

**FINANCIAL PRESS RELEASE**

Paris, 10 June, 2020

## 2019/2020 Results

**EBITDA Rate: 17%, in line with financial year objectives**

**Continuation of solid, profitable growth dynamics**

**Generix Group, Industrial, Logistics and Retail Ecosystems provider with leading Collaborative SaaS Solutions issued today the results for its 2019/2020 fiscal year.**

Jean-Charles Deconninck, President of the Board of Directors, states: “Generix Group closes the 2019/2020 financial year with an outstanding performance, showing 6% growth in activity that was relatively unaffected by Covid-19 and an improvement in all profitability indicators. For the 2020/2021 financial year, revenue should remain stable according to the hypothesis of a gradual recovery in activity starting in September 2020.

To pursue creation of long-term value, the Group will continue to rely on operational effectiveness and international development, as well as on innovation and, of course, human capital, which have been essential during this period. We would like to warmly thank all Group employees, who have demonstrated exemplary professionalism and adaptability from the start of the crisis.”

### Key figures on March 31, 2020

IFRS consolidated accounts, in millions of Euros (unaudited)	Twelve months ended March 31,		Variation		Impact IFRS 16
	2020	2019	M€	%	
<b>Key elements of the consolidated income statement</b>					
Revenues	81,1	76,6	4,5	6%	-
EBITDA	13,5	8,5	5,1	60%	2,1
Operating income	9,5	5,3	4,2	78%	0,2
Financial result	- 0,6	- 0,9	0,3	35%	- 0,3
Income taxes benefit	- 5,4	- 2,0	- 3,3	165%	0,0
Net profit Group share	3,4	2,3	1,1	49%	- 0,1
<b>Key elements of the consolidated Balance Sheet</b>					
Net debt	- 12,4	- 7,8	- 4,6	59%	- 9,1
Free cash flow	7,0	0,7	7,7	1135%	1,2

**Financial Information Contacts:**

**Generix Group** – Ludovic Luzza – Chief Financial Officer – Tel: +33 (0)1 77 45 42 80 – [luzza@generixgroup.com](mailto:luzza@generixgroup.com)

**CIC Market Solutions** – Stéphanie Stahr – Tel: +33 (0)1 53 48 80 57 – [stephanie.stahr@cic.fr](mailto:stephanie.stahr@cic.fr)

## Continuation of solid, profitable growth dynamics

With €81.1 million in revenue, the Group recorded 6% organic growth over the past quarter, powered by the dynamics of its strategic SaaS business.

Growth in activity was accompanied by heightened improvement in all the contributors to profitability.

Generix Group showed €13.5 million in EBITDA for the 2019/2020 financial year, an increase of 60% as compared to the preceding year. EDBITDA margin was 17%, representing nearly six points in growth as compared to end March 2019. After reprocessing that considers the impact of the IFRS 16 standard (see below), EBITDA showed three-point growth. The Group benefits fully from accelerated growth in profitability due to:

- a favorable geographic mix resulting from international growth, particularly in Russia and on the Iberian Peninsula;
- performance gains generated by the European center for shared services created in 2018.

After taking into account the activation of software design expenses, charges related to the attribution of free share plans and depreciation and provisions, operating income was €9.5 million, an increase of €4.2 million as compared to the previous year.

The financial result improved by €0.3 million, taking into account the favorable effect tied to recognition over the previous financial year of earn-out re-evaluation tied to the acquisition of 30% of the remaining shares of Generix Group North America and partly compensated by the application of the new IFRS 16 standard.

After accounting for taxes, which were impacted by -€3.2 million because of the updating of future tax rates in the calculation of deferred taxes following application of the system favoring industrial property, the Group's net income was €3.4 million, as compared to €2.3 million for the previous financial year.

## First application of the IFRS 16 standard

Application of the IFRS 16 standard had a marginally positive impact on operational results because it replaced rental charges with charges related to amortization of user rights. After taking into account interest charges for rental debt and the tax effect, the impact on net results was not significant.

EBITDA for the financial year included a positive impact of €2.1 million, corresponding to charges from reprocessed rentals.

Accounts also included a rental debt of €9.1 million against a €7.9 million asset related to user rights. The difference corresponds to a reprocessing of rental franchises.

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## A solid financial structure

Over the 2019/2020 financial year, Generix Group delivered a net improvement in internal financing capability, which rose from €6.7 million to €12.4 million, driven by profitability dynamics.

The stability of variation in the need for working capital reflects a sharp improvement in customer payment times in a context of activity growth.

Cash flow consumed by investment and financing activities was -€5.2 million and was primarily due to an increase in investments, the first application of the IFRS 16 standard and the decrease in financing tied to factoring. As noted, the previous financial year had been marked by the acquisition of 30% of the remaining shares of Generix Group North America for a total of €3.9 million, financed on the order of €3.2 million of it financed by taking out a medium-term loan.

## Prospects

Generix Group anticipates that activity in 2020/2021 will be similar to that of 2019/2020, with a first half impacted by the health crisis that should be compensated during the second half, according to the hypothesis of a gradual recovery starting in September 2020.

The resiliency of the Generix Group model rests on recurring revenue, a loyal and diversified customer base, and expertise in the management of critical flows, which are veritable advantages for the future. The Group also benefits from its position on markets with high digitization, supply chain and SaaS potential, as well as from a dual implantation in Europe and North America and a solid cash flow.

