy (Milan, Rome, Padua, Turin) and USA (Kansas)

○ About **50 Corporate & Bank** clients for Risk Management solutions in manufacturing and service industries.

The Group



Piteco is part of DEDAGROUP, an important Italian company with strong IT competences. The group boasts a significant international presence in Europe, USA and South America.

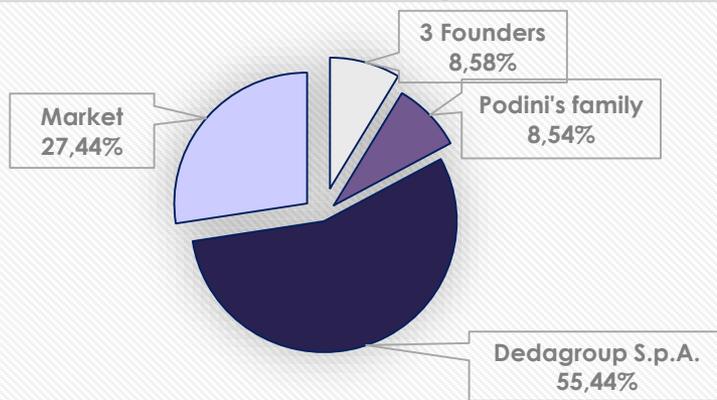
Turn over group: 220 mln €

Turn over USA: 25 MLN €

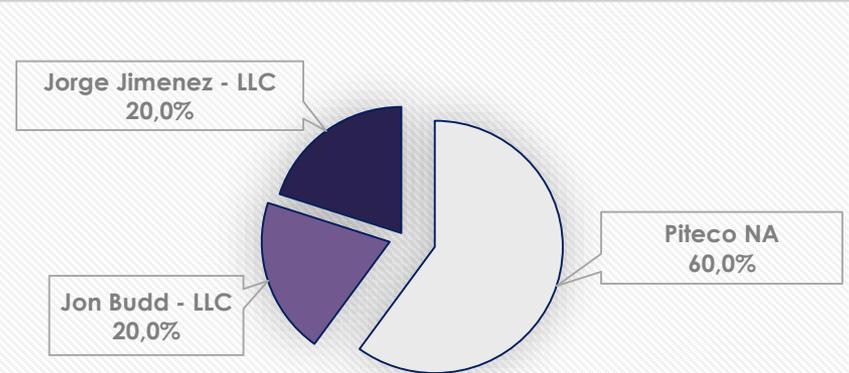
Dedagroup people: + 1,600

Shareholding & Management

Shareholding PITECO



Shareholding JUNIPER



BOARD OF DIRECTORS



MARCO PODINI
Partner

CHAIRMAN



PAOLO VIRENTI
Founding Partner

CEO



RICCARDO VENEZIANI
Founding Partner

CFO



ANDREA GUILLERMAZ
Founding Partner

SALES DIRECTOR

Other BoD Members:

Mauro Rossi (Independent)
Maria Luisa Podini (Director)

Anna Maria di Ruscio (Independent)
Francesco Mancini (Independent)

BOARD OF DIRECTORS



JORGE JIMENEZ

CHAIRMAN



JON BUDD

CEO



MARCO PODINI

BOARD MANAGER

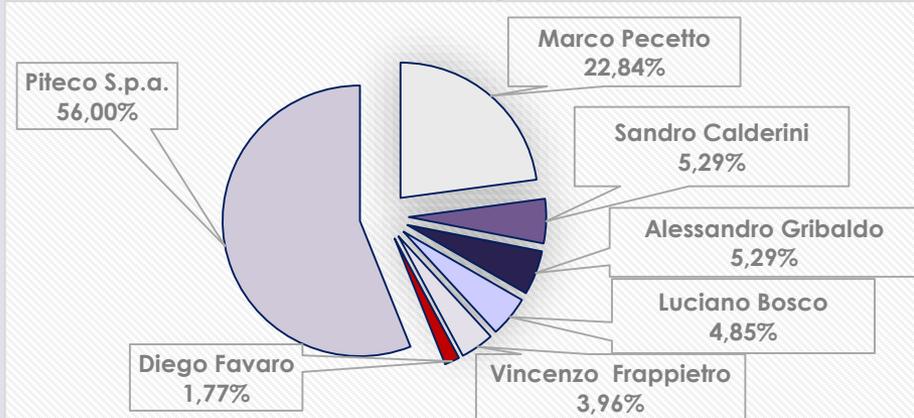


ALESSANDRO POCHER

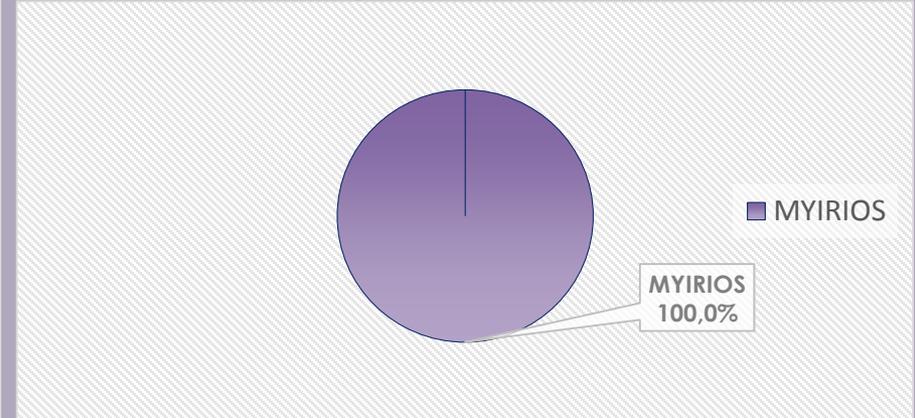
BOARD MANAGER

Shareholding & Management

Shareholding MYRIOS



Shareholding MYRIOS SWITZERLAND



BOARD OF DIRECTORS

MARCO PODINI
CHAIRMAN

MARCO PECETTO
FOUNDING PARTNER
CEO

PAOLO VIRENTI
BOARD MANAGER

ALESSANDRO GRIBALDO
FOUNDING PARTNER
CIO

RICCARDO VENEZIANI
BOARD MANAGER

BOARD OF DIRECTORS

MARCO PECETTO
CHAIRMAN

ROBERT DE PICCIOTTO
EXECUTIVE MANAGER

RICCARDO VENEZIANI
BOARD MANAGER

PAOLO VIRENTI
BOARD MANAGER

Growth Drivers

PITECO has identified a number of Growth Drivers during the IPO process:

- (1) NEW LARGE CLIENTS
- (2) NEW MODULES
- (3) ACQUISITIONS (M&A)
- (4) MID-MARKET
- (5) NEW MARKETS

(1) New Large Clients: company results confirm the committed growth.

(2) New Modules: PITECO will continue investing in R&D to offer other modules on top of the existing.

(3) Acquisitions on the national market: PITECO has acquired the Business Assets from Centro Data and the majority shareholding of MYRIOS Srl

(4) Mid-Market: PITECO has developed a Cloud solution and a dedicated indirect sales force to broaden its offer into the Mid-market (companies with a turnover of € 50-100m).

