

DOXEE

Strong 1H 2021 in growth, after the adoption of the status of "Benefit Company"

Double digit revenue growth (+18.5%). Doxee, Innovative SME and Italian leader in the development of cloud technologies, just announced a very strong set of 1H21 results with sales of Euro 9,1 m up by +18.5% yoy. In terms of product lines, document experience (dx) and interactive experience (ix) showed the strongest results and increased by 28% and 12.7% respectively. The result achieved confirms the growth trend recorded in recent years and is attributable to the full interoperability of the three product lines document, paperless and interactive experience, enabled by the Doxee Platform®.

Sharp increase in profitability too. The contribution margin amounted to Euro 6.4 million, +25.9% compared to Euro 5.1 million at 30 June 2020, reaching 55.2% compared to 52.5% at 30 June 2020, thanks to the streamlining of the Group's strategic and operational processes.

EBITDA amounted to Euro 1.5 million, down from Euro 1.6 million at 30 June 2020; EBITDA as a percentage of Value of Production was 13.3%. The change in EBITDA was influenced by higher indirect costs and research and development (Euro 4.9 million compared to Euro 3.4 million at 30 June 2020); the Group made important investments fully expensed in the income statement aimed at strengthening the organisational structure, implementing a strategy aimed at business scalability and enabling and pursuing an important international acquisition strategy with a focus on the DACH and IBERIA area.

Strong operating cash flow in support of a solid balance sheet.

The Net Financial Position amounted to € -1.55 million, a significant improvement compared to € -2.46 million as at December 31, 2020; the change is mainly due to the improvement in working capital management. Shareholders' equity amounted to Euro 8.5 million, substantially unchanged compared to 31 December 2020 (Euro 8.6 million). The solid balance sheet and good operating cash flow has allowed Management to proceed with planned investments. As far as financial aspects are concerned, there were no critical issues with regard to the collectability of trade receivables and, indeed, thanks to a further improvement in the management of trade working capital, there was a significant improvement in net financial debt.

Strong ESG Profile. The Group recently released its first sustainability report which was presented on a voluntary basis in order to provide a periodically updated information tool for the benefit of all stakeholders (see ESG Profile).

Positive outlook for FY21. The company confirmed its leadership position in the field of digital transformation where it was listed for the fourth consecutive year in the 'Aspire Leaderboard CCM 2021' as one of the best providers of 'high quality' CCM solutions. In addition, Forrester's "Tech Tide™: Creative Technologies" named it one of the best creative technology providers, with its Doxee Pvideo® product (also thanks to the recent combined features of the Babelee platform). Given the above, our outlook for Doxee continues to be positive as we believe that current and future technological trends amply support the Group's business model by emphasising 'Customer Centricity'. We have prudentially revised the results expected for 2021 whereas we maintained our grow assumptions for FY22. We now estimate a FY21 yoy growth of 20% (25% previously). Overall, we made an average cut in our revenue and EBITDA estimates by 3% and 5% respectively.

Valuation Upgrade. We updated our DCF and multiples models to factor in our new estimates, updated risk-free rate, ERP and peers' multiples to obtain a new target price of Euro 13.3 p.s. (Euro 8.50 p.s.. previously). At our target price the stock would be trading at 17.1x and 12.5x FY21-22 EV/EBITDA multiple.

Sector: Technology

Target Price (Euro)	13,33 (8,50 pr)
Market Price (Euro)	12.00
Market Cap (Euro m)	86
EV (Euro m)	88

As of September 28, 2021

Share Data

Market	AIM Italia
Bloomberg	DOC:IM
ISIN	IT0005394413
N. of Shares	7,160,100
Free Float	22.57%
CEO	Sergio Muratori Casari

Financials

	2020A	2021E	2022E	2023E
Revenues	22.8	25.9	30.0	34.4
YoY %	9%	14%	16%	15%
EBITDA	5.6	5.7	7.8	9.6
EBITDA %	25%	22%	26%	28%
EBIT	3.0	3.1	4.8	6.3
EBIT %	13%	12%	16%	18%
Net Income	1.7	2.1	3.3	4.4
Net Debt	2.5	2.3	0	(5.2)

