

**doxee**

# Financial Statements for 30 June 2020

DOXEE GROUP



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## GOVERNING BODIES

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### BOARD OF DIRECTORS:

<b>Chairman of the Board of Directors:</b>	Ing. Paolo Cavicchioli
<b>Chief Executive Officer:</b>	Dott. Sergio Muratori Casali
<b>Director:</b>	Dott. Giuseppe Dal Cin
<b>Independent Director:</b>	Avv.to Pier Luigi Morara

### BOARD OF STATUTORY AUDITORS

<b>Chairman of the Board of Statutory Auditors:</b>	Dott. Gianluca Riccardi
<b>Statutory Auditor:</b>	Dott. Marcello Braglia
<b>Statutory Auditor:</b>	Dott. Daniele Serra

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# REPORT TO THE MANAGEMENT ON CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR 30 JUNE 2020

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prepared pursuant to art. 40 D. Legislative Decree 127/91

Dear Shareholders,

This report has been prepared in compliance with the provisions of art. 40 of Legislative Decree no. 127/1991, in addition to the interim consolidated financial statements at 30 June 2020 of the Doxee Group, in order to provide all additional information and use it for a better and more clear understanding of the performance of the consolidated companies of the DOXEE Group, which do not result from a simple reading of the consolidated financial statements and notes.

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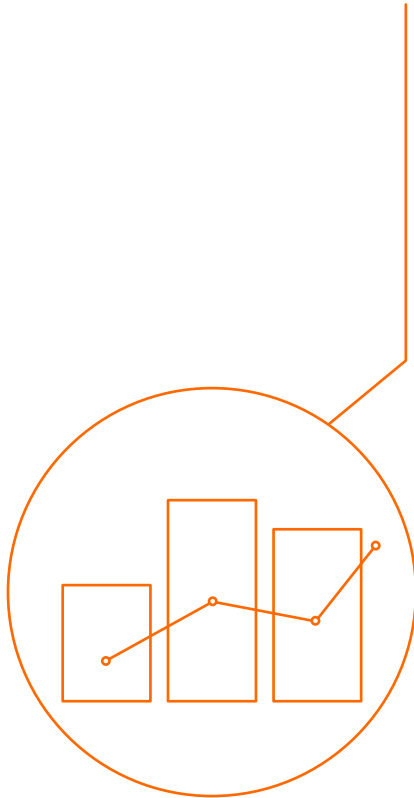
## MAIN RESULTS OF THE DOXEE GROUP AS OF 30 JUNE 2020

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The main results of the company for the first half of 2020 are shown below:

- Value of Production: Euro 9.66 mln, +10.02% (30.06.2019: Euro 8.78 mln);
- EBITDA: Euro 1.64 million, +25.71% (30.06.2019: Euro 1.30 million), EBITDA MARGIN: 16.97%;
- EBIT: Euro 0.53 million, +53.11% (30.06.2019: Euro 0.35 million);
- Net Result: 0.28 million Euros, +99.97% (30.06.2019: 0.14 million Euros);
- Net Financial Position: Euro -1.99 mln (31.12.2019: Euro -2.31 mln).

**Revenues from sales**, equal to Euro 7.71 million, showed a significant increase of +9.91% compared to Euro 7.02 million in the first half of 2019.



The **product lines** that contributed most to the increase in revenues were **Paperless Experience**, which recorded revenues of Euro 1.7 million, an increase of **+17.7%** compared to Euro 1.4 million in 2019, and **Interactive Experience**, which amounted to Euro 1.2 million, an increase of **+191.7%** compared to Euro 0.4 million in 2019.

The percentage of Recurring Revenues continues to be 70% thanks to the increase in SaaS activities.

The **Value of Production** is Euro 9.66 million (Euro 8.78 million at 30.06.2019), an increase of **+10.02%**.

**EBITDA** amounted to Euro 1.64 million and recorded a significant increase of **+25.71%** (Euro 1.30 million at 30.06.2019). **Margin EBITDA** also improved significantly, rising from 14.86% in 30.6.2019 to **16.97%**, thanks to the greater relative weight of the most profitable product lines and improved operating efficiency.

**EBIT** is equal to Euro 0.53 million, an improvement of **+53.11%** compared to 30 June 2019 (Euro 0.35 million), after amortization, depreciation, write-downs, and provisions of Euro 1.11 million (Euro 0.96 million as at 30.6.2019) mainly due to investments in technological development.

The **Net Result**, equal to Euro 0.28 million, improved by **+99.97%** compared to the first half of 2019 (Euro 0.14 million), mainly thanks to a significant increase in margins and efficient financial management.

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

**Net Equity** amounted to Euro 6.78 million (Euro 6.52 million at 31 December 2019).



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# DOXEE GROUP STRUCTURE

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Doxee S.p.A. is an Italian company listed on the AIM of Borsa Italiana, operating in the high-tech sector, which operates in the markets of Customer Communications Management, Paperless, and Digital Customer Experience.

The companies of the group are listed below:

**Doxee S.p.A. - Parent company**

Registered office: Modena, Italy  
Balance sheet currency: Euro  
Share capital: Euro 1,595,750.00 - i.v.  
Shareholders' equity as of 30/06/2020: Euro 8.945.039  
Annual profit at 30/06/2020: Euro 230.397  
Condition: Parent company

**Doxee USA Inc.**

Headquarters: Fort Lauderdale, USA  
Balance sheet currency: US dollar  
Share capital: American dollar 39,200.00 - i.v.  
Shareholders' equity at 30/06/2020: US dollar - 4.571.805  
Loss for the year at 30/06/2020: US dollar – 63.781  
Direct Ownership shares: 51.02%.  
Indirect ownership: 0%.

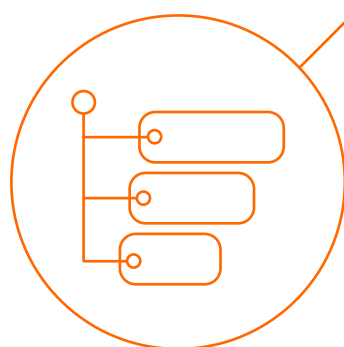
**Doxee Slovak s.r.o.**

Registered office: Bratislava, Slovak Republic  
Balance sheet currency: Euro  
Share capital: Euro 10,000.00 - i.v.  
Shareholders' equity at 30/06/2020: Euro 127.510  
Profit for the year at 30/06/2020: Euro - 702  
Condition: foreign subsidiary  
Direct ownership share: 100%

**Doxee Czech s.r.o.**

Registered office: Prague, Czech Republic  
Balance sheet currency: Czech Koruna  
Share capital: Czech Koruna 250,000.00 - i.v.  
Shareholders' equity at 30/06/2020: Czech Koruna 7.701.546  
Annual profit at 30/06/2020: Czech Koruna 2.877.355  
Condition: foreign subsidiary  
Direct ownership share: 100%

The ownership percentages indicated above have not changed over the two financial years.



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# THE DOXEE GROUP

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**Doxee S.p.A.** (hereinafter “Doxee”), with the registered office in Modena (MO), viale Virgilio 48/B, with share capital € 1.595.750 i.v., with (financial statements? balance sheet) expressed in Euro, is a leading high-tech multinational company offering products in the areas of Customer Communications Management (CCM), Digital Customer Experience (DCX), and Paperless.

It offers technology products, which are delivered in Cloud mode on a single patented platform owned by Doxee (the Doxee Platform) to companies and specifically to companies in the Enterprise segment (Large Enterprises).

Doxee's products make communication interactive and highly personalized, and serve as a powerful marketing tool for companies by helping them develop their business. Doxee supports and manages around six billion communications per year for 200 Large Enterprises.

The company has strongly innovated the CCM, Paperless, and DCX markets, creating three product lines that can be used through three different delivery models (SaaS, PaaS, and Op) that allow its customers to significantly improve the operational efficiency of mission-critical processes.



The three product lines are:

- **Document Experience (dx):** the product line dedicated to the production, multi-channel distribution and digital archiving of documents;
- **Paperless Experience (px):** the product line that includes Electronic Invoicing, Standard Digital Storage, Electronic Ordering, and other products aimed at customers who want to dematerialize their business processes;
- **Interactive Experience (ix):** the product line dedicated to DCX and includes the production and distribution of interactive micro-sites (Doxee Pweb®) and personalized videos (Doxee Pvideo®).

These products are delivered through Software as a Service (SaaS), Platform as a Service (PaaS), and On-premise (Op) models:

- The SaaS model consists of the delivery of products in the form of the standard service in the Cloud;
- The PaaS model consists of the delivery of products through the use of the Doxee Platform by customers as a basis for the implementation and delivery of SaaS services;
- The Op model consists of the transfer of the rights to use Doxee technologies through the granting of a license of use.

Each of the delivery models is associated with a different payment method:

- For the SaaS and PaaS models: there is a fixed fee and a variable cost calculated based on the use of the products supplied;
- For the Op model: there is a proportional cost calculated based on the functionalities activated and the capacity of the Doxee Platform.

Compared to its competitors, Doxee has brought innovation to the CCM market by offering dX products in Cloud mode, through the SaaS and PaaS delivery models.

For customers, Doxee's products represent, also from a financial point of view, efficient solutions, as their use does not involve any capital investment but only the payment of fees and/or variable costs, which include technological and regulatory updates performed, automatically and constantly, by the company.



**Doxee USA Inc.**, a company incorporated under American law, with its registered office in Fort Lauderdale, Florida (33301), 110 Se 6th Street, is 51% owned by the Parent Company Doxee S.p.A.. The remaining 49% of the share capital is held by the company Simest S.p.A. with which an agreement has been signed under which they mutually acknowledge that they hold a put/call option on the 49% stake held by Simest S.p.A., exercisable by the parties from 30 June 2021. Established in 2011, Doxee USA Inc. became fully operational in 2012. The mission of Doxee USA Inc. was to be the vehicle for the development of the Partner Based project on the PaaS (Platform as a Service) model to support the Group's internationalization strategy. Partner management is done in collaboration with the Sales structure of Doxee Spa. Doxee USA Inc. provides support and development of professional services in international projects especially for the Latam market. (for the Latin American market)

**Doxee Czech S.r.o.**, a company under Czech law, with its registered office in Prague 1, Czech Republic (110 00), Václavské náměstí 795/40, 100% owned by Doxee S.p.A., was established in 2010 through the acquisition of the Czech branch of the company, Printsoft Czech Republic. It operates in the CCM market. The company has a reference Enterprise market in the Utilities and Finance sector. The majority of customers have migrated from Printsoft product solutions to both dx (document experience) and ix (interactive experience) Doxee products, with predominantly SaaS revenues. Doxee Czech s.r.o. has its own marginality, which allows it to cover its structural costs thanks to its 15 existing active customers.

**Doxee Slovak S.r.o.**, a company under Slovak law, with its registered office in Presernova 4, 811 02 Bratislava - Slovakia, 100% owned by Doxee S.p.A., was established in 2010 through the acquisition of the Slovak branch of the company Printsoft Slovakia. It operates in the CCM market. The company has some important customers in the Finance sector, where document experience is offered, mainly in On Premise mode. The company has its own marginality that allows it to cover its structural costs thanks to existing contracts.



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# MANAGEMENT

*(art. 40, comma 1, of D.Lgs. n. 127/91)*

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## The global economy

The COVID-19 pandemic has profoundly changed the economic outlook for the current year and the years to come compared to what could be expected based on 2019 trends.

In 2019, the global economy showed reduced growth, reflecting the slowdown in international trade, the weakness of some industrial sectors, and the slowdown in accumulation due to widespread uncertainty among companies. In the Eurozone, the Governing Council of the European Central Bank had eased monetary conditions to counter the deterioration of growth prospects and the weakening of inflation. At the end of the year, signs of stabilization in the international economy were visible.

After the spread of the pandemic, the picture for 2020 has changed dramatically. According to the scenarios formulated by the International Monetary Fund, world output will see a sharp decline rather than modest growth. While the Italian economy remained nearly stationary in 2019, and despite significant progress in terms of international competition, the level of indebtedness of companies, and conditions of the banking system, the strongest contraction since the second World War is expected. The measures to contain the pandemic have had a significant impact on the economic and financial conditions of households and businesses. The speed of the economic recovery will depend on the timing of the health emergency and the continuity of the response of economic policies, which has so far been exceptional in all countries. All scenarios indicate that the consequences of the pandemic on the world economy will in any case be significant and will extend beyond the short term.

In 2019, global economic growth fell to 2.9 percent, suffering from persistent international trade tensions and fears about the UK's exit from the European Union (Brexit). Global trade has recently increased, growing by less than 1 percent.

According to estimates by the International Monetary Fund in January, growth should have strengthened this year, to 3.3 percent, reflecting the reduction in uncertainty following the signing of the US-China trade agreement (phase-one deal) and the UK's withdrawal from the EU.

In the IMF's forecast scenarios released in April, world output would contract by 3.0 percent in 2020, concentrated mainly in the first half of the year; the trend in activity for the current year and for 2021 remains very uncertain in advanced economies and even more so in emerging economies.