(5) New Market (USA): PITECO has acquired the Business Assets from LendingTools.com (USA Company).

M&A activity

acquisition of majority stake in Myrios Srl

The company acquired the majority stake (56%) in **Myrios Srl**, with effect from **15 October 2018**, by the founding shareholders, remaining in the company to run the business.

The majority shares have been paid for a first part of the price, equal to **Euro 7,7 million**.

A second and third part of the price will be paid according to an "earn out" on 2018 and 2019 Financial Statements, according to a formula that takes into account the growth of MYRIOS' Ebitda.

The founding shareholders have a put option for the remaining 44% of the share capital, exercisable in the period between the approval of the financial statements 2020 - 2024.

At least 50% of the exercise price will be paid for by assigning Piteco SpA shares.

Financials	FY2017	FY2018
Turnover	2,8 ml	3,0 ml
EBITDA	1,5 ml	1,8 ml
Net Profit	1,1 ml	1,3 ml
Employees	14	15

The logo for Myrios, featuring the word "myrios" in a lowercase, sans-serif font. The letters "myri" are in a dark blue color, and the letters "os" are in a lighter blue color. A colon ":" follows the word.

M&A activity

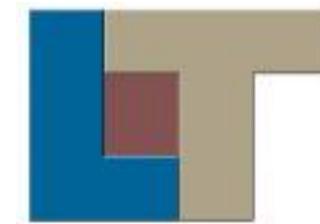
Business Assets from LendingTools.com

The company acquired the **Business Assets from LendingTools.com Inc.** with effect from **7 April 2017**. LendingTools.com Inc. is the leader in USA for digital payment services and clearing house to approximately 3.300 American banks and manages the settlement of interbank financial flows (bank transfers and checks collection) for over 3 billion USD per day. It can be considered one of the largest US interbank networks.

This acquisition, interesting on stand alone bases considering its revenues, growth perspectives and profit margins, has even more value considering the future integration synergies with Piteco product portfolio and the related combined offer.

On top of this strategy, Piteco will be able to speed up the development of the US Corporates market with its Treasury solutions in a more effective way.

Capital Injection	\$ 13 ml
- equity	\$ 3 ml
- I/C debt (10 Y: 2,5%)	\$ 10 ml
Financial FY2018	
Turnover	\$ 5.3 ml
EBITDA	\$ 2,2 ml
EBIDA margin	42,2%



.....
The Correspondent Technology Expert.
.....

M&A activity

Business Assets from Centro Data

The company acquired the **Business Assets from Centro Data S.r.l.** with effect from **1 July 2015**. Centro Data S.r.l. is providing solutions for financial transactions reconciliation and complex data matching. (**MATCHIT software**).

This acquisition has allowed the company to add **new software modules** to its offer, in areas corresponding the current core business and about **50 new clients** mainly in areas not completely covered by the company, as insurance and consumer credit.

Equivalent	€ 1.085.000
- <i>cash</i>	<i>55,3%</i>
- <i>debt</i>	<i>23,9%</i>
- <i>anticipated revenue</i>	<i>20,8%</i>
Turnover 2016	€ 1.350.000
Number of Clients	50



section 3

PITECO

section 3.1

Software and clients

Client lifecycle

The typical client lifecycle consists mainly of 3 phases:



Acquisition: first project phase concludes the process with the sale of PITECO software and customization to client's needs. The average value of a typical contract is **€65.000** (€35.000 for software and € 30.000 for advisory)

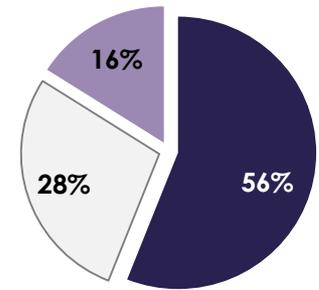


Maintenance: recurrent annual maintenance fee, on average **€11.000** (showing steady growth and inflation linked) and invoiced in advance



Upgrading: additional cross-selling of the current **20 software modules** which are part of total PITECO offer. The upgrading leads to a constant increase in the average annual maintenance fee

Sales Breakdown
(% on 2018 sales)



- Maintenance & recurring fees
- Sales of services
- Software sales

PITECO Evo: integrated with 17 modules

PITECO Evo is a platform dedicated to an integration of corporate finances to the most widespread ERPs. The 17 module offer is illustrated below:

CASH MANAGEMENT	BASE-CASH MANAGEMENT	Cash Management, Credit management and sensitivity analysis.
	HOME BANKING	Automatic reconciliation of banking transactions.
	MANAGEMENT SALES STORES	Management of banking transactions per sales store, both in an accounting and forecasting.
	CUSTOMER CASH ALLOCATION	Collection of customer invoices in the accounting system.
	ELECTRONIC CASH RECEIPTS	Active management of electronic cash receipts.
SOURCES AND APPLICATION OF FUNDS	TRADE PAYABLES	Accounting and financial process management for payments to suppliers.
	FINANCING & DEPOSITS	Analysis of accounts receivables, deposits towards clients or intercompany and sensitivity.
	MORTGAGE & LEASING	Mortgages and lending management with amortisation schedule and control of payments.
FINANCIAL CONTROL AND RISK MANAGEMENT	FACTORING	Credit management.
	LINE OF CREDIT	Credit management for personal details, type of use and cost, and calculation of commission.
	SURETIES	Management of various types of commitment and guarantee (bond, derivatives, contracts)
	LETTERS OF CREDIT	Import-export documentary credit management.
	FINANCIAL RISK MANAGEMENT	Management of currency and exchange rate risk of hedging operations.
	FINANCE INTELLIGENCE	Data extraction tool for fueling of external data warehouses.
	GLOBAL FINANCIAL REPORTING	Advanced tool for management of the financial reporting.
ECONOMIC & FINANCIAL PLANNING	CASH POOLING & IN HOUSE BANKING	Management of the different centralisation structures, including mixed assessment scenarios.
	ECONOMIC-FINANCIAL FORECASTING	Integrated capabilities for the forecasting of short- and medium-/long- term management

Corporate Banking Communication CBC

Corporate Banking Communication (CBC) is PITECO's proposal to companies for efficient workflow management towards national and international banks.

The use of CBC allows:

Complete automation of authorisation workflows

- Compliance with procedures and business organisation
- Streamlining of the traditional authorisation procedures
- Improving the time required for the collection of authorisations in complex structures
- Using modern communications and authorisation systems

Safe management of workflows

- Centralisation in a single system for authorisation procedures of banking arrangements (payments, electronic bill payment and presentment etc...)
- Storage in a single database of all workflows transmitted (L.262)
- Secure workflow submission to the banking system
- Use of digital signature on workflows

Independence from remote banking

- Connectors with Remote Banking for the workflows automation that need to be sent
- Connectors with the Swift network using SWIFT Service Bureau LITE to send or receive workflows.

App CBC:



MATCH.IT

MATCH.IT is PITECO's proposal for efficient management of analysis and matching of complex data flows based on flexible matching criteria in automation.

