EXELA TECHNOLOGIES

Q3 2018 INVESTOR FACT SHEET

November 8, 2018

NASDAQ: XELA

Disclaimer

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, the estimated or anticipated future results and benefits of the business combination of Quinpario Acquisition Corp. 2, SourceHOV Holdings, Inc., (“SourceHOV”) and Novitex Holdings, Inc. (“Novitex”), which formed Exela Technologies, Inc. (“Exela”), and closed on July 12, 2017 (including the related transactions, the “Business Combination”), future opportunities for the combined company, and other statements that are not historical facts such as our estimated backlog. 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 regarding Exela’s business, and actual results may differ materially. These risks and uncertainties include, but are not limited to, changes in the business environment in which Exela operates and general financial, economic, regulatory and political conditions affecting the industries in which Exela operates; changes in taxes, governmental laws, and regulations; competitive product and pricing activity; failure to realize the anticipated benefits of the Business Combination, or the Company’s backlog including as a result of a delay or difficulty in integrating the businesses of SourceHOV and Novitex or the inability to realize the expected amount and timing of cost savings and operating synergies of the Business Combination; and those factors discussed under the heading “Risk Factors” in Exela’s Annual Report on Form 10-K filed with the Securities and Exchange Commission (“SEC”) on March 16, 2018. 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.

Pro Forma Financial Information

This presentation includes unaudited pro forma financial information for the three and nine month periods ending September 30, 2017 and full-year for 2016 and 2017, as if the Business Combination had been consummated on January 1, 2017, based on certain estimates and assumptions that Exela management deems to be reasonable. This pro forma financial information may be revised as additional information becomes available. Therefore, it is possible that the actual adjustments will differ from the pro forma adjustments and it is possible that the difference may be material. The unaudited pro forma condensed combined financial statements are not necessarily indicative of what the actual results of operations would have been had the Business Combination taken place on the date indicated, nor are they indicative of the future consolidated results of operations of Exela.

Non-GAAP Financial Measures and Related Information

This presentation includes EBITDA, Adjusted EBITDA and Further 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 EBITDA, Adjusted EBITDA and Further 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 Business Combination and other such capital markets based activities. Adjusted EBITDA and Further Adjusted EBITDA also seek to remove the effects of integration and related costs to achieve the savings, any expected reduction in operating expenses due to the Business Combination, asset base (such as depreciation and amortization) and other similar non-routine items outside the control of our management team. Backlog is a measure of the estimated total dollar value of services expected to be delivered by Exela to its customers under existing contractual terms. Backlog is considered a non-GAAP financial measure as defined by SEC Regulation G. Estimates of future financial results are inherently unreliable. Our methodology for determining backlog may not be comparable to the methodologies used by others. 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 Appendix to this presentation. Optimization and restructuring expenses and merger adjustments are primarily related to the implementation of strategic actions and initiatives related to the 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.

Combined Financial Information

This presentation includes quarterly, unaudited historical financial information for each of the four calendar quarters of 2016 and the first three calendar quarters of 2017 for Novitex and SourceHOV on a combined basis. This combined quarterly unaudited historical financial information does not include Quinpario Acquisition Corp. 2 as it was a special purpose acquisition company. Interest (impacting net loss), debt and addbacks to EBITDA are based on credit agreements in place before the Business Combination. No adjustment has been made to restate or reflect Exela's new capital structure. This combined quarterly unaudited historical financial information is not necessarily indicative of what the actual results of operations would have been had the Business Combination taken place on January 1, 2016, nor are they indicative of the future consolidated financial condition, results of operations or cash flows of Exela.

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.

Exela Technologies, Inc. – Basis for pro forma financial information

1. On July 12, 2017 Exela Technologies, Inc. ("Exela"), formerly known as Quinpario Acquisition Corp. 2 ("Quinpario"), completed its acquisition of SourceHOV Holdings, Inc. ("SourceHOV") and Novitex Holdings, Inc. ("Novitex") pursuant to the business combination agreement dated February 21, 2017 ("Business Combination"). In conjunction with the completion of the Business Combination, Quinpario was renamed Exela Technologies, Inc.

