Second Quarter 2020 Results

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Notes/Safe Harbor

Forward-Looking Statements Certain statements included in this presentation are not historical facts but are forward-looking statements for purposes of the safe harbor provisions under The Private Securities Litigation Reform Act of 1995. Forward looking statements generally are accompanied by words such as “may”, “should”, “would”, “plan”, “intend”, “anticipate”, “believe”, “estimate”, “predict”, “potential”, “seem”, “seek”, “continue”, “future”, “will”, “expect”, “outlook” or other similar words, phrases or expressions. These forward-looking statements include statements regarding our industry, future events, estimated or anticipated future results and benefits, future opportunities for Exela, and other statements that are not historical facts. These statements are based on the current expectations of Exela management and are not predictions of actual performance. These statements are subject to a number of risks and uncertainties, including without limitation those discussed under the heading “Risk Factors” in the Annual Report. In addition, forward-looking statements provide Exela’s expectations, plans or forecasts of future events and views as of the date of this communication. Exela anticipates that subsequent events and developments will cause Exela’s assessments to change. These forward-looking statements should not be relied upon as representing Exela’s assessments as of any date subsequent to the date of this presentation.

Non-GAAP Financial Measures and Related Information This presentation includes constant currency, EBITDA and Adjusted EBITDA, each of which is a financial measure that is not prepared in accordance with U.S. generally accepted accounting principles(“GAAP”). Exela believes that the presentation of these non-GAAP financial measures will provide useful information to investors in assessing our financial performance, results of operations and liquidity and allows investors to better understand the trends in our business and to better understand and compare our results. Exela’s board of directors and management use constant currency, EBITDA and Adjusted EBITDA to assess Exela’s financial performance, because it allows them to compare Exela’s operating performance on a consistent basis across periods by removing the effects of Exela’s capital structure (such as varying levels of debt and interest expense, as well as transaction costs resulting from the combination of Quinpario Acquisition Corp. 2, SourceHOV Holdings, Inc. and Novitex Holdings, Inc. on July 12, 2017 (the “Novitex Business Combination”) and capital markets-based activities).Adjusted EBITDA also seeks to remove the effects of integration and related costs to achieve the savings, any expected reduction in operating expenses due to the Novitex Business Combination, asset base (such as depreciation and amortization) and other similar non-routine items outside the control of our management team. Optimization and restructuring expenses and merger adjustments are primarily related to the implementation of strategic actions and initiatives related to the Novitex Business Combination. All of these costs are variable and dependent upon the nature of the actions being implemented and can vary significantly driven by business needs. Accordingly, due to that significant variability, we exclude these charges since we do not believe they truly reflect our past, current or future operating performance. The constant currency presentation excludes the impact of fluctuations in foreign currency exchange rates. We calculate constant currency revenue and Adjusted EBITDA on a constant currency basis by converting our current-period local currency financial results using the exchange rates from the corresponding prior-period and compare these adjusted amounts to our corresponding prior period reported results. Exela does not consider these non-GAAP measures in isolation or as an alternative to liquidity or financial measures determined in accordance with GAAP. A limitation of these non-GAAP financial measures is that they exclude significant expenses and income that are required by GAAP to be recorded in Exela’s financial statements. In addition, they are subject to inherent limitations as they reflect the exercise of judgments by management about which expenses and income are excluded or included in determining these non-GAAP financial measures and therefore the basis of presentation for these measures may not be comparable to similarly-titled measures used by other companies. These non GAAP financial measures are not required to be uniformly applied, are not audited and should not be considered in isolation or as substitutes for results prepared in accordance with GAAP. Net loss is the GAAP measure most directly comparable to the non-GAAP measures presented here. For reconciliation of the comparable GAAP measures to these non-GAAP financial measures, see the schedules attached to this presentation.

