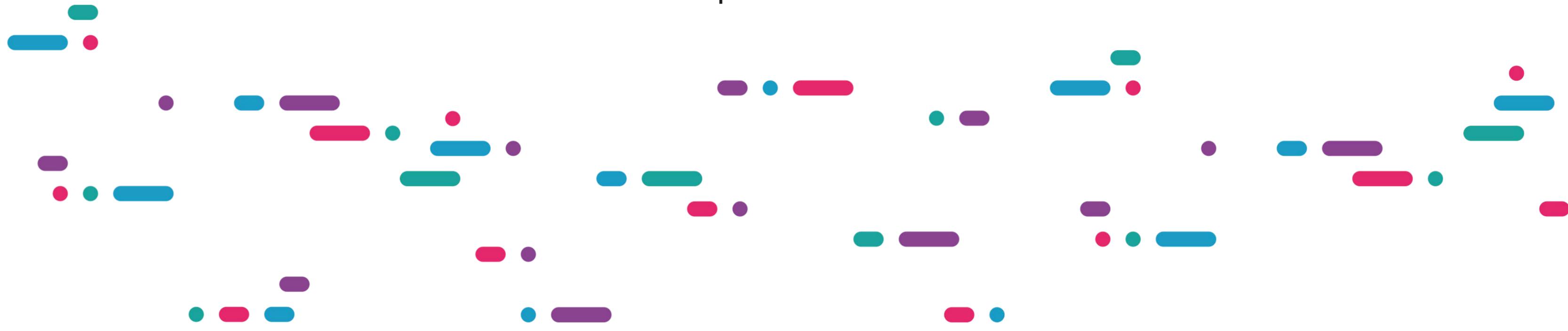




# Growens overview and latest results

April 2023



# Agenda

1

About Us

2

Business Units

3

Industry & Strategy

4

Results Overview

5

Investor Information

# Growens at a glance



## Innovation

---

- Fast-growing industry:  
**Technology / cloud software / marketing technology (SAAS)**
- From **messaging (Email, SMS)** to mobile **content creation** and **omni-channel predictive marketing automation**



## Growth

---

- Revenues 3y CAGR +20%
  - +51% FY 2019
  - +7% FY 2020
  - +9% FY 2021
  - +45% FY 2022
- **6 acquisitions** in 8 years

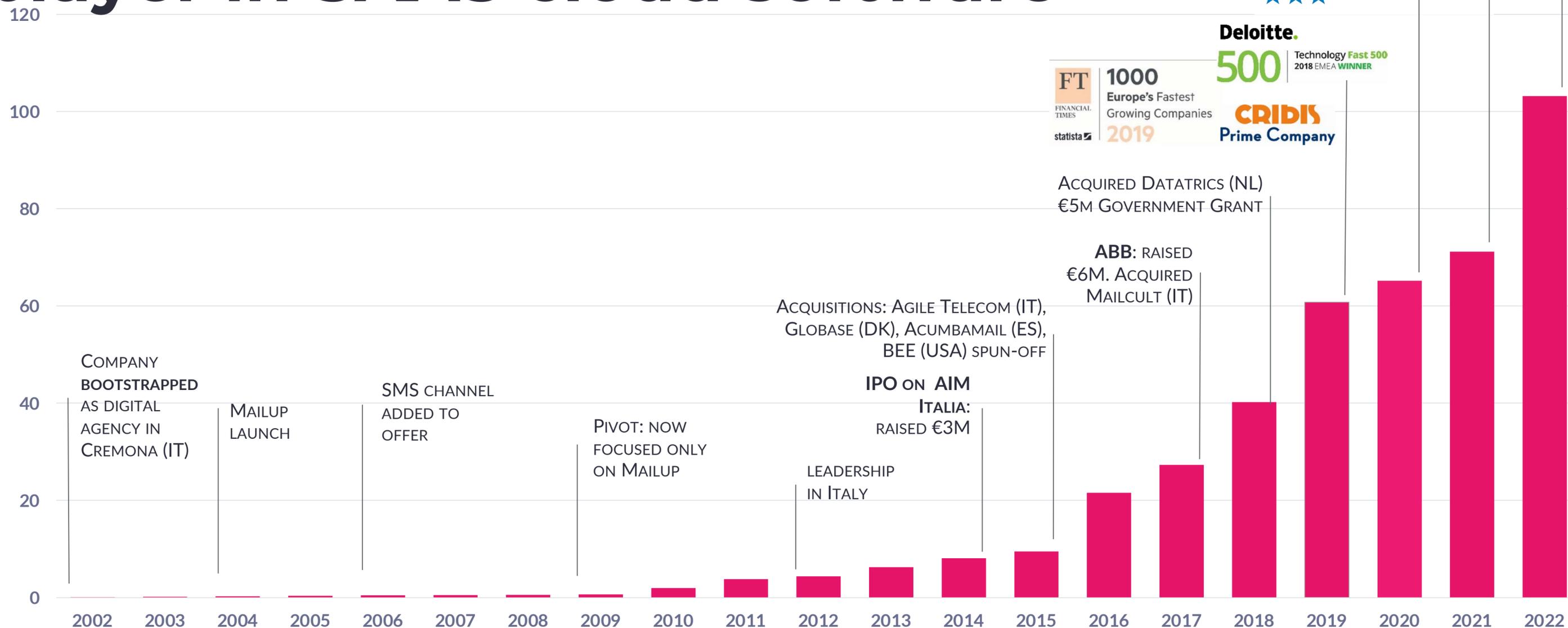


## Global Expansion

---

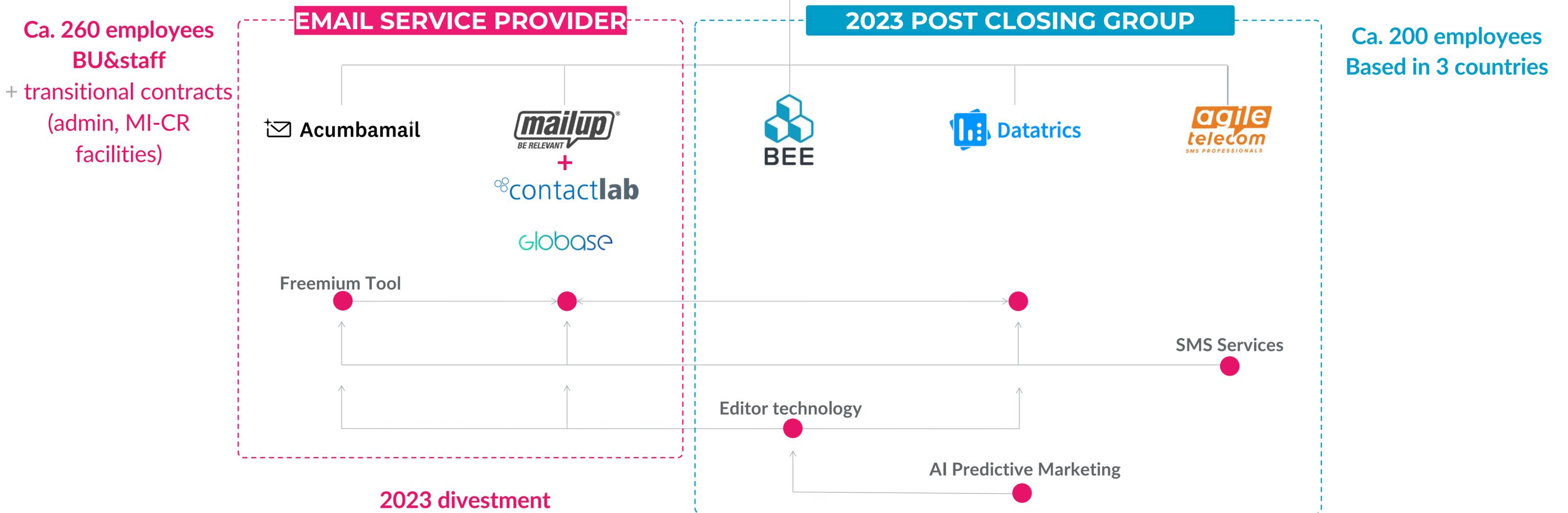
- **International revenues** from 10% to 65% since IPO
- Serving ca. 26.000 B2B clients (+780,000 free users) in **115+ countries**
- **430 employees** in 3 continents

# From startup to leading European player in SAAS cloud software



\*In 2016 Group transitioned to IFRS accounting standards. FY 2015 is restated. Therefore historical data may not be comparable. Data in EUR/m. Source: Company and Group financial statements

# Transitional Perimeter



# ESP Sale - Deal Overview



## Strategic Rationale

---

- Derisking of Group position in mature business
- Consistent cash-in
- Focus on development of BEE
- Provide return to stakeholders
- Fundamental change of business under EGM Regulations for Companies



## Deal Consideration

---

- Sale of
  - ✓ MailUp business (carve-out from Growens)
  - ✓ 100% of Contactlab S.p.A.
  - ✓ 100% of Acumbamail S.L.
  - ✓ 100% of MailUp Nordics/Globase
- Euro 70 million total gross consideration (subject to closing adj)



## Key Milestones

---

- Signing February 2, 2023
- GSM March 9, 2023
- Closing by end of June 2023
- Conditions precedent:
  - ✓ carve-out of MailUp business from Growens
  - ✓ GSM ordinary/extraordinary
  - ✓ Golden Power and Antitrust greenlight

# Transaction Economics



Preliminary estimates based on data at Signing, subject to closing adjustments and tax verifications, assuming closing in the month of June 2023

# Timeline



**2 February**

Board resolution – Signing – Deal announcement – Call of GSM



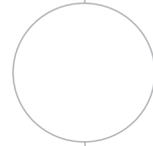
**22 February**

Documentation available for GSM: BoD memorandum on agenda, Board of Auditors opinion, BDO opinion