2. The Business Combination was accounted for as a reverse merger in accordance with U.S. GAAP. For accounting purposes, SourceHOV was deemed to be the accounting acquirer, Quinpario was the legal acquirer, and Novitex is considered the acquired company.

3. The combined quarterly unaudited historical financial information included in this presentation represents the combined historical financial information of Novitex and SourceHOV for periods prior to the Business Combination, but excludes Quinpario as it was a special purpose acquisition company. Interest (impacting Net loss), Debt and addbacks to EBITDA are based on credit agreements in place before the Business Combination. No adjustment has been made to restate or reflect Exela's new capital structure for the quarters prior to the Business Combination.

Combined Quarterly Information – Income Statement Summary

	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
Revenue											
Information and Transaction Processing Solutions (ITPS)	$243.2	$238.9	$230.2	$271.0	$279.4	$270.3	$279.8	$301.5	$311.9	$330.1	$307.3
Healthcare Solutions (HS)	67.4	61.0	60.7	58.6	59.1	58.1	56.4	60.1	58.6	56.3	56.8
Legal and Loss Prevention Services (LLPS)	25.9	25.2	28.3	22.8	23.4	21.6	22.0	24.7	22.6	23.9	18.9
Total Revenue	**336.5**	**325.0**	**319.1**	**352.5**	**361.9**	**350.0**	**358.2**	**386.3**	**393.2**	**410.4**	**383.0**
Cost of Revenue (exclusive of depreciation and amortization)	242.7	228.7	229.7	256.0	261.9	257.0	271.1	289.9	293.8	314.0	295.9
Gross Profit	93.7	96.3	89.5	96.5	100.0	92.9	87.1	96.4	99.4	96.4	87.1
Gross Margin	*28%*	*30%*	*28%*	*27%*	*28%*	*27%*	*24%*	*25%*	*25%*	*23%*	*23%*
Selling, general and administrative expenses	**44.9**	**47.0**	**41.5**	**46.8**	**51.6**	**49.4**	**106.5**	**48.3**	**45.6**	**46.7**	**44.9**
% of Revenue	*13%*	*14%*	*13%*	*13%*	*14%*	*14%*	*30%*	*13%*	*12%*	*11%*	*12%*
Adjusted EBITDA[(1)]	**$63.9**	**$63.5**	**$56.3**	**$64.7**	**$62.7**	**$64.3**	**$55.5**	**$62.7**	**$69.6**	**$70.1**	**$68.9**
Adjusted EBITDA Margin[(2)]	*19%*	*20%*	*18%*	*18%*	*17%*	*18%*	*16%*	*16%*	*18%*	*17%*	*18%*

Note: Financial results for Pro Forma FY 2016 does not include the first nine months of contribution from the TransCentra acquisition which closed on September 28, 2016.
Note: Financial results for the three and twelve month periods ending December 31, 2017, are presented as if the Business Combination had been consummated on January 1, 2016.

1. *A reconciliation of Adjusted EBITDA to Net Loss is included on page 6.*
2. *Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by Revenue. A reconciliation of Adjusted EBITDA to Net Loss is included on page 6.*

Combined Information – Income Statement Summary

	FY 2016	FY 2017	TTM'18
Revenue			
Information and Transaction Processing Solutions (ITPS)	$983.3	$1,131.0	$1,250.8
Healthcare Solutions (HS)	247.6	233.6	231.8
Legal and Loss Prevention Services (LLPS)	102.2	91.6	90.1
Total Revenue	**1,333.1**	**1,456.3**	**1,572.8**
Cost of Revenue (exclusive of depreciation and amortization)	957.1	1,079.9	1,193.6
Gross Profit	376.0	376.4	379.3
Gross Margin	*28%*	*26%*	*24%*
Selling, general and administrative expenses	**180.2**	**255.8**	**185.6**
% of Revenue	*14%*	*18%*	*12%*
Adjusted EBITDA(1)	**248.5**	**245.2**	**271.3**
Adjusted EBITDA Margin (2)	*19%*	*17%*	*17%*
Further Adjusted EBITDA(3)	**$349.9**	**$346.8**	**$340.9**
Further Adjusted EBITDA Margin (4)	*26%*	*24%*	*22%*

Note: Financial results for Pro Forma FY 2016 does not include the first nine months of contribution from the TransCentra acquisition which closed on September 28, 2016.

