

Informazione Regolamentata n. 20149-20-2023	Data/Ora Inizio Diffusione 30 Settembre 2023 08:44:00	Euronext Growth Milan
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Societa' : NEOSPERIENCE
Identificativo : 181755
Informazione
Regolamentata
Nome utilizzatore : NEOSPERIENCEN01 - Scaravelli
Tipologia : 1.2
Data/Ora Ricezione : 30 Settembre 2023 08:43:59
Data/Ora Inizio : 30 Settembre 2023 08:44:00
Diffusione
Oggetto : PR_NEOSPERIENCE 1st half 2023
Results

Testo del comunicato

Vedi allegato.

PRESS RELEASE**NEOSPERIENCE RECORDS GROWTH IN TOTAL REVENUES AND
CONSOLIDATED SALES FOR FIRST HALF OF 2023****GROUP NET PROFIT SOARS BY 376%****Most relevant consolidated financial figures 1H2023**

- Value of the Group's production of € 14.6 million (+7% compared to 1H2022)
- Sales of € 12.2 million (+4% compared to 1H2022)
- EBITDA of € 4.0 million (35.1% of sales), in line with 1H2022
- EBIT of € 1.5 million (+24% compared to 1H2022)
- Net profit of € 914 thousand (+73% compared to 1H2022)
- Group net profit of € 823 thousand (+376% compared to 1H2022)
- Shareholders' equity of € 29.6 million (+4% compared to 31 December 2022 and +20% compared to 1H2022)
- Net financial debt of € 13.1 million, compared to € 11.6 million at the end of 2022
- Neosperience continues its growth trajectory, with rising revenues and solid EBITDA, above 30% of sales. The company is innovating in the field of applied Artificial Intelligence, expanding its focus to the HealthTech and LegalTech sectors. The strong increase in net profit underscores the results of the acquisition strategy and operational efficiency achieved.
- With a focus on emerging technologies such as Large Language Models, Neosperience is well positioned to capitalize on the growing need for advanced digital solutions. Investing in Neosperience is investing in the future of AI for customer experience solutions and business process innovation.

Milan, 29 September 2023 – The Board of Directors of **Neosperience S.p.A.** ("Neosperience" or the "Company"), innovative SME and reference player in artificial intelligence, listed on Euronext Growth Milan, today approved the consolidated half-year financial report as of 30 June 2023, prepared according to national accounting standards (OIC) and subject to limited audit.

Dario Melpignano, President of Neosperience, commented: *"Despite this year's challenging economic environment, we successfully maintained our growth trajectory and high-profit margins; **the technological landscape is going into a big change**, with a growing interest in advanced solutions such as **Generative Artificial Intelligence and Large Language Models**. Although the market is not yet mature to adopt these innovations on a large scale, **we have for years invested in strategic marketing and development of proprietary AI models**, to acquire a unique position as a pioneer in AI; we are confident that the widespread adoption of applications based on these technologies **will be able to produce very significant effects on our results** in the coming months.*

***With over a decade of in-depth experience in the domain of Artificial Intelligence**, Neosperience is certainly not a newcomer, but stands out as an experienced operator, **capable of creating real value for its clients through AI**. This mastery and expertise give us a strong advantage within the AI ecosystem.*

In 1H 2023 profitability has remained at the high levels of recent years (EBITDA always above 30% of sales) and the strong increase in Group Net Profit is significant (Group Net Profit equal to € 823 thousand, +376%), also thanks to the almost completed process of acquiring 100% of the subsidiaries and the use of the significant tax credits accrued in the context of Research and Development projects co-financed by the Ministry of Economic Development.

The focus in all our business lines remains on proprietary solutions that generate recurring revenues, thus helping to improve our margins."