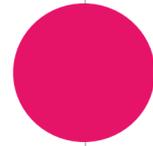
**9 March**

GSM: ordinary + extraordinary



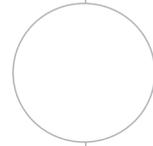
**March/April**

Verification of conditions precedent



**June**

Contribution of MailUp business into Contactlab  
Closing



**July**

Enforcement of withdrawal rights

# Conditions Precedent

01

**Corporate reorganisation**  
Contribution of the MailUp  
business unit into Contactlab  
S.p.A.

02

**GSM ✓**  
Affirmative vote of the Company's ordinary  
and extraordinary General Shareholders'  
Meeting (non- renounceable)

03

**Golden Power**  
Clearance according to "Golden Power"  
rule under Italian laws and regulations

04

**Antitrust**  
Approval of Antitrust authority under Italian  
and Spanish regulations

05

**MAC**  
Lack of material adverse  
changes

# 2023 – 2026 Growth Drivers



## Organic growth

- Focus on BEE / R&D: 2 outstanding projects + new
- Focus on BEE / S&M: commercial development



## M&A

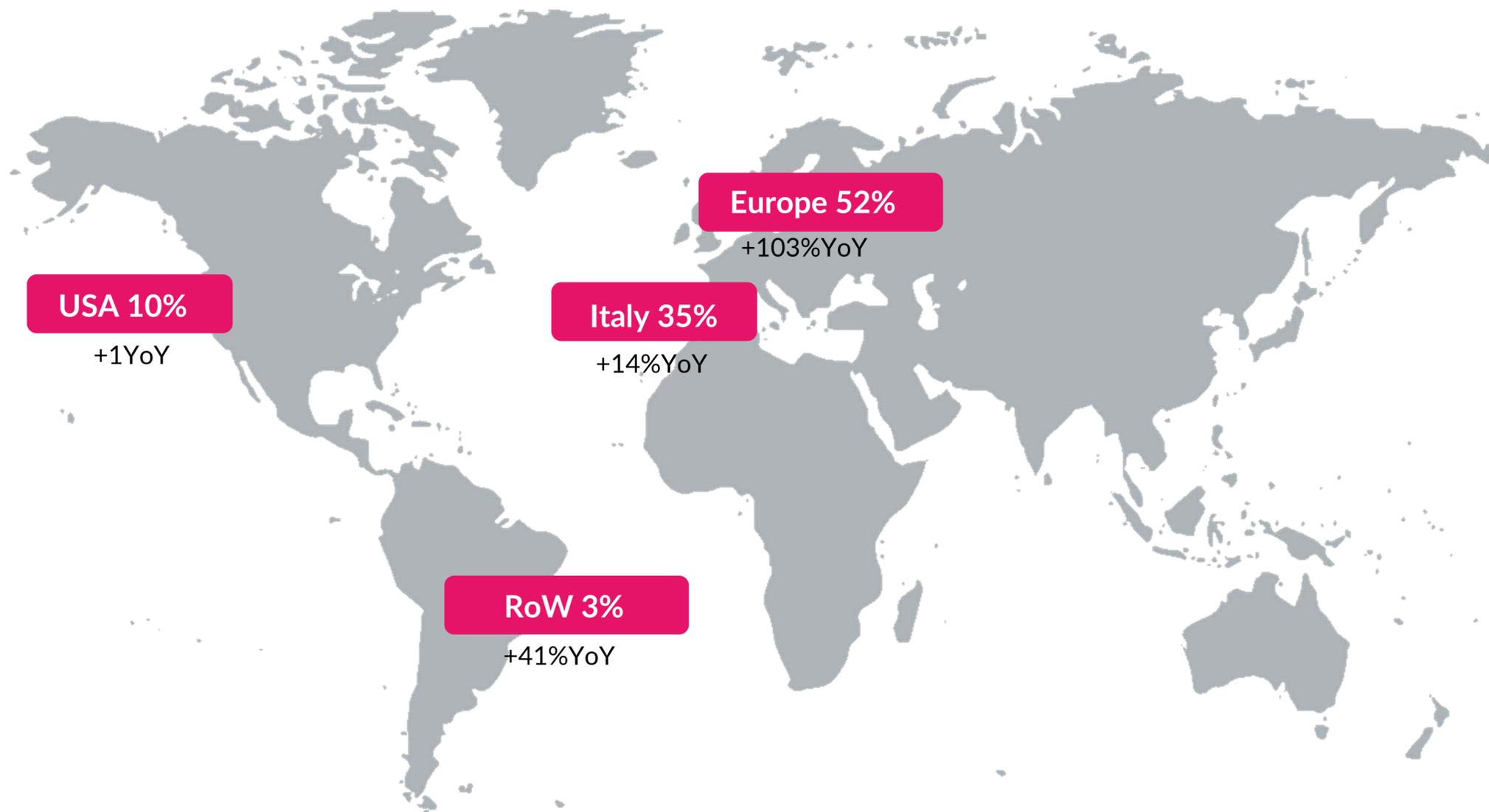
- Focus on BEE / add-ons
- Opportunistic divestments



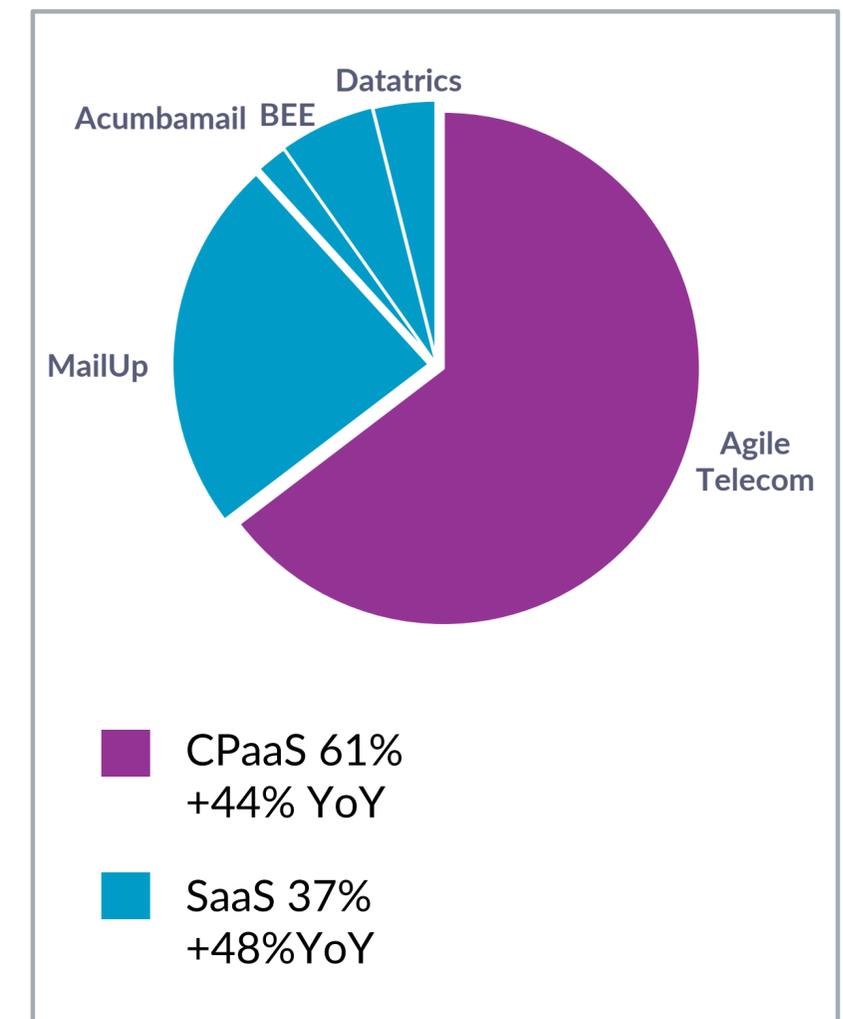
## Financial growth

- Rule of 40: Sales growth % + EBITDA margin% > 40%
- Return for stakeholders

# Revenue distribution FY 2022



## SaaS incidence



CONTACTLAB ACQUISITION INCLUDED FROM MAY 2022

# North America presence

## Local presence: BEE Content Design, Inc.

- Based in San Francisco, 95% owned by Growens
- 65 employees (CEO, Sales, Support and Marketing functions)
- 11,000+ clients including Novartis, Spotify, Save the Children, Disney
- Market leader in email and landing page creation technology

## Consolidated North America results:

- EUR11m\* Revenues as of Dec 2022
- USD11m ARR (26% YoY growth) as of Dec 2022

\* BEE revenues + revenues from other Growens BUs in the area  
Representative list of our past and current clients. Logos are the property of the respective businesses and are for illustrative purposes only