With the global spread of the COVID-19 pandemic, many countries have adopted progressively more restrictive containment measures. This has resulted in a sharp drop in production, an exceptionally large increase in the number of unemployed, and a fall in demand. Oil prices fell sharply and abruptly due to the collapse in demand and increasing storage difficulties.

Conditions on the financial markets deteriorated rapidly. The economic policy response was both timely and extraordinary in scope. Central banks intervened to support market liquidity and credit, reducing tax rates and launching substantial plans to purchase public and private securities. Governments allocated substantial resources both to finance healthcare spending and to support household incomes and corporate liquidity.

The rapid spread of the pandemic at the beginning of 2020 abruptly changed the macroeconomic picture; it led the governments of the various countries to impose gradually more stringent measures to contain the spread of the virus, up to the interruption of production activities considered non-essential. This was followed by a generalized and profound deterioration of economic activity in all developed countries.

In the U.S., based on preliminary estimates, GDP fell by 4.8 percent in the first quarter; in April, valuations by purchasing managers' indexes (PMI) continued to deteriorate in the manufacturing sector and fell sharply in the service sector, which accounts for more than two-thirds of total production. In just two months, the unemployment rate rose by more than 10 percentage points to almost 15 percent, well above the value reached during the global financial crisis. The weekly economic index, a synthetic index that measures economic activity in real time, calculated by the Federal Reserve Bank of New York, in mid-May indicated a contraction of production by 12 percent over 12 months.

In the UK, measures to contain the spread of the virus led to an exceptional fall in PMI in the service sector and, to a lesser extent, in manufacturing. Based on preliminary estimates, GDP fell by 7.7 percent in the first quarter.

In Japan, where the spread of the pandemic was initially less pronounced, it was only at the beginning of April that more stringent measures were taken on the mobility of people and commercial activities, without interrupting production activities. However, the confidence of manufacturing companies, detected by the Tankan survey, has deteriorated considerably and investment programs have been reduced.

The response of economic policies has been vigorous in all advanced countries. In March, the Federal Reserve and the Bank of England reduced the reference interest rates of monetary policy. The Bank of Japan, which has not changed rates so far, announced possible future interventions. In addition, programs for the purchase of public and private securities were strengthened.

The central banks of the major advanced countries have taken exceptional measures to counter the high tensions that have emerged in various market segments to ensure liquidity for the financial system and to preserve the continuity of credit flows to the economy (see box: Central banks' response to the COVID-19 emergency). The central banks' balance sheets were expanded: the Federal Reserve's balance sheet reached 31 percent of gross domestic product, an increase of almost 12 percentage points in just two months. The impact of the COVID-19 pandemic on world growth, of extremely complex quantification, is likely to be very significant. The forecasts of international institutions have been repeatedly and clearly revised downwards. Those released in April by the International Monetary Fund (IMF) predict a fall in world GDP of 3.0 percent in the current year (6.4 percentage points below previous assessments; table 2). The contraction would be more pronounced in advanced countries, where the measures to contain the epidemic have so far been, on average, more extensive and stringent. The risks remain on a downward curve.

Tavola 1				
Crescita del PIL e inflazione (variazioni percentuali)				
VOCI	Crescita del PIL (1)			Inflazione (2)
	2018	2019 3° trim.	2019 4° trim.	Marzo 2020
<b>Paesi avanzati</b>				
Giappone (3)	0,3	0,1	-7,1	0,4
Regno Unito (3)	1,3	2,1	0,1	1,7
Stati Uniti	2,9	2,1	2,1	1,5
<b>Paesi emergenti</b>				
Brasile	1,3	1,2	1,7	3,3
Cina	6,7	6,0	6,0	4,3
India	6,8	5,1	4,7	5,9
Russia	2,5	1,5	2,1	2,5
<i>per memoria:</i>				
<b>Commercio mondiale (4)</b>	<b>4,2</b>	<b>3,1</b>	<b>-0,2</b>	
Fonte: statistiche nazionali; Banca d'Italia per il commercio mondiale. (1) Per i dati annuali, variazione percentuale. Per i dati trimestrali: per i paesi avanzati, variazioni percentuali sul periodo precedente, in ragione d'anno e al netto dei fattori stagionali; per i paesi emergenti, variazioni percentuali sul periodo corrispondente. – (2) Variazione tendenziale dell'indice dei prezzi al consumo. – (3) Per l'inflazione, dato di febbraio 2020. – (4) Elaborazioni Banca d'Italia su dati di contabilità nazionale e doganali. Dati trimestrali destagionalizzati; variazioni percentuali sul periodo precedente, in ragione d'anno.				

Tavola 2

**Scenari macroeconomici**  
(variazioni e punti percentuali)

VOCI	2019	Previsioni		Revisioni (1)	
		2020	2021	2020	2021
<b>PIL (2)</b>					
<b>Mondo</b>	<b>2,9</b>	<b>-3,0</b>	<b>5,8</b>	<b>-6,4</b>	<b>2,2</b>
<b>Paesi avanzati</b>					
di cui: area dell'euro	1,2	-7,5	4,7	-8,8	3,3
Giappone	0,7	-5,2	3,0	-5,9	2,5
Regno Unito	1,4	-6,5	4,0	-7,9	2,5
Stati Uniti	2,3	-5,9	4,7	-7,9	3,0
<b>Paesi emergenti</b>					
di cui: Brasile	1,1	-5,3	2,9	-7,5	0,6
Cina	6,1	1,2	9,2	-4,8	3,4
India (3)	4,2	1,9	7,4	-3,9	0,9
Russia	1,3	-5,5	3,5	-7,4	1,5
<b>Commercio mondiale (4)</b>	<b>0,6</b>	<b>-10,0</b>	<b>....</b>	<b>-11,4</b>	<b>....</b>

Fonte: FMI, *World Economic Outlook*, aprile 2020; Banca d'Italia per il commercio mondiale.

(1) Revisioni rispetto allo scenario previsivo di gennaio 2020. – (2) Previsioni tratte da FMI, *World Economic Outlook*, aprile 2020, revisioni rispetto a *World Economic Outlook Update*, gennaio 2020. – (3) I dati si riferiscono all'anno fiscale con inizio ad aprile. – (4) Elaborazioni Banca d'Italia su dati di contabilità nazionale e doganali; previsioni elaborate ad aprile 2020; le revisioni sono calcolate rispetto alle previsioni pubblicate a gennaio 2020.

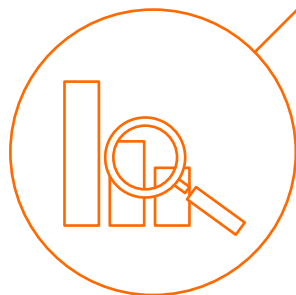
## The Euro Area

The pandemic has progressively spread to all countries in the Eurozone, causing a sharp deterioration in the economic outlook. Expectations of inflation have declined markedly on all horizons. The Governing Council of the European Central Bank (ECB) has intervened and is ready to act further with all the instruments at its disposal.

In the fourth quarter of 2019, Eurozone GDP stagnated (0.1% in the previous period; Table 3). The positive contribution of domestic demand was offset by negative net exports. Production continued to grow in Spain and remained unchanged in Germany; it decreased in France and, to a greater extent, in Italy. In all countries, added value was mainly held back by the weakness of the industrial sector.

In response to the pandemic, European institutions made some significant interventions. The European Commission has presented an investment initiative in response to the Coronavirus Response Investment Initiative (CRII), which makes some of the allocated funds available; it has also proposed temporary support to mitigate Unemployment Risks in an Emergency (SURE) in favor of EU countries, with an availability of 100 billion Euros. The European Investment Bank (EIB) has proposed creating a pan-European guarantee fund for 25 billion that would mobilize funding of up to 200 billion to small- and medium-sized enterprises.





**Tavola 3**

**Crescita del PIL  
e inflazione nell'area dell'euro**  
(variazioni percentuali)

PAESI	Crescita del PIL			Inflazione
	2019	2019 3° trim. (1)	2019 4° trim. (1)	2020 marzo (2)
Francia	1,3	0,3	-0,1	0,8
Germania	0,6	0,2	0,0	(1,3)
Italia	0,3	0,1	-0,3	0,1
Spagna	2,0	0,4	0,5	0,1
Area dell'euro	1,2	0,3	0,1	(0,7)

Fonte: elaborazioni su statistiche nazionali e su dati Eurostat.

(1) Dati trimestrali destagionalizzati e corretti per i giorni lavorativi; variazioni sul periodo precedente. – (2) Variazione sul periodo corrispondente dell'indice armonizzato dei prezzi al consumo (IPCA).

On 9 April 2020, the Eurogroup approved the initiatives of the Commission and the EIB; it also reached an agreement to provide the European Stability Mechanism (ESM) with an additional reinforced precautionary credit line, to which Member States requesting it will have access on the sole condition that the resources obtained are used to finance the direct and indirect costs of healthcare, treatment, and prevention. The amount granted to each country may reach 2% of national GDP.

The Eurogroup has also launched a discussion on the possible creation of a European reconstruction fund, financed through common debt or alternative solutions in the context of the European Union's multi-annual financial framework.

## The Italian Economy

The available evidence indicates that in the first quarter of 2020, production in Italy would have recorded a decrease that is today quantifiable at around five percentage points. The estimate of a sharp decline in some service sectors contributes to this assessment (see box: The transmission of the effects of the pandemic to the Italian economy). The continuation of the measures to contain the contagion would also lead to a fall in GDP in the second quarter.

In the last three months of last year, production fell by 0.3 percent (Table 4), with the negative contribution of domestic demand and a sharp decline in inventories, only partly offset by the positive contribution of foreign trade, mainly due to the marked reduction in imports. Value added fell in all sectors except agriculture.

Since the end of February, the spread of contagion has had a strong negative impact on economic activity, particularly marked in the service sector; the effect is visible through the traditional indicators available, but its size can also be inferred from information on the closure of activities in various sectors.

Tavola 4

### PIL e principali componenti (1)

(variazioni percentuali sul periodo precedente e contributi alla crescita)

VOCI	2019				2019
	1° trim.	2° trim.	3° trim.	4° trim.	
PIL	0,2	0,1	0,1	-0,3	0,3
Importazioni totali	-2,7	0,7	1,1	-1,7	-0,4
Domanda nazionale (2)	-0,4	0,1	0,4	-0,9	-0,2
Consumi nazionali	-0,1	0,0	0,2	-0,2	0,2
spesa delle famiglie (3)	-0,1	0,0	0,3	-0,2	0,4
spesa delle Amministrazioni pubbliche	-0,2	0,0	-0,1	-0,1	-0,4
Investimenti fissi lordi	2,0	-0,2	0,0	-0,1	1,4
costruzioni	2,8	-1,7	0,6	-0,6	2,6
beni strumentali (4)	1,3	1,1	-0,5	0,2	0,4
Variazione delle scorte (5) (6)	-0,7	0,1	0,3	-0,7	-0,6
Esportazioni totali	-0,5	0,8	-0,2	0,3	1,2
Esportazioni nette (6)	0,6	0,0	-0,4	0,6	0,5

Fonte: Istat.

(1) Valori concatenati; i dati trimestrali sono destagionalizzati e corretti per i giorni lavorativi. – (2) Include la voce “variazione delle scorte e oggetti di valore”. – (3) Include anche le istituzioni senza scopo di lucro al servizio delle famiglie. – (4) Includono, oltre alla componente degli investimenti in impianti, macchinari e armamenti (di cui fanno parte anche i mezzi di trasporto), le risorse biologiche coltivate e i prodotti di proprietà intellettuale. – (5) Include gli oggetti di valore. – (6) Contributi alla crescita del PIL sul periodo precedente; punti percentuali.

The crisis hit the production system when there was already a slowdown in economic activity and high public debt. However, companies, whose leverage has been significantly reduced in recent years, and households, whose indebtedness is very low compared to international levels, are facing this difficult economic phase with a financial structure that is substantially more balanced than what they had on the eve of the sovereign debt crisis; the country's debt position abroad is substantially in balance; banks are starting from more robust capital and liquidity conditions than in the past.





## The I.T and I.C.T. sector in Italy

In 2020, national GDP is expected to decrease by 8 percent, mainly due to the COVID-19 emergency. In this context, the ICT market is expected to register an overall decline of -3.1 percent, which is much better than overall GDP. First of all, it should be noted that the negative figure produced by the health emergency comes after 2019, which saw the sector grow by 2.1 percent.

The decline recorded in the first six months of 2020 is less serious than feared due to two main factors: the awareness gained during the most dramatic phases of the pandemic of the utility of ICT, and in particular, of Digital Transformation in ensuring business survival during moments of extreme crisis. The other element that has contributed significantly to limiting the effect of the crisis is the issue of accounting management of expenses that have been cancelled and postponed; the latter are expenses that affect company budgets, but only for 35%. As a result, the effect of the budget contraction has been strong, but in part this was mitigated, affecting a minority share of total spending in digital and what is important to mention regarding the contraction of -3.1 percent is that this is not symmetrically affecting all market segments. The TLC network services and software segment has seen limited impacts.