Among the most significant strategic guidelines:

- we have consolidated our presence in the **HealthTech sector** through our subsidiary, Neosperience Health S.p.A., now operating at full capacity. This company is focused on the digitalization of healthcare services, from large hospitals to diagnostic centers and nursing homes. Our ambition is high: we are at an **advanced stage for listing on international financial markets**, a strong signal of our commitment and growth prospects in this market;
- **the integration between Neosperience and the companies that have joined the Group has been completed**, with the **new organizational structure for business lines** presented last April that is leading to economies of scale and benefits from the sharing of technological and market knowledge; we continue to **identify vertical applications for specific markets such as LegalTech, CultureTech, TourismTech** and personalized solutions for industrial and manufacturing companies;
- **further contacts have been developed to promote international expansion**, identifying potential strategic partners: a move made possible thanks to the growing interest that our solutions have raised;

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- the interest of many new Italian customers **for the Chinese and Asian market** in general – in particular in the **wine and design/furniture sectors** – is confirmed; many Italian companies have chosen to take advantage of this historic moment to renew and complete digital marketing investments towards the Far East;
- from a **technological point of view**, we continue to evolve: our proprietary solutions have been **enriched with advanced AI capabilities**, which **improve the effectiveness and predictive capabilities** of the various solutions. Additionally, we've developed new analytics and data lake tools **to assist our clients in becoming data-driven**. These evolutions, combined with the strengthening of the **ability to analyze the Voice of Customer and the processing of natural language**, make it possible to put end customers at the center of company strategies.

Comments on the consolidated results as of 30 June 2023

Neosperience achieved a consolidated turnover of €12.2 million (+4.2% compared to €11.7 million at 30 June 2022); this growth was entirely organic, as it did not benefit, unlike previous years, from the contribution of new acquisitions.

EBITDA stood at € 4.04 million, a slight decrease of 1% compared to the similar value of 30 June 2022, with **an incidence of 33.1% on revenues** and maintaining the best position compared to the main listed companies considered comparable.

These results, even more appreciable as they were achieved in a difficult period for the Italian and international economy, **highlight the solidity of Neosperience business model**, which is based on a **plurality of skills and markets**, diversifying the risk that would derive from a few lines of activity and concentrated revenues.

Human capital remains **Neosperience's most valuable asset** and serves as a key performance indicator for investors. **Thanks to an elite team**, made up of global professionals and enriched by a melting pot of corporate cultures, we generate solutions that not only improve the customer experience, but also profit margins. Investing in Neosperience **means having privileged access to unparalleled talent, agile in methodology and scalable in results**.

The significant investments in the Neosperience Cloud platform made to evolve our Solutions, integrating new technologies, have led to an increase in fixed asset values: net intangible fixed assets rose to € 38.5 million (of which 14.5 related to goodwill on acquired investments), compared to € 34.3 million at the end of 2022 and € 27.5 at the end of the first half of 2022. All this was reflected in the amortisation of intangible fixed assets, for which the total amortisation in the first half of 2023 was equal to € 2.5 million, down compared to € 2.9 million in the first half of 2022, values, however, both inclusive of the amortisation of the goodwill on the acquired shareholdings.

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EBIT for the first half of 2023, as a result of the above, grew significantly, from € 1,239 thousand to € 1,534 thousand (+24%).

The Group's net profit amounted to € 823 thousand, much higher than the corresponding half of the previous year (€ 173 thousand, +376%), as well as the profit before interest of third parties (+73%). The strong growth in the group's net profit is due both to the fact that the major subsidiaries have been incorporated into the parent company or are now held at 100%, and to the partial use of tax credits accrued as a result of R&D projects supported by the Ministry of Economic Development.

Group shareholders' equity at 30 June 2023 increased to € 29.6 million, compared to € 28.4 million at 31 December 2022. Net financial debt amounted to € 13.1 million compared to € 11.6 million at 31 December 2022, largely due to the increase in investments made in the period to accelerate the development and go-to-market of new vertical applications, mainly Health and LegalTech.

Relevant events after 30 June 2023

In the second half of the year, despite uncertainties generated by the geopolitical situation in Eastern Europe and rising interest rates and inflation, Neosperience continued to expand its horizons: one of the most inspiring directions on which we are investing decisively is the advanced integration of Generative Artificial Intelligence and *Large Language Models* (LLMs) in the main solutions that make up Neosperience Cloud.