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### Supplemental and non-IFRS Financial Information

Supplemental non-IFRS information (above-mentioned as EBITDA or net debt) presented in this press release is subject to inherent limitations. It is not based on any comprehensive set of accounting rules or principles and should not be considered as a substitute for IFRS measurements. Also, the Company's supplemental non-IFRS financial information may not be comparable to similarly titled non-IFRS measures used by other companies.

Next financial press release: July 27, 2020, after closing of the stock exchange

Release of first quarter revenues for the fiscal year 2020/2021

### About Generix Group

**Generix Group** is a Collaborative Supply Chain expert present in 60 countries, thanks to its subsidiaries and network of partners. More than 6,000 companies around the world use its SaaS solutions. The group's 550 employees provide daily support for such customers as Carrefour, Danone, FM Logistic, Fnac-Darty, Essilor, Ferrero and Geodis in the digital transformation of their Supply Chain.

Its collaborative platform, **Generix Supply Chain Hub**, helps companies to keep the promises they make to their customers. It combines the capabilities to execute physical flows, digitalize information flows, manage collaborative processes and connect companies to all their partners, in real time.

**Generix Supply Chain Hub** is aimed at all players in the Supply Chain: manufacturers, third- and fourth-party logistics providers (3PL/4PL) and retailers.

[www.generixgroup.com](http://www.generixgroup.com)

Founded in France in 1990, the company is listed on the Eurolist market of Euronext Paris, compartment C (ISIN: FR0010501692). To learn more: [www.generixgroup.com](http://www.generixgroup.com)

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## Appendices

IFRS consolidated accounts, in millions of Euros (unaudited)	Twelve months ended March 31,		Variation		Impact IFRS 16
	2020	2019	M€	%	
Revenues	81,1	76,6	4,5	6%	-
Other income from operations	3,6	2,2	1,4	61%	0,2
Operational expenses	- 71,2	- 70,4	- 0,8	1%	2,1
<i>Other purchases and external charges</i>	- 21,9	- 23,2	1,3	-6%	2,1
<i>Personnel costs</i>	- 45,8	- 43,9	- 2,0	4%	-
<i>Taxes and similar payments</i>	- 1,6	- 1,7	0,1	-5%	-
<i>Other</i>	- 1,8	- 1,6	- 0,2	13%	- 0,2
<b>EBITDA</b>	<b>13,5</b>	<b>8,5</b>	<b>5,1</b>	<b>60%</b>	<b>2,1</b>
<b>EBITDA margin</b>	<b>17%</b>	<b>11%</b>			<b>3%</b>
Software design costs activated net of depreciation	0,5	0,5	1,0	-200%	-
Net depreciation and provisions	- 3,7	- 2,2	- 1,5	71%	- 1,9
Expenses relative to free shares	- 0,8	- 0,5	- 0,4	74%	-
<b>Recurring operating income</b>	<b>9,5</b>	<b>5,3</b>	<b>4,2</b>	<b>78%</b>	<b>0,2</b>
Other operational income and expenses	-	-	-	N/A	-
<b>Operating income</b>	<b>9,5</b>	<b>5,3</b>	<b>4,2</b>	<b>78%</b>	<b>0,2</b>
Financial result	- 0,6	0,9	0,3	35%	- 0,3
Income taxes benefit	- 5,4	- 2,0	- 3,3	165%	0,0
<b>Net result after tax</b>	<b>3,5</b>	<b>2,4</b>	<b>1,1</b>	<b>47%</b>	<b>- 0,1</b>
<b>Net profit Group share</b>	<b>3,4</b>	<b>2,3</b>	<b>1,1</b>	<b>49%</b>	<b>- 0,1</b>

<sup>(1)</sup> EBITDA = current operating income + net provisions on current assets + net provisions for risks and charges + depreciation on fixed assets + Expenses relative to free shares - capitalized production costs.

Net debt, in millions of Euros (unaudited)	Twelve months ended March 31,		Variation		Impact IFRS 16
	2020	2019	M€	%	
Cash and cash equivalents, end of period	12,5	9,2	3,3	36%	-
Short-term and long-term portions of financial obligations	- 24,9	- 17,0	- 7,9	46%	- 9,1
<b>Net debt</b>	<b>- 12,4</b>	<b>- 7,8</b>	<b>- 4,6</b>	<b>59%</b>	<b>- 9,1</b>

Consolidated statements of cash flows, in millions of Euros (unaudited)	Twelve months ended March 31,		Variation		Impact IFRS 16
	2020	2019	M€	%	
Net income adjusted by non-cash items	12,4	6,7	5,7	84%	1,9
Change in working capital	- 1,7	- 1,7	0,0	3%	- 0,7
Net cash by operating activities	10,6	5,0	5,6	112%	1,2
Net cash used in investing activities	- 3,6	- 5,7	2,0	-36%	-
<b>Free cash flow</b>	<b>7,0</b>	<b>- 0,7</b>	<b>7,7</b>	<b>-1135%</b>	<b>1,2</b>
Net cash by financing activities	- 3,6	3,6	- 7,2	-199%	- 1,8
Currency effects	- 0,1	0,0	0,1	-424%	-
Net increase in cash and cash equivalent	3,3	3,0	0,3	10%	- 0,7
<b>Cash and cash equivalent, end of period</b>	<b>12,5</b>	<b>9,2</b>	<b>3,3</b>	<b>36%</b>	<b>- 0,7</b>

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