Restatement As described in additional detail in the Explanatory Note to the Company’s Annual Report on Form 10-K filed with the SEC on June 9, 2020 (the “Annual Report”), the Company restated its audited consolidated financial statements in the for the years ended December 31, 2018 and 2017 and its unaudited quarterly results for the first three fiscal quarters in the fiscal year ended December 31, 2019 and each fiscal quarter in the fiscal year ended December 31, 2018 in the Annual Report. Previously filed annual reports on Form 10-K and quarterly reports on Form 10-Q for the periods affected by the restatement have not been amended. See Note 20, Unaudited Quarterly Financial Data, of the Notes to the consolidated financial statements in the Annual Report for the impact of these adjustments on each of the quarterly periods in fiscal 2018 and for the first three quarters of fiscal 2019. All amounts in this release affected by the restatement adjustments reflect such amounts as restated.

Rounding Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect absolute figures.

Background

EXELA is a business process automation (BPA) leader, leveraging a global footprint and proprietary technology to provide digital transformation solutions enhancing quality, productivity, and end-user experience.

Exela Snapshot

Leader in enabling automation of bills and payments by providing technology, services and analytics

- Procure to Pay, Order to Cash, Expense management
- Payment Technologies and Services
- Human Capital Management
- Healthcare Payers and Providers
- Work from Anywhere (WFA) technologies and services for BPA and Digital Mail Room management
- Information Management and Communication

60+

PERCENT OF THE FORTUNE® 100

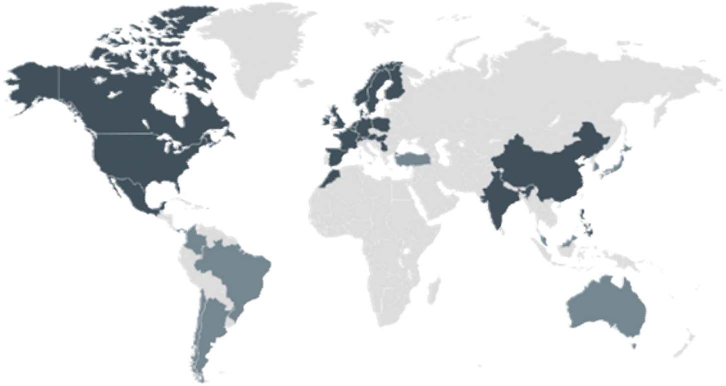
30+

YEARS OF EXPERIENCE

4,000+

CUSTOMERS

A Global Partner



50+ Countries

21,000+ Employees

2,000+ IT Professionals

1,100+ Onsite Facilities

150+ Delivery Centers

Financial Results

Q2 2020 Summary and Highlights

Q2 2020 P&L and Adjusted EBITDA

Adjusted EBITDA Insights

Gross Profit Margin & Adjusted EBITDA Margin Chart

Liquidity

COVID-19 Update/Impact on Volume in HC Services

Management Priorities

Q2 2020 Quarter Summary and Highlights

Revenue	▪ Beat revenue estimates of \$300-305M. Q2 2020 revenue of \$307.7M, a decline of 21% yoy, and \$309.2M on a constant currency [(1)] basis, representing a decline of 21% yoy, mainly driven by mix of COVID-19 and transition revenue ▪ Transition revenue includes ~\$150M annualized revenue that in part is actively being eliminated as Exela aligns the business away from unpredictable, non-recurring revenue
Profitability	▪ Sequential decline of \$58M in revenue resulted in only \$7M of gross profit decline demonstrating effective cost structure management ▪ Q2 2020 Adj. EBITDA of \$43.1M or 14.0% margin, as compared to \$64.9 M in 2019 or 16.6% margin; Q2 2020 margins negatively impacted by stranded costs; over time expect these related costs to be gradually removed ▪ Well positioned for operating profit growth driven by revenue growth; June 2020 margins were substantially better than the preceding 5 months reaching 2018 levels of ~24%
Trends	▪ Q3 2020 revenue is expected to be between \$305-312M ▪ Subject to a continued positive macro environment, positive business and consumer confidence and continued recovery of volumes, 2H gross margins are expected to *increase* ▪ Significant WFA and payment offerings increase in closed won sales both in Americas and EMEA, 41% and 38% respectively; pipeline increased ~\$64M, split between \$34M WFA and \$30M in payment solutions since March 2020 ▪ Completed over \$50mm in divestitures to date; additional non-core asset divestitures of \$100-150M are planned