Note: Financial results for the twelve month periods ending December 31, 2016 and 2017, are presented as if the Business Combination had been consummated on January 1, 2016,

1. *A reconciliation of Adjusted EBITDA to Net Loss is included on page 7*
2. *Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by Revenue. A reconciliation of Adjusted EBITDA to Net Loss is included on page 7*
3. *Further Adjusted EBITDA is presented after including standalone synergies at both SourceHOV and Novitex, and combination synergies added to the Adjusted EBITDA. A reconciliation of Further Adjusted EBITDA to Net Loss is included on page 7.*
4. *Further Adjusted EBITDA Margin is defined as Further Adjusted EBITDA divided by Revenue. A reconciliation of Further Adjusted EBITDA to Net Loss is included on page 7.*

Combined Financial Information – Net Loss to Adjusted EBITDA Reconciliation

	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
Net Loss	**($12.9)**	**($17.7)**	**($16.7)**	**($19.9)**	**($25.4)**	**($27.9)**	**($130.5)**	**($58.7)**	**($24.0)**	**($25.2)**	**($28.9)**
Taxes	(6.2)	(5.0)	(7.1)	(5.3)	(1.0)	(1.9)	(37.0)	(27.3)	4.0	1.6	(0.7)
Interest expense	39.0	38.5	39.6	40.2	38.3	40.0	38.3	36.7	38.0	38.5	38.3
Depreciation and amortization	28.4	31.6	29.1	31.2	31.0	31.1	29.2	28.1	38.0	36.4	35.0
EBITDA	**$48.3**	**$47.4**	**$44.8**	**$46.1**	**$43.0**	**$41.5**	**($100.0)**	**($21.1)**	**$56.1**	**$51.3**	**$43.7**
Impairment of goodwill and other intangible assets								69.4	–	–	–
(Gain) / loss on extinguishment of debt							53.0	–	–	–	1.1
Optimization and restructuring expenses	10.2	11.0	4.7	10.0	5.9	10.2	20.9	11.0	14.5	13.0	19.4
Transaction and integration costs	0.4	0.7	0.7	1.5	10.0	7.3	79.3	2.4	1.1	0.8	0.2
Non-cash charges	2.1	0.7	1.8	2.9	0.1	2.0	2.3	2.3	1.3	5.6	5.2
New contract setup	0.9	1.5	2.0	0.9	1.1	0.9	–	–	–	–	–
Oversight and management Fees[1]	2.1	2.1	2.1	3.4	2.6	2.5	0.0	–	–	–	–
(Gain) / loss on derivative instruments								(1.3)	(3.3)	(0.7)	(0.8)
Adjusted EBITDA	**$63.9**	**$63.5**	**$56.3**	**$64.7**	**$62.7**	**$64.3**	**$55.5**	**$62.7**	**$69.6**	**$70.1**	**$68.9**

Note: Financial results for Pro Forma FY 2016 does not include the first nine months of contribution from the TransCentra acquisition which closed on September 28, 2016.

1. Oversight and management agreements with both sponsors were terminated on July 12, 2017.

Combined Financial Information – Net Loss to Further Adjusted EBITDA Reconciliation

	FY 2016	FY 2017	TTM'18
Net Loss	**($67.2)**	**($242.4)**	**($136.8)**
Taxes	(23.6)	(67.2)	(22.4)
Interest expense	157.3	153.4	151.6
Depreciation and amortization	120.2	119.5	137.5
EBITDA	**$186.7**	**($36.7)**	**$130.0**
Impairment of goodwill and other intangible assets	–	69.4	69.4
(Gain) / loss on extinguishment of debt	–	53.0	1.1
Optimization and restructuring expenses	36.0	47.9	58.0
Transaction and integration costs	3.3	99.0	4.5
Non-cash charges	7.5	6.7	14.5
New contract setup	5.3	2.0	–
Oversight and management Fees[1]	9.7	5.1	–
(Gain) / loss on derivative instruments	–	(1.3)	(6.1)
Adjusted EBITDA	**$248.5**	**$245.2**	**$271.3**
Gain / (loss) on currency exchange	0.7	2.4	(4.8)
Combined merger adjustments[2]	100.6	99.2	74.5
Further Adjusted EBITDA	**$349.9**	**$346.8**	**$340.9**