## Performance of the Doxee Group

In the first six months of 2020, Doxee continued to operate as a reference player in digitization processes, especially in the reference sectors that have had a strong push in this direction. This has led to a strong increase in the use of digital channels instead of physical channels in mission-critical processes such as billing and collection (reminders, digital payments). The strategy of acquiring new clients has also continued, especially in the Utilities and Insurance sectors, with an expansion of references in both the Enterprise and SME markets. All of this has allowed, together with successful upselling initiatives with the existing customer base, to increase the value of production by about 10% compared to the same period of the previous year.

As far as the financial aspects are concerned, there were no critical issues regarding the collectability of trade receivables and, on the contrary, thanks also to further improvement in the management of trade working capital, there was a significant improvement in net financial indebtedness.



During the first half of 2020, the investment in research activities remained in line with previous years. In May, the Parent Company Doxee S.p.A. was the only IT sector company to be chosen to receive benefits granted by the Emilia Romagna Region under Law 14, which promotes technological innovation initiatives that impact the production chain and increase employment in the region.

## Impact related to the Coronavirus pandemic (COVID-19):

Despite the emergency situation due to the spread of the COVID-19 (Coronavirus) pandemic, Doxee has always been able to ensure the normal operation and delivery of its products and services, as its main technology asset, the Doxee Platform, has been developed entirely in the cloud, thus ensuring full operational agility and business continuity in these circumstances. Thanks to the longstanding adoption of smart working as a way of working and managing human resources remotely, the company has managed to ensure normal operations even in scenarios where physical movement of citizens were subject to limitations imposed by the authorities.

It is noted that companies and public administrations are accelerating the digitization of their mission-critical processes to quickly adapt to the new scenario, communicating effectively and favoring the dematerialization of payment processes by finding in the Doxee Group a partner able to support this transformation by offering skills and technologies that can accelerate innovation in these modernization processes to make them an integral part of the digital customer journey.

### *Effects of the COVID-19 pandemic on asset value recoverability*

The spread of the pandemic did not significantly impact the Group's activities in the first half of 2020, and expectations for the second half of the year are the same. Expectations for 2021 and the following years are also projected to have a limited impact on the Group's activities resulting from the spread of the COVID-19 pandemic and a possible restoration of the measures restricting trade and the movement of vehicles and people. On the contrary, it is expected that the accelerated digitization process that will presumably affect both private and public entities will be an opportunity for further penetration of the markets already covered by Doxee solutions and for affirmation on new markets. Regarding the recoverability of the value of assets, and based on the information available at 30 June 2020, the Management has proceeded to assess the effect of the spread of the COVID-19 pandemic on the recoverable value of the assets. Based on the results for the first half of the year, the forecast for the second half of the year, and the assumptions mentioned above regarding the impact of the pandemic for the years after 2020, the Management does not believe that the spread of the COVID-19 pandemic could be an indicator of

impairment and therefore did not deem it necessary to carry out an impairment test. In any case, it should be noted that all the Group's assets are subject to a regular depreciation process according to their defined useful life. Regarding investments in progress, recorded under tangible and intangible assets, the Group believes that the actions undertaken and to be undertaken based on the strategic plan for 2020 will allow their regular development and completion. The absence of any critical issues suggests that, at present, the effects of the COVID-19 pandemic do not constitute an indicator of impairment such as to require the write-down of assets.

#### *Effects of the COVID-19 pandemic on business continuity*

During the preparation of the interim consolidated financial statements, the main financial and operating risks to which the Group is exposed were analyzed in order to assess any negative effects of the COVID-19 pandemic on its ability to continue as a going concern. In this regard, in the light of the analyses conducted and based on the available evidence—taking into account a credit risk that remains limited, the Group's good ability to obtain liquidity from the banking system and in view of the growth in turnover and the conclusion of important contracts with multinational customers—no critical issues and uncertainties emerged regarding the Group's ability to continue as a going concern.

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## MAIN ECONOMIC DATA

*(Art. 40, comma 1-bis, D. Lgs. N.127/91)*

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### Balance sheet and financial situation

Separate reclassified financial statements have been prepared in order to illustrate the Group's economic results and to analyze its equity and financial structure. These reclassified financial statements contain alternative performance indicators to those resulting directly from the consolidated financial statements and which management considers useful for the purposes of monitoring the Group's performance and representative of its economic and financial results.

Below is the consolidated balance sheet and the reclassified balance sheet according to the functional and financial criteria.

## BALANCE SHEET

ACTIVITY	30/06/2020	31/12/2019	Change
Fixed assets	8.995.677	8.606.609	389.068
Current assets	10.475.950	11.277.961	-802.011
Accruals and prepaid expenses	1.094.509	838.307	256.202
<b>ACTIVITY TOTAL</b>	<b>20.566.136</b>	<b>20.722.877</b>	<b>-156.741</b>
LIABILITIES	30/06/2020	31/12/2019	Change
Net assets	6.784.256	6.525.292	258.964
Risks and charges	414.906	416.193	-1.287
Severance pay	1.167.242	1.088.575	78.667
Debts	12.193.403	12.661.214	-467.811
Deferred revenue and accrued liabilities	6.329	31.603	-25.274
<b>TOTAL LIABILITIES</b>	<b>20.566.136</b>	<b>20.722.877</b>	<b>-156.741</b>

## FUNCTIONAL BALANCE SHEET

ACTIVE	30/06/2020	31/12/2019	PASSIVE	30/06/2020	31/12/2019
Operating capital	20.559.810	20.686.051	Equity	6.784.256	6.525.292
Extra-operational applications	6.326	36.826	Financing liabilities	5.781.186	6.050.370
			Operating liabilities	8.000.694	8.147.215
Capital invested (CI)	20.566.136	20.722.877	Financing capital	20.566.136	20.722.877

## FINANCIAL POSITION

ACTIVE	30/06/2020	31/12/2019	PASSIVE	30/06/2020	31/12/2019
<b>FIXED ACTIVE</b>	<b>8.995.677</b>	<b>8.606.609</b>	<b>EQUITY</b>	<b>6.784.256</b>	<b>6.525.292</b>
Intangible fixed assets	8.576.206	8.146.279	Share capital	1.595.750	1.595.750
Tangible fixed assets	413.145	423.504	Reserves	4.907.487	3.232.669
Financial fixed assets	6.326	36.826	Net profit	281.019	1.696.873
<b>CURRENT ASSETS</b>	<b>11.570.459</b>	<b>12.116.268</b>	<b>CONSOLIDATED LIABILITIES</b>	<b>4.787.296</b>	<b>3.731.025</b>
Warehouse					
Deferred liquidity	7.765.924	8.364.480	Current	8.994.584	10.466.560
Immediate liquidity	3.804.535	3.751.788			
<b>CAPITAL INVESTED</b>	<b>20.566.136</b>	<b>20.722.877</b>	<b>TOTAL BALANCE</b>	<b>20.566.136</b>	<b>20.722.877</b>

The following indicators can be derived from the above data:

INDICATORS OF FINANCING FIXED ASSETS		30/06/2020	31/12/2019	Change
Fixed asset margin	<i>Equity - fixed assets</i>	-2.211.421	-2.081.317	-130.104
Primary structural balance	<i>Equity / fixed assets</i>	0,75	0,76	0,00
Secondary structural margin	<i>(Equity + Consolidated liabilities) - Fixed assets</i>	2.575.874	1.649.708	926.166
Secondary structural balance	<i>(Equity + Consolidated liabilities) / Fixed assets</i>	1,29	1,19	0,09



**The primary structure quotient**, given by the ratio between Equity and Fixed Assets, indicates how much of the financial requirement generated by fixed assets is covered by equity; this index, which assumes values higher than the unit when the structure margin is positive and values lower than the unit in the opposite case, should assume, at least in the long term, values higher or close to the unit.

This index, which has remained unchanged compared to the financial statements at 31 December 2019, shows an excellent ratio between shareholders' equity and fixed assets invested.

**The secondary structure quotient** verifies the extent to which the long-term financial requirement, expressed by total fixed assets, is covered by sources of financing with similar duration (equity + consolidated liabilities).

Compared to the previous year, there has been a significant increase in this quotient, mainly due to the constant increase in equity and consolidated liabilities.

FINANCIAL STRUCTURE INDEXES		30/06/2020	31/12/2019	Change
Total debt ratio	<i>long term liabilities + short term liabilities/equity</i>	2,03	2,18	-0,14
Financial debt ratio	<i>Financing liabilities / equity</i>	0,85	0,93	-0,08

**The overall debt ratio**, also known as "leverage," highlights the ratio of debt to equity. It makes it possible to verify the risk associated with a company's degree of dependence on external sources of financing. A high level of indebtedness in relation to one's own capital tends to increase the entrepreneurial risk due to a lower degree of equity coverage of potential company losses and a greater weight of financial charges deriving from the use of other people's capital.

The total debt ratio in the first half of 2020 shows a significant improvement compared to 31 December 2019, due to both an improvement in equity and a significant improvement in the Group's Net Financial Position (NFP), which in the first half of 2020 stood at Euro -1.99 million, compared to Euro -2.3 million at 31 December 2019.

Description		30/06/2020	31/12/2019	Change
A	Cash	-736	-1.128	392
B	Cash and cash equivalents	-3.803.799	-3.750.660	-53.139
C	Securities held for trading	0	0	0
D	<b>Liquidity (A+B+C)</b>	<b>-3.804.535</b>	<b>-3.751.788</b>	<b>-52.747</b>
E	<b>Current financial receivables</b>	<b>0</b>	<b>0</b>	<b>0</b>
F	Current bank debts	1.110.555	2.193.026	-1.082.471
G	Current portion of non-current debt	1.050.578	1.214.894	-164.316
H	Other current financial payables	0	0	0
I	<b>Current financial debt (F+G+H)</b>	<b>2.161.133</b>	<b>3.407.920</b>	<b>-1.246.787</b>
J	<b>Net current financial debt (I+E+D)</b>	<b>-1.643.402</b>	<b>-343.868</b>	<b>-1.299.534</b>
K	Non-current bank debts	3.620.053	2.642.450	977.603
L	Bonds issued	0	0	0
M	Other non-current financial payables	11.168	12.455	-1.287
N	<b>Non-current financial debt (K+L+M)</b>	<b>3.631.221</b>	<b>2.654.905</b>	<b>976.316</b>
O	<b>Net financial debt of the Group (J+N)</b>	<b>1.987.819</b>	<b>2.311.037</b>	<b>-323.218</b>

**The financial debt ratio**, given by the ratio of financing liabilities to equity, should be less than or equal to one, so that the company's financial sources are more than half risk and less than half loan.

This index continues the decreasing trend already highlighted in the 2019 financial statements, as evidence of the Group's gradual approach to a financial balance between its own funds and those of third parties.

SOLVENCY INDICATORS		30/06/2020	31/12/2019	Change
Margin of availability	<i>Current assets - Current liabilities</i>	2.575.874	1.649.708	926.166
Availability quotient	<i>Current assets / Current liabilities</i>	1,29	1,16	0,13
Treasury margin	<i>(Deferred liquidity + Immediate liquidity) - Current liabilities</i>	2.575.874	1.649.708	926.166
Treasury quotient	<i>(Deferred liquidity + Immediate liquidity) / Current liabilities</i>	1,29	1.16	0,13

**The availability margin** (which coincides with the treasury margin because the company does not hold warehouse stock), is given by the difference between current assets and current liabilities. This value, which compared to the previous year improves by Euro 0.93 million, indicates the Group's ability to repay its short-term liabilities thanks to its working capital, without drawing on medium-term liabilities and/or equity. In the same way, this index shows the Group's ability to finance its fixed assets, which, as is well known, is considerable given the constant and continuous investments in innovative development projects, with adequate medium-term liabilities as well as from its own means.

In particular, the company is developing the following projects which, as they have not yet been completed, have been capitalized in the balance sheet under intangible assets in progress:

Assets under development	30/06/2020	31/12/2019	Variazione
R&D activities for substantial improvements of the Legal Electronic Archiving platform	37.917	0	37.917
2X Toolkit 1 - Research and experimental development for substantial improvements of the Doxee document platform	3.599.651	2.870.718	728.933
Development activities of a new Digital Archiving 3.0 platform	146.432	0	146.432
Cost for patent filing	22.037	6.122	15.916
Study and development of innovative high automation technologies	463.180	64.268	398.911
Study and development of innovative solutions for process accountability	113.668	113.668	0
Increased marketing costs - Website project	169.774	112.746	57.027
Digital Experience Platform	45.910	0	45.910
AI - Enhanced Video Analytics	32.645	0	32.645
Other projects	179	178	1
<b>Total</b>	<b>4.631.392</b>	<b>3.167.700</b>	<b>1.463.692</b>

## Economic and income situation

Regarding the income situation, we report the following summary data derived from the Income Statement.