# Clients that worked with us

## RETAIL & E-COMMERCE



## BANKING & FINANCE



## MEDIA & DIGITAL SERVICES



## TECHNOLOGY, PHARMA & AUTOMOTIVE

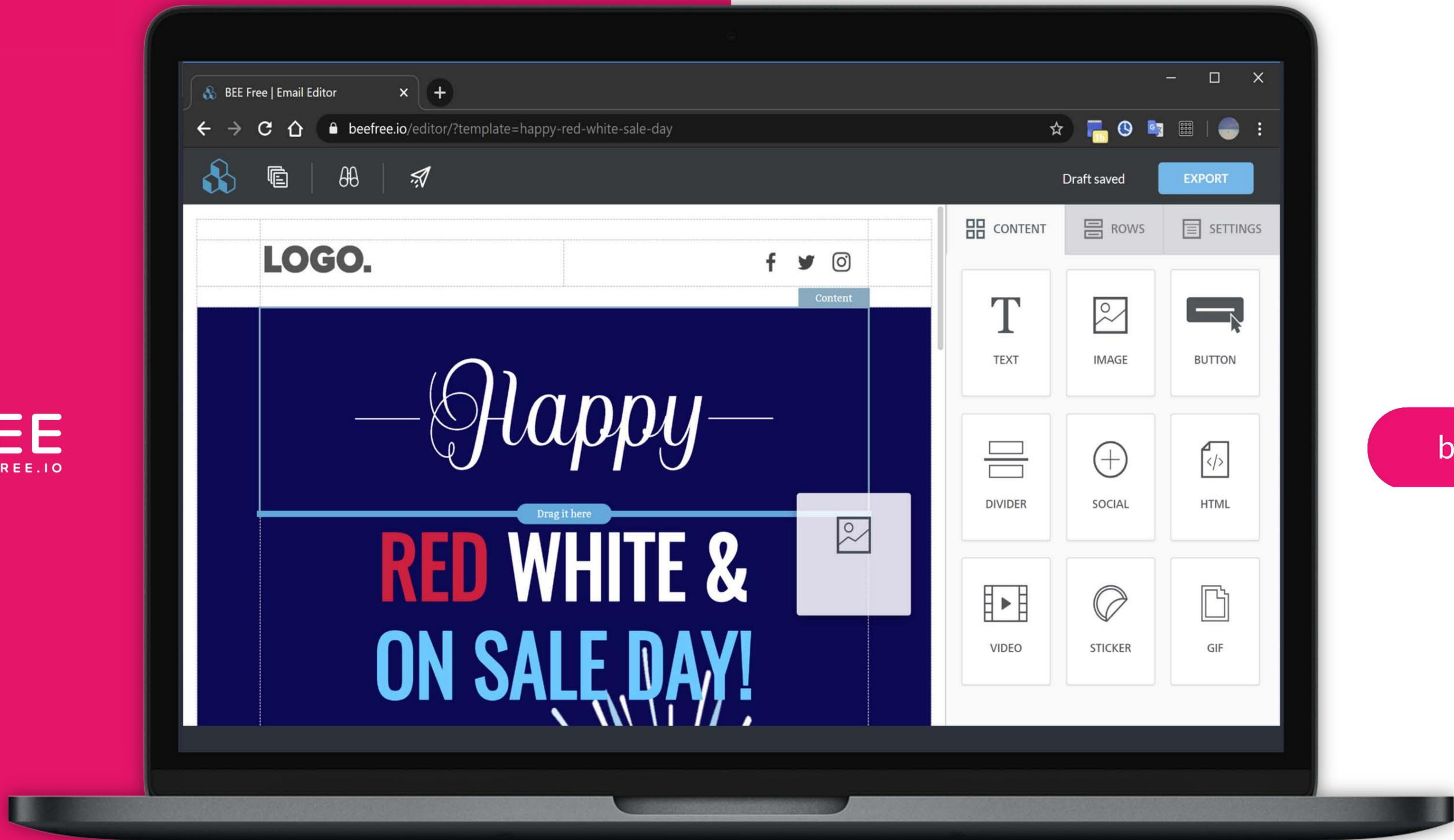


## MISCELLANEOUS



## TRAVEL & HOSPITALITY





# BEE: No-code design democratization

In 2015 BEE was an internal Growens growth hacking experiment. It eventually resulted into a spin-off startup in 2017, based in San Francisco. BEE Content Design Inc. is building on its vision to help democratize content design, with millions of users in 22 languages and from 150+ countries.

## Huge market: 4b people designing content by 2023

- Canva (\$40b evaluation) and Adobe focused on graphics and presentations
- BEE focuses on Emails, Landing pages and Pop-ups



## BEE helps them make content beautiful and fast

A no-code drag-n-drop email and landing page editor, quick and simple available...

...for end users



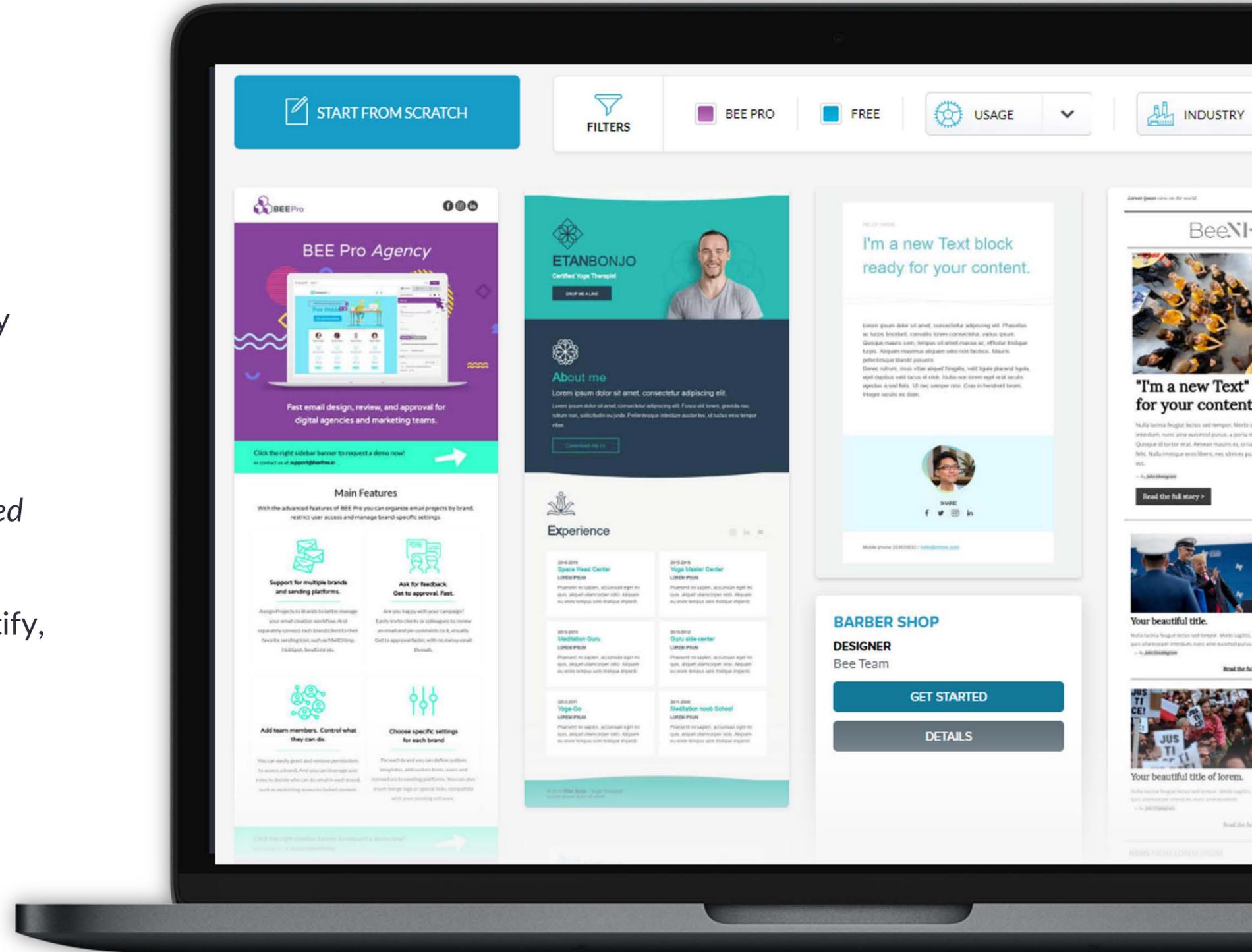
or embeddable in SaaS applications



# BEE Pro

## For Email Designers

- 1000+ templates thanks to a great designers community
- Advanced Co-editing and collaboration features
- Integrated with the main marketing platforms
- Free editor (also a Gmail extension) generates *product-led* growth
- 10,000+ clients including Google, Netflix, Amazon, Spotify, Unicef, Novartis, NBA, Volvo, Bosch, L'Oréal, Disney

