



PRICE SENSITIVE

PRESS RELEASE

Growens announces sale of Email Service Provider business to TeamSystem Group for a total consideration of 70 million Euro Focus on acceleration of future growth and development of BEE

Key info:

- Deal perimeter: MailUp, Contactlab, Acumbamail, MailUp Nordics and Globase
- Call of the general shareholders' meeting, ordinary and extraordinary session, to approve the transaction and subsequent amendments to the By-Laws, on 9 March 2023
- Right of withdrawal at 4.39 Euro per share
- Closing: tentatively within June 2023

Milan, 3 February, 2023 – Growens S.p.A. – GROW (the “**Company**” or the “**Issuer**” or “**Growens**”), a company admitted to trading on the multilateral trading facility Euronext Growth Milan and operating in the cloud marketing technology field, announced that on 2 February 2023 the Board of Directors approved the signing of a binding agreement (the “**Agreement**”) for the sale of the MailUp business unit and the share capital of Contactlab S.p.A., Acumbamail S.L., MailUp Nordics A/S and its subsidiary Globase International A.p.S. (collectively the “**Email Service Provider**”) to TeamSystem S.p.A. (“**TeamSystem**” or the “**Purchaser**”) for a total consideration of 70 million Euro on a cash/debt free base (the “**Transaction**”).

The Board of Directors also resolved to call the General Shareholders' Meeting, ordinary and extraordinary session, on 9 March 2023 to approve the Transaction and the subsequent amendments to the By-Laws for the change of the corporate purpose. With respect to the latter decision, non-concurring shareholders will be entitled to the right of withdrawal of all or part of their stake. The Board of Directors established the liquidation price at 4.39 Euro per share.

The Transaction is consistent with Growens Group's (the “**Group**”) development strategy, and the Group management believes the Transaction represents an important opportunity to bring out the value of the historical business, in view of substantial proceeds. This will provide Growens with a material source of

liquidity, which will enable, on one hand, dimensional and capitalization growth, via the strengthened investment capability in the Group's most promising, fastest-growing businesses, namely BEE, and on the other hand to deliver returns to stakeholders.

Matteo Monfredini, Chairman and founder of Growens, stated *"The sale of the Email Service Provider business represents a tangible acknowledgement of the value we created in the industry. We trust that the market will now more clearly appreciate our positioning and financial stability, as well as the implied perspectives of a material investment in the development of our fastest-growing business, originated from in-house development"*.

Nazzareno Gorni, Chief Executive Officer and founder of Growens, stated *"The keyword in the Transaction is acceleration. As per Growens, this means the opportunity to efficiently allocate capital, enhancing the value of our business units and securing the resources we need to boost BEE's development in the medium term. The businesses which will enter TeamSystem Group will also benefit from material acceleration factors and synergies."*

Deal Structure and details

The Transaction contemplates the sale of the Email Service Provider to TeamSystem, namely the going concern of the MailUp business unit, as well as the entire share capital (100%) of the subsidiaries Contactlab S.p.A., Acumbamail S.L., MailUp Nordics A/S and its wholly owned subsidiary Globase International A.p.S..

The parties agreed on a total consideration of 70 million Euro (the "**Price**"), subject to adjustments according to customary calculations for similar deals, based on actual Net Working Capital and Net Financial Position figures of the Email Service Provider perimeter as of the Closing date.

Figurative revenues of the transferred assets amount to ca. (i) 19.0 million Euro as of 30 September 2022, (ii) 11.7 million Euro as of 30 June 2022 and (iii) 18.7 million Euro as of 31 December 2021. Figurative EBITDA as per the above respective dates are ca. (i) 2.2 million Euro, (ii) 1.3 million Euro and (iii) 3.2 million Euro. Revenues and EBITDA figures are based on the Group's consolidated data as of the respective dates (with Contactlab's consolidation from May 2022). The above-mentioned figures are presented for information purposes only, they are derived from historical accounts and do not include functional adjustments provided for in the Agreement in view of the Transaction. NFP amounts to ca. 4.4 million Euro (cash) as of 31 December 2022.

The sale of the Email Service Provider business implies the transfer of a headcount of ca. 260 people in Italy, Spain and Denmark, including Messrs Luca Azzali, Alberto Miscia and Massimo Fubini, who will take on roles within the transferred activities, while remaining shareholders of Growens S.p.A..

The Agreement includes usual, market-practice provisions for similar deals, among which are appropriate representations and warranties from the Issuer, related indemnity obligations in favor of the Purchaser, mitigations in favor of the Issuer, such as *de-minimis*, threshold and cap, as well as customary MAC (Material Adverse Changes) clauses. According to the Agreement, the Company shall comply with non-compete and non-solicitation obligations for 3 years from the Closing date, with respect to Contactlab's, Acumbamail's and Globase's activity.

As per the Agreement, a set of transitional service agreements is provided, in order to secure operating support and administration activities to the Purchaser and transferred businesses during the transition, as well as the right of use of certain real estate facilities of the Company.

After the Closing, the Company will benefit from a greater concentration of financial resources and human capital, to be especially dedicated to the development of BEE.

Closing of the Transaction will indicatively take place by the end of June 2023.

Conditions precedent

According to the Agreement, the deed of transfer of the Email Service Provider business versus payment of the Price ("**Closing**") will be executed tentatively by the end of June 2023, after certain conditions precedent occur (or are renounced), namely (i) clearance is obtained according to the so-called "*Golden Power*" rule under Italian laws and regulations, (ii) approval of the Antitrust authority, (iii) affirmative vote of the Company's ordinary and extraordinary General Shareholders' Meeting (non-renounceable), as the Transaction implies a "fundamental change of business" under article 15 of Euronext Growth Milan Rules For Companies (see below for further information), as well as (iv) the effective contribution of the MailUp business unit (including the stake in MailUp Nordics) into Contactlab S.p.A.