Description	30/06/2020	30/06/2019	Change	Var. %
Revenues from sales and services	7.711.800	7.016.747	695.053	9,91%
Value of Production	9.664.230	8.783.867	880.363	10,02%
Product Cost	9.133.112	8.436.077	697.035	8,26%
Difference (A-B)	531.118	347.790	183.328	52,71%
Result before taxes	402.019	224.436	177.583	79,12%
Income taxes	121.000	83.000	38.000	45,78%
<b>NET RESULT</b>	<b>281.019</b>	<b>141.436</b>	<b>139.583</b>	<b>98,69%</b>

RECLASSIFIED INCOME STATEMENT	30/06/2020	30/06/2019	Change	Var. %
Revenues from sales and services	7.711.800	7.016.747	695.053	9,91%
Internal production	1.952.430	1.767.120	185.310	10,49%
Operating production value	9.664.230	8.783.867	880.363	10,02%
External operating costs	4.646.679	4.447.717	198.962	4,47%
Added value	5.017.551	4.336.150	681.401	15,71%
Personnel costs	3.377.624	3.030.724	346.900	11,45%
Gross operating margin	1.639.927	1.305.426	334.501	25,62%
Depreciation and provisions	1.108.809	957.636	151.173	15,79%
Operating result	531.118	347.790	183.328	52,71%
Net other income		-	-	n.a.
EBIT	531.118	347.790	183.328	52,71%
Result of the financial area (net of finance charges)(*)	41	15.341	-15.300	-99,73%
Financial charges	129.140	138.695	-9.555	-6,89%
Gross profit	402.019	224.436	177.583	79,12%
Income taxes	121.000	83.000	38.000	45,78%
<b>NET RESULT</b>	<b>281.019</b>	<b>141.436</b>	<b>139.583</b>	<b>98,69%</b>

(\*) the write-downs of fixed assets were considered under this item

The following profitability indicators can be derived from the above data:

PROFITABILITY RATIOS		30/06/20	30/06/19	Change
Net ROE	<i>Net result/Average shareholders' equity</i>	4,14%	26,08%	-21,94%
Gross ROE	<i>Gross profit/Average shareholders' equity</i>	5,93%	41,39%	-35,46%
ROI	<i>Operating result/CIO - Operating liabilities)</i>	4,23%	4,63%	-0,40%
ROS	<i>Operating profit / sales revenues</i>	6,89%	4,96%	1,93%

**The R.O.E. (Return on Equity)**, given by the ratio of net profit to equity, shows the return on equity, thus indicating that during the first half of 2020, the company's shareholders achieved a return of 4.14%. The decrease of this index compared to the first half of the previous financial year is mainly due to the increase in equity obtained both for the funding at the time of listing on AIM Italia and for the excellent results achieved by the Group in 2019.

**Gross R.O.E.**, which records the return on capital without taking into account the negative effect of taxes, in the first half of 2020 stood at 5.93%, down compared to the half-yearly report of the previous year, for the same reasons already highlighted for R.O.E.

**The R.O.I. (Return on Investment)** given by the ratio between the operating result and net assets, shows the profitability of invested capital through ordinary management: this profitability depends on the intensity of turnover, typical company costs and invested capital. The R.O.I. shows that the management of the company has remained constant at a value slightly higher than 4.23%, slightly lower than in 2019, despite the continuous and high investments in "Development Projects" that the Group continues to support.

**The R.O.S. (Return on Sales)**, given by the ratio between operating profit and sales revenues, provides a measure of the percentage margin of operating profit on sales, thus highlighting the relationship between sales prices and costs of ordinary operations; this index is a significant improvement compared to the half-yearly report for 2019.





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## ENVIRONMENT, PERSONNEL, and RISKS

(Art. 40, comma 1-bis, D. Lgs. N.127/91)

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### Environmental information

In terms of environmental policy, the Group has continued to promote actions and projects that guarantee respect for the environment and those that meet the needs of shareholders, monitoring and periodically assessing adherence, respect, and constant compliance with environmental regulations, as well as the principles of its environmental policy inspired by the concept of sustainable development and respect for the environment as a strategic factor for market competitiveness.

### Information on personnel

Regarding personnel, it is noted that there have been no incidents of death at work, as well as no serious accidents, or incidents of litigation or bullying.

As of 30 June 2020, the Group employed 117 people, divided as follows:

Category	30/06/2020	31/12/2019	Change
Executives	6	6	0
Managers	15	13	2
Employees	96	83	13
Workers	0	0	0
<b>Total</b>	<b>117</b>	<b>102</b>	<b>15</b>

During the first half of 2020 there was an increase of 15 employees directly related to the insertion of new staff with high technical skills and the strengthening of the commercial structure.

## Compulsory training

In the implementation of Legislative Decree 81/2008 for health and safety in the workplace, in the first half of 2020, both general and specific occupational safety training was planned, which was carried out online as a result of the current health situation. Periodic courses were held, as well as refresher courses on Information Security and Data Awareness, in compliance with ISO 27001 and ISO 9001 certification provisions.

Regarding ISO Certification, a periodic refresher course on the Preservation/LEA service was conducted, as well as training related to ANORC (National Association for Digital Conservation Operators and Managers) membership and AgID (Agenzia per L'Italia Digitale) accreditation.

## Internal and external training

In response to the analysis of training needs identified, Doxee staff have taken internal courses of a technical nature, with the goal of strengthening technical and product skills, in order to align skills among employees (including new recruits) and between Organizational Units.

The internal technical training was delivered through classroom and e-learning courses thanks to the Doxee Academy platform available to each Doxee employee and focused on the company's product/service technology.

In addition, employees participated in various external training activities, including technical trainings, those related to certifications, and those for building transversal support and development skills, such as HTML, AWS, SQL, individual coaching, self empowerment/leadership training for first line, cash flow and financial reporting, Privacy and Information Security, and GDPR.



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## Descriptions of the main risks and uncertainties to which the Group is exposed

*(Art. 40 commi 1 e 2-bis D.Lgs 127/91)*

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### **1. Market Risk**

Market risk consists of the possibility that changes in exchange rates, interest rates, and product prices may negatively affect the value of assets, liabilities, or expected cash flows. The Group is not subject to seasonal phenomena that could cause significant fluctuations in cash flows.

### **2. Exchange rate risk**

The exchange rate risk to which the Group is exposed derives from the commercial relations it has with its non-EU subsidiaries and with some foreign suppliers, mainly US suppliers. The exchange rates used for the current consolidated financial statements, compared to the Euro, were as follows:

**for the half year 2019**

U.S. Dollar	Average half-year tax 1,2108	Tax at 30 June 1,1380
Czech Koruna	Average half-year tax 25,4973	Tax at 30 June 25,4470

**for the half year 2020**

U.S. Dollar	Average half-year tax 1,1015	Tax at 30 June 1,1198
Czech Koruna	Average half-year tax 26,3422	Tax at 30 June 26,740

**3. Tax risk**

The objective of interest rate risk management is to limit and stabilize passive flows due to interest paid on these loans.

A cost-benefit analysis did not reveal the need to activate risk hedging instruments.

During 2018, the Parent Company signed an "Interest rate swap" derivative contract with a notional value of originally Euro 1,000,000 to hedge the risk of interest rate changes on a passive loan taken out with Unicredit.

It is acknowledged that the fair value of this derivative instrument at 30 June 2020 was negative for Euro 11,168.

Date of stipulation	11/09/2018
Expiration date	30/09/2023
Type	IRS – Interest Rate Swap
Purpose	Coverage
Notional value at year end closed at 31/12/2019	650.000 Euro
Underlying financial risk	Interest rate risk
Fair value (MTM)	-11.168
Covered liability	Unicredit financing

#### **4. Credit risk**

Credit risk represents the Group's exposure to potential losses arising from the failure of counterparties to meet their obligations, and it is assessed both in commercial terms, i.e., related to the type of customer, contractual terms, and concentration of sales, and in financial terms related to the type of counterparties used in financial transactions. Credit risk is mitigated by the fact that there are no significant exposures due to concentration of positions, since revenue is distributed over multiple customers.

At 30 June 2020, the Group had set aside provisions for bad debts for a total of Euro 448,123.

#### **5. Liquidity risk**

Liquidity risk represents the risk that, due to the inability to raise new funds or liquidate assets on the market, Group companies may not be able to meet their payment obligations, which would impact the economic result if the individual companies are forced to incur additional costs to meet their commitments or, as an extreme consequence, an insolvency situation that puts the business at risk.

Group companies systematically comply with the deadlines of their commitments and behavior that allows them to operate in the market with the necessary flexibility and reliability in order to maintain the proper balance between procurement and use of financial resources.

Group companies manage liquidity risk through prudent control of the cash and cash equivalents necessary for normal operations and the availability of credit lines that guarantee a satisfactory level of resources sufficient to cover any financial needs. These controls mainly take place through constant monitoring of the centralized treasury of the collection and payment flows of all companies, while maintaining a balance in terms of duration and composition of payables. This makes it possible, in particular, to monitor the flows of resources generated and absorbed by normal operating activities. Regarding the management of resources absorbed by investment activities, it is generally preferred to find sources through specific long-term financing.

#### **6. Country risk**

The country risk derives from the political-social instability of the countries where the Group companies operate.

It is believed that the Group is not exposed to this problem, as it does not operate with countries with high "country risk".



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## RESEARCH AND DEVELOPMENT ACTIVITIES

*(Art. 40, comma 2 lett. a, D. Lgs. N.127/91)*

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Le attività di ricerca e sviluppo sono di pertinenza esclusiva della capogruppo Doxee SpA. Nel corso del primo semestre 2020 gli investimenti in ricerca sono stati pari a Euro 1,4 milioni corrispondenti a circa il 14,4% del valore della produzione, confermando il trend degli anni precedenti e a testimonianza della politica del Gruppo tesa ad assicurare un costante ed elevato livello di innovazione tecnologica. Tra gli obiettivi dei vari progetti in corso di realizzazione si segnala la completa reingegnerizzazione della piattaforma documentale Doxee in un'operazione che non solo porterà all'adozione di nuove e più efficienti tecniche produttive, ma vedrà anche l'abbandono del modello elaboro-e- dimentico caratteristico del settore CCM dal quale proviene l'azienda privilegiando, invece, un modello pensato per costruire ed evolvere una visione sempre più precisa dei clienti finali che sarà utilizzato per ottimizzare le comunicazioni. Grande attenzione è stata dedicata anche ai miglioramenti della piattaforma di Legal Electronic Archiving al fine di aumentarne il livello di sicurezza e incrementarne la capacità di gestire flussi di carico elevati.

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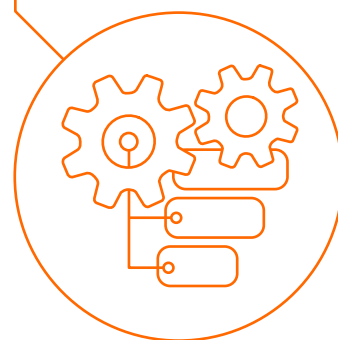
## PREVIOUS EVOLUTION OF MANAGEMENT

*(art. 40 c. 2 lett. c) - D. Lgs 127/91)*

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- Following the July 2020 acquisition of LittleSea, an innovative start-up with a patented technology capable of transforming data and images into dynamic, interactive, and personalized videos, that integrates data with video and images through the use of Cloud and AI technologies, the activities aimed at technological and commercial integration on the Italian and foreign markets began to extend the Pvideo offer in SaaS mode in sectors such as Wealth Management, publishing, and advertising;

- Revision and standardization of price lists to ensure further scalability and coverage on the SME/SMB market.
- Definition of the go-to-market strategy on the Partner channel together with the ongoing Partner Program review on the different product lines consistent with the extension strategy on new vertical sectors.
- Expansion of digital communication and various activities on social channels with further campaigns to support brand positioning and lead generation, especially in new sectors (Retail, Fashion, Pharma, Healthcare).
- First release of the third generation of the Doxee Platform™ for the paperless experience product, designed according to the API-first technology paradigm and based on innovative architectural patterns such as containers and microservices, in addition to cloud-native technologies.
- Extension of the Employee Engagement program aimed at strengthening values, internal communication, benefits, and relational development.
- Continuation of the activities related to the introduction of the new management system.
- Obtaining the benefits provided by the POR ERDF 2014-2020 call for proposals in the form of a non-refundable grant for an amount equal to Euro 537,313.55 that Doxee will use to develop a research project to define new modules of the Doxee Platform™ through the use of technologies such as Artificial Intelligence (AI) for sophisticated predictive analysis on the purchasing needs of consumers and to enhance interactive and multi-channel communication tools, which make the most of big data, will allow the platform to offer information that is always in line with users' expectations.
- Maintenance and new investments in Information Security and Data Protection. Activities following the introduction of the management model pursuant to Legislative Decree 231.