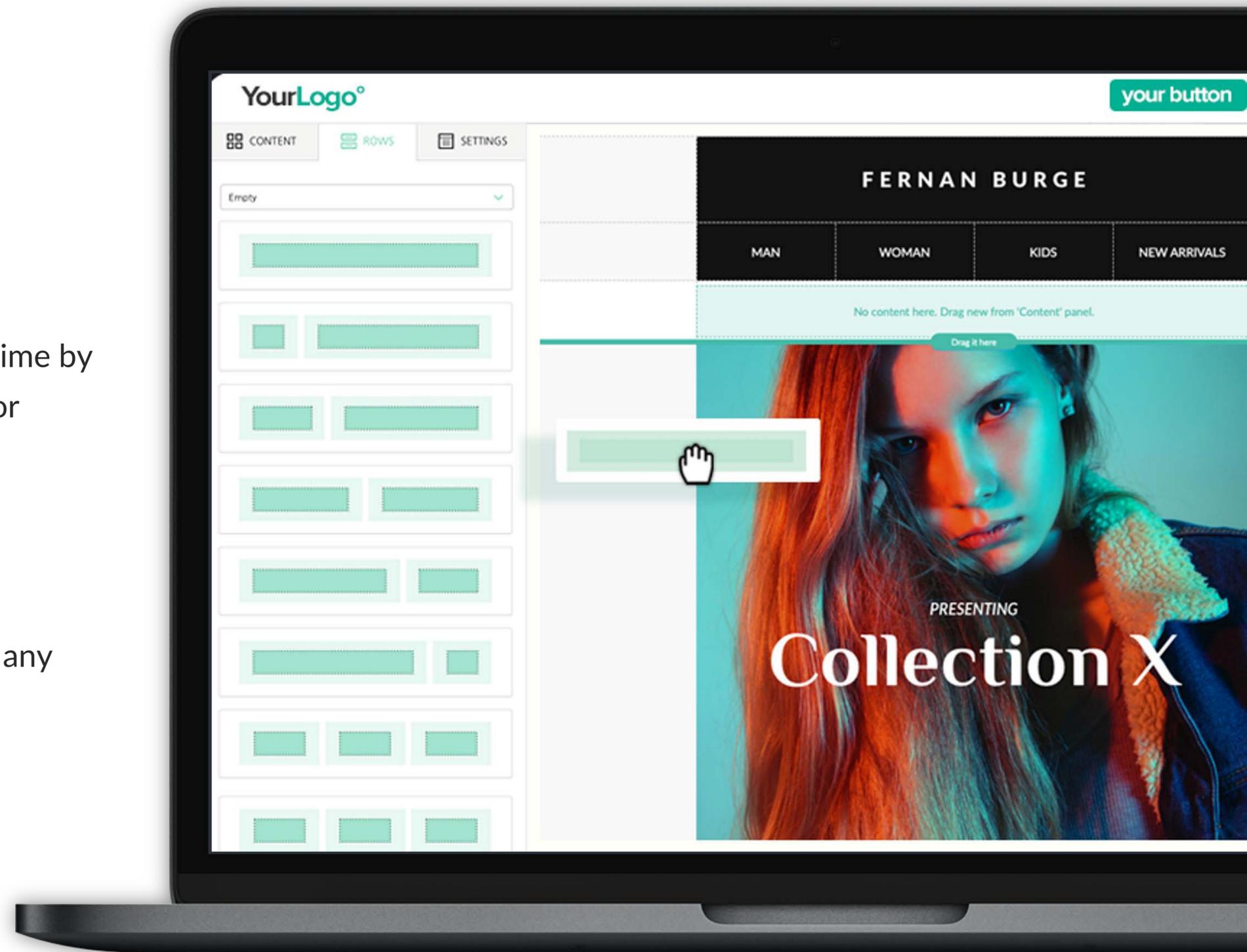


Learn more on YouTube

# BEE Plugin

Embeddable editor for SAAS applications

- A completely customizable editor
- Easy «Make vs Buy» pitch: companies save money and time by embedding BEE vs. building their own drag-n-drop editor
- Clear advantages:
  - Give a content editor users will love
  - Reduce time-to-market & cost, zero maintenance
  - Assure compatibility overtime: no display issues on any device/charset/screen size/email client/browser



Learn more on  YouTube or read the [Interview](#)

**69% of the platforms (9 of 13)  
embedded BEE Plugin**

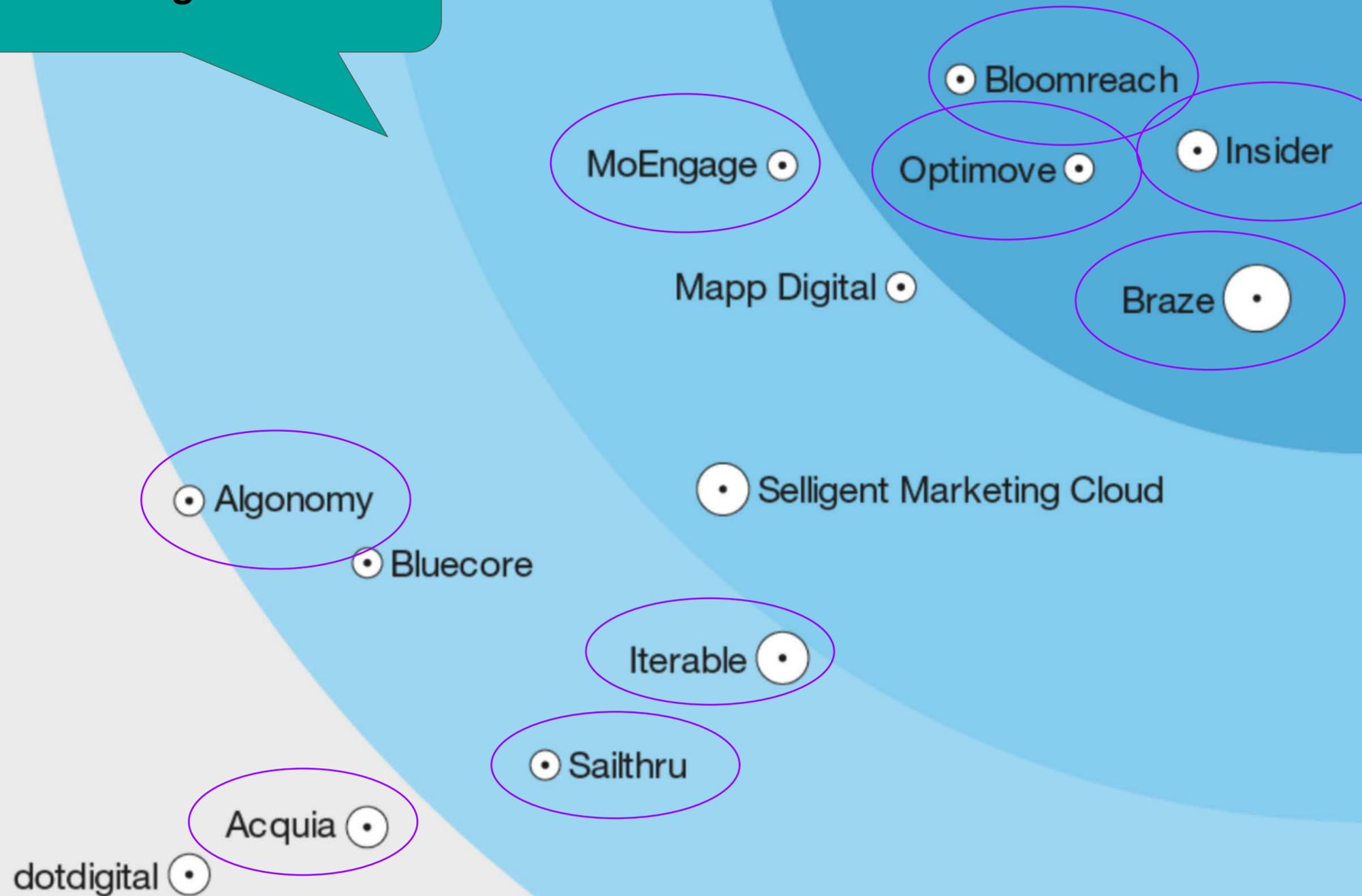
# BEE Plugin

Becoming a standard tool for SAAS

BEE Plugin is used by 1,000+ SaaS companies, with clear market leadership.

BEE is embedded by:

- 46% (6 of 13) of the Email Marketing Service Providers (ref: 2022 Forrester Wave for Email Marketing Service Providers)
- 40% (8 of 20) of the Multichannel Marketing Platforms (ref: 2021 Gartner Quadrant for Multichannel Marketing Platforms)



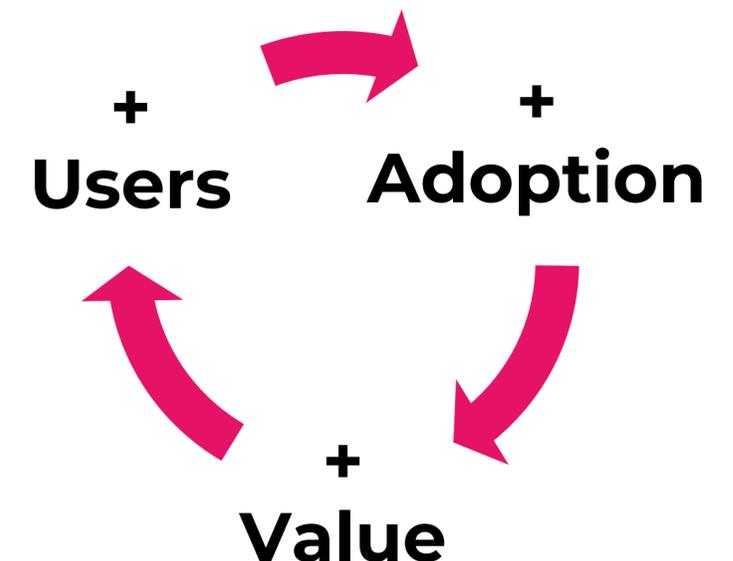
# Indirect Network Externalities

The more users BEE has, the more other sw parties (dynamic images, email validation, asset libraries, assisted content creation...) will find interesting developing connectors or add-ons to BEE. This will enrich more and more BEE itself building a competitive barrier.



## Network effect

Higher value for users is created along with the number of users itself. Collaboration, co-editing, approval workflows, free edition, digital library (email design system) foster the adoption and word-of-mouth. Digital assets are based on a BEE's proprietary Json language that can be translated into HTML only through BEE's APIs. **Becoming the standard:** in 2021 BEE was used 56m times across 1,000+ different SaaS platforms.