Performance

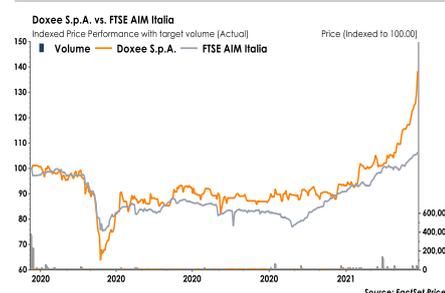
	1M	3M	6M
Absolute %	-1.64	23.71	145.9
Relative (FTSE AIM Italia)	1.32	14.01	90.60
52-week High/Low (Eu)	13.60	3.12	

Sustainability

ESG Profile available

IR TOP RESEARCH
Edoardo Fumagalli –
e.fumagalli@irtop.com

T +39 02 89056957



KEY FINANCIALS

Profit&Loss Statement	2017A	2018A	2019A	2020A	2021E	2022E	2023E
Revenues (VoP)	14.0	16.7	20.9	22.8	25.9	30.0	34.4
EBITDA	1.4	3.1	5.0	5.6	5.7	7.8	9.6
EBIT	(0.5)	1.0	2.3	3.0	3.1	4.8	6.3
Financial Income (charges)	(0.2)	(0.2)	(0.2)	(0.2)	(0.1)	(0.1)	(0.1)
Pre-tax profit (loss)	0.9	1.0	2.1	2.4	2.9	4.7	6.2
Taxes	(0.1)	(0.4)	(0.4)	(0.7)	(0.9)	(1.3)	(1.8)
Net profit (loss)	0.8	0.6	1.7	1.7	2.1	3.3	4.4
Balance Sheet							
Net working capital (NWC)	2.0	2.9	0.9	1.0	1.3	1.7	2.4
Net fixed assets	7.0	7.4	8.6	10.5	12.0	12.3	12.4
M/L Funds	(1.2)	(1.0)	(1.5)	(1.3)	(1.5)	(1.6)	(1.8)
Net Capital Employed	8.2	9.6	8.8	11.2	12.9	13.8	12.9
Net Debt	8.2	9.2	2.3	2.5	2.3	(0.0)	(5.2)
Minorities	0.0	0.0	0.0	0.0	0.1	0.1	0.2
Equity	0.0	0.4	6.5	8.6	10.6	13.8	18.2
Cash Flow							
Net Profit		0.6	1.7	1.7	2.1	3.3	4.4
Non cash items		2.0	2.7	2.2	2.7	3.0	4.9
Change in Working Capital		(1.0)	2.1	(0.1)	(0.3)	(0.5)	(0.6)
Cash Flow from Operations		1.6	6.5	3.8	4.5	5.8	8.7
Capex		(2.5)	(4.0)	(4.5)	(4.1)	(3.4)	(3.4)
Operating Free Cash Flow		(0.9)	2.5	(0.7)	0.4	2.4	5.3
Dividend		0.0	0.0	0.0	0.0	0.0	1.0
Other (equity)		(0.2)	4.4	0.4	0.0	0.0	0.0
Free Cash Flow		(1.0)	6.9	(0.4)	0.4	2.4	6.3
Per Share Data							
Current Price	12.00						
Total shares out (mn)	7.20						
EPS	0.1	0.1	0.2	0.2	0.3	0.5	0.6
FCF	n.m.	(0.1)	1.0	(0.0)	0.1	0.3	0.9
Pay out ratio	0%	0%	0%	0%	0%	0%	100%
Ratios							
EBITDA margin	10.3%	18.8%	24.0%	24.7%	22.0%	26.0%	28.0%
EBIT margin	n.s.	6.1%	10.8%	13.1%	11.8%	15.9%	18.3%
Net Debt/Equity	74983.0%	2162.8%	35.4%	28.7%	21.3%	-0.3%	-28.8%
Net Debt/(Net Debt + Equity)	99.9%	95.6%	26.2%	22.3%	17.6%	-0.3%	-40.4%
Net Debt/EBITDA	5.66	2.93	0.46	0.44	0.40	0.00	-0.54
Interest cover EBIT	n.s.	4.77	14.11	12.29	23.62	47.53	62.94
ROE	7043.6%	141.1%	25.9%	19.4%	19.7%	23.9%	24.2%
ROCE	-5.1%	14.7%	30.2%	32.7%	30.5%	44.2%	62.6%
Growth Rates							
Revenues (VoP)		20%	25%	9%	14%	16%	15%
EBITDA		118%	59%	12%	2%	37%	24%
EBIT		297%	122%	32%	3%	55%	32%
Net Profit		-22%	181%	-2%	26%	58%	33%