Note: Financial results for Pro Forma FY 2016 does not include the first nine months of contribution from the TransCentra acquisition which closed on September 28, 2016.

1. *Oversight and management agreements with both sponsors were terminated on July 12, 2017.*
2. *Combined merger adjustments include both standalone synergies and combination synergies.*

Savings Guidance

Delivered $48M of savings YTD Q3 2018

($ in millions)		Business Combination Savings September 30, 2018
A	Headcount	$42.4
B	Vendor	19.6
C	Lease	10.1
	Total	**$72.1**

Q3 2018 achieved savings of $17.1 million with remainder in Q4 and beyond 2018

A. Headcount savings

- Deployment of Exela Business Process Automation ("BPA") suite continues to lower the number of FTEs needed

B. Vendors savings

- Combination of using Exela enterprise software and consolidation of vendors across health insurance, software licenses, maintenance and human capital management

C. Facility savings

- 15 consolidations completed to-date (3 intra-quarter) and an additional 8 scheduled in Q4.

Details of Outstanding Equity Securities

1. Common: "XELA“

152,692,140 shares outstanding as of September 30, 2018 including the outstanding units. (Common stock of 151,648,643 and Treasury stock of 1,043,497)

2. Preferred

4,569,233 shares outstanding as of September 30, 2018; Conversion ratio into common stock is currently 1.2226.

3. Warrants: "XELAW"

35.0 million public warrants outstanding (traded over the counter)

1. Each warrant entitles its holder to purchase one-half of one share of Exela Common Stock at an exercise price of $11.50 per share.
2. Warrants are presently exercisable and will expire at 5:00 p.m., New York time on July 12, 2022 if not earlier redeemed.
3. If the last sale price of Exela Common Stock equals or exceeds $24.00 per share for any 20 trading days within a 30 trading day period Exela may, upon 30 days notice, redeem the outstanding warrants at a price of $0.01 per warrant.

4. Total shares on a converted basis

As of September 30, 2018, total shares outstanding were 158,278,484 which includes 1,043,497 of treasury stock and 5,586,344 shares for outstanding preferred shares on an as converted basis.

Outstanding Debt Instruments and Tax Attributes

Exela executed a re-pricing on July 12, 2018, one year after the Business Combination was consummated on July 12, 2017:

Post the repricing, the outstanding debt instruments are as follows

1. $350 million Term Loan Facility (issued in July 2017) with incremental tack-on of $30 million (issued in July 2018) – L+650 bps, July 2023 maturity, $2.4 million per quarter in mandatory amortization payable until September 2019 and $4.8 million per quarter in mandatory amortization thereafter. The outstanding principal on the Term Loan as of September 30, 2018 is $371.1 million.
2. $1 billion Senior Secured Notes – Fixed 10% coupon, July 2023 maturity, interest payable semi-annually starting 1/15/2018.
3. $100 million Revolving Credit Facility – L+700 bps, July 2022 maturity, undrawn revolver fees – 50bps. As of September 30, 2018, the revolving credit facility remains undrawn with $20.6 million reserved for letters of credit.

Note: Debt issuance costs are amortized using the effective interest rate method and is reported as interest expense. A total of $70 million is being amortized over the term of the debt.

Details of Taxes and NOL's

1. Exela paid $6 million of cash taxes for full year 2017 and $5.3 million of cash taxes for the nine months ended September 30, 2018.
2. As of December 31, 2017, Exela had $774 million of federal NOLs to offset the pre-tax income and approximately $371 million was available post section 382 limitations.