- We are enhancing existing solutions for customer analysis and understanding **with generative AI algorithms**. We are now able to analyze the **psychographic traits and behaviours of end customers**, offering our customers action insights that go far beyond traditional analytics.
- The introduction of **Large Language Models is revolutionizing personalization**. These models allow you **to generate personalized content in real time**, significantly increasing the engagement of end customers. **From marketing to customer support to operational processes**, these technologies make **every interaction more relevant, effective and engaging**.
- Our business process automation tools have been further enhanced with advanced AI logic. This means **greater efficiency and reduced operating costs for our clients**, thanks to the ability to **automate complex decisions in fractions of a second**.
- In particular, the **healthcare and professional services sectors** are benefiting significantly from these innovations. Neosperience Health S.p.A., for example, is developing solutions that use AI to improve the management of care paths, while in the legal world, **we are using LLMs to automate the creation and review of legal documents, reducing time and errors**.

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The integration of generative AI and Large Language Models is not only a technological upgrade but represents a **real strategic breakthrough** that amplifies **the value that Neosperience Cloud offers to its customers**. These advanced technologies are paving new avenues for growth and **reinforcing Neosperience's leadership position in digital innovation**.

The **Financial Report as of 30 June 2023** will be made available to the public in the terms provided for by the Euronext Growth Milan Issuers' Regulation, as well as on the Company's website, www.neosperience.com, in the "Investors/Financial Documents" section.

Neosperience is an **innovative SME** listed on Euronext Growth Milan that operates as a **software vendor in artificial intelligence for digital customer experience and operational processes**. Recently **named by Gartner among the six most innovative software vendors in the world**, together with Adobe, Salesforce and SAS, Neosperience was founded in Brescia in 2006 by Dario Melpignano and Luigi Linotto, respectively, President and Executive Vice President. The Company focuses on **Artificial Intelligence technology and applications with Neosperience Cloud**: a proprietary software platform that allows companies to **take advantage of AI to innovate business and operating models and improve the customer experience to increase revenues and margins**. Neosperience serves over 750 clients, including industry leaders in **sectors like fashion, retail, healthcare, manufacturing, and financial services**.

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Consolidated Balance Sheet

	30.06.2023		31.12.2022		30.06.2022		Delta
	Consolidated	inc. %	Consolidated	inc. %	Consolidated	inc. %	
	Balance Sheet		Balance Sheet		Balance Sheet		
NON-CURRENT ASSETS							
Fixed Intangible Assets	38.458.520	67%	34.290.818	60%	27.547.173	52%	4.167.702
Fixed Tangible Assets	3.102.109	5%	3.240.628	6%	3.207.626	6%	(138.519)
Investments in associates	782.735	1%	955.531	2%	1.027.267	2%	(172.796)
Other non-current credits	257.116	0%	266.509	0%	264.608	0%	(9.393)
Other non-current Financial credits	145.968	0%	145.968	0%	6.136	0%	-
Prepaid Taxes	116.198	0%	116.198	0%	150.236	0%	-
TOTAL NON-CURRENT ASSETS	42.862.646	69%	39.015.652	68%	32.203.046	60%	3.846.994
CURRENT ASSETS							
Inventories	-	0%	126.985	0%	324.599	1%	(126.985)
Trade receivables	12.817.204	22%	10.177.715	18%	11.318.126	21%	2.639.489
Trade receivables from associates	66.626	0%	40.810	0%	138.351	0%	25.816
Tax credits	1.991.186	3%	2.082.897	4%	1.480.735	3%	(91.711)
Other current credits	1.774.815	3%	1.533.637	3%	320.530	1%	241.178
Trading assets	188.268	0%	836.669	1%	1.154.669	2%	(648.401)
Cash and Equivalents	2.860.127	5%	3.565.300	6%	6.496.483	12%	(705.173)
TOTAL CURRENT ASSETS	19.698.226	34%	18.364.013	32%	21.233.493	40%	1.334.213
TOTAL ASSETS	62.560.872	100%	57.379.665	100%	53.436.539	100%	5.181.207
EQUITY							
Shareholders Capital	959.166	2%	959.166	2%	899.566	2%	-
Share Premium Reserve	23.156.447	40%	23.156.447	40%	20.164.299	38%	-
Legal Reserve	191.833	0%	170.081	0%	170.081	0%	21.752
Statutory Reserve	4.328.358	8%	3.098.260	5%	3.098.260	6%	1.230.098
Negative reserve for treasury shares in portfolio	(41.419)	0%	(41.419)	0%	(41.419)	0%	-
Other Reserves	696.888	1%	696.892	1%	539.860	1%	(4)
Consolidation Reserve	5.865	0%	5.865	0%	(53.904)	0%	-
Retained Earnings	(473.008)	-1%	(310.185)	-1%	(263.756)	0%	(162.823)
Net income of the year	823.432	1%	679.247	1%	172.764	0%	144.185
Minority interests	4.314.637	8%	4.068.825	7%	971.207	2%	245.812
TOTAL EQUITY	33.962.199	54%	32.483.179	57%	25.656.958	48%	1.479.020
NON-CURRENT LIABILITIES							
Employees Benefits	1.637.688	3%	1.685.069	3%	1.437.779	3%	(47.381)
Provisions for risks and charges	188.720	0%	133.756	0%	129.895	0%	54.964
Non-current Financial Debts	11.455.386	20%	11.910.516	21%	12.656.829	24%	(455.130)
Non-current Tax Payables	34.059	0%	34.059	0%	75.239	0%	-
Other non-current Payables	-	0%	-	0%	-	0%	-
TOTAL NON-CURRENT LIABILITIES	13.315.853	21%	13.763.400	24%	14.299.742	27%	(447.547)
CURRENT LIABILITIES							
Current Financial Debts	4.682.505	8%	4.093.376	7%	3.785.344	7%	589.129
Deposits	-	0%	-	0%	-	0%	-
Accounts Payables	2.880.983	5%	3.351.628	6%	3.438.849	6%	(470.645)
Tax Payables	1.714.881	3%	751.652	1%	1.763.281	3%	963.229
Other Payables	5.650.660	10%	2.324.509	4%	3.740.447	7%	3.326.151
Accruals and Deferred Income	353.791	1%	611.921	1%	751.918	1%	(258.130)
TOTAL CURRENT LIABILITIES	15.282.820	24%	11.133.086	19%	13.479.839	25%	4.149.734
TOTAL LIABILITIES	62.560.872	100%	57.379.665	100%	53.436.539	100%	5.181.207