Revenue breakdown

Eu / 000	1H21	1H20*	YoY	20A	19A
Paperless Experience (px)	1.800	1.839	-2.1%	3.576	3.120
Document Experience (dx)	5.994	4.684	28%	3.342	1.918
Interactive Experience (ix)	1.340	1.189	12.7%	3.248	2.675
Bundle	-	-	-	4.235	4.686
Professional services	-	-	-	3.305	3.081
Other	-	-	-	-	10
Total Sales	9.135	7.712	18.5%	17.706	15.490

Source: Group data

*Values restated to 2020 to reflect the change in management reclassification of Professional Services and Bundles in 2021.

Key Financials – Euro m

	1H21	1H20	1H19	20A	%
Sales	9.2	7.7	7.0	17.7	77.6%
yoy	+20%	+10%	+16%	14%	
Revenues (VoP)	11.6	9.7	8.8	22.8	100.0%
yoy	19.7%	+10%	+24%	+9%	
EBITDA	1.5	1.6	1.3	5.6	24.7%
yoy	-6.3%	+26%	-	+12%	-
EBIT	0.2	0.5	0.3	2.9	13.0%
yoy	-53%	+53%	-	+31%	-
Pre tax profit	0.3	0.4	0.2	2.3	10.2%
Net Profit	0.2	0.3	0.1	1.6	7.0%

	1H21	1H20	20A	19A
Net Working Capital (NWC)	(0.2)	1.4	1.8	1.7
Fixed net assets	11.6	9	10.5	8.6
Funds	(1.4)	(1.2)	(1.3)	(1.5)
Net Capital Employed	10	8.7	11.0	8.8
Net Financial Position (Cash)	1.6	1.9	2.5	3.7
Total Equity	8.4	6.8	8.5	6.5
Sources	10	8.7	11.0	8.8

Source: Group Data

Estimates Revision – Euro m

	2020 A	2021 E		2022 E		Var% Average
		Old	New	Old	New	
Profit&Loss Statement						
Sales	17.7	21.5	21.2	25.6	24.9	-2.1%
Revenues	22.8	26.1	25.9	30.7	30.0	-1.5%
yoy	9%	15%	14%	18%	16%	-11.9%
EBITDA	5.6	7.0	5.7	9.5	7.8	-18.3%
EBITDA margin	25%	27%	22%	31%	26%	-17.1%
EBIT	3.0	4.0	3.1	6.3	4.8	-24.0%
Pre-tax profit (loss)	2.4	3.9	2.9	6.2	4.7	-24.5%
Net profit (loss) Group	1.7	3.0	2.1	4.7	3.3	-29.6%
Balance Sheet						
Net working capital (NWC)	1.0	4.4	1.3	5.6	1.7	-70.2%
Net fixed assets	10.5	9.0	12.0	9.4	12.3	31.5%
M/L Funds	(1.3)	(1.5)	(1.5)	(1.6)	(1.6)	0.5%
Net Capital Employed	11.2	12.0	12.9	13.4	13.8	5.2%
Net Debt	(3.2)	0.5	2.3	(2.8)	(0.0)	114.9%
Equity	8.6	11.5	10.6	16.1	13.8	-10.9%

DOXEE – ESG PROFILE in partnership with



MATERIAL ESG ISSUES

Governance

- Ethics – integrity and compliance
- Data and information security

Economic

- Economic and financial performance

Business Model

- Quality of education and financial training
- Transparency and responsible marketing

People

- Skills, training and development of employees and collaborators
- Work environment and welfare / Diversity and equal opportunities

Environment

- Responsible consumption
- Sustainable events

HIGHLIGHTS

Doxee has implemented a path of continuous improvement to equip itself with a governance model capable of ensuring responsible integrated management of its organisation, capable of guaranteeing operational efficiency and effectiveness.

Doxee cares about the impact generated by its production activities and is committed to continuing its relationship only with suppliers and partners that respect environmental protection criteria and make increasing use of renewable energy to power its infrastructure.

The distributed economic value generated directly by Doxee, includes costs reclassified by stakeholder category and for each dividend distributed. It amounts to €17.8m, +8% YoY.

