

DOXEE

Leading proprietary cloud technology for Digital Customer Experience

We initiate coverage on Doxee with a TP of Euro 7.05 p.s. providing for a potential upside of 116%. The Company is currently offering a valuation of approx. 4.0 FY20-21 EV/EBITDA vs. peers trading at 11.3x (international peers) and 6.8x (AIM peers). We value Doxee on a peer group-based multiples approach and on a DCF model.

Italian leader in the cloud market: 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 microsites, 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. 71% 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. With 123 employees, Doxee recorded FY 2019 revenues of Euro 21, + 25% vs. FY 2018, 89% of which in the domestic market.

Recent M&A to boost future growth and profitability: Doxee recently announced the acquisition of LittleSea, whose personalized video technology complements and boosts Doxee current video products, also enabling a pure SaaS business model, with global potential.

Technology leadership in Cloud Digital customer Experience. According to ICM Advisors' evaluation of the technology portfolio Doxee obtains a Technology Equity Score¹ of 4.3 on a 5 scale, implying that the Company operates in the reference market as a strong challenger / technology leader. The technology portfolio quality and potential analysis highlights that Doxee technology position is well above competitive parity.

Positive outlook thanks to the Company's exposure to digital and highly scalable cloud solutions. For the FY20-22 period we expect Doxee to continue its important organic growth path with a further boost from the LittleSea acquisition. Overall, we estimate a revenues (PV) CAGR of 15% as the Company is well positioned to exploit the ongoing digitalization trend in Italy as well as new selected geographic markets thanks to its technological positioning. EBITDA and Net Income are expected to grow at a CAGR of 27% and 46% respectively.

Key Figures (Eu m)	Revenues (PV)	Yoy %	EBITDA	EBITDA %	EBIT	EBIT %	Net Profit	Net Debt
2019A	20.9	24.7%	5.0	24%	2.3	11%	1.7	2.3
2020E	21.8	4.5%	5.5	25%	2.5	12%	1.8	2.2
2021E	26.8	23.0%	7.6	28%	4.7	17%	3.4	0.2
2022E	31.6	17.7%	10.2	32%	7.0	22%	5.2	(3.7)

Sector: Technology

Target Price (Euro)	7.05
Market Price (Euro)	3.26
Market Cap (Euro m)	23
EV (Euro m)	26
<i>(as of 28th, September 2020)</i>	

Share Data

Market	AIM Italia
Bloomberg	DOC IM
ISIN	IT0005394413
N. of Shares	7,191,500
Free Float	23.17%
CEO	Sergio Muratori Casari

Aim Positioning

FY 2019	Company	Tech	AIM Italia
VoP (Eu m)	21	41	45
Yoy	25%	22%	17%
EBITDA %	24%	17%	15%
ND/EBITDA (x)	0.5	(0.4)	2.1

Market Data	Company	Tech	AIM Italia
Mkt Cap (Eu m)	24	54	45
Perf. IPO	9%	49%	-12%
Free Float	23%	31%	33%
ADTT YTD (Eu k)	21	122	71

Credit Risk Profile

	CONFINVEST	Italian PMII Av
Wiserfunding Bond Rating Equivalent	BBB-	B+

Performance

	1M	3M	6M
Absolute	-2%	-7%	+6%
Relative	-2%	-2%	+1%
52-week H/L (Eu)	4.06		2.40

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