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Consolidated Income Statement

	30.06.2023	30.06.2022	
	Group Income Statements	Group Income Statements	Delta
Sales Revenues	12.203.788	11.717.055	486.733
Changes in inventories of work in progress	0	324.599	(324.599)
Work performed by entity and capitalis	2.316.036	1.499.266	816.770
Other income	78.503	123.475	(44.972)
VALUE OF PRODUCTION	14.598.327	13.664.395	933.932
Raw material and services used	(5.465.680)	(4.788.511)	(677.169)
VALUE ADDED	9.132.647	8.875.884	256.763
Employee benefit expense	(4.812.299)	(4.361.422)	(450.877)
Other expenses	(150.692)	(148.410)	(2.282)
Changes in inventories of work in progress	(126.985)	(256.778)	129.793
EBITDA	4.042.671	4.109.274	(66.603)
Depreciation and amortisation expense	(2.508.755)	(2.870.748)	361.993
EBIT	1.533.916	1.238.526	295.390
Finance costs	(265.061)	(182.491)	(82.570)
Depreciation of Investments	86.737		86.737
Depreciation of Financial Assets	0		0
PROFIT/LOSS BEFORE TAX	1.355.592	1.056.035	299.557
Income tax expense	(442.404)	(526.923)	84.519
PROFIT/LOSS FOR THE PERIOD	913.188	529.112	384.076
Profit/Loss attributable to minority int	89.758	356.348	(266.590)
PROFIT/LOSS OF THE GROUP	823.430	172.764	650.666
EBITDA %	33,1%	35,1%	-1,9%
EBIT %	12,6%	10,6%	2,0%
Profit/Loss Before Tax %	11,1%	9,0%	2,1%
Profit/Loss For The Period %	7,5%	4,5%	3,0%