Doxee invests significantly in internal technology development each year at around 13%. Investments in 2020 amount to €3.3m, +17.8% YoY

Organisational model 231

- Quality Management System - ISO 9001;
- Environmental Management System - ISO 14001;
- Information Security Management ISO/IEC 27001 - 27017 – 27018;
- AgID Accreditation (for electronic archiving);
- Access Point Provider certification through PEPPOL channel.

Each person represents a valuable and unique element of growth and value generated for the company, assessed through a structured performance management process, linked to the achievement of economic objectives:

- Doxee favours the principles of equal opportunities, respect for diversity and refusal of any form of discrimination;
- Headcount 127 and 24 new hires, with a ratio of 19.7% up to 30 years and a turnover of 17.6%.

VALUATION

Method	Weight	Price (Eu p.s.)	Equity Value (Eu m)
Multiple analysis EV/EBITDA 21/22, International & AIM Peers	50%	13.74	98.9
DCF (WACC 6.474% and g 1.0%)	50%	12.91	92.9
Target Price	100%	13.33	95.9

Market Multiples

Companies	Country	Market Cap	Price	Sales 2021E	Sales YoY 21/20	EBITDA % 2021E	NI % 2021E
International Peers							
Opentext	Italy	11,554	42.5	2,879	9%	39%	27%
Adobe	Italy	236,198	495.8	13,493	27%	50%	38%
Esker	Italy	1,509	256.5	131	16%	21%	11%
Quadient SA	US	760	22.0	1,029	0%	24%	8%
Pitney Bowes Inc	Sweden	1,126	6.4	3,164	7%	11%	2%
Heeros Oyj	Finlandia	24	5.5	9	6%	21%	6%
BusinessOn Communication	South Korea	169	14.8	25	82%	33%	26%
AIM Peers							
Cyberoo	Italy	70	7.3	13	66%	36%	13%
Expert.ai	Italy	142	2.8	33	18%	-16%	-27%
Growens	Italy	60	65	75	14%	7%	1%
MAPS	Italy	46	4.2	24	31%	24%	9%
Neosperience	Italy	49	6.5	21	31%	26%	4%
Average		20,976	77	1,741	26%	23%	10%
DOXEE	Italy	86	12.00	25,473	18%	22%	12%

 Source: FactSet data as of September 28th and IR Top estimates for Doxee

Companies	EV/EBITDA			EV/EBIT			P/E		
	20A	21E	22E	20A	21E	22E	20A	21E	22E
International Peers									
Opentext	12.7	12.1	12.1	13.9	12.9	13.2	16.3	14.8	14.7
Adobe	36.8	35.3	30.9	41.8	38.3	33.4	57.3	46.4	40.6
Esker	45.2	53.5	45.7	72.8	84.5	70.5	130.0	104.0	87.2
Quadient SA	4.6	5.0	4.9	8.4	8.5	8.0	13.7	9.7	8.8
Pitney Bowes Inc	7.8	8.0	7.3	15.6	16.4	13.0	24.9	19.8	14.5
Heeros Oyj	24.1	13.2	9.8	169.0	37.2	18.5	41.6	40.9	17.9
BusinessOn Communication	20.2	16.9	13.6	24.3	19.4	16.0	70.8	26.3	22.8
AIM Peers									
Cyberoo	36.1	14.5	6.6	363.0	25.4	8.4	1254.5	43.9	14.5
Growens	12.6	11.5	7.4	46.3	37.9	17.1	117.7	63.3	29.5
MAPS	15.6	9.1	7.1	63.6	16.2	12.4	45.5	22.0	16.5
Neosperience	11.2	10.0	7.7	66.4	33.6	13.9	118.9	51.2	18.6
Average	20.6	17.2	13.9	80.5	30.0	20.4	171.9	40.2	26.0
DOXEE	6.3	13.3	10.5	9.4	22.1	17.2	54.4	32.7	26.3
Premium/Discount to Peers	-69%	-22%	-25%	-88%	-27%	-16%	-68%	-19%	1%