# Business unit highlights: BEE

## Company

---

- MailUp spin-off in 2017
- Business team and IP in USA + tech team in Italy
- 10,000+ Clients, from freelancers to large corporations, 50% in North America
- Ca. 650,000+ free users
- 70+ employees

## Competition

---

- #1 player worldwide
- Few players, mainly start-ups and followers of BEE
- Upmarket: companies focused on enterprise clients: Stensul, Knak

## Strategy

---

- Growth: to become the world leading standard for email and landing page creation
- Leverage the free version to expand globally and a new enterprise offering to maximize the value creation

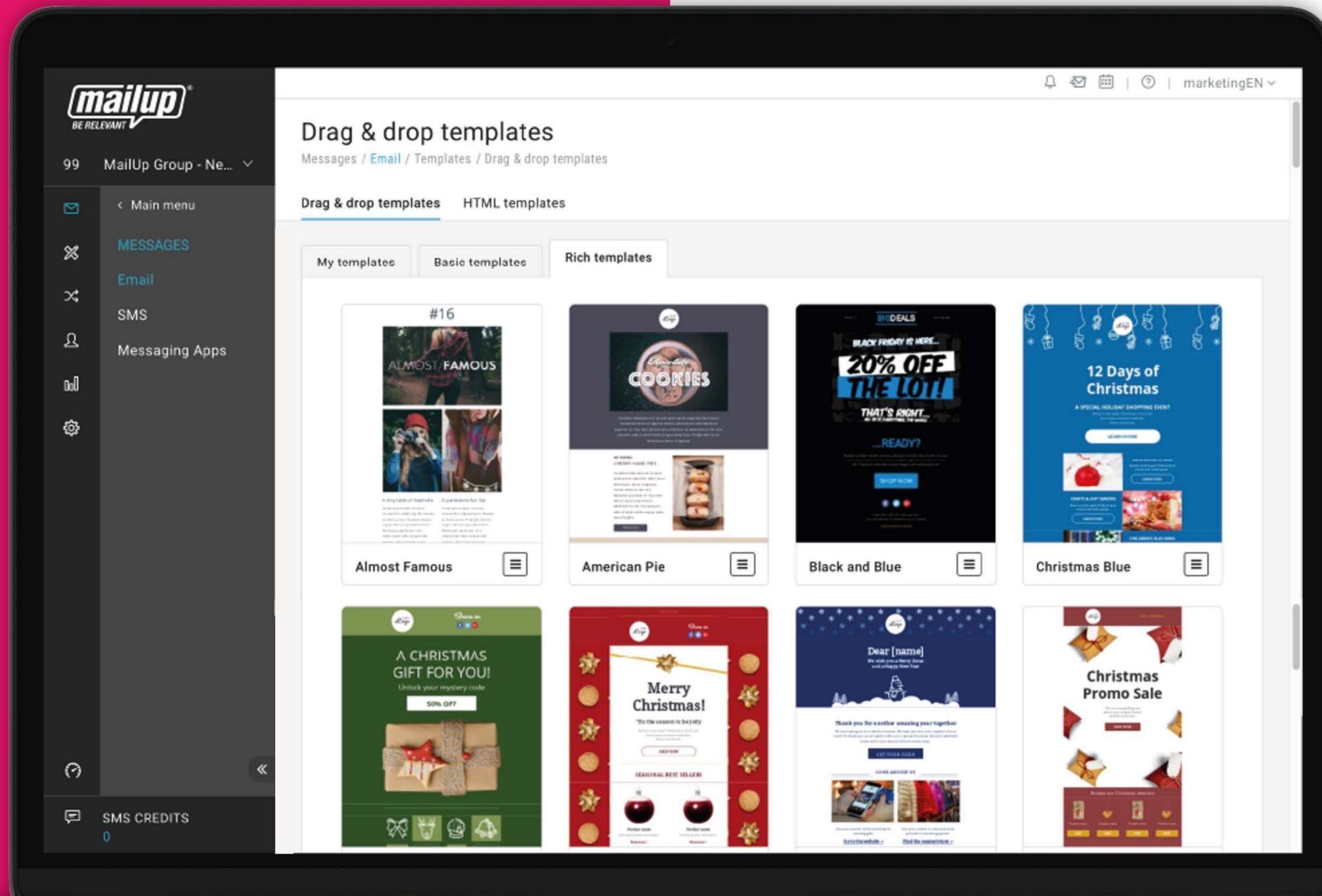
## KPIs

---

- ARR: \$11m (+27%)
- Net Rev. Retention: 107%
- LTV BEEPro: \$1.055
- LTV BEEPlugin: \$49,505
- Payback period: 11 months
- NPS: 57
- Recurring revenues: 99%
- EBITDA: 2%
- Gross Margin: 72%

KPI data as of December 2022

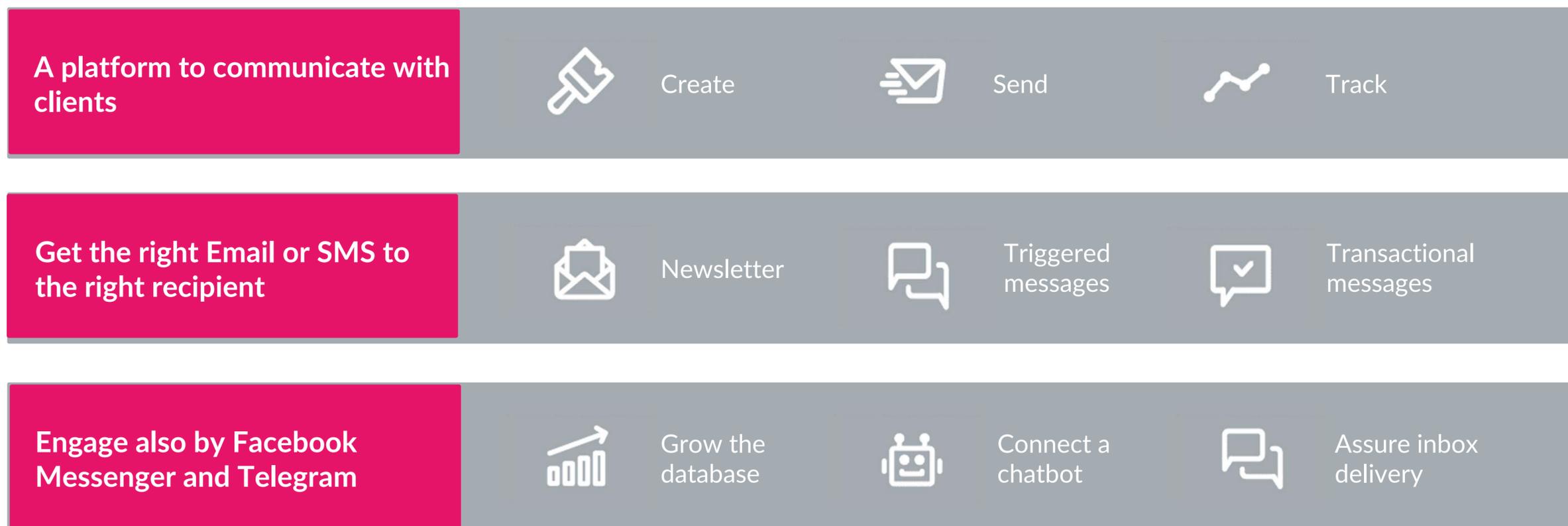
Source: Company financial statements and elaborations



# MailUp: the multichannel marketing solution

Bootstrapped email service provider vendor in 2002, it soon evolved to a top-quality multichannel cloud platform. It is now the leading solution in Italy, serving both SMEs and large companies.

IPO in the AIM market (now Euronext Growth Milan) in 2014, it evolved into MailUp Group in 2017 and later into Growens.



# Business unit highlights: MailUp + Contactlab

## Company

- Bootstrapped, always profitable
- 9,600 clients in 50 countries, from SME to large corporations
- 1bn unique email addresses managed, 22b emails sent per year
- Unique proprietary SaaS platform to deliver customised marketing campaign and data analysis
- 150+ employees

## Market

- #1 in Italy
- Among top 5 players in Latam countries
- One of ~300 players worldwide, among which only a few support both Email & SMS
- Professional service expertise in customer engagement

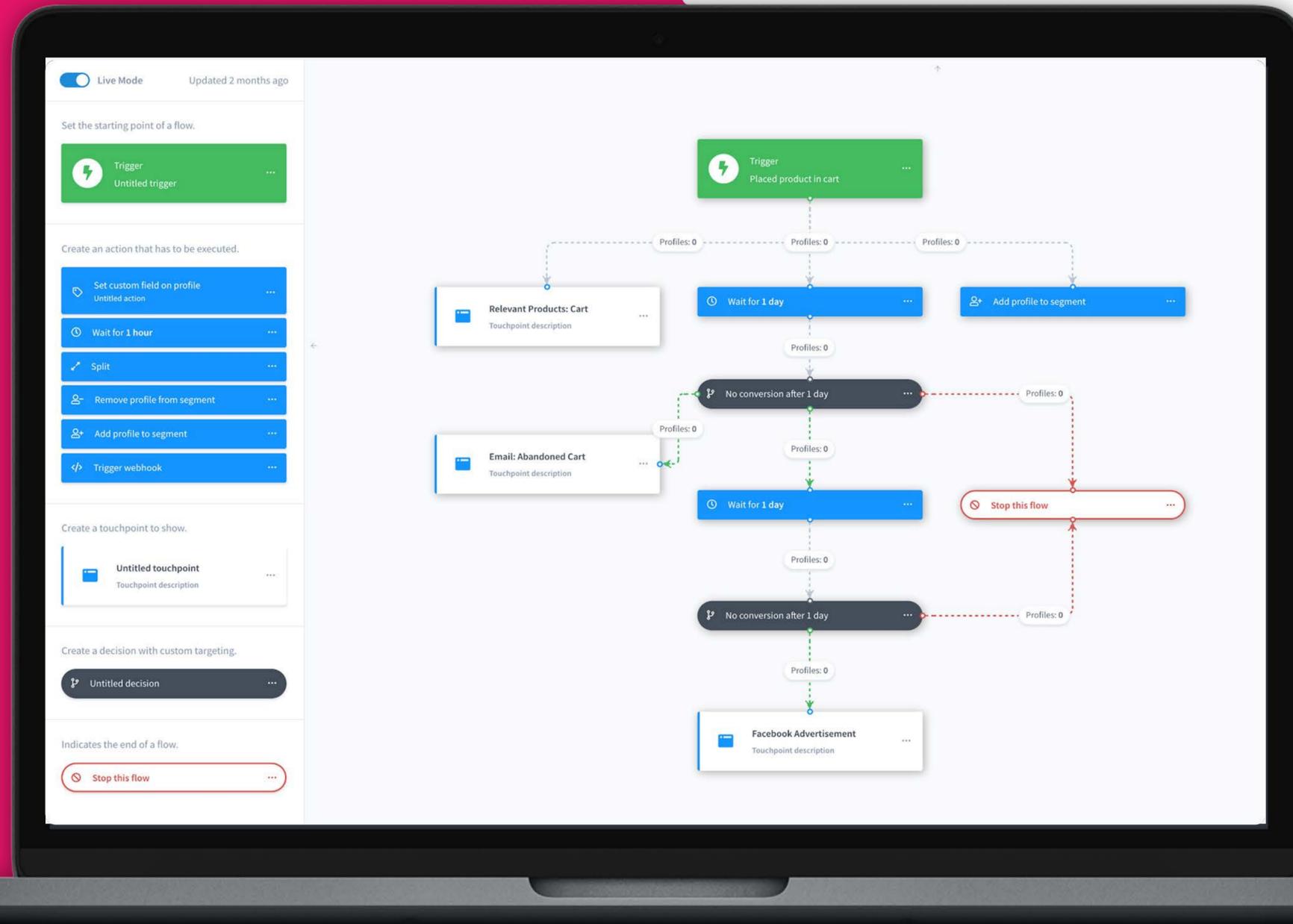
## Strategy

- Strengthen market position in Italy and Latam
- Improve EBITDA margin & cash flow
- Leverage the indirect channel to expand (currently around 10% of sales)
- Exploit synergies to create value for shareholders