(1) \$307.7M is reported basis. Constant currency excludes the impact of foreign currency fluctuations and is computed by applying the average exchange rates for the three months ended June 30, 2020, to the revenues during the corresponding period in 2019. Non-GAAP revenue reconciliation is available in the Appendix and is also available on the Factsheet uploaded on Company website.

Q2 2020 P&L and Adjusted EBITDA

$ in millions	Q2'20 (Actual)	Q2'19 (As restated)	Change ($)
Information and Transaction Processing Solutions	243.0	309.8	(66.8)
Healthcare Solutions	49.2	63.4	(14.2)
Legal and Loss Prevention Services	15.5	17.6	(2.1)
Total Revenue	**307.7**	**390.8**	**(83.1)**
% change	***-21%***	***-5%***	
Cost of revenue (exclusive of depreciation and amortization)	241.8	303.8	(62.0)
Gross profit	**65.9**	**87.0**	**(21.1)**
as a % of revenue	***21%***	***22%***	***-0.8%***
SG&A	47.0	51.2	(4.1)
Depreciation and amortization	22.8	24.8	(1.9)
Related party expense	1.1	5.3	(4.2)
Operating (loss) income	**(5.1)**	**5.7**	**(10.8)**
Interest expense, net	44.4	40.0	4.5
Loss on extinguishment of debt	-	1.4	(1.4)
Sundry expense (income) & Other income, net	(1.5)	1.2	(2.7)
Net loss before income taxes	**(48.0)**	**(36.8)**	**(11.2)**
Income tax expense (benefit)	0.7	4.7	(4.1)
Net income (loss)	**(48.7)**	**(41.6)**	**(7.1)**
Depreciation and amortization	22.8	24.8	(1.9)
Interest expense, net	44.4	40.0	4.5
Income tax expense (benefit)	0.7	4.7	(4.1)
EBITDA	**19.3**	**27.9**	**(8.6)**
EBITDA Adjustments			
1 Gain / loss on derivative instruments	(0.4)	2.7	(3.1)
2 Non-Cash and Other Charges	7.8	13.5	(5.8)
3 Transaction and integration costs	4.8	2.0	2.8
Sub-Total (Adj. EBITDA before O&R)	**31.4**	**46.2**	**(14.8)**
4 Optimization and restructuring expenses	11.7	18.7	(7.0)
Adjusted EBITDA	**43.1**	**64.9**	**(21.7)**
as a % of revenue	***14.0%***	***16.6%***	***-2.6%***

Revenue: Our second quarter revenues across all our segments were negatively impacted by the COVID-19 pandemic in addition to the exit of our transition revenue

COGS: Gross margins decreased by 84 bps on a yoy basis in the quarter primarily due to revenue decline and certain stranded costs related to transition revenue

SG&A: SG&A costs declined by 8.2% on a yoy basis driven by lower revenue and cost saving initiatives

D&A: Lower by 8% on a yoy basis; Expected to decline driven by reduced capex levels

Sundry: Includes foreign currency gain/loss on interest-rate swaps

Adjusted EBITDA: Declined by 2.6% primarily driven by the change in gross profits