 Source: FactSet data as of September 28th and IR Top estimates for Doxee

INDUSTRY COMPARISON

Doxee Spa (DOX-IT): IR Top estimates and Factset Data

AIM Sector: average data for listed on AIM Italia included in the Technology sub sector: Almaxwave (AIW-IT), AMM (AMM-IT), Circle (CIRC-IT), CY4gate (CY4-IT), Cyberoo (CYB-IT), DHH (DHH-IT), Digital Value (DGV-IT), Doxee (DOX-IT), Eles (ELES-IT), Esautomotio (ESAU-IT), Expert.ai (EXAI-IT), Finlogic (FNL-IT), FOS (FOS-IT), Jonix (JNX-IT), Growens (GROW-IT), MAPS (MAPS-IT), Matica Fintec (MFT-IT), Neosperience (NSP-IT), Neurosoft (NRST-IT), OSAI Automation System (OSA-IT), Powersoft (PWS-IT), Prismi (PRM-IT), REEVO (REEVO-IT), Relatech (RLT-IT), Reti (RETI-IT), Softec (YSFT-IT), Sourcesense (SOU-IT), Tecma Solutions (TCM-IT), Vantea Smart (VNT-IT), Vetrya (VTY-IT), Websolute (WEB-IT).

Industry Peers: average data for a selected group of listed peers: Opentext (OTEX-CA), Adobe (ADBE-US), Esker (ALESK-FR), Quadient SA (QDT-FR), Pitney Bowes Inc (PBI-US), Heeros Oyj (HEEROS-FI), BusinessOn Communication (138580-KR), Cyberoo (CYB-IT), Growens (GROW-IT), MAPS (MAPS-IT), Neosperience (NSP-IT).

AIM Italia: average financial and market data for all the companies listed on AIM Italia, reported price performance data are related to the FTSE Italia Index

	DOX-IT DOXEE	Technology AIM Sector	Industry Peers	XS0072 FTSE AIM Italia
Key Financials FY20				
Revenues	22.8	36.1	2,480.7	39.2
EBITDA	5.6	4.5	962.2	5.4
EBITDA %	24.6%	12.3%	38.8%	13.7%
EBIT	2.9	1.9	820.8	1.9
EBIT %	12.7%	5.4%	33.1%	4.9%
Earnings	1.6	1.2	676.8	1.0
Earnings %	7.0%	3.5%	27.3%	2.5%
NFP/EBITDA	0.4	-0.2	0.5	0.5
FY18-20 Revenues CAGR	17%	14%	12%	9%
FY20-22 Revenues CAGR	33%	20%	15%	22%
Market Data				
Market Cap	89.3	87.6	38,548.7	64.9
EV	29.5	85.7	30,117.2	66.4
Free Float	17%	27%	59%	33%
ADTT YTD (Eu k)	85.894	190.141	36.568.743	133.651
Market Multiples				
EV/Sales 2021	1.2	2.6	2.2	2.1
EV/Sales 2022	1.0	2.0	2.0	1.6
EV/EBITDA 2021	5.3	24.8	17.2	22.7
EV/EBITDA 2022	4.4	16.0	13.9	16.3
EV/EBIT 2021	10.4	13.4	30.0	12.1
EV/EBIT 2022	8.2	8.7	20.4	9.7
P/E 2021	42.4	37.3	40.2	34.0
P/E 2022	32.7	30.4	26.0	29.6
Earnings Yield	2.4%	2.7%	5.7%	2.9%
Stock Performance				
1D	0.0%	-0.6%	-3%	-2.3%
1W	-4.8%	0.8%	-6%	-3.3%
1M	-1.6%	1.5%	-7%	-2.9%
3M	23.7%	17.2%	-7%	8.5%
6M	145.9%	34.9%	3%	29.0%
YTD	217.5%	43.7%	105%	39.7%
1Y	268.1%	67.9%	53%	63.7%

Source: Factset data as of 22 September 2020 and IR Top Research

DOXEE IN BRIEF

Group Description

Doxee, an innovative SME listed on AIM Italia since December 2019, is a hi-tech company and Italian leader in the development of cloud technologies that enable enterprises to offer a valuable Digital Customer Experience. The Company's business model is based on its proprietary technology Enterprise Communications Platform (the Doxee Platform®), a native cloud solution that comprises the three business lines offered: **document experience** (dx) for print and digital communications, **interactive experience** (ix) for personalized video and microsities, and **paperless experience** (px) for electronic and legal invoicing and archiving.