## KPIs

- ARR: €15.3m (+33%)
- Net Rev. Retention: 94%
- LTV: €9,846
- Payback period: 32 months
- NPS: 39
- Recurring revenues: 57%
- EBITDA: 10%
- Gross margin: 58%

KPI data as of December 2022, including Contactlab  
 Source: Company financial statements and elaborations



[datatrics.com](https://datatrics.com)

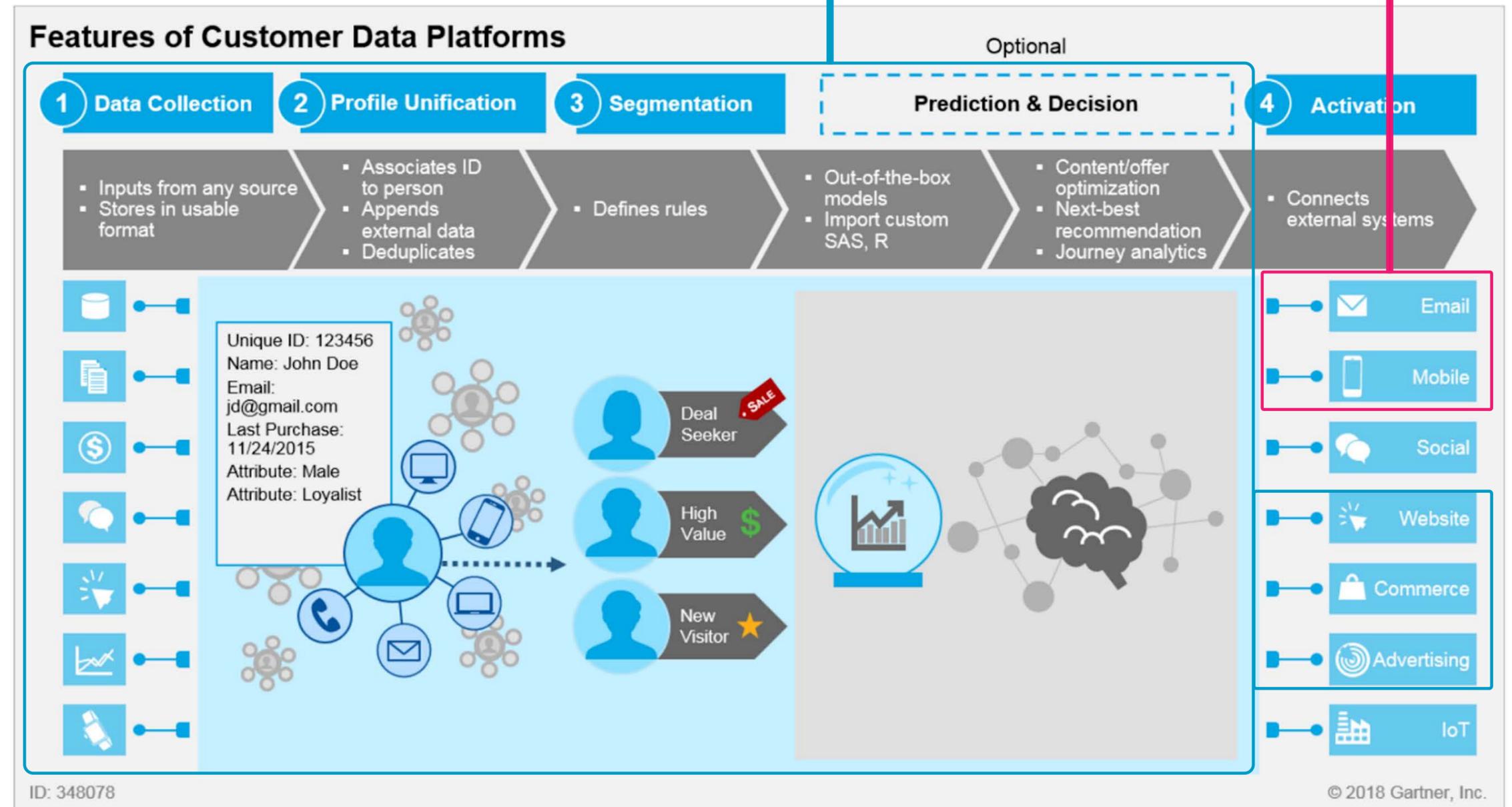
# Datatics

## AI-powered actionable Customer Data Platform (CDP)

Enables mid-sized marketing teams to increase conversions using AI-powered technology to unify marketing data, segment audience and connect each customer with the right messages at the right moment

Datatics areas of expertise

MailUp areas of expertise



# 1) Data collection

Data is automatically collected, structured and cleaned from different channels and brought together in one place

Easy adoption thanks to **150+ plug-and-play connectors** with the most used marketing tools

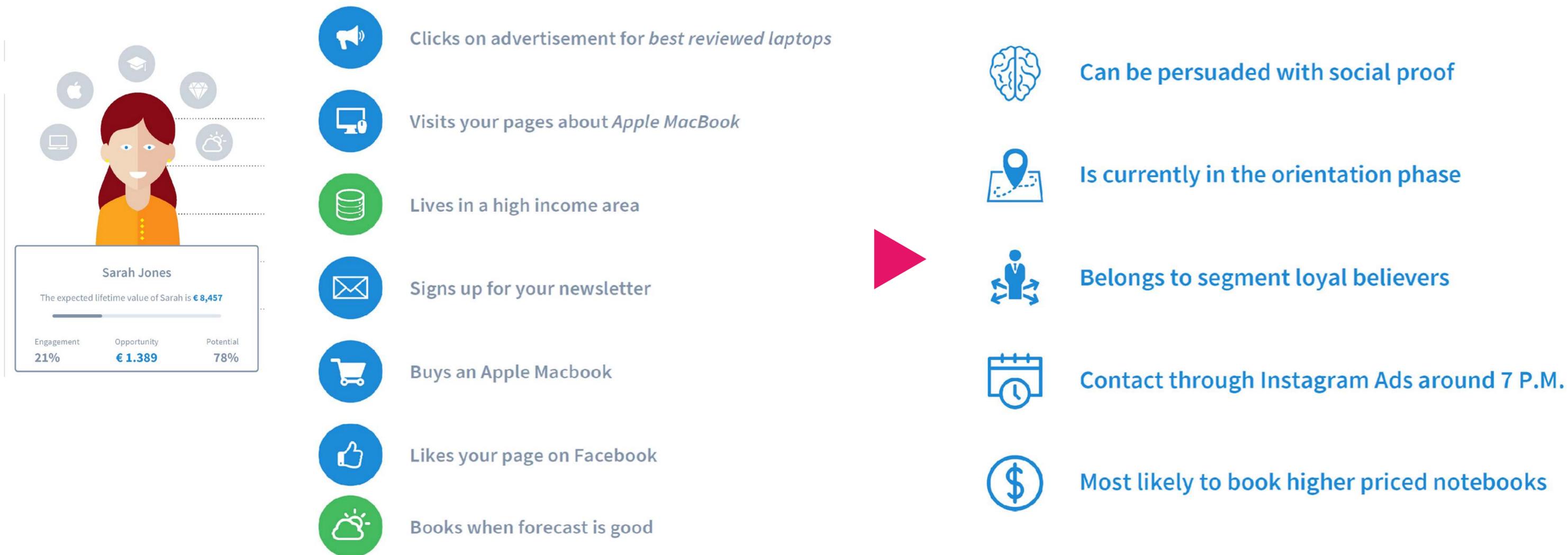
Connect your internal data sources

Connect external data sources



# 2) 360° customer profile and prediction

Unified customer profiles show personal details and preferences of each unique visitor, with continuously optimized predictions using Artificial Intelligence



# 3) Hyper-personalization

The system will meet customers and prospects when, where and how they want to be met, with the best relevant content that maximizes the conversion rate



Orientation  
**Comparison**  
 Decision  
 Evaluation  
  
 Loyal customer  
**Persuade with social proof**

**Advertising**

retailtrics.com/acer-chromebook-14

RetailTrics

Acer Chromebook 14  
 CB3-431-C5K7

This notebook was sold 5 times today



Buy Now!

---

Most popular notebook



Apple MacBook Air 13,3 inch  
 View Product →

**Website**  
 Embedded Content

**Email**

retailtrics.com/acer-chromebook-14

RetailTrics

Acer Chromebook 14  
 CB3-431-C5K7

Don't miss this offer. Only 3 left!



Buy Now!

