

EQUITY RESEARCH

DOXEE RESULTS REVIEW

BUY

TP 7.0€ (vs 9.0€)
Up/Downside: 197%

A year of investments has come to an end

In 2023, Doxee reached the peak of its investments. The recovery phase oriented towards a return to profitability began in 2024, although at a pace now more cautious than our previous estimates.

Doxee closed FY 2023 with revenue of €25.2m (in line with €25.5m for 2022). EBITDA of -€1m (vs. €4.9m YoY and €0m expected) under pressure due to strong cost growth, mainly for investments and integration costs of Infinica GmbH in a context of absent commercial growth. A net result of -€5.3m (vs. €1.2m YoY and -€4.2m expected) due to the significant increase in depreciation and amortization to €4.3m (vs. €3.1m YoY) and financial charges to €1.1m (vs. 0.2m YoY). Net debt increased to €20.8m (vs. €14.5m YoY in line with our expectations), inflated by capex investments of €8.5m, in a context of contained operational cash generation and due to better working capital management.

Doxee has also proposed a capital increase of €6m, fully guaranteed by the majority shareholder P&S Srl and which, once approved by the board of directors, should take place within the next 6 months. This context of uncertainty has put pressure on the stock which, in the meantime, will launch the new version of its platform in June of this year.

We have revised our scenario for the years to come, now more cautious in terms of organic growth (+7% forecast for 2024) and still based on a cost reduction estimated at around €3.5m in 2024, to achieve an EBITDA of €4m (vs. €7m previously estimated). From 2025, we expect a greater resumption of organic growth in a context of continued cost control, which should make it possible to achieve revenue of €32.4m (vs. €35.3m previously estimated), an EBITDA of €7.5m (vs. €9.9m previously estimated) and bring the net result into positive territory.

Now that the company has completed the "One Company" and "One Platform" projects (technology integration, management reorganization, reduction of R&D costs, professional services and infrastructure costs), we believe that the company is better prepared to seize future growth opportunities. The market is currently not showing strong signs of recovery, but we believe that the situation could improve in H2 2024. We are revising our TP to €7 and reiterating our Buy rating.

TP ICAP Midcap Estimates	12/23	12/24e	12/25e	12/26e	Valuation Ratio	12/24e	12/25e	12/26e
Sales (m €)	25.2	27.0	32.4	36.0	EV/Sales	1.5	1.1	0.9
Current Op Inc (m €)	-5.3	-1.8	1.4	3.8	EV/EBITDA	10.0	4.9	3.2
Current op. Margin (%)	na	na	4.4	10.6	EV/EBIT	na	25.5	8.3
EPS (€)	-0.62	-0.32	0.04	0.24	PE	na	54.4	9.7
DPS (€)	0.00	0.00	0.00	0.00	Source: TPICAP Midcap			
Yield (%)	0.0	0.0	0.0	0.0				
FCF (m €)	-5.6	1.0	3.6	4.7				

Key data

Price (€)	2.4
Industry	Packaged Software
Ticker	DOX-IT
Shares Out (m)	8.624
Market Cap (m €)	20.4
Average trading volumes (k shares / day)	1.000

Source: FactSet

Ownership (%)

P&S Srl	67.4
Eiffel Investment Group	8.4
Ipoc 5 Srl	5.2
Free float	19.0

Source: TPICAP Midcap estimates

EPS (€)	12/24e	12/25e	12/26e
Estimates	-0.32	0.04	0.24
Change vs previous estimates (%)	na	0.00	0.00

Source: TPICAP Midcap estimates

Performance (%)	1D	1M	YTD
Price Perf	-0.8	-39.8	-36.2
Rel FTSE Italy	-1.7	-41.7	-44.0



Source: FactSet

Consensus FactSet - Analysts:na	12/24e	12/25e	12/26e
Sales	27.0	32.4	36.0
EBIT	-1.8	1.4	3.8
Net income	-2.8	0.4	2.1