Features and key benefits:

Technical and functional environment

- Semantic analysis of unstructured sequence of data.
- Guided acquisition, transformation and data upload for dynamic data flow treatment.
- Validation rules freely settable
- Learning curve allowing the system to improve data matching results.
- User friendly setup.

Flexibility

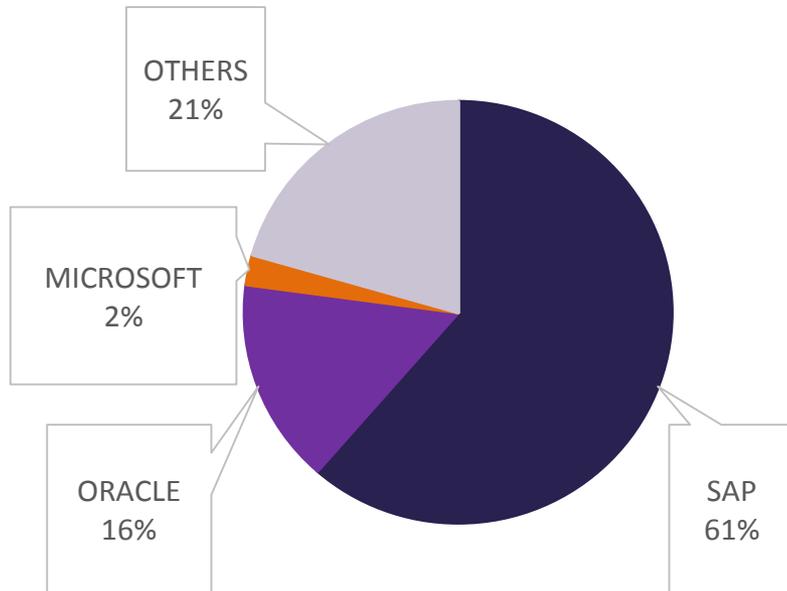
- Multiple payment disposals vs invoices/credit notes for GDO suppliers;
- Broker account statements vs issued insurance policies;
- Long/short term loans collection vs financing practices for Consumer Credit;
- Corporate billing vs collective collection for Multiutility;
- Front and back end data reconciliation for e-Commerce

Better performance

- Reduction of operational costs.
- Qualitative improvement of controls.
- Flexibility and optimization of resources.
- Improvement of traceability.

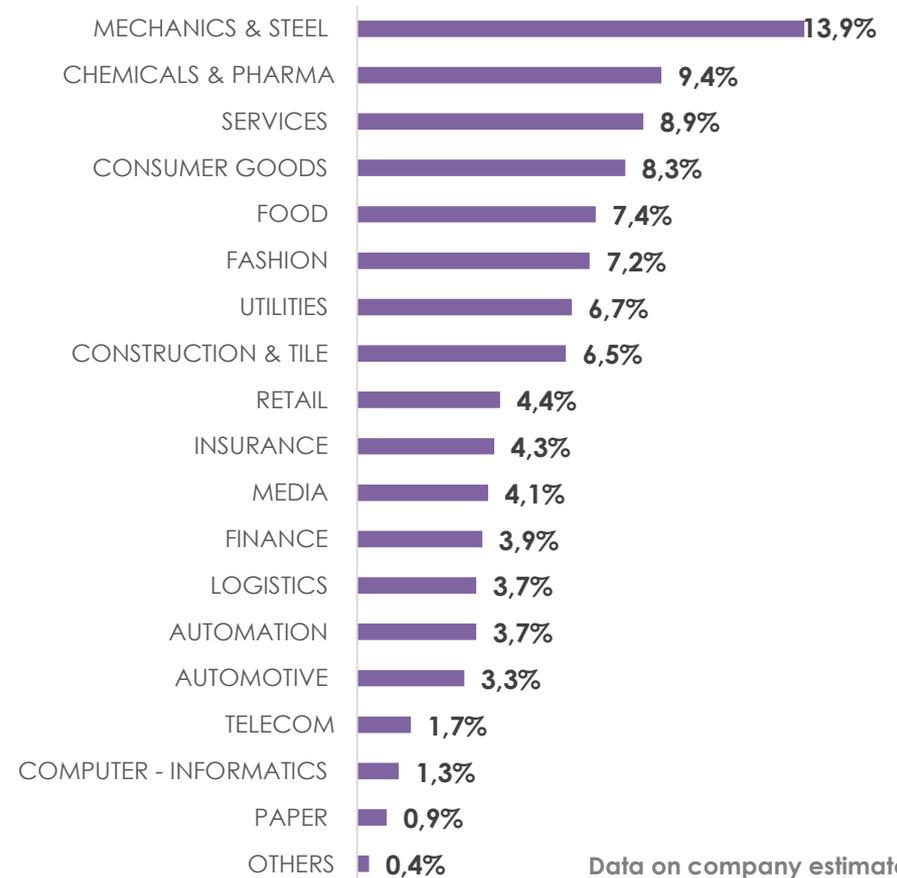
PITECO clients

ERP Breakdown of **Piteco clients**



Data on company estimate

Business sector breakdown of **Piteco clients**



Data on company estimate

- PITECO currently counts more than 600 clients well-distributed across all industries
- 100% of PITECO's clients already employ a management software (ERP)
- The three main management software tools (SAP, Oracle and Microsoft) count for approximately 80%

Examples of Clients

AUTOMATION	AUTOMOTIVE	CHEMISTRY	CONSTRUCTION
CONSUMER	FASHION	FINANCE	INSURANCE
FOOD	LOGISTIC	MECHANICS	MEDIA
RETAIL	SERVICES	TLC	UTILITIES

section 3.2

Market info and trends

Market sub-segments: management application software

SOFTWARE MARKET: € 6,2 billion

SYSTEM SOFTWARE

Software which guarantees basic functions (operative systems, e.g. MAC OS or Windows)

INFRASTRUCTURE SOFTWARE

Set of programs that act as intermediaries between different applications and software components

APPLICATION SOFTWARE

Programs used for office automation (e.g. Word, Excel), particular professional needs and assets (e.g. the treasury, warehouse management), creation of software, and optimisation of computer processes.

MANAGEMENT APPLICATION SOFTWARE: € 4,5 billion

ACCOUNTING
SOFTWARE

STORAGE
SOFTWARE

PRODUCTION
SOFTWARE

BUDGETING
SOFTWARE

MANAGEMENT &
FINANCIAL ANALYSIS
SOFTWARE

TREASURY SOFTWARE

Piteco
FINANCIAL SOFTWARE & CONSULTING

Future growth of the Treasury Management Systems industry

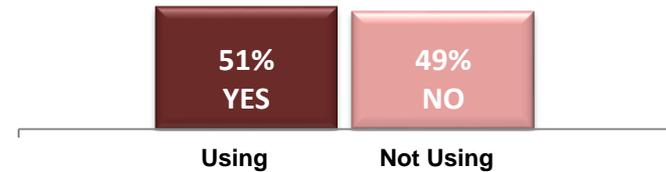
At this point we may say that TMS industry has only just begun to grow...

...As revealed by the latest survey published by Bloomberg in April 2016, **only 51% of the surveyed companies** already uses a Software to manage their Treasury (TMS).