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## OWN SHARES and PARENT COMPANY SHARES

(Art. 40 comma 2 lett. d) D. Lgs 127/91)

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It is attested that at the closing date of the first half of 2020:

- *no Group company held treasury shares;*
- *no cross-shareholdings exist between Group companies;*
- *the parent company Doxee S.p.A. does not hold shares in the parent company P&S S.r.l.*

\* \* \*

Modena (MO), 28 September 2020

The Chairman of the Board of Directors of the Parent Company  
Doxee S.p.A.

Ing. Paolo Cavicchioli

# INTERIM CONSOLIDATED BUDGET AT 30 JUNE 2020

Amounts expressed in Euro

Balance sheet		30-jun-20	31-dec-19
<b>B) FIXED ASSETS</b>			
	<b>I. INTANGIBLES</b>		
	1) Start-up and expansion costs	634.499	749.365
	2) Development costs	3.167.693	4.012.097
	3) Industrial patent rights and intellectual property costs	72.289	139.483
	4) Concessions, licenses, trademarks and similar rights	19.466	10.542
	5) Start up	0	0
	6) Assets under construction and advances	4.631.392	3.167.700
	7) Other	50.867	67.092
	<b>TOTAL INTANGIBLE FIXED ASSETS</b>	<b>8.576.206</b>	<b>8.146.279</b>
	<b>II. TANGIBLES</b>		
	4) Other goods	413.145	423.504
	5) Assets under construction and advances	0	0
	<b>TOTAL TANGIBLE FIXED ASSETS</b>	<b>413.145</b>	<b>423.504</b>
	<b>III. FINANCIALS</b>		
	<b>1) Investments in:</b>		
	D-bis) OTHER BUSINESSES	3.500	3.500
	<b>2) Credits:</b>		
	C) FROM PARENT COMPANIES		
	due within the next financial year	0	30.500
	D-bis) FROM OTHERS:		
	due within the next financial year	2.826	2.826
	due after one year	0	0
	<b>TOTAL FIXED FINANCIAL ASSETS</b>	<b>6.326</b>	<b>36.826</b>
<b>TOTAL FIXED ASSETS (B)</b>		<b>8.995.677</b>	<b>8.606.609</b>

Balance sheet		30-jun-20	31-dec-19
<b>C) CURRENT ASSETS</b>			
	<b>II. CREDITS</b>		
	1) To customers:		
	due within the next financial year	5.501.709	6.300.789
	4) To parent companies:		
	due within the next financial year	0	0
	5-bis) Tax receivables		
	due within the next financial year	892.392	940.075
	5-ter) Deferred tax assets	209.025	209.334
	5-quater) To others:		
	due within the next financial year	46.676	54.362
	due after one year	21.613	21.613
	<b>TOTAL CREDITS</b>	<b>6.671.415</b>	<b>7.526.173</b>
	<b>IV. CASH AND CASH EQUIVALENTS</b>		
	1) Bank and postal deposits	3.803.799	3.750.660
	3) Cash on hand	736	1.128
	<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>3.804.535</b>	<b>3.751.788</b>
<b>TOTAL CURRENT ASSETS (C)</b>		<b>10.475.950</b>	<b>11.277.961</b>
<b>ACCRUALS AND DEFERRALS (D)</b>		<b>1.094.509</b>	<b>838.307</b>
<b>TOTAL ASSETS (A + B + C + D)</b>		<b>20.566.136</b>	<b>20.722.877</b>



Balance Sheet		30-jun-20	31-dec-19
<b>A) Consolidated shareholders' equity</b>			
	<b>A1) for which the group is responsible:</b>		
	I. Share capital	1.595.750	1.595.750
	II. Surcharge reserve	2.978.750	2.978.750
	IV. Legal reserve	319.150	165.293
	VI. Other reserves, separately included:	3.861.831	3.045.010
	Translation difference reserve	32.351	55.386
	Extraordinary reserve	3.829.480	2.989.625
	Difference from rounding to Euro	0	-1
	VII. Reserve for expected cash flow hedges	-8.487	-9.466
	VIII. Retained earnings (losses) carried forward	-2.243.757	-2.946.918
	IX. Results for the year	281.019	1.696.873
	X. Negative reserve for own shares in portfolio	0	0
	<b>Total group shareholders' equity(A1)</b>	<b>6.784.256</b>	<b>6.525.292</b>
<b>TOTAL CONSOLIDATED SHAREHOLDERS' EQUITY (A)</b>		<b>6.784.256</b>	<b>6.525.292</b>
<b>B) PROVISIONS FOR RISKS AND CHARGES:</b>			
	2) For taxes, including deferred taxes	738	738
	3) Derivative financial instruments	11.168	12.455
	4) Other	403.000	403.000
<b>TOTAL PROVISIONS FOR RISKS AND CHARGES (B)</b>		<b>414.906</b>	<b>416.193</b>
<b>C) T. F. R. FOR SUBORDINATE WORK</b>		<b>1.167.242</b>	<b>1.088.575</b>
<b>D) DEBTS</b>			
	4) Payables to banks:		
	due within the next financial year	2.161.133	3.407.920
	due after one year	3.620.053	2.642.450
	7) Payables to suppliers:		
	due within the next financial year	4.116.010	4.595.046
	12) Tax payables:		
	due within the next financial year	534.792	551.634
	13) Payables to social security institutions:		
	due within the next financial year	410.265	441.280
	14) Other debts:		
	due within the next financial year	1.351.150	1.022.884
<b>TOTAL DEBTS (D)</b>		<b>12.193.403</b>	<b>12.661.214</b>
<b>ACCRUALS AND DEFERRALS(E)</b>		<b>6.329</b>	<b>31.603</b>
<b>TOTAL LIABILITIES AND NET (A + B + C + D + E)</b>		<b>20.566.136</b>	<b>20.722.877</b>

Income Statement		30-jun-20	30-jun-19
<b>A) VALUE OF PRODUCTION</b>			
	1) Revenues from sales and services	7.711.800	7.016.747
	4) Increases in fixed assets for internal work	1.447.776	1.523.346
	5) Other revenues and income	504.654	243.774
	of which operating grants	240.655	231.974
<b>TOTAL VALUE OF PRODUCTION (A)</b>		<b>9.664.230</b>	<b>8.783.867</b>
<b>B) COST OF PRODUCTION</b>			
	6) Raw, ancillary and consumable materials and goods for resale	359.163	132.659
	7) For services	3.931.635	3.884.431
	8) For the use of third party assets	206.526	240.192
	9) For personnel		
	A) WAGES AND SALARIES	2.494.808	2.276.517
	B) SOCIAL SECURITY CHARGES	722.505	617.397
	C) SECERANCE PAY	155.920	131.399
	EOTHER COSTS	4.391	5.411
	10) Amortization and write downs	1.044.449	884.697
	A) DEPRECIATION OF INTANGIBLE ASSETS	64.360	72.939
	B) DEPRECIATION OF TANGIBLE ASSETS	147.791	147.791
	D) D) WRITE DOWN OF RECEIVABLES INCLUDED IN CURRENT ASSETS AND AVAILABILITY	0	0
	13) Other provisions	0	0
	14) Other management charges	149.355	190.435
<b>TOTAL COSTS OF PRODUCTION (B)</b>		<b>9.133.112</b>	<b>8.436.077</b>
<b>DIFFERENCE BETWEEN VALUE AND COSTS OF PRODUCTION (A-B)</b>		<b>531.118</b>	<b>347.790</b>
<b>C) FINANCIAL INCOME AND EXPENSES</b>			
	16) Other financial income		
	A) FROM RECEIVABLES RECORDED AS FIXED ASSETS	0	824
	of which is related to the parent companies	0	824
	D) INCOME OTHER THAN THE ABOVE	20	872
	17) Interest and other financial charges	129.140	138.695
	17-bis) Foreign exchange gains and losses	7.021	18.645
<b>TOTAL FINANCIAL INCOME AND EXPENSES (C)</b>		<b>-122.099</b>	<b>-118.354</b>
<b>D) VALUE ADJUSTMENTS TO FINANCIAL ASSETS</b>			
	19) WRITEDOWNS		
	B) OF FINANCIAL FIXED ASSETS NOT CONSTITUTING EQUITY INVESTMENTS	7.000	5.000
<b>TOTAL CORRECTIONS (D)</b>		<b>-7.000</b>	<b>-5.000</b>
<b>EARNINGS BEFORE TAX (A - B + C + D)</b>		<b>402.019</b>	<b>224.436</b>
	20) Current, deferred and prepaid income taxes for the year	121.000	83.000
<b>21) Consolidated profit (loss) for the year</b>		<b>281.019</b>	<b>141.436</b>
		<b>281.019</b>	<b>141.436</b>

Cash flow statement [indirect method]		30-jun-20	30-jun-19
<b>A) Cash flows from operating activities</b>			
	<b>Profit (loss) for the year</b>	281.019	141.436
	Income taxes	121.000	83.000
	Interest expense / (interest income)	129.120	136.999
	(Gains) / losses on disposal of assets	-328	330
<b>1.</b>	<b>Profit (loss) for the year before income taxes, interest, dividends and gains/losses on disposal</b>	<b>530.811</b>	<b>361.765</b>
	Adjustments for non-monetary items not offset in net working capital		
	Provisions to funds	155.920	131.399
	Depreciation of fixed assets	1.108.809	957.636
	Write Downs for impairment losses	7.000	5.000
	Other adjustments for non-monetary items	-16.965	-28.553
	Total adjustments for non-monetary items that were not offset in net working capital	1.254.764	1.065.482
<b>2.</b>	<b>Cash flow before changes in net working capital</b>	<b>1.785.575</b>	<b>1.427.247</b>
	Changes in net working capital		
	Decrease / (increase) in receivables from customers	799.080	737.325
	Increase / (decrease) in payables to suppliers	-70.510	-120.004
	Decrease / (increase) in prepayments and accrued income	-256.202	-140.108
	Increase / (decrease) in prepayments and deferred income	-25.274	-1.650
	Other changes in net working capital	246.652	731.538
	Total changes in net working capital	693.745	1.207.101
<b>3.</b>	<b>Cash flows after changes in net working capital</b>	<b>2.479.320</b>	<b>2.634.348</b>
	Other corrections		
	Interest received / (paid)	-97.167	-124.571
	(Income tax paid)	-57.235	-154.658
	(Use of funds)	-77.253	-114.400
	Total other adjustments	-231.655	-393.629
<b>Cash flow from operating activities (A)</b>		<b>2.247.665</b>	<b>2.240.719</b>
<b>B)</b>	<b>Cash flows from investment activities</b>		
	Tangible fixed assets		
	(Investments)	-49.727	-74.090
	Intangible fixed assets		
	(Investments)	-1.867.555	-1.767.623
	Financial fixed assets		
	(Investments)	0	0
	Divestments	23.500	345.205
<b>Cash flow from investment activities (B)</b>		<b>-1.893.782</b>	<b>-1.496.508</b>

<b>Cash flows from financing activities (C)</b>			
	Third parties		
	Increase / (decrease) in short-term payables to banks	-734.311	-432.750
	Fair Value of derivative financial instruments	0	3.832
	Financing	500.000	425.865
	(Repayment of loans)	-66.826	-876.953
	Own means		
	Capital increase against payment	0	0
	Disposal / (purchase) of own shares	0	0
<b>Cash flow from financing activities (C)</b>		<b>(Dividends paid)</b>	<b>0</b>
		-301.136	-880.006
<b>Increase / (decrease) in liquid assets (A + B + C)</b>		<b>52.747</b>	<b>-135.795</b>
	Exchange rate effect on cash and cash equivalents	-4.840	818
<b>Cash and cash equivalents at the beginning of the period, of which:</b>		<b>3.751.788</b>	<b>543.737</b>
	bank and postal deposits	3.750.660	542.147
	cash and cash equivalents	1.128	1.590
<b>Cash and cash equivalents at the end of the period, of which:</b>		<b>3.804.535</b>	<b>408.760</b>
	bank and postal deposits	3.803.799	406.024
	cash and cash equivalents	736	2.736

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# NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2020

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## Forward

These interim consolidated financial statements of the Doxee Group, as defined below, refer to the six-month period ended 30 June 2020 [hereinafter the “Interim Consolidated Financial Statements”]. These interim consolidated financial statements were proposed for approval by the Board of Directors of the Parent Company Doxee S.p.A. on 28 September 2020.

## General information and activities carried out

Doxee S.p.A. [hereinafter the “Company” or the “Parent Company”] and its subsidiaries [as a whole, and together with the Parent Company, identified as the “Doxee Group” or the “Group”] are high-tech companies and a leader in the Customer Communications Management, Paperless, and Digital Customer Experience markets. The Group offers technology products based on a single patented proprietary platform [Doxee Enterprise Communications Platform], and delivered in Cloud mode to companies in the Enterprise segment, which significantly improve the operational efficiency of its customers on mission-critical processes.

The Group achieves most of its turnover in Italy mainly through products supplied in SaaS [Software as a service] and secondly through the granting of licenses [OP].