Analyst
Davide Longo
davide.longo@tpicap.com
+33173030977



FINANCIAL DATA

Income Statement	12/21	12/22	12/23	12/24e	12/25e	12/26e
Sales	20.8	25.5	25.2	27.0	32.4	36.0
Changes (%)	17.7	22.2	-1.0	7.1	20.0	11.1
Gross profit	20.4	25.5	25.2	26.9	32.3	35.9
% of Sales	98.1	100.0	100.0	99.7	99.8	99.8
EBITDA	5.5	4.9	-1.0	4.0	7.5	9.9
% of Sales	26.3	19.4	-3.9	14.8	23.1	27.5
Current operating profit	1.9	1.8	-5.3	-1.8	1.4	3.8
% of Sales	9.3	7.1	-21.1	-6.6	4.4	10.6
Non-recurring items	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	1.9	1.8	-5.3	-1.8	1.4	3.8
Net financial result	0.1	-0.2	-1.1	-1.2	-0.9	-0.9
Income Tax	-0.2	-0.4	1.1	0.2	-0.1	-0.8
Tax rate (%)	11.3	23.2	16.7	7.0	27.9	27.9
Net profit, group share	1.8	1.3	-5.3	-2.8	0.4	2.1
EPS	0.03	0.03	na	na	0.04	0.24
Financial Statement	12/21	12/22	12/23	12/24e	12/25e	12/26e
Goodwill	0.0	7.7	7.8	7.8	7.8	7.8
Tangible and intangible assets	12.4	21.8	24.9	22.2	19.1	16.4
Right of Use	0.0	0.0	0.0	0.0	0.0	0.0
Financial assets	0.0	0.0	0.0	0.0	0.0	0.0
Working capital	3.2	3.5	1.4	0.7	0.8	1.2
Other Assets	0.6	0.4	1.3	1.3	1.3	1.3
Assets	16.2	33.5	35.5	32.0	29.0	26.7
Shareholders equity group	8.8	13.4	8.1	5.3	5.6	7.7
Minorities	0.0	0.0	0.0	0.0	0.0	0.0
LT & ST provisions and others	4.1	4.2	5.2	5.5	5.8	6.1
Net debt	3.3	14.5	20.8	19.8	16.2	11.5
Other liabilities	0.0	1.5	1.4	1.4	1.4	1.4
Liabilities	16.2	33.5	35.5	32.0	29.0	26.7
Net debt excl. IFRS 16	3.3	14.5	20.8	19.8	16.2	11.5
Gearing net	0.4	1.1	2.6	3.8	2.9	1.5
Leverage	0.6	2.9	-21.2	5.0	2.2	1.2
Cash flow statement	12/21	12/22	12/23	12/24e	12/25e	12/26e
CF after elimination of net borrowing costs and taxes	5.3	5.4	-0.2	3.3	6.7	8.5
ΔWCR	-1.6	-0.9	3.1	0.8	-0.1	-0.4
Operating cash flow	3.7	4.5	2.9	4.1	6.6	8.0
Net capex	-4.1	-6.8	-8.5	-3.0	-3.0	-3.3
FCF	-0.4	-2.3	-5.6	1.0	3.6	4.7
Acquisitions/Disposals of subsidiaries	0.0	-7.5	0.0	0.0	0.0	0.0
Other investments	0.0	0.0	0.0	0.0	0.0	0.0
Change in borrowings	1.4	5.1	4.4	0.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Repayment of leasing debt	0.0	0.0	0.0	0.0	0.0	0.0
Equity Transaction	2.4	2.3	-0.1	-0.4	-0.7	-1.0
Others	-0.6	-0.6	-0.6	0.0	0.0	0.0
Change in net cash over the year	3.0	-3.0	-1.8	0.6	2.9	4.7
ROA (%)	10.8%	3.7%	na	na	1.3%	7.9%
ROE (%)	20.0%	9.3%	na	na	6.6%	27.2%
ROCE (%)	20.0%	9.3%	na	na	6.6%	27.2%