	30.06.2023	30.06.2022
A. Cash flows deriving from operating activities (indirect method)		
Profit (loss) for the year	913.190	529.112
Income taxes	442.404	526.923
Interest expense/(assets) (Dividends)	265.061	182.491
Capital gains / losses on disposed assets	-	-
1.) Profit (loss) for the year before income taxes, interest, dividends and capital gains / losses on disposal	1.620.655	1.238.526
Adjustments for non-monetary items not included in net working capital		
Provisions to funds	132.755	196.554
Depreciation of fixed assets	2.508.755	2.862.598
Non monetary adjustments of financial assets	-	-
Write-downs / (revaluations) of financial assets	-	-
Other adjustments for non-monetary items	(255.819)	-
2. Cash flow before change in net working capital	4.006.346	4.297.678
Change in net working capital		
Decrease / (increase) in inventories	126.985	(67.821)
Decrease / (increase) in receivables from customers	(2.639.489)	(137.622)
Increase / (decrease) in trade payables from suppliers	(501.389)	637.611
Decrease / (increase) in accrued income and prepaid expenses	290.892	201.376
Increase / (decrease) in accrued liabilities and deferred income	(258.130)	231.472
Other changes in net working capital	3.823.205	1.425.674
3. Cash flow after change in net working capital	4.848.420	6.588.368
Other adjustments		
Interest received / (paid)	(265.061)	(182.491)
(Income taxes paid)	(569.122)	(340.757)
Dividends collected	-	-
(Use of funds)	(198.136)	(50.994)
4. Cash flow after other adjustments	3.816.101	6.014.126
Operating Cash flow (A)	3.816.101	6.014.126
B. Cash flows deriving from the investment activity		
Tangible fixed assets	(28.420)	(273.246)
(Investments)	(28.420)	(273.246)
Sale price of divestments	-	-
Intangible assets	(6.509.518)	(8.765.553)
(Investments)	(6.509.518)	(8.765.553)
Sale price of divestments	-	-
Financial assets	172.796	213.574
(Investments)	-	-
Sale price of divestments	172.796	213.574
Other financial assets	648.401	(818.743)
(Investments)	-	(1.003.000)
(Increase) / Decrease in other assets / liabilities	648.401	184.257
Acquisition of subsidiaries net of cash and cash equivalents	-	-
Sale of subsidiaries net of cash and cash equivalents	-	-
Cash flows deriving from the investment activity (B)	(5.716.741)	(9.643.968)
C. Cash flows deriving from the financing activity		
Third party funds		
Increase (decrease) in short-term bank position	589.129	897.473
New medium term financing	2.600.000	1.847.029
Reimbursement of loans	(1.993.662)	(1.344.423)
Equity		
Paid-in capital increase	-	-
Sale (purchase) of own shares	-	265.168
	-	-
Cash flows deriving from the financing activity (C)	1.195.467	1.665.247
Increase (decrease) in cash and cash equivalents (A ± B ± C)	(705.173)	(1.964.595)
Cash and cash equivalents (beginning of period)	3.565.300	8.461.078
Cash and cash equivalents (end of period)	2.860.127	6.496.483
	(705.173)	(1.964.595)

Net Financial Debt

	30.06.2023	31.12.2022	30.06.2022
	Consolidated	Consolidated	Consolidated
	Balance Sheet	Balance Sheet	Balance Sheet
A. Cash at the bank	(2.860.127)	(3.565.300)	(6.496.483)
B. Cash equivalents			
C. Other current financial assets	(188.268)	(836.669)	(1.154.669)
D. Liquid assets` (A) + (B) + (C)	(3.048.395)	(4.401.969)	(7.651.152)
E. Current financial credit			
F. Current financial debt	3.759.813	3.062.751	2.931.925
G. Current portion of non-current financial debt			
H. Other non-current financial debt	922.692	1.042.652	853.419
I. Current financial debt (F) + (G) + (H)	4.682.505	4.105.403	3.785.344
J. Net current financial debt (I) + (E) + (D)	1.634.110	(296.566)	(3.865.808)
K. Non-current financial debt	8.681.379	8.509.138	8.821.082
L. Debt instruments	1.131.804	1.490.916	1.840.674
M. Trade payables and other non-current payables	1.642.203	1.898.435	1.995.073
N. Non-current financial debt (K) + (L) + (M)	11.455.386	11.898.489	12.656.829
O. Total financial debt (J) + (N)	13.089.496	11.601.923	8.791.021

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