



DOXEE: DOUBLE-DIGIT GROWTH IN REVENUE AND MARGINS FOR THE FIRST HALF OF 2020

- **Value of Production: Euro 9.7 million, +10% (1H19: Euro 8.8 million)**
- **EBITDA: Euro 1.6 million, +26% (1H19: Euro 1.3 million)**
- **EBIT: Euro 0.5 million, +53% (1H19: Euro 0.3 million)**
- **Net Result: Euro 0.3 million, +100% (1H19: Euro 0.14 million)**
- **Net Financial Position: Euro -1.99 million (FY19: Euro -2.31 million)**

Modena, 28 September 2020

The Board of Directors of Doxee (DOX: IM), a leading high-tech multinational company offering products in the areas of Customer Communications Management (CCM), Digital Customer Experience, and Paperless, today approved the consolidated half-yearly financial report for June 30, 2020, voluntarily subject to a limited audit.

Sergio Muratori Casali, CEO of Doxee commented: *"Even in a global context such as the one that characterized this first half of the year, we continued to operate as a reference player in digitization processes, facilitating their adoption and contributing to the strong increase in the use of digital as a replacement for physical channels in mission-critical processes such as billing, requests, and digital payments. Together with successful up-selling initiatives, we also continued our strategy of acquiring new customers, especially in the Utilities, Insurance, and Public Administration sectors, expanding our coverage in both the Enterprise and SME markets. Doxee has always been able to guarantee our products and services thanks to our business model, which is based entirely on the cloud-based Doxee Platform®, thus ensuring full operational agility and business continuity for our customers. The results we have been able to achieve confirm the strong demand for Digital Transformation, which is fundamental for the recovery and development of business in all sectors. We intend to continue to intercept this demand as the ideal partner for supporting digital transformation, offering skills and technologies that can accelerate innovation in these modernization processes to make them an integral part of the digital customer journey."*

MAIN CONSOLIDATED RESULTS AT JUNE 30, 2020

Revenues from Sales, equal to Euro 7.7 million, increased by +9.9% compared to Euro 7.0 million at 30 June 2019.

The product lines that contributed most to the revenue increase were Paperless Experience (Euro 1.7 million: +17.7% compared to Euro 1.4 million in the first half of 2019) and Interactive Experience (Euro 1.2 million: +191.5% compared to Euro 0.4 million in the first half of 2019).



Recurring Revenues, also thanks to the increase in SaaS activities, amounting to approximately 70%.

Value of Production is equal to € 9.7 million (€ 8.8 million at 30 June 2019), an increase of +10.0%.

EBITDA is equal to Euro 1.6 million and shows a significant increase of +25.7% (Euro 1.3 million at 30 June 2019). Margin EBITDA also improved significantly, from 14.9% to 16.9%, thanks to the greater relative weight of the most profitable product lines and improved operating efficiency.

EBIT, equal to Euro 0.5 million, shows a strong improvement of +53.11% (Euro 0.3 million at 30 June 2019), after amortization, depreciation, write-downs, and provisions of Euro 1.1 million (Euro 1.0 million in the first half of 2019) deriving mainly from investments in technological development.

Investments in Research, equal to Euro 1.4 million, correspond to about 14.4% of the value of production, confirming the trend of previous years. Among the main projects are the complete re-engineering of the Doxee document platform, created to offer an innovative service model for the CCM sector, as well as improvements to the Legal Electronic Archiving platform to increase the level of security and its ability to handle high load flows (high load workflows??). In May, Doxee was the only company in the IT sector to benefit from the Emilia-Romagna Region's POR ERDF 2014-2020 Call for Proposals, which promotes technological innovation initiatives with the greatest impact on the production chain and the increase in local employment, obtaining a non-refundable grant for Euro 537,313.55.

The Net Result, equal to Euro 0.3 million, improved by +100% compared to the first half of 2019 (Euro 0.14 million), mainly thanks to the significant increase in margins and efficient financial management.

The Net Financial Position, negative for Euro -1.99 million, improved compared to Euro -2.31 million at 31 December 2019. This change is mainly due to the improvement in working capital management.

Shareholders' equity amounted to €6.8 million (€6.5 million at 31 December 2019).