Adjusted EBITDA Insights

	H1 2020 Actuals	H2 2020 Estimates
Optimization & restructuring charges	▪ Reduced to \$25M from \$42M yoy, representing a sequential decline of \$17M over H1 2019	▪ Total O&R expected to further reduce to \$15-20M for H2 2020 implying \$40-45M total charges for full year 2020
Transaction costs	▪ Increased to \$9M from \$3M driven by the AR facility, asset sale and one-time fees related to credit agreement amendments	▪ Expected to decline to \$6-8M after normalizing for one-time expenses in H1 2020[(1)]
Non-Cash & Other Charges	▪ (\$21)M mainly driven by ▪ One-time gain of \$35M on sale of Tax Benefit Group ▪ Non-cash and other charges declined to \$15M from \$25M yoy	▪ Total non-cash and other charges expected to further decline to \$8-10M for H2 2020[(1)]

(1) All expenses related to asset sales are not projected in H2 2020 including one-time transaction advisory fees and associated one-time gain / loss due to asset sales from an accounting perspective.

Q2 Margins improved after inflecting in Q1

- Margins reached an inflection point after bottoming in 1Q 2020. 2Q 2020 margins improved reversing the negative margin trend with June 2020 margins reaching 2018 levels. In 2018, gross and adjusted EBITDA margins were 24% and 17% respectively.
- Cost management driven by both on-going initiatives and COVID-19 related opportunities; the business model continues to become more efficient and leaner
- Additional cost levers under examination as the business adopts WFA policies that will extend beyond COVID-19

Improved and stable liquidity trends

($ in millions)	As of 12.31.19	As of 6.30.20	As of 7.31.20
Liquidity[(1)]	$31	$106	$82

Stable liquidity driven by rising unlevered free cash flow catalyzed by key strategic initiatives

Rising unlevered free cash flow

- **Ample liquidity of $82M after $50M coupon payment on July 15** [(1)]
- **Achieve liquidity improvement target to $150M in the near term**

Key strategic initiatives

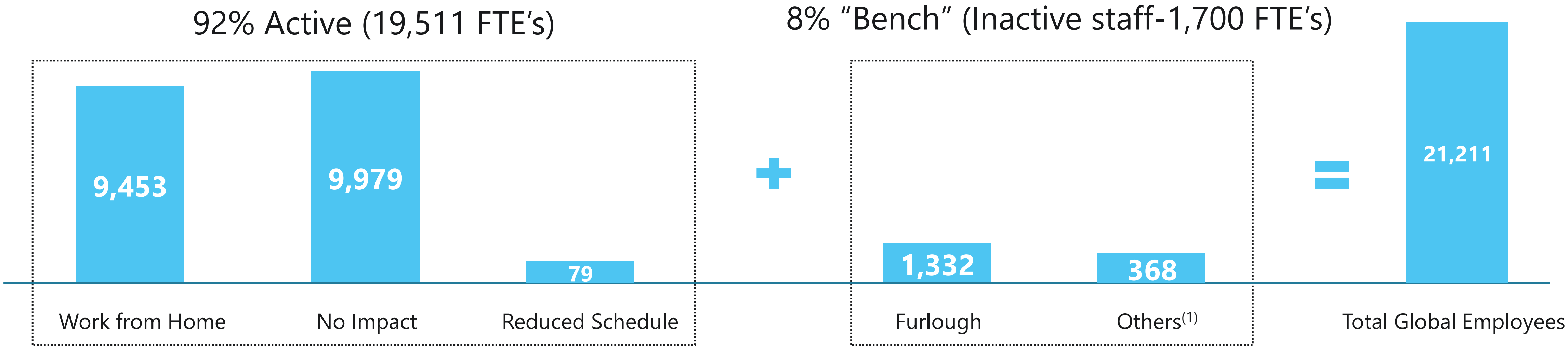
- **Executed $160M Accounts Receivable facility**
- **Completed over $50mm in divestures to date; additional divestitures of $100-150M on track**
- **Additional cost management levers being examined as businesses adopt WFA policies that will extend beyond COVID-19**

(1) *Liquidity is calculated in accordance with the definition under the Third Amendment to First Lien Credit agreement and First Amendment to Collateral Agency and Security Agreement (First Lien), dated May 18, 2020, excluding the permitted $12 million of costs related to amendments of the credit documents as of June 30, 2020.*