---

- ✓ Highest score on Tweakers.net
- ✓ Beautiful Full-HD screen
- ✓ Most compact notebook



Orientation  
 Comparison  
**Decision**  
 Evaluation  
  
 Single minded customer  
**Persuade with scarcity**

Learn more on  **YouTube**  
 or read the [Story](#)

# Business Unit highlights: Datatrics

## Company

- Fast-growing startup acquired in the Netherlands in 2018
- 28 employees
- 270+ clients, typically SME with ecommerce website
- 50% revenues generated by Partners (Digital Agencies)

## Competition

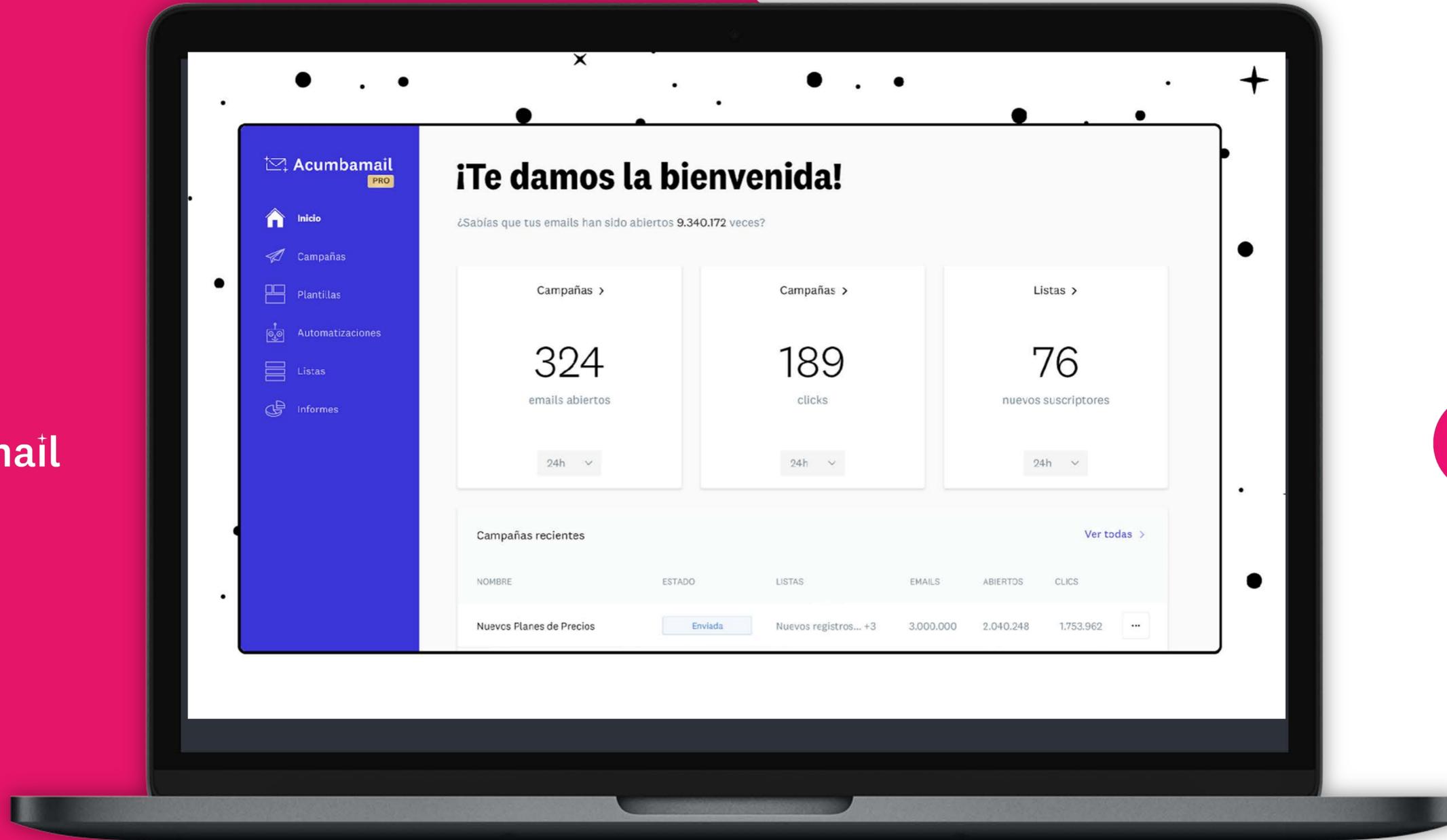
- Mid-market positioning where large US players (Adobe, Salesforce, Acoustic) focus on enterprise clients
- #1 player in the Netherlands
- Ca. 100 competitors worldwide, mostly VC-backed startups (Blueconic, Agillic)
- More advanced than traditional personalization engines (Barilliance, Dynamic Yield, Clerk.io)

## Strategy

- Self-provisioning, freemium and local partnerships to expand in Europe and Latam

## KPIs

- ARR: €2.2m
- Growth: -10%
- Net Rev. Retention: 77%
- LTV: €13,916
- Payback period: 51 months
- EU-NPS: 47
- Recurring revenues: 100%
- EBITDA: -69%
- Gross Margin: 46%

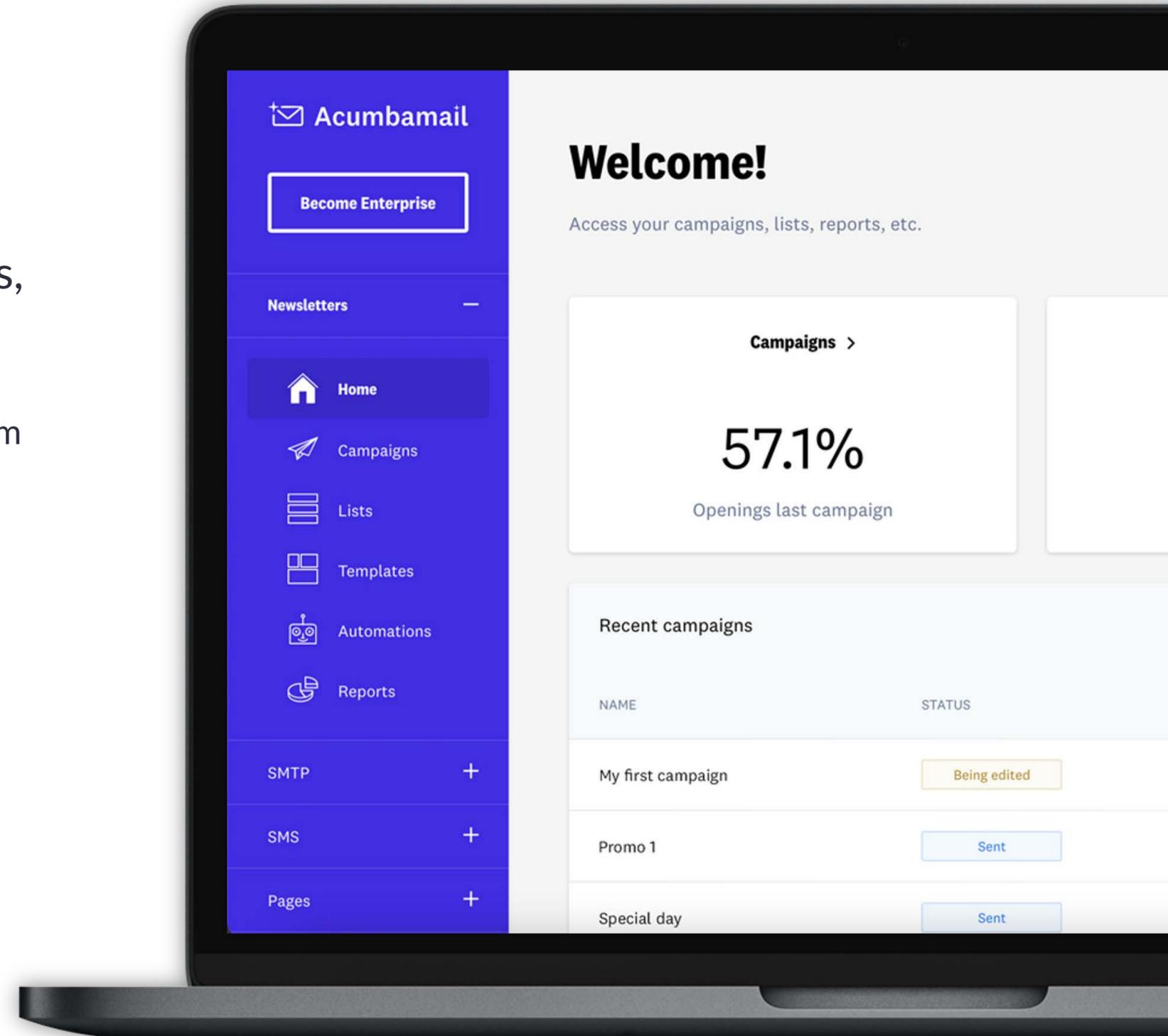


# Acumbamail

Bootstrapped self-provisioning software platform for micro and small companies to manage email newsletters, SMS campaigns and marketing automation

Founded in 2013 in Spain, Acumbamail's offering is based on a freemium model managed by a very lean and efficient organization