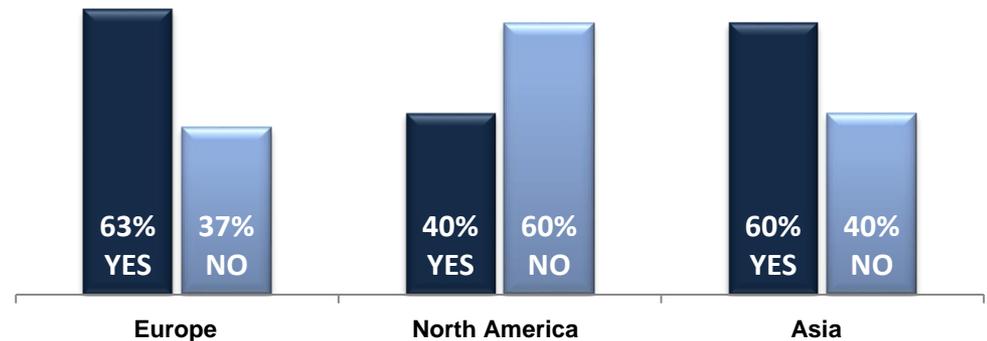
Geographically analyzing this data we can notice a substantial maturity of the European market (63% uses TMS) in comparison to the North American one (only 40% uses TMS).

Analyzing the TMS spreading by the corporates revenue size, we still observe a very low penetration in **companies with turnover <\$1 million**: only 18% in companies with less revenue then \$ 250 mil and only 44% in those up to \$999 mil.

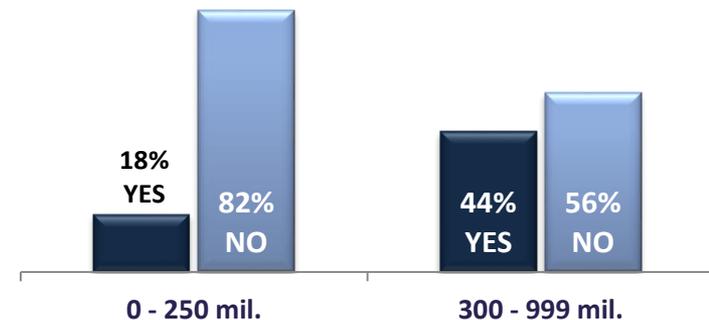
Companies using TMS



Companies using TMS



TMS use per corporate revenue size



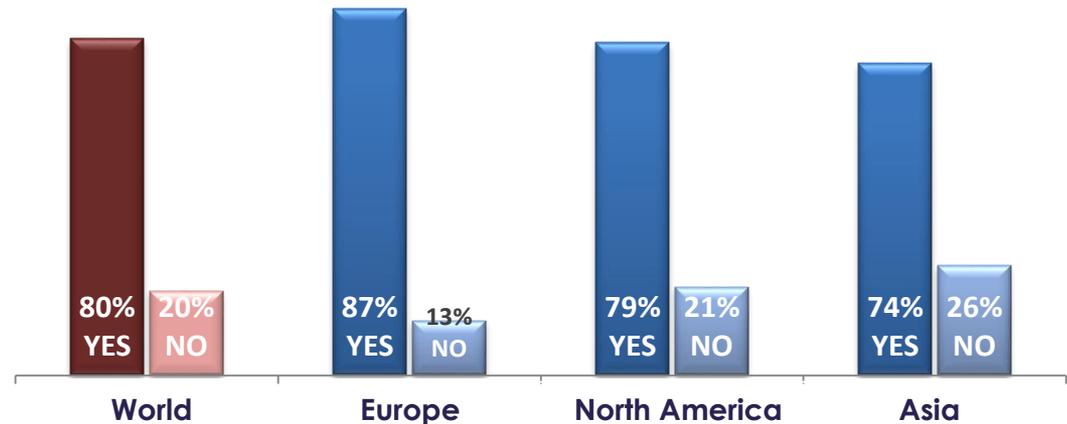
Current trends in the TMS industry

Corporates question when selecting a TMS

1. Specific Software or an ERP module?

To date, companies believe **it's strategic to use a specific software dedicated to Treasury (80%)**. Less popular is the approach of using or even adapting a module incorporated in companies' ERP (only 20% of companies).

Use of specific software in Treasury

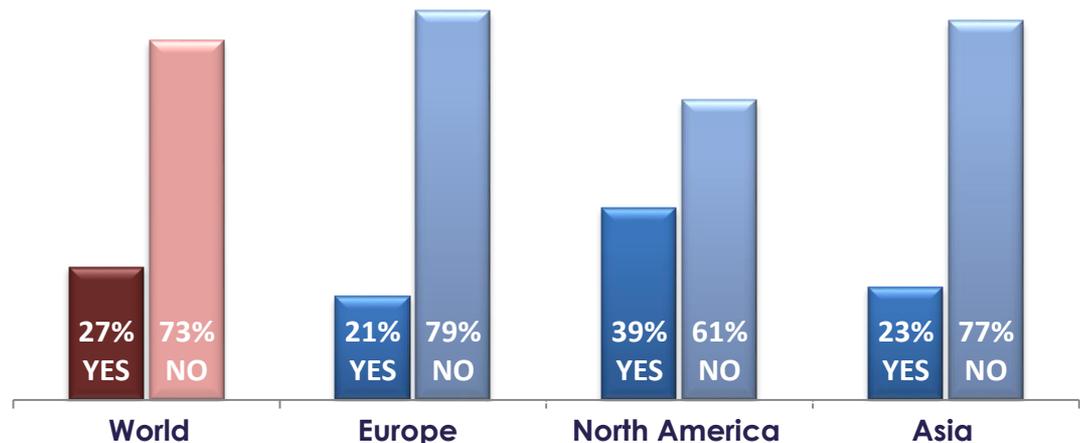


2. Cloud or not ?

The trend to use a Treasury software via **Cloud platform** is growing over time, although up **to date only 27%** of the surveyed companies are actually using it.

However, there is a higher penetration in the **US market, where already 39%** of the implementations is in cloud mode.

TMS in Cloud



section 4

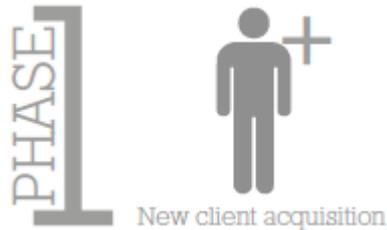
JUNIPER

section 4.1

Software and clients

Client life cycle

The typical client life cycle consists mainly of 3 phases:



Sales: Process includes contracts that establish a recurring revenue annuity for services with correspondent customer as a subscription to utilize the software for its respondents. Additional contract revenue derives from one-time up-front purchase, implementation and integration fees associated with contract.



Maintenance: Monthly subscription billing provides recurring revenue for the duration of the contract period, which automatically renews.



Enhancements: Customers often purchase a subset of total Gateway offering in initial phase of implementation followed by purchase and implementation of additional modules over the contract period. This process included additional one-time purchase/implementation fees. Additionally, custom programming services are utilized to facilitate correspondent customer operational or market differentiation needs.