COVID-19 Update

- **Exela adapted well to a fluid environment and addressed operational challenges associated with COVID-19**
  - **Flexibility in the business model and quick response teams enabled adjustments to operational capacity to match demand levels mitigated gross margin impact**
  - **Well positioned for growth if volumes continue to recover in H2 2020**
  - **Headcount reduced by 7% or approximately 1,700 FTEs during H1 2020 since Dec 31, 2019**

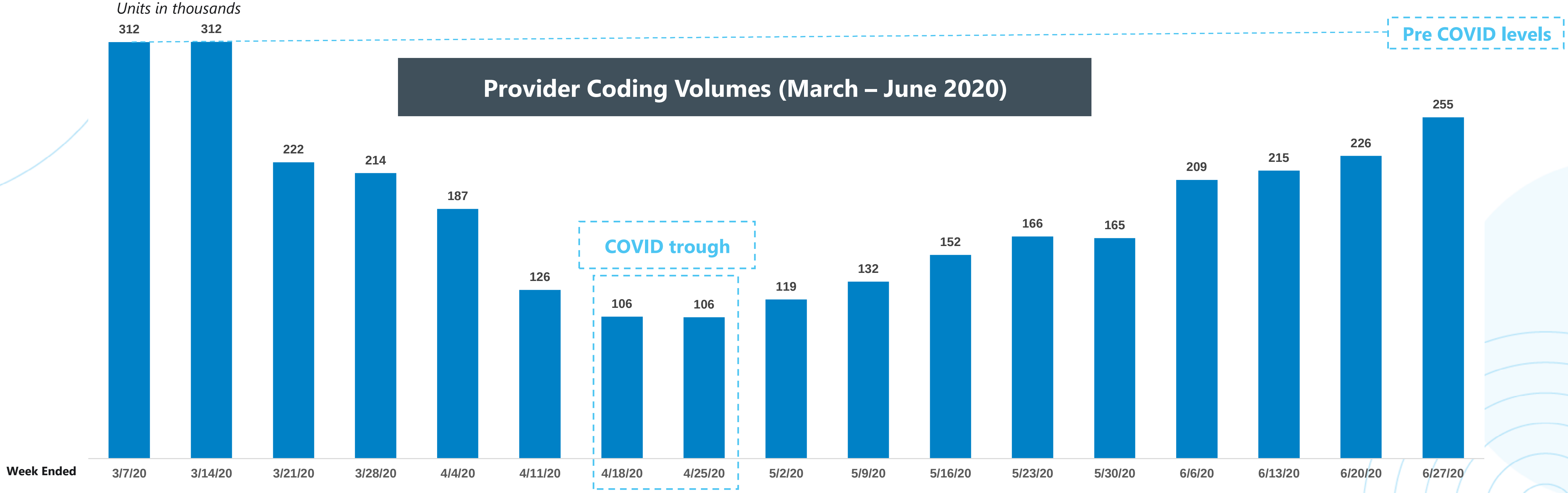
FTE data as of August 4, 2020



1. Others include PTO, absentees, employees not allowed to work with state order and other smaller categories.

COVID-19 Impact on Volume in Healthcare Services
Volumes indicate 81.7% recovery through June 27, 2020

- **Recovery in essential services, like healthcare, is a proxy for recovery in services provided by Exela**
- **With the resurgence of elective procedures, revenue growth in future periods driven by the "pent-up" demand**
- **Assuming normalized levels of 312,000 units, the "pent-up" demand for Q2 2020 is predicted to be ~2 million units[1] just in the provider business**



(1) Calculated on a cumulative basis as the deviation between the actual volume and the pre COVID volumes of 312,000 units for all the weeks from 3/19/20 to 6/27/20.