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

July 1, 2020: The acquisition of LittleSea, the innovative start-up that has developed a patented video-automation technology capable of using video, data, images, and audio from internal and external sources to create personalized and interactive videos in complete autonomy.

PREDICTABLE EVOLUTION OF THE MANAGEMENT

Following the acquisition of LittleSea, the activities aimed at technological and commercial integration on the Italian and foreign markets have started to extend Pvideo's offer in SaaS mode in sectors such as Wealth Management, publishing and advertising, as well as to



ensure further scalability and coverage on the SME/SMB market, consistently with the strategy of extension to new vertical sectors.

Following the LittleSea acquisition, Doxee is continuing to support the integration of technology and sales activities on the Italian and foreign markets in order to extend the offering of Pvideo in SaaS mode for sectors such as Wealth Management, publishing and advertising, as well as to ensure further scalability and coverage on the SME/SMB market, which is consistent with the strategy to extend Pvideo to new vertical sectors.

The Group also intends to expand digital communication and the various activities on social channels, with further campaigns to support brand positioning and lead generation, particularly in the Retail, Fashion, Pharma, Healthcare sectors.

The company also continues its activities aimed at releasing the third generation of the Doxee Platform® for the paperless experience product line designed to be API-first, cloud-native and based on containers and microservices architecture.

Doxee intends to use the resources obtained from the POR ERDF 2014-2020 to develop a research project aimed at defining new modules of the Doxee Platform® through the use of Artificial Intelligence technologies for sophisticated predictive analysis of consumers' purchasing needs and to enhance interactive and multi-channel communication tools, which, by making the most of big data, will make it possible to offer information that is always in line with users' expectations.

While the continued impact of the COVID-19 emergency is still not fully predictable or quantifiable, the Group, while continuing to be attentive in the management and development of initiatives, continues to work to maximizing productivity and toward its growth path. The results achieved in the first half of 2020 in the current context of global uncertainty testifies to the tenacity and determination of the leadership for today and tomorrow.

In order to provide the market with constant and progressive information on management performance, the Company will promptly communicate the economic and financial impact of the COVID-19 emergency on its activities in compliance with the provisions of EU Regulation 569/2014 (MAR), but also through participation in dedicated conferences.

The full press release is available on www.doxee.com in the Investor Relations section and on 1info.it



ATTACHMENTS:

- RECLASSIFIED CONSOLIDATED INCOME STATEMENT
- CONSOLIDATED SALES AND SERVICES REVENUES OF THE GROUP
- RECLASSIFIED CONSOLIDATED BALANCE SHEET
- CONSOLIDATED NET FINANCIAL POSITION

RECLASSIFIED CONSOLIDATED INCOME STATEMENT

<i>In thousands of Euros</i>	For the year ended 30 June		Variation	
	2020	2019	2020 vs 2019	2020 vs 2019 %
Revenues from sales and services	7.712	7.017	695	9,9%
Increases in fixed assets for internal work	1.448	1.523	-75	-4,9%
Other revenues and income	504	244	260	106,7%
Value of Production	9.664	8.784	880	10,0%
Outsourced services and processing	-1.484	-1.245	-239	19,2%
Direct <i>IaaS</i> costs	-586	-536	-50	9,3%
Direct personnel costs (excluding research and development)	-1.815	-1.656	-159	9,6%
Professional services (excluding research and development)	-706	-747	41	-5,5%
Direct production costs	-4.590	-4.184	-407	9,7%
Contribution margin	5.074	4.600	473	10,3%
Sales and marketing costs	-414	-321	-94	29,2%
General and administrative expenses	-705	-667	-38	5,7%
Indirect personnel costs	-1.199	-1.005	-195	19,4%
Research and development costs	-1.116	-1.303	188	-14,4%
Indirect costs and research and development costs	-3.434	-3.296	-139	4,2%
EBITDA	1.640	1.305	335	25,7%
Depreciation	-1.109	-958	-151	15,8%
Provisions and write-downs	0	-	0	0,0%
EBIT	531	347	183	53,1%
Financial income and charges	-129	-123	-6	4,7%
Profit before taxes	402	224	178	79,8%
Income taxes	-121	-83	-38	n.a.
Profit for the year	281	141	140	100,0%