The lifetime renewal rate for customer contracts is nearly **85%**

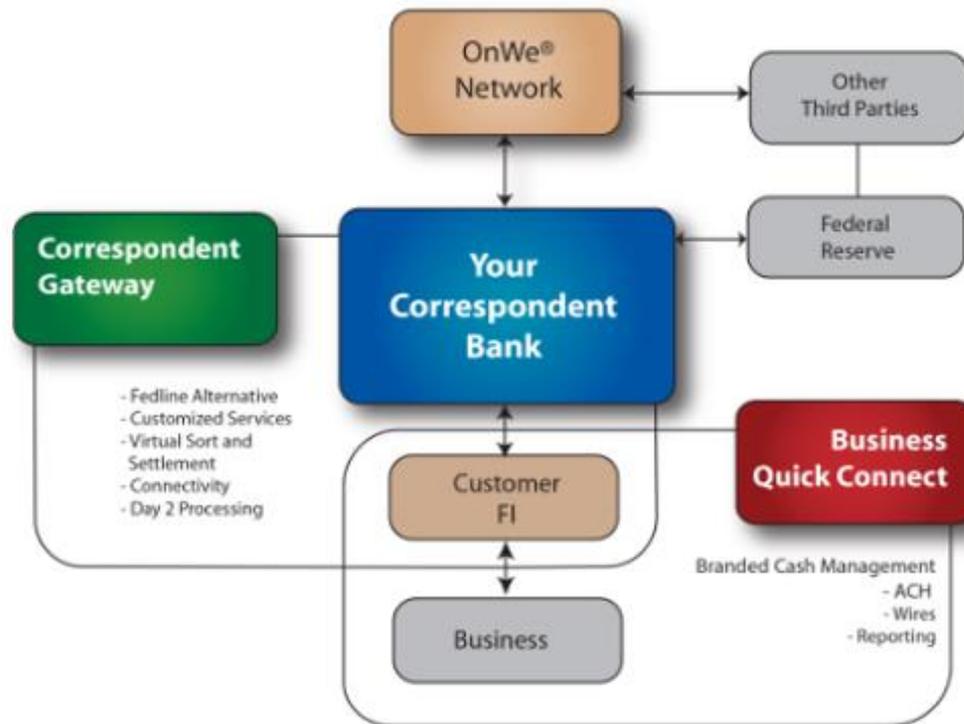
Multi-year contracts with automatic renewal

Juniper's product families

The company offers **two product families**:

The first, **ExtraNet FP-S**, enables correspondent institutions to provide all payments, reporting and communications necessary to simultaneously serve as the sole aggregation and settlement point for large numbers of respondent institutions. This online gateway receives transactions and data from core processing systems, the U.S. Federal Reserve and other third-party providers to streamline and automate the entire correspondent service delivery process.

The second, **ExtraNet FP-C**, provides an internet based platform for business ACH origination and wire transfers. This service is sold to community financial institutions as a basic platform to enable electronic payments for their business customers.



ExtraNet FP-S Correspondent Gateway

Administration and Control	ExtraNet FP-S Base System	Security, content and user experience management,
	Archival	Transaction retention and download
	Authentication	Extensive multi-factor validation including biometric scanning
	Secure File Management	Secure upload and transmission of files/documents
Payments Origination Transmission and Settlement	ACH Advance	Automated delivery/transmission to ACH Operator
	ACH Entry/Management	Origination/upload/validation/processing of ACH and auto-origination of files per pre-defined schedules
	International ACH - IAT	Origination of ACH transactions to US FedGlobal
	Domestic Wires – Live Wire	Automated wire transfers to/from US Federal Reserve
	Domestic Wires Entry	Origination/upload/validation of US wires
	Domestic Wires – FR-ETA	Origination/validation of US Electronic Tax wires
	International FX	Interfaces to various FX providers for foreign wires and currency
	Check Image Returns	Create check image returns from receipt files
	Check Adjustments	Online entry of check image correction adjustments
	Account to Account Transfers	Direct transfers between respondents
	Fed Funds/EBA Management	Online display/entry of overnight investment orders
	Vault Cash Orders	Online entry of domestic branch cash orders
	Foreign Currency Orders	Online orders buy/sell foreign currency, travelers checks, drafts, cash letters, collections,
ExtraNet CL	OnWe® Clearing Network	Check image direct exchange between respondents
ExtraNet FT	Secure File Transfer	Validation/transmission of check image files
Risk Management	OFAC Scanning	Immediate validation of ACH/Wires against US Treasury lists
	ACH Risk Management	Limits and reporting for ACH origination files
	Wire Risk Management	Limits and reporting for Wire transfers
	Trend Analytics ACH/Wires	Multi-day trend analysis for transactions/files
Reporting and Audit	Account Inquiry	Balance and transaction listing with core interface
	Real Time Interface	Immediate cash position of intra-day activity
	Report File Delivery	Unlimited report delivery classes - online/download
	Loan Payment/Advance	Submit and report payment and advance requests
	Credit Card Payment	Submit and report end user credit card payments
	Audit Trail	Complete tracking and reporting of every user action

ExtraNet FP-C Business Quick Connect

Administration and Control

- Internet based platform for community financial institutions to business customers
- Modular structure and control available at multiple levels
- Includes multi-factor authentication and user level permissions and limits
- Operates as a stand alone offering or integrated into Juniper's FP-S transaction flow

Payments and Compliance

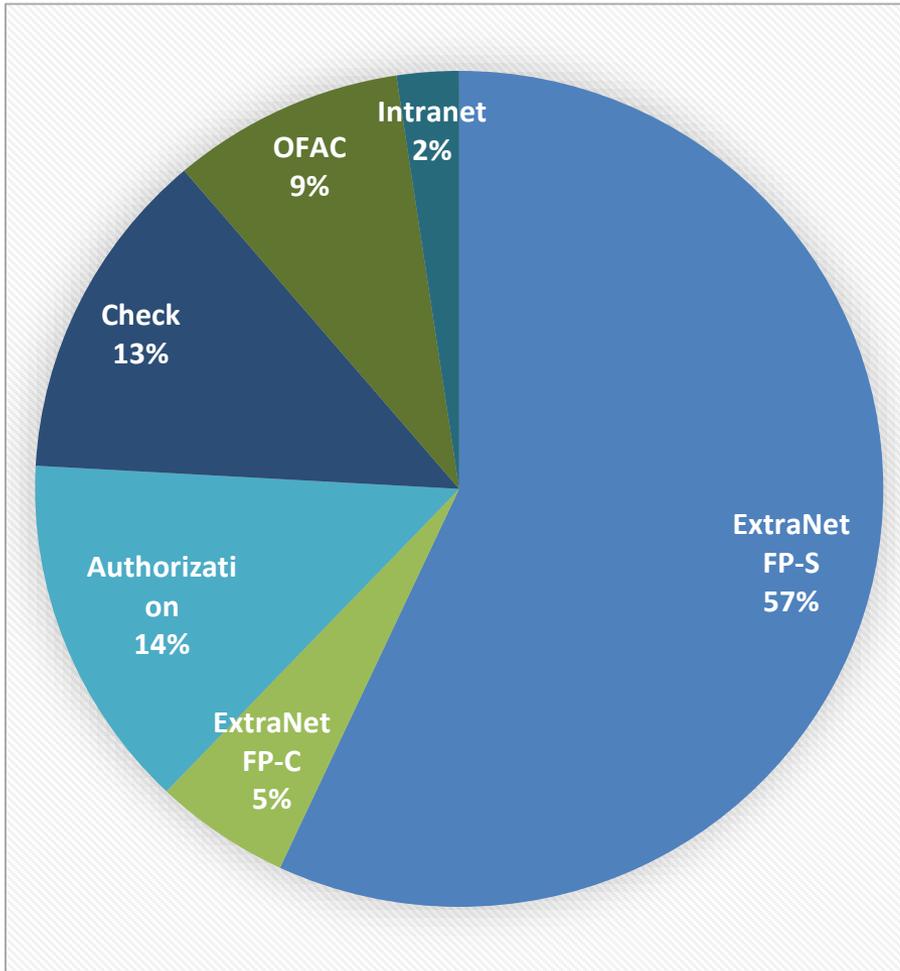
- Business customer entry level program for Automated Clearing House (ACH) and wire transfer payments
- Facilitates one-time payments, templates for repetitive payments and upload of formatted payment files from other systems
- Integrated Office of Foreign Asset Control (OFAC) scanning for compliance with regulations