2020 Management Priorities in 2020 and Beyond: Further improve operating income and free cash flow

- Continue alignment of businesses acquired since 2017 to a lighter working capital model
  - Maintain revenue per headcount based on current revenue mix during the pandemic
  - Complete transition revenue exit by end of Q2 2021 and remove stranded cost by end of 2021
  - Total O&R expected to reduce to $15-20M for H2 2020 implying $40-45M total charges for full year 2020
  - Align and expand management for a post COVID -19 environment to maintain agility
- Grow optimal business mix to achieve target gross margin and Adjusted EBITDA achieved in 2018
  - Focus for growth in technology, solutions and analytics in existing customers and industries
  - Increase conversion of revenue achieved from rising demand for WFA technology products and services
  - Prepare for launch of additional technology and services deployed in Exela to customers
- Achieve near term liquidity improvement target of $150M


Q&A

Appendix/Reconciliation

Reconciliation of non-GAAP measures – Revenue and Adj EBITDA

($ in millions)	Three months ended 30-Jun-20	Three months ended 30-Jun-19	Six months ended 30-Jun-20	Six months ended 30-Jun-19
Revenues, as reported (GAAP)	**$307.7**	**$390.8**	**$673.2**	**$795.2**
Foreign currency exchange impact [1]	1.4		3.2	
Revenues, at constant currency (Non-GAAP)	**$309.2**	**$390.8**	**$676.4**	**$795.2**

(1) Constant currency excludes the impact of foreign currency fluctuations and is computed by applying the average exchange rates for the three months and six months ended June 30, 2019, to the revenues during the corresponding period in 2020.

Reconciliation of Adjusted EBITDA

($ in millions)	Three months ended 30-Jun-20	Three months ended 30-Jun-19	Six months ended 30-Jun-20	Six months ended 30-Jun-19
Net loss (GAAP)	**($48.7)**	**($41.6)**	**($61.4)**	**($73.7)**
Interest expense	44.4	40.0	86.0	79.7
Taxes	0.7	4.7	3.1	9.5
Depreciation and amortization	22.8	24.8	46.0	51.4
EBITDA (Non-GAAP)	**$19.3**	**$27.9**	**$73.8**	**$66.8**
Transaction and integration costs	4.8	2.0	9.2	3.0
Optimization and restructuring expenses	11.7	18.7	24.9	42.4
Gain / loss on derivative instruments	(0.4)	2.7	0.4	4.4
Other Charges	7.8	13.5	(20.8)	24.7
Adjusted EBITDA (Non-GAAP)	**$43.1**	**$64.9**	**$87.5**	**$141.2**
Foreign currency exchange impact [1]	0.2		1.1	-
Adjusted EBITDA, at constant currency (Non-GAAP)	**$43.3**	**$64.9**	**$88.6**	**$141.2**

(1) Constant currency excludes the impact of foreign currency fluctuations and is computed by applying the average exchange rates for the three months and six months ended June 30, 2019, to the adjusted EBITDA during the corresponding period in 2020.

Reconciliation of non-GAAP measures – Revenue & Adjusted EBITDA Margin

($ in millions)	Three months ended 30-Jun-20	Three months ended 30-Jun-19	Six months ended 30-Jun-20	Six months ended 30-Jun-19
Revenues, as reported (GAAP)	**$307.7**	**$390.8**	**$673.2**	**$795.2**
(-) Postage & postage handling	55.2	66.2	125.0	141.6
Revenue - Net of pass through (Non-GAAP)	**$252.5**	**$324.7**	**$548.2**	**$653.6**
(-) LMCE	-	0.3	-	2.1
Revenue - Net of pass through & LMCE (Non-GAAP)	**$252.5**	**$324.4**	**$548.2**	**$651.5**
Revenue growth %	(22.2%)		(15.9%)	
Adjusted EBITDA (Non-GAAP)	**$43.1**	**$64.9**	**$87.5**	**$141.2**
Adjusted EBITDA margin	**17.1%**	**20.0%**	**16.0%**	**21.7%**