FINANCIAL PRESS RELEASE

Paris, France, November 25, 2019

H1 2019/2020 Results
EBITDA Rate: 20%
Acceleration of solid, profitable growth dynamics
Confirmation of financial objectives for the fiscal period

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, 2019.

Jean-Charles Deconninck, Chairman of the Management Board, states: "During this half, we have continued the deployment of our strategic operational orientation, reinforced our Executive Committee with the recruitment of new technological and commercial talents and continued to industrialize and expand our offer. The European center for shared services is growing rapidly, with an expanded range of services. Our work on operational efficiency and globalization has paid off, as shown by our increase in revenue and profitability. With this strong performance, the Group confirms its financial objectives for the fiscal period: growth in revenue and improvement in EBITDA."

Key figures on September 30, 2019

	Six months ended September 30,		*Variation*		Impact IFRS 16
IFRS consolidated accounts, in millions of Euros	2019	2018	M€	%	
Key elements of the consolidated income statement					
Revenues	39,9	37,3	2,6	7%	-
EBITDA	7,9	4,5	3,4	76%	1,0
Operating income	5,3	2,9	2,5	85%	0,1
Financial result	- 0,3	- 0,7	0,4	60%	- 0,1
Income taxes benefit	- 1,4	- 1,2	- 0,2	16%	-
Net profit Group share	3,6	0,5	3,0	x7	-
Key elements of the consolidated Balance Sheet					
Net debt	- 19,4	- 13,3	- 6,2	47%	- 9,0
Free cash flow	- 2,3	- 6,7	4,5	-66%	0,9

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Acceleration of solid, profitable growth dynamics

During the first half of 2019/2020, revenue continued on an upward path (+7%), reaching €39.9 M on the basis of a dynamic SaaS strategic model.

Growth in activity was accompanied by an acceleration of and improvement in all the contributors to profitability.

At end September 2019, Generix Group showed an EBITDA of €7.9 M, 76% higher than the figure at end September 2018. EDBITDA margin was 20%, representing nearly eight points in growth as compared to end September 2018. After reprocessing that considers the impact of the IFRS 16 standard (see below), EBITDA shows six-point growth. The Group benefits fully from accelerated growth in profitability due to:

- a favorable geographic mix resulting from the crossing of North American and Russian areas;
- 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 is €5.3 M, an increase of €2.5 M as compared to end September 2018.

The financial result shows an improvement of €0.4 M. The financial result for the first half of the previous fiscal year included the re-evaluation of earn-outs tied to the acquisition of 30% of the remaining shares of Generix Group North America.

Net income for the Group is €3.6 M, compared to €0.5 M over the first half of the preceding fiscal year. That year was unfavorably impacted by €-0.5 M because of the updating of future tax rates in the calculation of deferred taxes. Net margin is therefore 9.0%, compared to 1.3% at end September 2018.

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 half includes a positive impact of €1 M corresponding to charges from reprocessed rentals. At end March 2020, EBITDA should be on the order of +€2 M.

The Group also accounted for €9 M in rental debt against a €8 M asset related to user rights. The difference corresponds to a reprocessing of rental franchises.

A solid financial structure

The cash flow statement indicates the flows between March 31 and September 30, 2019, as compared to the same period in the previous fiscal year. Between these two dates, working capital requirements increased because of the seasonal effect of annual maintenance contract invoicing (invoiced at the start of the calendar year and counted as revenue throughout the year).

Over the half, Generix Group delivered a net improvement in internal financing capability, which rose from €3.3 M at end September 2018 to €6.9 M at end September 2019, supported by the profitability dynamic. This trend is combined with a decrease in variation of the need for working capital, thanks to improved customer payment times.

Financing flows dropped from +€1.1 M during the first semester of the preceding financial year to -€4.2 M during this half. They include three elements: the first application of the IFRS 16 standard, with an impact on reimbursement of rental debt of -€0.8 M; the reimbursement of loans tied to acquisition of Generix Group North America (-€0.9 M) and the decrease in financing tied to factoring (-€2.5 M) through the effect of a reduction in customer payment times.

Prospects

The profitable growth dynamic observed for the half enables the Group to confirm its financial objectives for the period: growth in revenue and improvement of EBITDA (excluding impact from the IFRS 16 standard). The second half should show a more moderate EBITDA level than the first half because of the traditional seasonal impact of profitability. On the strength of this solid basis, Generix Group confirms its goals of high-quality service, operational excellence and international development.

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, 2019 is available for download at the address:

https://www.generixgroup.com/fr/rapports-financiers

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Next financial press release: January 27, 2020 after the market closes

Revenues for the third quarter of financial year 2019/2020

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

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

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Appendices

IFRS consolidated accounts, in millions of Euros	Six months ended September 30, 2019	2018	*Variation* M€	%	Impact IFRS 16
Revenues	39,9	37,3	2,6	7%	-
Other income from operations	1,2	1,0	0,2	19%	-
Operational expenses	- 33,2	- 33,8	0,7	-2%	1,0
Other purchases and external charges	*- 9,7*	*- 11,1*	*1,3*	*-12%*	*1,0*
Personnel costs	*- 21,7*	*- 20,8*	*- 0,9*	*4%*	*-*
Taxes and similar payments	*- 0,7*	*- 0,8*	*0,1*	*-14%*	*-*
Other	*- 1,0*	*- 1,1*	*0,1*	*-9%*	*-*
EBITDA	**7,9**	**4,5**	**3,4**	**76%**	**1,0**
EBITDA margin	**20%**	**12%**			**2%**
Software design costs activated net of depreciation	0,1	- 0,3	0,4	-152%	-
Net depreciation and provisions	- 2,3	- 1,3	- 1,0	75%	- 0,9
Expenses relative to free shares	- 0,4	- 0,0	- 0,4	1734%	-
Recurring operating income	**5,3**	**2,9**	**2,5**	**85%**	**0,1**
Other operational income and expenses	-	-	-	N/A	-
Operating income	**5,3**	**2,9**	**2,5**	**85%**	**0,1**
Financial result	- 0,3	- 0,7	0,4	60%	- 0,1
Income taxes benefit	- 1,4	- 1,2	- 0,2	16%	-
Net result after tax	**3,6**	**0,9**	**2,7**	**291%**	**-**
Net profit Group share	**3,6**	**0,5**	**3,0**	**579%**	**-**

(1) 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.

Net debt, in millions of Euros	Six months ended September 30, 2019	2018	*Variation* M€	%	Impact IFRS 16
Cash and cash equivalents, end of period	2,8	0,6	2,2	375%	-
Short-term and long-term portions of financial obligations	- 22,2	- 13,8	- 8,4	60%	- 9,0
Net debt	**- 19,4**	**- 13,3**	**- 6,2**	**47%**	**- 9,0**

Consolidated statements of cash flows, in millions of Euros	Six months ended September 30, 2019	2018	*Variation* M€	%	Impact IFRS 16
Net income adjusted by non-cash items	6,9	3,3	3,5	107%	0,9
Change in working capital	- 7,8	- 9,0	1,2	-13%	-
Net cash by operating activities	- 1,0	- 5,7	4,7	-83%	0,9
Net cash used in investing activities	- 1,3	- 1,0	- 0,3	26%	-
Free cash flow	**- 2,3**	**- 6,7**	**4,5**	**-66%**	**0,9**
Net cash by financing activities	- 4,2	1,1	- 5,2	-492%	- 0,8
Net increase in cash and cash equivalent	- 6,4	- 5,6	- 0,8	14%	-
Cash and cash equivalent, end of period	**2,8**	**0,6**	**2,2**	**375%**	**-**

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