## Methodological note

For comparative purposes, the Interim Consolidated Financial Statements show, for balance sheet data, the corresponding amounts at 31 December 2019, and, for income statement and cash flow data, the corresponding amounts for the six months ended 30 June 2019.

All the values indicated in the relative statements are expressed in units of Euro and all the relative comments in the “Notes to the financial statements” are also expressed in units of Euro. All the percentage ratios (margins and deviations) are calculated with reference to values expressed in units of Euro.



## Criteria for the preparation and valuation of the consolidated interim financial statements

The Group's Consolidated Interim Financial Statements have been prepared by applying the consolidation principles and valuation criteria, illustrated in the preparation of the consolidated financial statements for the year ended 31 December 2019, in compliance with the Italian Civil Code, as amended by Legislative Decree no. 139/2015, and Legislative Decree 127/1991, interpreted and supplemented by the Italian accounting principles issued by the Italian Accounting Body [OIC], and in accordance with the provisions of accounting standard OIC 30 "Interim Financial Statements."

The financial statements have been prepared on a going-concern basis. The Group has assessed that, despite the volatile general economic and financial context, there are no significant uncertainties as to the company's ability to continue as a going concern, also by virtue of the continuous growth in revenue and the expansion of the customer base, as illustrated in the "Report on Operations."

The reference date of the interim consolidated financial statements coincides with the half-year closing date of the Parent Company [30 June 2020] and of all the companies included in the consolidation area.

## Consolidation area

The consolidation area includes the financial statements of the Parent Company and of the companies over which it directly or indirectly exercises control pursuant to Article 26 of Legislative Decree no. 127/91.

The scope of consolidation coincides for the six-month period ended 30 June 2020 and for both comparative periods, consisting, as mentioned above, of the financial year ended 31 December 2019 and the six-month period ended 30 June 2019, and consists of the following companies consolidated on a line-by-line basis:

Doxee S.p.A. - Parent Company  
Registered office: Modena, Italy  
Balance sheet currency: Euro  
Share capital: Euro 1,595,750.00 - i.v.  
Condition: Parent company

Doxee USA, Inc.  
Headquarters: Fort Lauderdale, USA  
Balance sheet currency: US dollar  
Share capital: American dollar 39,200.00 - i.v.

Condition: Foreign subsidiary  
Direct ownership shares: 51.02%.  
Indirect ownership: 0%.

Doxee Slovak s.r.o.  
Registered office: Bratislava, Slovak Republic  
Balance sheet currency: Euro  
Share capital: Euro 10,000.00 - i.v.  
Condition: foreign subsidiary  
Direct ownership share: 100%

Doxee Czech s.r.o.  
Registered office: Prague, Czech Republic  
Balance sheet currency: Czech Koruna  
Share capital: Czech Koruna 250,000.00 - i.v.  
Condition: foreign subsidiary  
Direct ownership share: 100%

The ownership percentages indicated above did not change during the six-month period ended 30 June 2020.

The exchange rates used, compared to the Euro, were:

for the half year 2019		
U.S. Dollar	Average half-year tax 1,1298	Average tax at30 June 1,1380
Czech Koruna	Average half-year tax 25,6838	Average tax at30 June 25,4470
for the half year 2020		
U.S. Dollar	Average half-year tax 1,1015	Average tax at30 June 1,1198
Czech Koruna	Average half-year tax 26,3422	Average tax at30 June 26,740

## Interim financial statements used for consolidation purposes

Il Bilancio Consolidato Intermedio è predisposto utilizzando i bilanci semestrali delle singole società incluse nell'area di consolidamento predisposti dai rispettivi organi sociali, opportunamente modificati e riclassificati, ove necessario, per uniformarli ai principi contabili ed ai criteri di classificazione omogenei del Gruppo, ove difforni.

# COMMENT ON THE MAIN BALANCE SHEET ITEMS

Below is a breakdown of the main items in the Balance Sheet at 30 June 2020 with an illustration of the main changes compared to the previous financial year.

## Fixed assets

### Intangible Fixed Assets

The following table shows the changes in the items start-up and expansion costs, development costs, industrial patents, concessions, and intangible assets in progress, in the period between 31 December 2019 and 30 June 2020, shown by individual asset category.

	Start up and expansion costs	Development wvcosts	Industrial patents	Concession, licenses and trademarks	Start up	Fixed assets in course	Other	Total
Initial balance at 31/12/2019	749.365	4.012.097	139.483	10.542	0	3.167.700	67.092	8.146.279
Increases	0	0	0	9.833	0	1.464.992	0	1.474.825
Decreases	0	0	0	0	0	-1.300	0	-1.300
Reclassifications	0	0	0	0	0	0	0	0
Amortization for the period	-115.484	-844.404	-67.194	-909	0	-	-16.458	-1.044.449
Exchange rate effect	618	0	0	0	0	0	233	851
Final balance	634.499	3.167.693	72.289	19.466	0	4.631.392	50.867	8.576.206
of which								
Historic costs	1.333.114	8.964.882	2.188.614	22.365	464.530	4.631.392	247.813	17.852.710
Amortization fund	-698.615	- 5.797.189	-2.116.325	-2.899	-464.530	-	-196.946	-9.276.505
Initial balance at 30/06/2020	634.499	3.167.693	72.289	19.466	0	4.631.392	50.867	8.576.206

## Start-up and expansion costs

Mainly refer to consultancy charges with long-term utility.

## Development costs

Mainly refer to internal development projects for new functionalities and platform extensions, which, once completed, have been transferred from “Assets in progress” to “Development costs” and amortized.

## Industrial patents and intellectual property rights

Mainly refer to the costs incurred for the creation, registration, and protection of trademarks and patents, with an annual utility.

## Concessions, licenses, and trademarks

Mainly refer to costs incurred and capitalized for the internal development of software licenses and patents, as well as costs incurred for third-party licenses.

## Assets in progress

These are costs incurred for the internal development of new projects not yet in operation at the end of the half-year and therefore suspended until they are completed; in the financial year in which these projects will be completed and come into operation, the company will reclassify them into the categories to which they belong and allocate the related amortization charge on an accruals basis.

Assets under development	30/06/2020	31/12/2019	Change
R&D activities for substantial improvements of the Legal Electronic Archiving platform	37.917	0	37.917
C2X Toolkit 1 - Research and experimental development for substantial improvements of the Doxee document platform	3.599.651	2.870.718	728.933
Development activities of a new Digital Archiving 3.0 platform	146.432	0	146.432
Cost for patent filing	22.037	6.122	15.916
Study and development of innovative high automation technologies	463.180	64.268	398.911
Study and development of innovative solutions for process accountability	113.668	113.668	0
Increased marketing costs - Website project	169.774	112.746	57.027
Digital Experience Platform	45.910	0	45.910
AI - Enhanced Video Analytics	32.645	0	32.645
Other projects	179	178	1
<b>Total</b>	<b>4.631.392</b>	<b>3.167.700</b>	<b>1.463.692</b>

## Others

In this item, the costs incurred on “non-owned” assets have been reclassified.

## Tangible fixed assets

The changes in tangible fixed assets and related depreciation provisions recorded during the first half of 2020 are shown below:

	Land and buildings	Installations and machinery	Industrial and commercial equipment	Other goods	Assets in progress	Total
Initial balance at 31/12/2019	0	0	0	423.504	0	423.504
Increases	0	0	0	60.920	0	60.920
Decreases	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Amortization for the period	0	0	0	-64.360	-	-64.360
Exchange rate effect	0	0	0	-6.919	0	-6.919
Final balance	0	0	0	413.145	0	413.145

of which

Historic costs	0	0	0	2.673.198	0	2.673.198
Amortization fund	0	0	0	-2.260.053	-	-2.260.053
Initial balance at 30/06/2020	0	0	0	413.145	0	413.145

## Financial leasing transactions

The following table shows the required information to represent, albeit off balance sheet, the implications deriving from the difference in accounting regarding the financial method, in which the user company would record the asset received under lease among fixed assets and calculate the related depreciation of this asset, while at the same time recording the payable for the capital portion of the installments to be paid. In this case, in the Income Statement, the interest and amortization quota for the year would be recorded.

Effects arising from the accounting difference	30/06/2020	31/12/2019
Total amount of leased assets at the end of the period	340.996	390.620
Depreciation that would have been attributable to the period	44.955	54.275
Adjustments and write-downs that would have been attributable to the year		0
Present value of lease installments not yet due at the end of the period	310.989	343.234
Financial charges for the period on interest rates	3.130	4.280

## Financial Fixed Assets

### Shareholdings

of shareholdings in other companies

Details for the period 31 December 2019 - 30 June 2020 are as follows

					Other companies	Total
Initial balance at 31/12/2019					3.500	3.500
Increases						0
Decreases						0
Reclassifications						0
Revaluations for the period						0
Write-downs for the period						0
Exchange rate effect						0
Final balance					3.500	3.500
of which						
Historic costs					3.500	3.500
Revaluations						0
Write-downs						0
Initial balance at 30/06/2020					3.500	3.500

This item refers to the € 1.000,00 of the cost of the shareholding equal to 10% to the share capital of the company DNA LAB S.r.l., based in Catanzaro (CZ) and for € 2.500,00 to the shareholding of the consortium Polo Pitagora (Catanzaro).



## Receivables from financial fixed assets

Movements in receivables from parent companies and others

			Parent compa- nies	Companies under common control	Other com- panies	Total
Initial balance at 31/12/2019			30.500	0	2.826	33.326
Increases						0
Decreases			-30.500			-30.500
Reclassifica- tions						0
Write-downs for the pe- riod						0
Exchange rate effect						0
Final balance			0	0	2.826	2.826

Historic costs					2.826	2.826
Write-downs						0
Initial balance at 30/06/2020			0	0	2.826	2.826

“Receivables from parent companies” referred to a receivable for the granting of an interest-bearing loan, while other financial receivables referred to security deposits.

Breakdown of receivables recorded under fixed assets by geographical area

The table below shows the geographical breakdown of receivables recorded under fixed assets at 30 June 2020

Geographic Area	Italy	Abroad	Total
Receivables from other companies	2.826		2.826
Balance as of 30/06/2020	2.826	0	2.826

## Current Active

### Credits

The following table shows the information relating to the changes in receivables recorded under current assets as well as information on their maturity. It should be noted that all the Group's receivables have a residual duration of less than five years and are not backed by collateral.

Classification	30/06/2020	31/12/2019	Change
Receivables from customers	5.501.709	6.300.789	-799.080
Receivables from subsidiaries	0	0	0
Receivables from associated companies	0	0	0
Receivables from parent companies	0	0	0
Receivables from companies subject to joint control	0	0	0
Tax credits	892.392	940.075	-47.683
Deferred tax assets	209.025	209.334	-309
Receivables from others	68.289	75.975	-7.686
Total	6.671.415	7.526.173	-854.758

The following table shows the distinction of receivables according to geographical breakdown (the amounts indicated are expressed net of the bad debt provision):

Classification	Italy	Foreign	Change
Receivables from customers	4.883.395	618.314	5.501.709
Receivables from subsidiaries	0	0	0
Receivables from associated companies	0	0	0
Receivables from companies subject to joint control	0	0	0
Receivables from companies subject to joint control	0	0	0
Tax credits	879.062	13.330	892.392
Deferred tax assets	209.025	0	209.025
Receivables from others	67.908	382	68.290
Total	6.039.390	632.026	6.671.416

The following table shows the changes in the provision for impairment losses on receivables for the years ended 31 December 2019 and 30 June 2020:

Bad debt provisions	Untaxed fund	Taxe fund	Total
Initial balance at 31/12/2019	121.313	326.810	448.123
Provisions for the period	0	0	0
Uses for the period	0	0	0
Initial balance at 30/06/2020	121.313	326.810	448.123

### Receivables from customers

Receivables from customers, generated by the Group's core business, are fully collectable within 12 months of the end of the six-month period.

An analysis of past due receivables is set out below, with reference to 30 June 2020 and 31 December 2019 (the amounts are shown gross of the provision for doubtful debts):

		31/12/2019	Change
Payable within 30 days	450.492	530.635	-80.143
Payable within 30 to 60 days	20.218	212.995	-192.777
Payable within 60 to 90 days	86.091	137.869	-51.778
Payable within 90 to 120 days	63.412	36.670	26.742
Payable over 120 days	1.002.032	611.209	390.823
<b>Total Receivables from customers past due</b>	<b>1.622.245</b>	<b>1.529.379</b>	<b>92.866</b>
Receivables not past due	4.327.587	5.219.533	-891.946
Provision for doubtful accounts	-448.123	-448.123	0
<b>Total Receivables from customers</b>	<b>5.501.709</b>	<b>6.300.789</b>	<b>-799.080</b>

The adjustment of the nominal value of receivables to their estimated realizable value was obtained by means of a specific provision for bad debts exposed as a direct reduction of item CII 1) Receivables from customers.

### Tax receivables

Tax receivables mainly comprise the item tax credit for research and development.