Reporting and Audit

- Complete tracking of all activity in Audit Trail reports with multiple search options
- Report delivery to business customer level also included
- Account balance data available via BAI file import

Juniper clients

Sales Breakdown by product.
Revenue is for the period May - December 2017



Example of clients



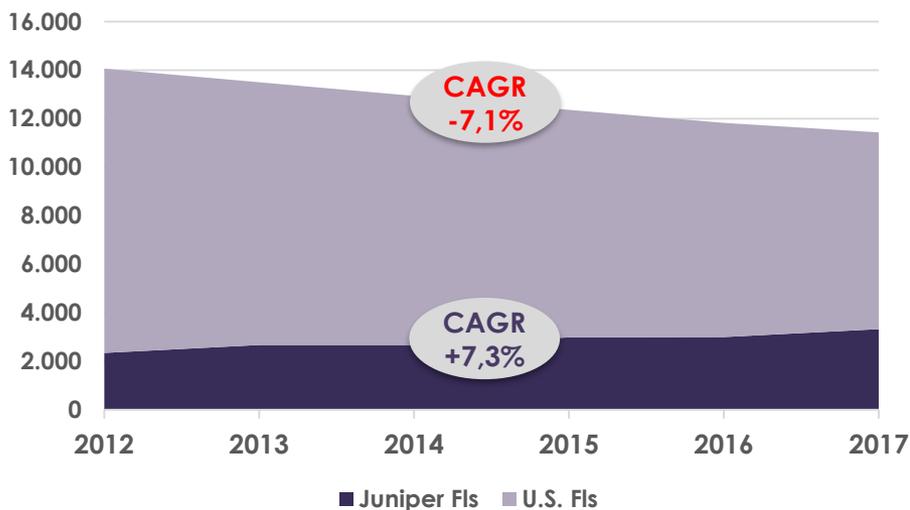
section 4.2

Market info

Juniper market

- Juniper serves more than 3.300 banks and credit unions utilizing its online platform software to transmit and receive daily transactions that total over \$3 billion..
- Juniper's market share has been growing steadily since 2012 both in value and in comparison with the competitors.
- The business model is based on recurring fees. About 90% of the turnover is generated by license agreements and only 10% by customization services sales, advice and support. The contracts have an average duration of 5 years with an high customer retention rate.

Graph: Juniper market share



Fons: FDIC and NCUA annual summaries 2012 – Q3 2017 (FDIC), Q2 2017 (NCUA)

Total Bank Industry Assets	\$17,2 trillion
JP Morgan Chase Total Assets	\$2,1 trillion
Wells Fargo Bank Total Assets	\$1,7 trillion
Bank of America Total Assets	\$1,6 trillion
Citibank Total Assets	\$1,4 trillion
Number of institutions	5.733
Average asset size	\$1,8 billion
Median asset size	\$201 million
% of institutions with \$25 million or less in total assets	3%
% of institutions with \$100 million or more in total assets	77%

Fonte: FDIC Q3 2017

Total Credit Union Industri Assets	\$1,3 trillion
Navy Federal CU Total Assets	\$83,7 billion
State Employees' FCU Total Assets	\$37,1 billion
Pentagon FCU Total Assets	\$22,8 billion
Boeing Employees CU Total Assets	\$17,6 billion
SchoolsFirst Total Assets	\$13,9 billion
The Golden 1 Total Assets	\$11,3 billion
First Technology Total Assets	\$11,1 billion
Number of institutions	5,589
Average asset size	\$204 million
Median asset size	\$30 million
% of institutions with \$25 million or less in total assets	45%
% of institutions with \$100 million or more in total assets	27%

Fons: NCUA Q2 2017

section 5

MYRIOS

section 5.1

Software and clients

Client life cycle

The typical client life cycle consists mainly of 3 phases:



Sales: Process includes contracts that establish a recurring revenue annuity for services with correspondent customer as a subscription to utilize the software for its respondents. Additional contract revenue derives from one-time up-front purchase, implementation and integration fees associated with contract.



Maintenance: Yearly subscription billing provides further recurring revenue for the duration of the contract period, which automatically renews.



Enhancements: Customers often purchase a subset of total modules offering in initial phase of implementation followed by purchase and implementation of additional modules over the contract period. This process included additional one-time purchase/implementation fees. Additionally, custom programming services are utilized to facilitate correspondent customer operational or market differentiation needs.

Multi-year contracts with automatic renewal

Revenues massive increase as a result of new modules and additional implementation

Myrios' product families

Myrios FM is a software solution dedicated to processes in the Finance & Risk Management areas.

Forex

- Exposure
- FX Hedging
- Market Data
- Real Time Evaluation
- Deal Management
- Hedge Accounting
- Reporting

Commodity

- Exposure
- Commodity Hedging
- Market Data
- Deal Management
- Hedge Accounting
- Reporting

