

## 2020/2021 H1 Results

**EBITDA rate: 14,3%**

**A resilient business model in an exceptional economic and health context**

**Innovation as the key strategy**

Generix Group, Industrial, Logistical and Retail Ecosystems provider with leading Collaborative Software Solutions, today issued its half-year results for the period ended September 30, 2020.

### Key figures as of September 30, 2020

IFRS consolidated accounts, in millions of Euros	Six months ended September 30,			Variation	
	2020	2019		M€	%
<b>Key elements of the consolidated income statement</b>					
Revenues	38,1	39,9	-	1,8	-4%
EBITDA	5,4	7,9	-	2,4	-31%
Operating income	3,4	5,3	-	2,0	-37%
Financial result	-	0,2	-	0,3	-30%
Income taxes benefit	-	1,1	-	1,4	-23%
Net profit Group share	2,0	3,6	-	1,5	-42%
<b>Key elements of the consolidated Balance Sheet</b>					
Net debt	-	14,1	-	19,4	-28%
Free cash flow	-	1,1	-	2,3	-49%

### A strategy based on innovation and operational excellence

Under highly unusual economic and health circumstances, the resiliency of the Group's business model has enabled recording a turnover of 38.1 million euros for the first half of the 2020-2021 fiscal year, with a limited decrease of 4%.

#### Financial Information Contacts:

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At the end of September 2020, Generix Group showed an EBITDA of 5.4 million euros, or an EBITDA margin of 14.3%. The 5.5-point decrease of EBITDA margin as compared to end September 2019 is almost entirely due (by 4.6 points) to additional investment in R&D decided on by the Group. In the context of the crisis, supply structures and intra-logistics resources are being stretched to the limit, resulting in a greater need for software and reinforcing the imperative of high-quality service at each link in the supply chain. The Group intends to take advantage of this situation to strengthen its position as a leader by quickly rounding out the offer and heightening operational excellence goals. Excluding growth in R&D investments, the drop in EBITDA margin was limited to 0.9 point, thanks to vigorous supervision of the cost structure that began in April 2020 to limit the impact of the health crisis.

The elements without an impact on cash flow showed a positive evolution, stemming mainly from an increase in the amount activated for software design expenses, and give a current operating result of 3.4 million euros, or 9% of turnover.

After taking into account non-recurring elements, the financial result and the tax effect, the net result is 2.1 million euros, as compared to 3.6 million euros for the first half of the previous fiscal year.

## A healthy and solid financial structure

The cash flow statement indicates the flows between March 31 and September 30, 2020, as compared to the same period in the previous fiscal year. Between these two dates, working capital requirements increased because of the customary seasonal effect of annual maintenance contract invoicing (invoiced at the start of the calendar year and counted as revenue throughout the year).

Cash flows were marked by:

- a decrease in self-financing capability, which went from 6.9 million euros to 5.5 million euros on September 30, 2020, in line with the decrease in EBITDA observed for the first half of 2020-2021;
- improvement in customer payment delays, as well as the reimbursement of tax credits during the first half of 2020-2021, which were partly offset by a decrease in supplier payment delays.

## Prospects

Generix Group anticipates a more dynamic SaaS contract signature rate for the second half of 2020/2021 as compared to the first half. This should enable a return to growth starting in the 2021/2022 fiscal year, after a 2020/2021 fiscal year showing a slight drop.

The crisis has revealed customer needs that the Group has decided to take charge of by reinforcing R&D efforts to maintain the competitive advantages of the Generix offer. In parallel, in the context of the health crisis, the Group is controlling the cost structure outside R&D expenses. On this basis, the evolution of profitability for the 2020/2021 fiscal year should be in line with that of the half just ended, with a controlled decrease in EBITDA margin, excluding the impact of R&D efforts.

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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.