### Deferred tax assets

Refer to deferred tax assets of the Parent Company recorded on temporary differences related to costs that are deductible in subsequent years, for which reference should be made in the following notes.

### Receivables from others

Receivables from others mainly refer to a receivable for security deposits.

## Cash and cash equivalents

The following table shows the information related to changes in cash and cash equivalents:

Classification	30/06/2020	31/12/2019	Change
Bank and postal deposits	3.803.799	3.750.660	53.139
Checks	0	0	0
Cash on hand	736	1.128	-392
Total	3.804.535	3.751.788	52.747

The balance includes cash on hand and on bank accounts as well as bank deposits which are remunerated at a rate in line with the market rate.

For a better understanding of the cash outgoing and incoming cash flows during the period, please refer to the cash flow statement.

## Accrued income and prepaid expenses

Accrued income mainly refers to contributions for research and development.

The following table shows the relative details for the half-year ended 30 June 2020 and for the year ended 31 December 2019.

Classification	30/06/2020	31/12/2019	Change
Accrued income	878.441	658.136	220.305
Prepayments	216.068	180.171	35.897
Total	1.094.509	838.307	256.202

Details of accrued income and prepaid expenses and charges are shown below

Accrued income	30/06/2020	31/12/2019	Change
R&D contributions	876.149	655.844	220.305
Interest rate subsidies	2.280	2.280	0
Other	12	12	0
Total	878.441	658.136	220.305

Prepayments	30/06/2020	31/12/2019	Change
Maintenance costs	27.311	398	26.913
Lease and rental costs	36.207	39.029	-2.822
Consultancy costs	37.822	22.344	15.478
Insurance costs	40.024	44.101	-4.077
Other costs	74.704	74.299	405
Total	216.068	180.171	35.897

## Shareholders' equity

The table below shows the changes in consolidated shareholders' equity over the period 31 December 2019 - 30 June 2020.

Description	Share capital	Premium reserve	Legal reserve	Other reserve	Reserve for transactions to hedge expected cash flows	Retained earnings (losses) carried forward	Result for the period	Negative reserve for own shares in portfolio	Group shareholders' equity
PN 31/12/2019	1.595.750	2.978.750	165.293	3.045.010	-9.466	-2.946.918	1.696.873	0	6.525.292
Allocation on the operating result 31/12/2019	0	0	153.857	839.855	0	703.161	-1.696.873	0	0
Exchange rate difference	0	0	0	-23.035	0	0	0	0	-23.035
Change hedging	0	0	0	0	979	0	0	0	979
Other variations	0	0	0	0	0	0	0	0	0
Profit for the year	0	0	0	0	0	0	281.019	0	281.019
<b>PN 30/06/2020</b>	<b>1.595.750</b>	<b>2.978.750</b>	<b>319.150</b>	<b>3.861.830</b>	<b>-8.487</b>	<b>-2.243.757</b>	<b>281.019</b>	<b>0</b>	<b>6.784.255</b>

## Share capital and share premium reserve

It should be noted that during 2019, the company Doxee S.p.A., in preparation for the listing on AIM Italia, dematerialized its shares, eliminating their nominal value and splitting them up. The share capital before listing was represented by 1,000,000 shares with a nominal value of Euro 1,000,000; through the dematerialization process, the share capital of Euro 1,000,000 was split into 6,000,000 shares.

On 21 November 2019, the shareholders' meeting approved a divisible share capital increase for cash, with the exclusion of option rights pursuant to article 2441, paragraph 5, of the Italian Civil Code, for a maximum amount of Euro 600,000.00, plus a share premium, through the issue of shares, without par value, with the same dividend entitlement and the same characteristics as the outstanding shares, to service the subscription offer of the company's shares admitted to trading on AIM Italia.

The admission to listing took place following a total placement of 1,666,500 ordinary shares of which:

- 1,191,500 newly issued ordinary shares resulting from the capital increase reserved for the market;
- 300,000 treasury shares put up for sale;
- 175,000 existing shares, corresponding to approximately 15% of the number of shares covered of the capital increase, for the purpose of exercising the over allotment option for sale granted to Integrae SIM S.p.A., as Global Coordinator, by the reference shareholder P&S S.r.l.

The value of the resources collected through the capital increase and sale of all treasury shares amounts to approximately Euro 4.5 million. This also includes the shares coming from the over allotment option—for a countervalue of Euro 525,000 (at the placement price)—the total countervalue is about Euro 5.0 million, of which about 47% is destined to foreign investors and the rest to primary Italian investors. It is also noted that in the 30 days following the commencement of trading, the Global Coordinator fully exercised the greenshoe option on 175,000 shares, and communicated this through the company's press release of 17 January 2020.

The unit price of the shares resulting from the placement was set at Euro 3.0, thus generating a share premium reserve of Euro 2,978,750; based on this price, a market capitalization of approximately Euro 21.6 million is expected.

The free float of Doxee S.p.A. post-listing and post-exercise of the greenshoe option is 23.17%.

In addition, as part of the listing operation, 7,191,500 “Doxee 2019-2022 Warrants” were issued, assigned free of charge, at a ratio of 1 Warrant for every 1 Share, to all those who will own the ordinary shares on the Trading Starting Date, including those who have subscribed to the shares under the Private Placement or purchased the shares under the over allotment option or purchased treasury shares. The warrants can be traded on AIM Italia separately from the shares as of the Trading Starting Date.

The Warrants are valid to subscribe—under the conditions and according to the terms and conditions of the Warrant Regulations—the summary shares in the ratio of 1 summary share for 5 Warrants; the exercise windows are foreseen in December 2020, 2021, and 2022.

At the same time as it was admitted to trading on the AIM Italia market, Doxee S.p.A. sold 300,000 treasury shares, recorded in the accounts for Euro 293,000, at a market value of Euro 900,000; the capital gain of Euro 607,000 was recorded, in compliance with the provisions of the revised OIC 28, in the extraordinary reserve.

Therefore, at the end of the listing operation, the subscribed and paid-in share capital amounts to Euro 1,595,750.

The following table reconciles, for the half-yearly report closed on 30 June 2020, the net result and shareholders' equity of the Parent Company with the corresponding figures resulting from the interim consolidated financial statements.



Description	Share capital	Premium reserve	Legal reserve	Other reserve	Reserve for expected cash flow hedges	Retained earnings (losses) carried forward	Result for the period	Negative reserve for own shares in portfolio	Group shareholders' equity
Consolidated Shareholders' equity 30/06/2020	1.595.750	2.978.750	319.150	3.829.480	-8.487	0	230.396	0	8.945.039
Carrying value of the investments eliminated	0	0	0	0	0	-1.638.799	0	0	-1.638.799
Pro-rata interest in the shareholders' equity of consolidated companies	0	0	0	0	0	-1.970.701	0	0	-1.970.701
Exchange rate difference	0	0	0	32.351	0	0	0	0	32.351
Consolidated results	0	0	0	0	0	-1.314.257	50.623	0	-1.263.634
Cancellation of intra-group write-down	0	0	0	0	0	2.680.000	0	0	2.680.000
Other corrections	0	0	0	-1		0		0	-1
<b>Consolidated Shareholders' equity 30/06/2020</b>	<b>1.595.750</b>	<b>2.978.750</b>	<b>319.150</b>	<b>3.861.830</b>	<b>-8.487</b>	<b>-2.243.757</b>	<b>281.019</b>	<b>0</b>	<b>6.784.255</b>

## Own Shares

At 30 June 2020, the company did not hold any treasury shares.

It should be noted that on 29 April 2020, the company Shareholders' Meeting resolved to authorize the administrative body to carry out transactions for the purchase and disposal of treasury shares for the purpose of (i) support the liquidity and efficiency of the market; (ii) fulfill the obligations arising from any share option programs or other allocations of shares to employees or members of the administrative or control bodies of the company or an associated company.

## Provisions for risks and charges

The following table shows the changes that occurred in the period of 31 December 2019 - 30 June 2020.

	Other Italian provision	Provisions for taxes, including deferred taxes	Derivative financial instruments	Other funds	Total
Initial balance at 31/12/2019	0	738	12.455	403.000	416.193
Provisions for the period					0
Uses for the period			-1.287		-1.287
Releases of the period					0
Initial balance at 30/06/2020	0	738	11.168	403.000	414.906

For further information on the provisions made for deferred tax liabilities and derivative financial instruments, please refer to the related notes below.

## Employee severance indemnities

Employee severance indemnities show the Group's actual debt at 31 December 2019 and 30 June 2020 to employees in service on those dates, net of advances paid and transfers to category funds.

The following table shows the information related to the changes that occurred.

Movement	Employee severance indemnities
Initial balance at 31/12/2019	1.088.575
Provisions for the period	127.070
Uses for the period	-48.403
Initial balance at 30/06/2020	1.167.242

## LIABILITIES

The following table shows the information related to payables recorded under current liabilities, as well as information related to their maturity on 31 December 2019 and 30 June 2020.

It should be noted that all the Group's payables are not secured by collateral.

Classification	30/06/2020	31/12/2019	Change
Payables to banks	5.781.186	6.050.370	-269.184
Payables to suppliers	4.116.010	4.595.046	-479.036
Tax payables	534.792	551.634	-16.842
Payables to pension and social security institutions	410.265	441.280	-31.015
Other payables	1.351.150	1.022.884	328.266
Final balance	12.193.403	12.661.214	-467.811

Classification	30/06/2020	Within 12 months	Over 12 months	Over 5 years	Collateral
Payables to banks	5.781.186	2.161.133	3.620.053	0	0
Payables to suppliers	4.116.010	4.116.010	0	0	0
Tax payables	534.792	534.792	0	0	0
Payables to pension and social security institutions	410.265	410.265	0	0	0
Other payables	1.351.150	1.351.150	0	0	0
Final balance	12.193.403	8.573.350	3.620.053	0	0

## Details of medium/long-term bank loans

Bank	Funding dispersed	Remaining debt within 12 months	Remaining debt over 12 months	Total remaining debt	Expiration date
Unicredit	1.000.000	144.668	598.259	<b>742.927</b>	30/06/2024
Unicredit	500.000	165.127	334.873	<b>500.000</b>	30/06/2023
Simest	473.344	47.334	94.669	<b>142.003</b>	18/06/2022
Simest	313.003	31.300	62.601	<b>93.901</b>	18/06/2022
Simest	629.450	62.945	125.890	<b>188.835</b>	18/06/2022
Simest	148.929	14.893	29.786	<b>44.679</b>	18/06/2022
Banca BPER	1.500.000	199.970	476.904	<b>676.874</b>	11/03/2023
Mediocredito Centrale	425.865	0	425.865	<b>425.865</b>	31/12/2028
BPM	1.000.000	223.125	333.941	<b>557.066</b>	31/12/2022
San Felice 1893	2.000.000	161.215	789.673	<b>950.888</b>	30/09/2024
<b>Total</b>	<b>7.990.591</b>	<b>1.050.578</b>	<b>3.272.460</b>	<b>4.323.038</b>	

It should be noted that the loans are all in Euro and that the amounts indicated above were assumed on the basis of the related amortization plans, taking into account the effects of the valuation at amortized cost, so as to reflect the financial commitments undertaken by the Group.

It should also be noted that these bank loan agreements do not provide for compliance with financial parameters (so-called financial covenants), and/or obligations to act and refrain from acting, including obligations not to provide collateral or personal guarantees (so-called negative pledges), and hypotheses of cross-default.

Finally, it should be noted that in order to support the business activities damaged by COVID-19 pandemic, Doxee S.p.A., pursuant to art. 56 of Legislative Decree no. 18 of 17 March 2020, the so-called 'Cura Italia' decree, availed itself—in relation to debt exposures to banks and financial companies for loans and leasing—of the suspension of installments due until 30 September 2020; the related repayment plans for the installments or rents subject to suspension were therefore deferred, together with the accessory elements and without any formality, in a manner that ensures the absence of new or increased charges for both parties.

Finally, it should be noted that art. 65 of Decree Law no. 104 of 14 August 2020, the so-called "August Decree," extended the moratorium introduced by art. 56 of Decree Law no. 18 of 17 March 2020 from 30 September 2020 to 31 January 2021; the renewal mechanism is automatic, therefore no documentation must be issued.

## Payables to suppliers

Payables to suppliers mainly consist of debts of a commercial nature.

## Tax payables

Mainly consist of payables for withholding taxes on employees, VAT settlement payables, and payables for current taxes for the reference period.

## Payables to social security institutions

The item mainly includes liabilities related to contributions for personnel and insurance against workplace accidents.

## Other payables

These are mainly represented by payables due to employees for salaries and wages, including those that are deferred (additional monthly salaries, vacation time, and vacation time accrued but not taken).

## Accrued liabilities and deferred income

Accrued expenses and deferred income are not significant.

## Financial risk hedging instruments

During 2018, the Parent Company signed an “Interest rate swap” derivative contract with a notional value of originally Euro 1,000,000 to cover the risk of interest rate changes on a passive loan taken out with Unicredit.