Debt

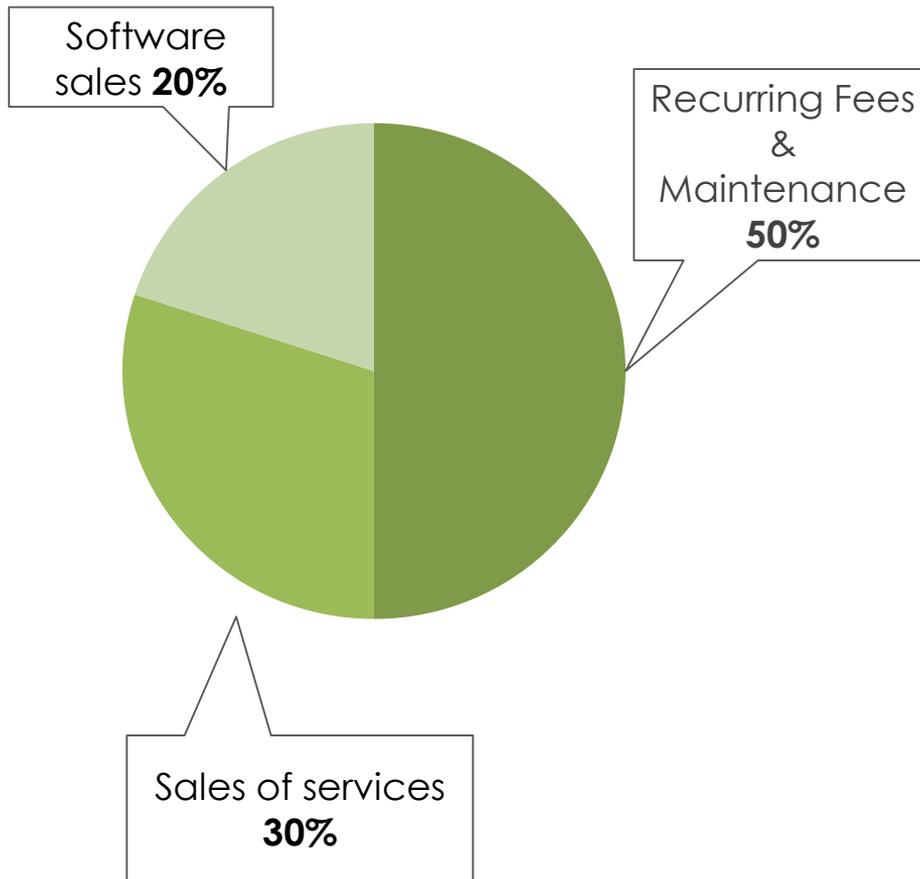
- Exposure
- Interest Rate Hedging
- Market Data
- Deal Management
- Real Time Evaluation
- Hedge Accounting
- Reporting

Investments

- Financial Instruments^{1,19}
- Market Data
- Portfolio Analysis
- Accounting
- Reporting

Myrios clients

Sales Breakdown by product.
Revenue is for the period FY 2018



Example of clients



section 6

Listing on the Stock Exchange

Listing on the Stock Exchange

Trading of the ordinary PITECO shares and of the Convertible Bond "Piteco Convertible 4.50% 2015-2020" on the Stock Exchange formally started on 31 July 2015. Following are the basic data of the two issued instruments:

ISSUED INSTRUMENTS

Stock		Convertible Bond	
ISIN code	IT0004997984	ISIN code	IT0005119083
IPO value	€ 3,30	Issued	€ 5 mln
Value at April 26, 2019	€ 5,20	Coupon	4,5%
Capital Raised on IPO	€ 11,5 mln	Maturity	2015-2020
Market Cap at April 26, 2019	€ 94,3 mln	Strike price	€ 4,20



section 7

Financial Results

IAS-IFRS

Income Statement Piteco Group FY2018/2017

Data in EUR/1000

Profit and Loss	FY2018	%	FY2017	%	Var.	Var. %
Net Sales Revenues	19.374	95,9%	16.374	96,1%	3.000	18%
Other Revenues	940	4,6%	707	4,1%	233	33%
Work in Progress (change)	-100	-0,5%	-35	-0,2%	65	186%
TURNOVER	20.214	100,0%	17.046	100,0%	3.168	19%
Raw Materials	306	1,5%	267	1,6%	39	15%
Personnel Costs	8.122	40,2%	7.420	43,5%	702	9%
Services	3.442	17,0%	2.835	16,6%	607	21%
Other Costs	78	0,4%	67	0,4%	11	16%
OPERATIVE COSTS	11.948	59,1%	10.589	62,1%	1.359	13%
EBITDA	8.266	40,9%	6.457	37,9%	1.809	28%
Depreciation and Amortization	1.867	9,3%	1.483	8,7%	384	26%
EBIT	6.399	31,6%	4.974	29,2%	1.425	29%
Gain (Loss) Forex	392	1,9%	-1.106	-6,5%	1.498	-135%
Financial Incomes (Costs)	-340	-1,7%	-537	-3,2%	197	-37%
Extraordinary Incomes (Costs)	-719	-3,6%	126	0,7%	845	-671%
EBT	5.732	28,4%	3.457	20,3%	2.275	66%
Tax	467	2,3%	72	0,4%	395	549%
NET PROFIT (Loss)	5.265	26,1%	3.385	19,9%	1.880	56%

Balance Sheet Piteco Group FY 2018/2017

Data in EUR/1000

Balance Sheet	FY2018	FY2017	Changes
Work in progress	128	103	25
Trade credits	4.680	3.993	687
Tax Credits	28	35	-7
Other current credits	501	241	260
(A) Current Assets	5.337	4.372	965
Accounts payable	673	456	217
Tax Debts	172	294	-122
Other current Debts	3.515	2.736	779
(B) Current Liabilities	4.360	3.486	874
(A-B) Net Working Capital	977	886	91
Tangible Assets	2.098	1.486	612
Intangible Assets	58.301	37.416	20.885
Financial Assets	23	28	-5
Tax Accounts	462	418	44
(C) Non Current Assets	60.884	39.348	21.536
Severance pay and other funds	1.294	1.179	115
Other non current Funds	50	46	4
Deferred Tax	2.587	141	2.446
(D) Non Current Liabilities	3.931	1.366	2.565
(NWC+C-D) Net Invested Capital	57.930	38.868	19.062

Balance Sheet Piteco Group FY 2018/2017

Data in EUR/1000

Balance Sheet	FY2018	FY2017	Changes
Share Capital	18.155	18.155	0
Reserves	5.901	5.933	-32
Profit (loss) previous years + reserves FTA/IAS	1.815	2.443	-628
Profit (loss) of the year	5.265	3.385	1.880
(E) Total Equity	31.136	29.916	1.220
Cash and Deposits	5.572	5.154	418
Current Financial Assets	262	0	262
Bank Debts within 12 months	-1.960	-1.133	-827
Debts to other lenders within 12 months	-4.119	-1.192	-2.927
Put Options over 12 months	-11.512	-2.427	-9.085
Debts to other lenders over 12 months	-5.352	-4.658	-694
Bank Debts over 12 months	-9.685	-4.696	-4.989
(NFP) Net Financial Position	-26.794	-8.952	-17.842
(E-NFP) Total Sources	57.930	38.868	19.062

Net Financial Position Piteco Group FY2018/2017

Data in EUR/1000

Net Financial Position	FY2018	FY2017	Var.	%18/17
Cash and Deposits	5.572	5.154	418	8,1%
CASH	5.572	5.154	418	8,1%
Current Financial Assets	262	0	262	#DIV/0!
Bank Debts within 12 months	-1.960	-1.133	-827	73,0%
Debts to other lenders	-4.119	-1.192	-2.927	245,6%
Current Financial Position	-5.817	-2.325	-3.492	150,2%
Current NET Financial Position	-245	2.829	-3.074	-108,7%
Bank Debts over 12 months	-9.685	-4.696	-4.989	106,2%
Debts to other lenders over 12 months	-5.352	-4.658	-694	14,9%
Non Current Financial Position	-15.037	-9.354	-5.683	60,8%
NET Financial Position	-15.282	-6.525	-8.757	134,2%
Put Options over 12 months	-11.512	-2.427	-9.085	374,3%
NET Financial Position with PUT	-26.794	-8.952	-17.842	199,3%

The Net Financial Position is also exposed in the version that excludes the PUT option for the purchase of the remaining 40% of Juniper Payments LLC and the 44% of Myrios Srl .