CONSOLIDATED SALES AND SERVICES REVENUES OF THE GROUP

<i>In thousands of Euros</i>	For the year ended 30 June		Variation	
	2020	2019	2020 vs 2019	2020 vs 2019 %
Paperless Experience	1.666	1.416	251	17,7%
Document Experience	1.549	1.437	112	7,8%
Interactive Experience	1.170	401	768	191,5%
Bundle	1.970	2.386	-416	-17,4%
Professional Services	1.357	1.377	-20	-1,4%
Total Revenues from sales and services	7.712	7.017	695	9,9%

RECLASSIFIED CONSOLIDATED BALANCE SHEET

<i>In thousands of Euros</i>	As of 30 June	As of 31 December	Variation	
	2020	2019	2020 vs 2019	2020 vs 2019 %
COMMITMENTS				
Net trade working capital	1.385	1.706	-320	-18,8%
Other current assets	2.264	2.064	200	9,7%
Other current liabilities	-2.302	-2.047	-254	12,4%
Provisions for risks and charges (*)	-404	-404	0	0,0%
Net working capital	944	1.318	-374	-28,4%
Intangible fixed assets	8.576	8.146	430	5,3%
Tangible fixed assets	413	424	-10	-2,4%
Financial fixed assets	6	37	-31	-82,8%
Fixed capital	8.996	8.607	389	4,5%
Liabilities for employee benefits	-1.167	-1.089	-79	7,2%
Net invested capital	8.772	8.836	-64	-0,7%
SOURCES				
Equity	6.784	6.525	259	4,0%
Net financial debt (*)	1.988	2.311	-323	-14,0%
Total sources	8.772	8.836	-64	-0,7%

(*) the derivative from the section "Provision for risks and charges" has been reclassified to the section "Net financial debt" for €11k for 30/06/2020 and €12k for 31/12/2019



CONSOLIDATED NET FINANCIAL POSITION

<i>In thousands of Euros</i>	As of	As of 31	Variation	
	30	December	2020 vs	2020 vs
	June	2019	2019	2019 %
A. Cash	-1	-1	0	0,0%
B. Cash and cash equivalents	-3.803	-3.751	-52	1,4%
C. Securities held for trading	-	-	-	n.a.
D. Liquidity (A) + (B) + (C)	-3.804	-3.752	-52	1,4%
E. Current financial receivables	-	-	-	n.a.
F. Current bank debts	1.111	2.193	-1.082	-49,3%
G. Current portion of non-current debt	1.050	1.215	-165	-13,6%
H. Other current financial payables			0	0,0%
I. Current financial debt (F) + (G) + (H)	2.161	3.408	-1.247	-36,6%
J. Net current financial debt (D) + (E) – (I)	-1.643	-344	-1.299	377,8%
K. Non-current bank debts	3.620	2.642	978	37,0%
L. Bonds issued	-	-	-	n.a.
M. Other non-current financial payables	11	12	-1	-11,7%
N. Non-current financial debt (K) + (L) + (M)	3.631	2.655	976	36,8%
O. Net financial debt (J) + (N)	1.988	2.311	-323	-14,0%

DOXEE

Doxee (DOX:IM – ISIN IT0005394413) is a multinational hi-tech company and a leading provider of products for Customer Communications Management (CCM), Digital Customer Experience and Dematerialization. Doxee offers innovative technology products based on Doxee's proprietary platform and delivered in cloud mode to over 200 Enterprise companies to ensure scalability, flexibility and reliability for mission-critical processes. Doxee products are a powerful tool for dynamic innovating communication strategies between the company and its customers, since they enable the creation of personalized and interactive relationships using digital machine learning and natural language processing technologies. For more than 10 years, the company has invested 13% of its revenues in Research & Development, with the goal of ensuring technological excellence and reliability. In addition to our constant commitment to R&D, Doxee promotes a working environment where our young people-highly educated and technologically skilled are the key to boost innovation from within. Doxee is an innovative SME headquartered in Modena, and offices located in Rome and Catanzaro, Italy, in the Czech Republic, and the United States. www.doxee.com

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