**The Half-Year Financial Report at September 30, 2020 is available for download at the address:**

<https://www.generixgroup.com/fr/list-financial-documents>

Next financial press release: January 27, 2021 after the market closes

Revenues for the third quarter of financial 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 750 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	Six months ended September 30,			Variation	
	2020	2019		M€	%
Revenues	38,1	39,9	-	1,8	-4%
Other income from operations	1,9	1,2	-	0,7	58%
Operational expenses <sup>(2)</sup>	- 34,5	- 33,2	-	1,4	4%
<i>Other purchases and external charges</i>	- 9,5	- 10,1	-	0,6	-6%
<i>Personnel costs</i>	- 23,4	- 21,8	-	1,6	8%
<i>Taxes and similar payments</i>	- 0,8	- 0,7	-	0,0	5%
<i>Other</i>	- 0,8	- 0,6	-	0,3	50%
<b>EBITDA <sup>(1)</sup></b>	<b>5,4</b>	<b>7,9</b>	<b>-</b>	<b>2,4</b>	<b>-31%</b>
<b>EBITDA margin</b>	<b>14,3%</b>	<b>19,8%</b>			
Software design costs activated net of depreciation	0,7	0,1	-	0,6	392%
Net depreciation and provisions	- 2,4	- 2,3	-	0,2	7%
Expenses relative to free shares	- 0,3	- 0,4	-	0,1	-24%
<b>Recurring operating income</b>	<b>3,4</b>	<b>5,3</b>	<b>-</b>	<b>1,9</b>	<b>-36%</b>
Other operational income and expenses	- 0,0	- -	-	0,0	N/A
<b>Operating income</b>	<b>3,4</b>	<b>5,3</b>	<b>-</b>	<b>2,0</b>	<b>-37%</b>
Financial result	- 0,2	- 0,3	-	0,1	-30%
Income taxes benefit	- 1,1	- 1,4	-	0,3	-23%
<b>Net result after tax</b>	<b>2,1</b>	<b>3,6</b>	<b>-</b>	<b>1,5</b>	<b>-42%</b>
<b>Net profit Group share</b>	<b>2,0</b>	<b>3,6</b>	<b>-</b>	<b>1,5</b>	<b>-42%</b>

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

<sup>(2)</sup> The breakdown of operating expenses was modified with respect to the figures presented in the financial press release dated November 25, 2019. Capitalized production, as well as reversal of provisions used during the period, which were previously included on the "other" line, have been reclassified by type of charge. The result is primarily the reclassification of €0.4M in other operating expenses to other purchases and external charges.

Net debt, in millions of Euros	Six months ended September 30,			Variation	
	2020	2019		M€	%
Cash and cash equivalents, end of period	7,7	2,8	-	4,9	176%
Short-term and long-term portions of financial obligations	- 21,8	- 22,2	-	0,4	-2%
<b>Net debt</b>	<b>- 14,1</b>	<b>- 19,4</b>	<b>-</b>	<b>5,3</b>	<b>-28%</b>

Consolidated statements of cash flows, in millions of Euros	Six months ended September 30,			Variation	
	2020	2019		M€	%
Net income adjusted by non-cash items	5,5	6,9	-	1,3	-19%
Change in working capital	- 4,7	- 7,8	-	3,1	-39%
Net cash by operating activities	0,8	1,0	-	1,7	-184%
Net cash used in investing activities	- 1,9	- 1,3	-	0,6	49%
<b>Free cash flow</b>	<b>- 1,1</b>	<b>- 2,3</b>	<b>-</b>	<b>1,1</b>	<b>-49%</b>
Net cash by financing activities	- 3,5	- 4,2	-	0,7	-17%
Currency effects	- 0,2	- -	-	0,2	N/A
Net increase in cash and cash equivalent	- 4,8	- 6,4	-	1,6	-25%
<b>Cash and cash equivalent, end of period</b>	<b>7,7</b>	<b>2,8</b>	<b>-</b>	<b>4,9</b>	<b>176%</b>

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