Cash Flow Statement Piteco Group FY2018/2017

Data in EUR/1000

Cash Flow Statement	FY2018	FY2017	
NET PROFIT (Loss)	5265	3385	
Financial Incomes (Costs)	338	537	
Taxes	457	-262	
Depreciation and amortization	1862	1302	
increases in fixed assets for internal processing and minus-plus	-607	-359	
Cash Flow from operation before change in NWC	7315	4603	
Financial Incomes (Costs) paid	-336	-538	
Taxes paid	-648	-187	
Total changes N.W.C.	-107	595	
Total changes in funds	15	-9	
Operating Cash Flow	6239	4464	
	% on Net Sales	32%	27%
	% on Ebitda	75%	69%
Capex	-10642	-9824	
Free Cash Flow Before Debt Repairment	-4403	-5360	
Loan Disbursement (Repayment)	9260	2784	
Equity changes	-4438	-3141	
Financial Changes	4822	-357	
Changes in Liquidity	419	-5717	
Cash beginning of the year	5.153	10.870	
Cash at the end of the year	5.572	5.153	

Income Statement Piteco Spa FY2018/2017

Data in EUR/1000

Profit and Loss	FY2018	%	FY2017	%	Changes %
Net Sales Revenues	14.091	95,2%	13.500	95,3%	4%
Other Revenues	728	4,9%	704	5,0%	3%
Work in Progress (change)	-16	-0,1%	-35	-0,2%	-54%
TURNOVER	14.803	100,0%	14.169	100,0%	4%
Raw Materials	312	2,1%	264	1,9%	18%
Personnel Costs	6.306	42,6%	6.127	43,2%	3%
Services	2.317	15,7%	2.225	15,7%	4%
Other Costs	65	0,4%	64	0,5%	2%
OPERATIVE COSTS	9.000	60,8%	8.680	61,3%	4%
EBITDA	5.803	39,2%	5.489	38,7%	6%
Depreciation and Amortization	359	2,4%	483	3,4%	-26%
EBIT	5.444	36,8%	5.006	35,3%	9%
Gain (Loss) Forex	392	2,6%	-1.103	-7,8%	-136%
Financial Incomes (Costs)	-135	-0,9%	-359	-2,5%	-62%
Extraordinary Incomes (Costs)	-719	-4,9%	334	2,4%	-315%
EBT	4.982	33,7%	3.878	27,4%	28%
Tax	384	2,6%	122	0,9%	215%
NET PROFIT (Loss)	4.598	31,1%	3.756	26,5%	22%

Balance Sheet Piteco Spa FY 2018/2017

Data in EUR/1000

Balance Sheet	FY2018	FY2017	Changes
Work in progress	122	103	19
Trade credits	4.011	3.874	137
Tax Credits	0	35	-35
Other current credits	192	227	-35
(A) Current Assets	4.325	4.239	86
Accounts payable	658	414	244
Tax Debts	138	290	-152
Other current Debts	2.944	2.708	236
(B) Current Liabilities	3.740	3.412	328
(A-B) Net Working Capital	585	827	-242
Tangible Assets	1.274	1.316	-42
Intangible Assets	28.874	28.751	124
Equity Investments	13.952	2.818	11.134
Financial Assets	23	28	-5
Tax Accounts	320	366	-46
(C) Non Current Assets	44.443	33.279	11.164
Severance pay and other funds	1.151	1.179	-28
Other non current Funds	50	46	4
Deferred Tax	234	141	93
(D) Non Current Liabilities	1.435	1.366	69
(NWC+C-D) Net Invested Capital	43.593	32.740	10.853

Balance Sheet Piteco Spa FY 2018/2017

Data in EUR/1000

Balance Sheet	FY2018	FY2017	Changes
Share Capital	18.155	18.155	0
Reserves	8.889	8.674	215
Profit (loss) previous years + reserves	2.400	2.443	-43
FTA/IAS			
Profit (loss) of the year	4.598	3.756	842
(E) Total Equity	34.042	33.028	1.014
Cash and Deposits	2.386	3.039	-653
Short Term Financial Credits	1.318	753	565
Bank Debts within 12 months	-4.767	-1.133	3.634
Long Term Financial Credits	6.545	6.983	-438
Long Term Financial Debits	-5.348	-4.658	-690
Bank Debts over 12 months	-9.685	-4.695	-4.990
(NFP) Net Financial Position	-9.551	288	-9.839
(E-NFP) Total Sources	43.593	32.740	10.853

Net Financial Position Piteco Spa FY2018/2017

Data in EUR/1000

Net Financial Position	FY2018	FY2017	Var.	%18/17
Cash and Deposits	2.386	3.039	-653	-21,5%
CASH	2.386	3.039	-653	-21,5%
Debts to other lenders within 12 months	-2.806	0		#DIV/0!
Bank Debts within 12 months	-1.961	-1.133	-828	73,1%
Short Term Financial Credits	1.318	753	565	75,0%
Current Financial Position	-3.449	-380	-3.069	807,6%
Current NET Financial Position	-1.063	2.659	-3.722	-140,0%
Long Term Financial Credits	6.545	6.983	-438	-6,3%
Bank Debts over 12 months	-9.685	-4.696	-4.989	106,2%
Debts to other lenders over 12 months	-5.348	-4.658	-690	14,8%
Non Current Financial Position	-8.488	-2.371	-6.117	258,0%
				-
Net Financial Position	-9.551	288	-9.839	3416,3%

Cash Flow Statement Piteco Spa FY2018/2017

Data in EUR/1000

Cash Flow Statement	FY2018	FY2017	
NET PROFIT (Loss)	4598	3756	
Financial Incomes (Costs)	135	359	
Taxes	377	-212	
Depreciation and amortization	355	303	
increases in fixed assets for internal processing and minus-plus	-364	-358	
Cash Flow from operation before change in NWC	5101	3848	
Financial Incomes (Costs) paid	-137	-360	
Taxes paid	-329	-183	
Total changes N.W.C.	333	653	
Total changes in funds	6	-9	
Operating Cash Flow	4974	3949	
	% on Net Sales	35%	29%
	% on Ebitda	86%	72%
Capex	-11327	-10592	
Free Cash Flow Before Debt Repairment	-6353	-6643	
Loan Disbursement (Repayment)	9311	1592	
Equity changes	-3612	-2780	
Financial Changes	5699	-1188	
Changes in Liquidity	-654	-7831	
Cash beginning of the year	3.039	10.870	
Cash at the end of the year	2.385	3.039	



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