Doxee's client base includes c. 200 companies in the enterprise segment (large companies) with a clear sector focus: Telco and Utility (c. 70% of total revenues). The Company is headquartered in Modena (Emilia Romagna), it has a strong presence in Eastern Europe. Doxee has customers in Europe, US and Latin America.

Innovation

- The Doxee Platform® – the most valuable company asset – is an almost unique platform, proprietary, cloud native, that embraces the whole life cycle of business digital communications. It is an integrated ecosystem of cloud services that enables all Doxee product lines (dx, px and ix product lines) development and servicing, providing both flexibility and scalability in size and addressed markets, by boosting up and cross-selling. The Platform is the core of an important technology intangible assets portfolio made of: 3 patented inventions, robust know-how and trade secrets, a portfolio of more than 10 in-process R&D projects, 30 experienced and skilled professionals
- Doxee has developed the Platform internally with a cumulated investment of nearly Euro 20 m over the last 10 years (average of almost 13% of Value of Production per year).

Strategy

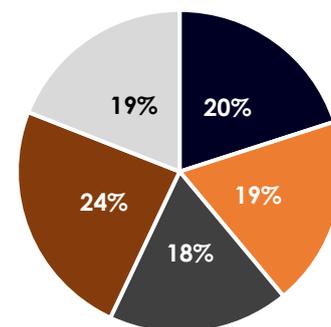
- Consolidation in markets where already present and focus on new sectors (PA, healthcare, automotive, retail and travel & leisure)
- Geographic expansion with market entry in DACH, UK, Spain in the Enterprise sector, focus on LATAM in the Telco & Utilities sector and entry into three-invoicing market in selected EU countries
- Launch of PVideo@ Self leveraging the Littlesea acquisition in the digital Agency Market international
- Growth through M&A activity with focus on DACH Region (revenues of c. Euro 5 – 8 m)

Management & Group Structure

The board of directors has four members of which 1 independent.

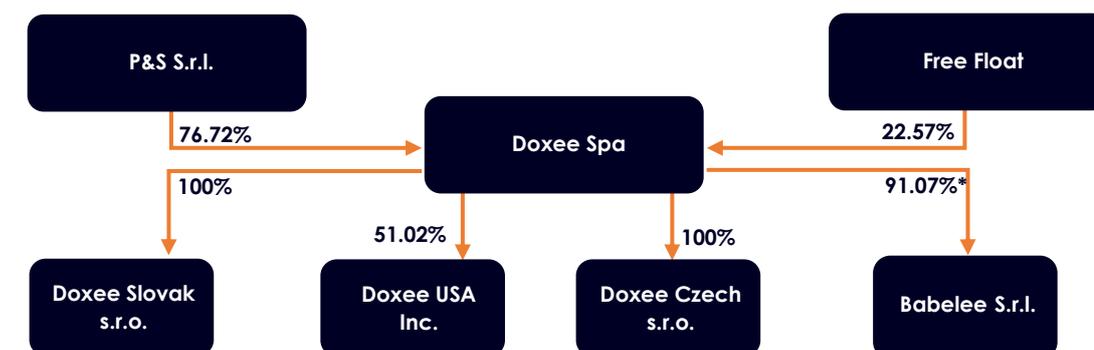
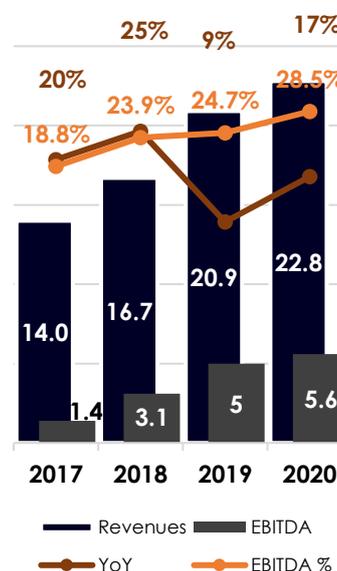
- Paolo Cavicchioli** - President
- Sergio Muratori Casali** - CEO
- Giuseppe dal Cin** - Board member
- Pier Luigi Morara** - Independent Board Member