The Group carried out the prescribed effectiveness tests in order to verify compliance with the hedging relationship between the hedged item and the derivatives stipulated. In accordance with the above principle, in fact, hedging derivatives are such only if the related cash flows are expected to include changes in the cash flows of the hedged item. For these transactions, it is therefore necessary to assess the effectiveness of the hedge, which represents the level at which the use of the financial instrument involves offsetting the changes in cash flows attributable to a hedged risk.

The hedging relationship is considered effective if the ratio between the expected changes in the cash flows of the underlying instrument and the opposing changes in the derivative instrument is between 80% - 125%. The effectiveness tests conducted for the purposes of the financial statements have shown compliance with the above range envisaged by OIC 3, thus attesting to the effectiveness of the hedge.

In compliance with the provisions of article 2427-bis of the Italian Civil Code and national accounting standards [OIC 3], it is acknowledged that the fair value of this derivative instrument as at 30 June 2020 was negative for Euro 11,168.

Date of stipulation	11/09/2018
Expiration date	30/09/2023
Type	IRS – Interest Rate Swap
Purpose	Coverage
Notional value at year end closed at 30/06/2020	650.000 Euro
Underlying financial risk	Interest rate risk
Fair value (MTM)	-11.168
Covered liability	Unicredit financing

## COMMENTARY ON THE MAIN INCOME STATEMENT ITEMS

Below are details of the main items in the Income Statement for the six months ended 30 June 2020 and 30 June 2019 with an illustration of the main changes that occurred.

### Value of production

The following table shows the information related to changes in the relative items.

Value of production	30/06/2020	30/06/2019	Change
Revenues from sales and services	7.711.800	7.016.747	695.053
Change in inventories of work in progress, semi-finished and finished products	0	0	0
Change of work in progress on order	0	0	0
Increases in fixed assets for internal work	1.447.776	1.523.346	-75.570
Other revenues and income	504.654	243.774	260.880
Total	9.664.230	8.783.867	880.363

### Revenues from sales and services

Breakdown of revenues from sales and services by activity category



The following table shows the breakdown of revenues from sales and services by business category for the six months ended 30 June 2020 and 2019.

Category of activity	30/06/2020	30/06/2019	Change
Outsourcing services	6.093.827	5.098.539	995.288
Licensing and fees	215.559	523.264	-307.705
Professional services	1.376.087	1.364.944	11.143
Custom request	26.327	30.000	-3.673
<b>Total</b>	<b>7.711.800</b>	<b>7.016.747</b>	<b>695.053</b>

Breakdown of revenues from sales and services by geographical area

The following table shows the breakdown of revenues from sales and services by geographical area for the six months ended 30 June 2020 and 2019.

Geographic area	30/06/2020	30/06/2019	Change
Italy	7.145.722	6.436.864	708.858
Foreign	566.077	579.883	-13.806
<b>Total</b>	<b>7.711.800</b>	<b>7.016.747</b>	<b>695.053</b>

### Increases in fixed assets for internal work

This item includes the valuation of internal costs incurred and capitalized under intangible assets in relation to the costs and expenses incurred by the Parent Company for activities related to development projects. These charges refer to the costs of the personnel involved in the projects and the materials used.

### Other revenues

Regarding the amount recorded under the item operating grant, this mainly relates to recording the tax credit for research and development.

### Production costs

The following table shows the information related to changes in the listed items.

Production costs	30/06/2020	30/06/2019	Change
Raw, ancillary and consumable materials and goods for resale	359.163	132.659	226.504
For services	3.931.635	3.884.431	47.204
For the use of third party assets	206.526	240.192	-33.666
For personnel	3.377.624	3.030.724	346.900
Amortization and write downs	1.108.809	957.636	151.173
Change in raw, ancillary and consumable materials and goods for resale	0	0	0
Provisions for risks	0	0	0
Other provisions	0	0	0
Other management charges	149.355	190.435	-41.080
<b>Total</b>	<b>9.133.112</b>	<b>8.436.077</b>	<b>697.035</b>

### Costs for raw materials and consumables

These costs are substantially unrelated to the value of production and have increased significantly in the last half year compared to the first half of 2019 due to the progressive and proportional increase in business.

### Costs for services

Service costs mainly refer to costs for printing and delivery of documents to third parties, rather than costs for external consulting and/or costs for third party employees and/or consultants employed directly on projects with customers. Below is a summary detail:

Costs for services	30/06/2020	30/06/2019	Change
Printing and delivery costs	1.073.570	1.060.660	12.910
R&D technical consulting	648.296	762.626	-114.330
IPO costs	0	0	0
Technical consulting	1.046.971	728.812	318.159
Administrative and general costs	289.114	536.388	-247.274
Infrastructure costs	407.663	379.779	27.884
Marketing costs	192.365	159.140	33.225
Various costs	273.655	257.026	16.629
<b>Total</b>	<b>3.931.635</b>	<b>3.884.431</b>	<b>47.204</b>

### Costs for use of third party assets

These costs are substantially unrelated to the value of production and are down in the first half of 2020 compared to the same half of 2019.

## Personnel costs

This item includes all salary and contribution expenses incurred for employees including bonuses, merit improvements, category changes, contingency steps, charges borne by the company for supplementary funds, the cost of unused vacation time, and provisions made by law and collective agreements.

The average number of employees during the current half-year increased by 15 units compared to the previous year, as indicated in the detailed table below.

Category	30/06/2020	31/12/2019	Change
Executives	6	6	0
Managers	15	13	2
Employees	96	83	13
Workers	0	0	0
<b>Total</b>	<b>117</b>	<b>102</b>	<b>15</b>

The increase in personnel compared to 2019 is mainly due to the increase in revenue and the need to find resources with adequate technological knowledge as well as the strengthening of the commercial structure.

## Depreciation, amortization, and write-downs

The item for the periods that closed at 30 June 2020 and 2019 includes:

Amortization of intangible assets	30/06/2020	30/06/2019	Change
Start-up and expansion costs	115.484	36.522	78.962
Development costs	844.404	736.317	108.087
Industrial patent rights and intellectual property rights	67.194	95.316	-28.122
Concessions, licenses, trademarks and similar rights	909	348	561
Other	16.458	16.194	264
<b>Total</b>	<b>1.044.449</b>	<b>884.697</b>	<b>159.752</b>

The increase compared to 30 June 2019 is essentially related to the significant new investments in development costs as well as the costs related to the IPO capitalized in the second half of 2019 and which, on this half-year, have fully shown their effect on the income statement.

Depreciation of tangible fixed assets	30/06/2020	30/06/2019	Change
Land and buildings	0	0	0
Plants and machinery	0	0	0
Industrial and commercial equipment	0	0	0
Other goods	64.360	72.939	-8.579
<b>Total</b>	<b>64.360</b>	<b>72.939</b>	<b>-8.579</b>

### Net financial income (expenses)

Financial charges mainly refer to interest expense on bank loans taken out by the Parent Company.

Financial income	30/06/2020	30/06/2019	Change
Current account interest income	20	5	15
Interest from various activities	0	1.691	-1.691
Income from discounting back receivables from the sale of equity investments	0	0	0
<b>Total</b>	<b>20</b>	<b>1.696</b>	<b>-1.676</b>

Financial charges	30/06/2020	30/06/2019	Change
Current account interest expense	17.832	15.601	2.231
Interest on bank loans	35.464	50.004	-14.540
Commissions and bank guarantees	5.776	4.680	1.096
Interest expenses from derivatives	1.497	3.686	-2.189
Interest payable by payment deferrals	38	23	15
Supplier interest expenses	68.533	58.863	9.670
Customer discounts	0	5.838	-5.838
<b>Total</b>	<b>129.140</b>	<b>138.695</b>	<b>-9.555</b>

## Income taxes for the period

### Reconciliation between theoretical and actual taxes

The Parent Company's theoretical tax rate for the six months ended 30 June 2020 and 2019 is 27.9%, determined by applying current tax rates, for IRES and IRAP, while for the other foreign companies of the Group, it varies from country to country depending on current legislation.

Below is the reconciliation between the theoretical taxes, calculated with the theoretical tax rate of the Parent Company, and those actually recorded in the financial statements.

Reconciliation schedule for the six-month period ended 30 June 2020  
Result before taxes: Euro 402,019.

Description	IRES	IRAP	Total	% on pre-tax result
Current taxes	98.000	23.000	121.000	
Deferred and prepaid taxes			0	
Total taxes	98.000	23.000	121.000	30,1%
Theoretical taxes	96.485	15.679	112.163	27,9%

### Other information

Net financial position of the Group at 30 June 2020 and 31 December 2019:

	Description	30/06/2020	31/12/2019	Change
A	Cash	-736	-1.128	392
B	Cash and cash equivalents	-3.803.799	-3.750.660	-53.139
C	Securities held for trading	0	0	0
D	Liquidity (A+B+C)	-3.804.535	-3.751.788	-52.747
E	Current financial receivables	0	0	0
F	Current bank debts	1.110.555	2.193.026	-1.082.471
G	Current portion of medium/long-term financial payables	1.050.578	1.214.894	-164.316
H	Other current financial payables	0	0	0
I	Current financial debt (F+G+H)	2.161.133	3.407.920	-1.246.787
J	Net current financial debt (I+E+D)	-1.643.402	-343.868	-1.299.534
K	Medium/long-term financial payables	3.620.053	2.642.450	977.603
L	Bonds issued	0	0	0
M	Other non-current financial payables	11.168	12.455	-1.287
N	Non-current financial debt (K+L+M)	3.631.221	2.654.905	976.316
O	Net Financial Debt (J+N)	1.987.819	2.311.037	-323.218

## Guarantees and commitments and contingent liabilities

It should be noted that there are no guarantees, commitments, and contingent liabilities.

## Agreements not shown in the Balance Sheet

There are no agreements not resulting from the Balance Sheet that could significantly influence the Group's financial position and economic result, pursuant to Article 2427, point 22-ter of the Italian Civil Code.

## Subsequent events

It should be remembered that on July 01, 2020 the company completed the closing for the acquisition of a stake equal to 91.07% of the share capital of LittleSea S.r.l. ("Littlesea"), a company specialized in the automatic production of personalized interactive videos; the acquisition provided for the immediate transfer of 84.80% of the share capital, with the completion of the transfer, in January 2021, of the remaining shares of 6.27%. The agreed purchase price is calculated based on the value of 3,000.00 Euro for each share equal to 1% of the share capital acquired and was paid in full in cash at the time of purchase of the shareholding. LittleSea S.r.l. is an innovative start-up that has developed a patented technology able to transform data and images into dynamic, interactive, and personalized videos, integrating data with video and images, through the use of Cloud and AI technologies.

The Littlesea platform, called Babelee, has been designed to use Self-Service enabling in a simple way so that even non-expert operators can produce videos with dynamic content.

The technological integration of Babelee's features with the Doxee Platform™ will allow Doxee to enter sectors such as publishing and advertising and to propose personalized videos also in SaaS mode, launching a new offer aimed at supporting communication processes based on data-telling in new markets both in Italy and abroad.

There are no other subsequent events with an impact on the interim financial statements at 30 June 2020.

## Relations with related parties

Transactions with related parties are mainly of a commercial and financial nature and are linked to transactions carried out at normal market conditions.



The relative amounts are indicated below.

### Receivables

Counterpart	30/06/2020	31/12/2019	Change
DNA LAB S.r.l.	0	203.333	-203.333
P&S S.r.l.	0	30.500	-30.500
<b>Total</b>	<b>0</b>	<b>233.833</b>	<b>-233.833</b>

### Debits

Counterpart	30/06/2020	31/12/2019	Change
DNA LAB S.r.l.	43.120	340.595	-297.474
P&S S.r.l.	0	0	0
<b>Total</b>	<b>43.120</b>	<b>340.595</b>	<b>-297.474</b>

### Income statement, positive components

Counterpart	30/06/2020	30/06/2019	Change
DNA LAB S.r.l.	0	0	0
P&S S.r.l.	0	824	-824
<b>Total</b>	<b>0</b>	<b>824</b>	<b>-824</b>

### Income statement, negative components

Counterpart	30/06/2020	30/06/2019	Change
DNA LAB S.r.l.	429.351	486.618	-57.267
P&S S.r.l.	0	0	0
<b>Total</b>	<b>429.351</b>	<b>486.618</b>	<b>-57.267</b>

## FINAL CONSIDERATIONS

These Explanatory Notes constitute an inseparable part of the interim consolidated financial statements and the accounting information contained therein corresponds to the company's accounting records kept in compliance with the regulations in force; after the half-yearly closing date and up to the present date, no events have occurred such as to make the current balance sheet and financial position substantially different from that resulting from the Balance Sheet and Income Statement or to require further adjustments or additional notes to the financial statements.

Modena (MO), 28 September 2020

The Chairman of the Board of Directors of the Parent Company Doxee S.p.A.

Ing. Paolo Cavicchioli