Call of the General Shareholders Meeting, ordinary and extraordinary session

The Board of Directors resolved to call the General Shareholders' Meeting, ordinary and extraordinary session, for 9 March 2023 to approve

- (i) in the ordinary session, the Transaction under article 15 of Euronext Growth Milan Rules For Companies and
- (ii) in the extraordinary session, the following amendments to the By-Laws
 - a. the change of corporate purpose of Growens S.p.A., in order to better reflect the Company's nature of mixed-activity holding, i.e. directly operating within specific sectors as well as holding investments;
 - b. modification of the phrases (in all their occurrences) "AIM Italia" into "Euronext Growth Milan" and "Nominated Adviser" / "Nomad" into "Euronext Growth Advisor".

The decision under (ii) lett. a) qualifies as a material change in the corporate activity under article 2437, paragraph 1, lett. a), of Italian civil code. As a consequence, Growens shareholders who will not concur in the GSM approval of the By-Laws change will be entitled to the right of withdrawal according to articles 2437 and following of Italian civil code. In this respect, under provisions of article 2437-ter of Italian civil code, the Board of Directors, having acknowledged the opinion of the Board of Statutory Auditors and BDO Italia S.p.A. (independent audit firm), as well as the valuation opinion released by CFO SIM in their capacity of independent expert, established the liquidation price at 4.39 Euro per share. The above-mentioned withdrawal right will be enforceable by eligible Growens shareholders, for all or part of their stake, according to article 2437-bis of Italian civil code, subject to the effective Closing.

The notice of call will be published pursuant to law. Please be advised that, according to article 22, par. 2 of the Company By-Laws, eligible persons will be allowed to attend and vote exclusively via audio/video conference, directly or through a Designated Representative.

The Company announces that they received the notice from their relevant shareholders Messrs Matteo Monfredini, Nazzareno Gorni, Luca Azzali, Matteo Bettoni and Alberto Miscia – who together own a total shareholding in the Company of n. 7,862,805 ordinary shares, no nominal value, representing 51.08% of its share capital and are part of a shareholders agreement as disclosed on 23 December 2021 – of their respective individual intentions to attend the General Shareholders Meeting, voting in favor of the decisions in the agenda.

Fundamental change of business under Euronext Growth Milan Rules For Companies

Effects of the Transaction will cause a “fundamental change of business” under article 15 of Euronext Growth Milan Rules For Companies, in that the relevance ratio for the Transaction value exceeds 75%. Such ratio, calculated according to Euronext Growth Milan Rules For Companies provisions, amounts to 107% (i.e. Price of the Transaction of 70.0 million Euro divided by GROW market capitalization as of 30 June 2022, amounting to 65.3 million Euro).

Based on preliminary values as of 31 January 2023, assuming Closing in the month of June 2023, the capital gain generated from the Transaction would equal ca. 62 million Euro, with an economic effect of ca. 60 million Euro, net of Transaction costs and applicable taxes. As per the use of proceeds, they will be invested to support the Group’s future growth, with a special focus on developing the BEE business unit, both organically and via M&A, and creating returns for stakeholders.

Amendment of the purchase agreement of 100% of Contactlab S.p.A. entered into on 4 April 2022

Within the Transaction, The Board of Directors passed an amendment to the purchase agreement of 100% of Contactlab S.p.A. entered by the Company, on the one hand, and Massimo Fubini, Elisa Martelli and P101 (the “**Selling Shareholders**”) on the other hand, on 4 April 2022. Such purchase agreement granted an earn-out provision to the Selling Shareholders for a total consideration up to 6.6 million Euro, upon achieving certain strategic and cumulated combined profitability goals for Growens and Contactlab over the time span 2022-2024.

In view of a changed scenario, the Company and the Selling Shareholders entered an amendment agreement to the initial purchase agreement, according to which the earn-out replaced by the payment of a total consideration of 2.2 million Euro in cash.

Investor relations and miscellaneous

The Transaction does not constitute a “*related party transaction*” according to the relevant Issuer procedure and applicable law.

The Issuer was assisted by Intermonte S.p.A. as financial advisor and CFO SIM as independent expert.

This press release is online on www.emarketstorage.com and on the Issuer website growens.io, News/Press Releases section.

Growens CEO and Chairman will comment on the news in a **conference call** to be held on 6 February 2023 at 4.00pm CET, registration here: <https://my.demio.com/ref/VrqfJ82AaA6bm1Wg>.

Growens CEO and Executive Director and IR will participate to the 8th edition of Banca Intesa IT Conference on 28 February.



Growens (GROW) is a leading European player in the field of Cloud Marketing Technologies, serving thousands of clients worldwide. Its suite of SaaS and CPaaS solutions allows SMEs and large corporations globally to master the evolving ways of communicating with customers. Starting from the original business MailUp the Group grew steadily since 2002, both organically and via M&A, peaking with the launch of innovative products such as BEEfree.io.

The company is admitted to trading on the Euronext Growth Milan (EGM) market managed by the Italian Stock Exchange, with a free float of ca. 35%.

ISIN IT0005040354 - Reuters: GROW.MI - Bloomberg: GROW IM

Media & Guidelines: <https://growens.io/en/media-guidelines>

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