Revenues breakdown by segment



■ px ■ dx ■ ix ■ Bundle ■ Professional services

Revenues & EBITDA evolution



Source: Group Data

DOXEE ON AIM ITALIA

IPO

Trading Market: AIM Italia – Borsa Italiana SpA
Date: December 19th, 2019
Price: 3.00 Eu
Capital raised: Eu 5.0 m equity (Eu 4.5 m IPO proceeds, Eu 0.5 m through Greenshoe option)
Capitalisation: Eu 21.6 m

SHARES (as of 28th September 2021)

Code: DOX
Bloomberg: DOX IM
Reuters: DOX.MI
ISIN ordinary shares: IT0005394413
Shares: 7.201.100
Price: 12.00 Eu
Performance from IPO: +300%
Capitalisation: Euro 85.921.200 m
Free Float: 22.57%
NomAd: Integrae SIM S.p.a.
Specialist: Integrae SIM S.p.a.

OWNERSHIP

Shareholder	N° of shares	%
P&S	5,504,562	76.44%
Free float	1,625,288	22.57%
Doxee (own shares)	71,250	0.99%
Total shares outstanding	7,201,100	100,00%

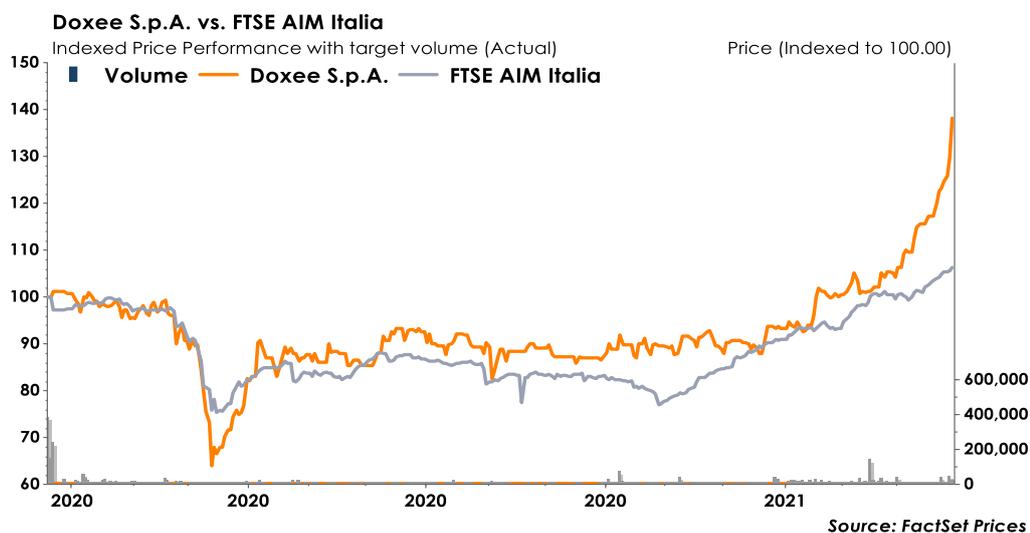
Source: Company Data

WARRANT

Name: "Warrant Doxee 2019-2022"
Alphanumeric code: WDOX22
ISIN: IT0005394769
Issued warrants: 7,191,500
Exercise ratio: 1 ordinary share every 5 warrants held
2nd exercise period: December 1st, 2021 – December 15th, 2021; exercise price Euro 3.630
3rd exercise period: December 1st, 2022 – December 15th, 2022; exercise price Euro 3.993

Number of outstanding Warrant at September 28 2021: 7,143,500.

STOCK PERFORMANCE



DISCLAIMER

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Date	Target Price	Market Price	Validity Time
28 September 2021	13.33	12.00	12 months
30 March 2021	8.50	5.18	12 months
29 September 2020	7.05	3.26	12 months
28 April 2020	7.09	3.98	12 months
15 January 2020	9.18	6.00	12 months
25 September 2019	8.17	6.00	12 months

VALUATION METHODOLOGY (HORIZON: 12M): IR Top obtained a fair value using different valuation methodologies including Discounted Cash Flow method and Multiple-based models. Moreover, IR Top used a proprietary model, "AIM Positioning rating", which incorporates a number of variables selected by IR Top based on research of "Osservatorio AIM Italia", managed by IR Top and focused on research about performance of Companies listed on AIM Italia.

Detailed information about the valuation or methodology and the underlying assumptions and information about the proprietary model used is accessible at IR Top premises.

RESEARCH TEAM:

Edoardo Fumagalli (Analyst)

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