Learn more on  **YouTube**



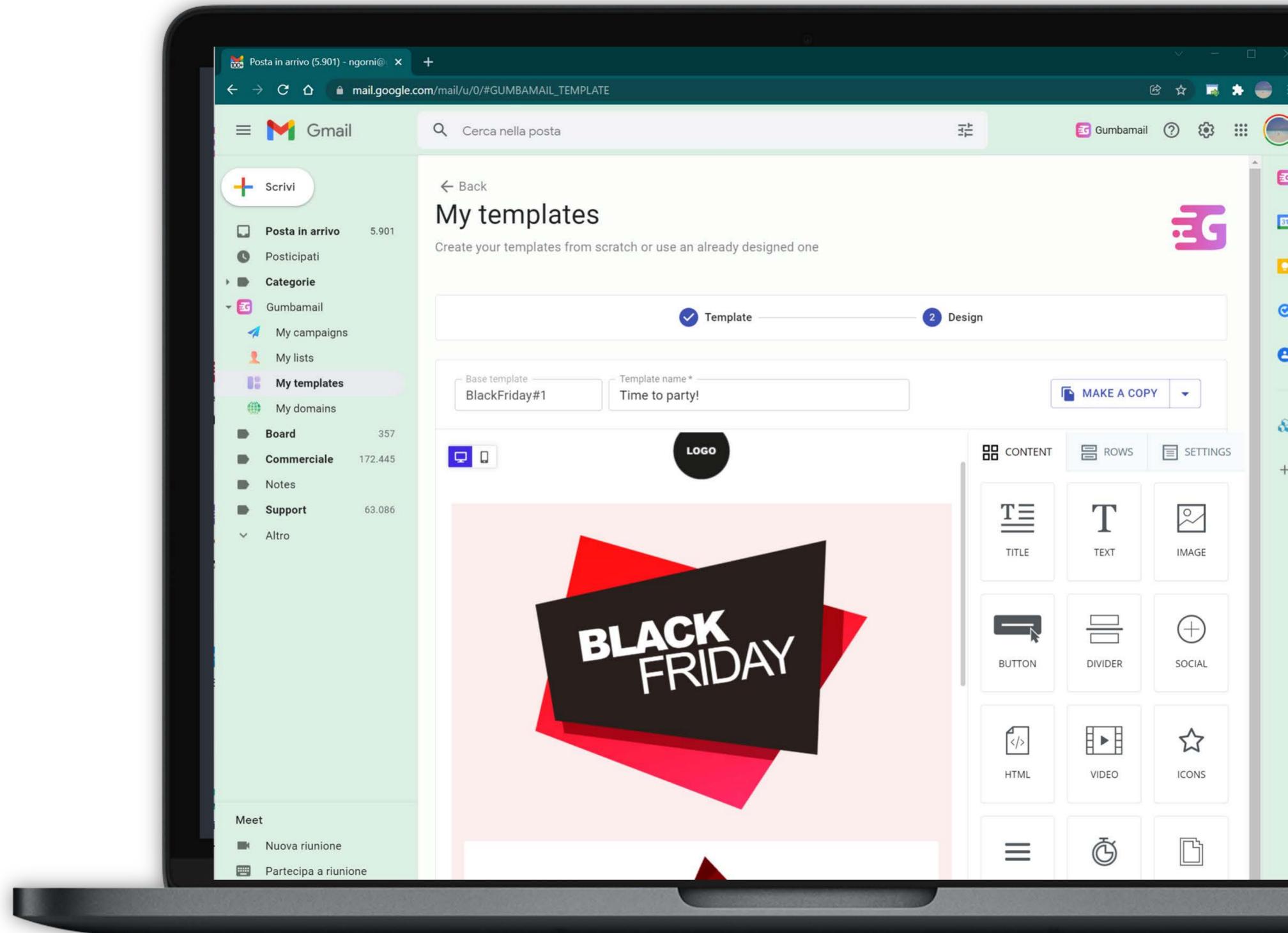
# Gumbamail by Acumbamail

New product launched in 2021  
Transforms Google Gmail into an email marketing platform

Extends Gmail functionalities with mail merge feature (i.e. Dear [name]) and unlimited deliveries per day

[gumbamail.com](https://gumbamail.com)

Learn more on  **YouTube** or read the [Story](#)



# Business Unit highlights: Acumbamail

## Company

---

- Fast-growing startup acquired in Spain in 2015
- 13 employees
- 3,500+ SME clients and 140,000+ free users, mainly in Spain and Latin America

## Competition

---

- Market leader in Spain
- Ca. 400 competitors worldwide, from small startups to very large ones like Mailchimp or Sendinblue

## Strategy

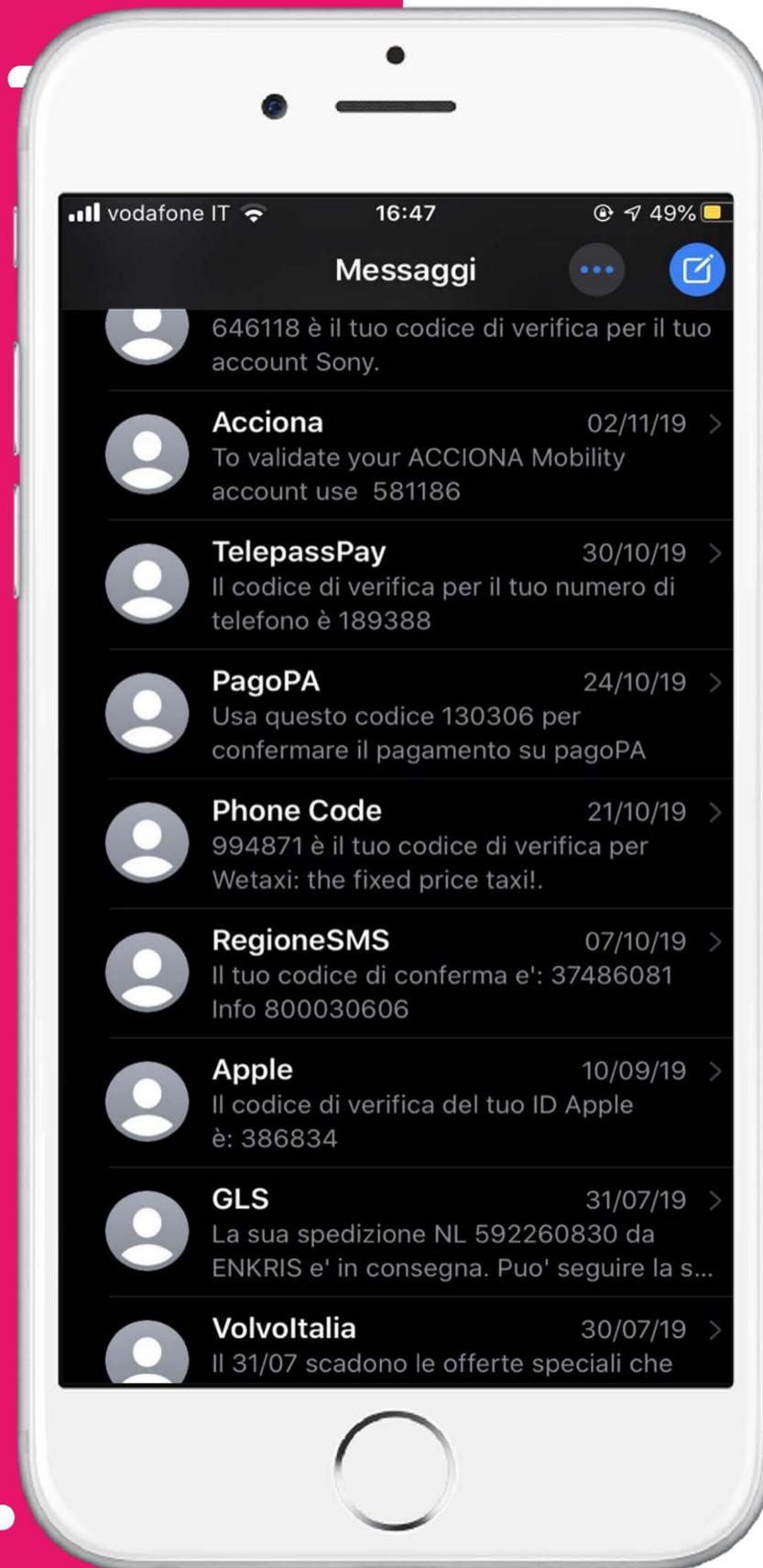
---

- Keep the healthy pace by leveraging platforms and marketplaces like:
  - Google Gmail (Gumbamail extension)
  - WHCMS (web hosting management and billing software)
  - Appsumo (digital marketplace for entrepreneurs)
  - New features to drive expansion

## KPIs

---

- ARR: €2.1m (+14%)
- Net Rev. Retention: 88%
- LTV: €1,399
- Payback period: 9 months
- NPS: 57
- Recurring revenues: 73%
- EBITDA: 19%
- Gross Margin: 87%



[agiletelecom.com](http://agiletelecom.com)

# CPaaS specialized in A2P messaging

Founded in 2001 in Italy as an outright wholesale SMS factory, Agile Telecom is a telecom provider that offers SMS delivery for both promotional and transactional messages: One-Time Password/Alerts etc.

Its numerous direct connections with carriers and operators globally as well as its proprietary technology ensure optimized delivery of top-quality messaging



# Agile Telecom: the wholesale A2P messaging gateway



 **Telecom provider** (OLO - Licensed Operator) offering wholesale A2P (Application-to-person) SMS delivery with 370 direct connections with mobile carriers around the world, from British Telecom to Vodafone Europe

 **SMS has 98% open rate**, 90% of texts are read within 30 minutes. Source: Text Anywhere, Gartner, EZ Texting.

 Specialized in low-latency **transactional messages** (One-time password, alerts, notifications...)

 In-house proprietary technology for **SS7 protocol** (carrier-grade standard) and dynamic adaptive routing

# Business unit highlights: Agile Telecom

## Company

---

- Acquired in 2015 for €8m (1x EV/Sales), profitable since year one
- 16 employees
- 370+ direct connections

## Competition

---

- #1 Italian player with ~2b SMS sent yearly
- Price leadership thanks to complete coverage, scale economies and proprietary technology

## Strategy

---

- Consolidate the Italian market leadership, focus on margins
- Expand coverage through agreements with Mobile Carriers in other European and emerging countries

## KPIs

---

- 340+ wholesale clients
- 2.2bn messages sent
- Revenues: €68m (+43%)
- Gross Margin: 8-10%
- EBITDA: 3%

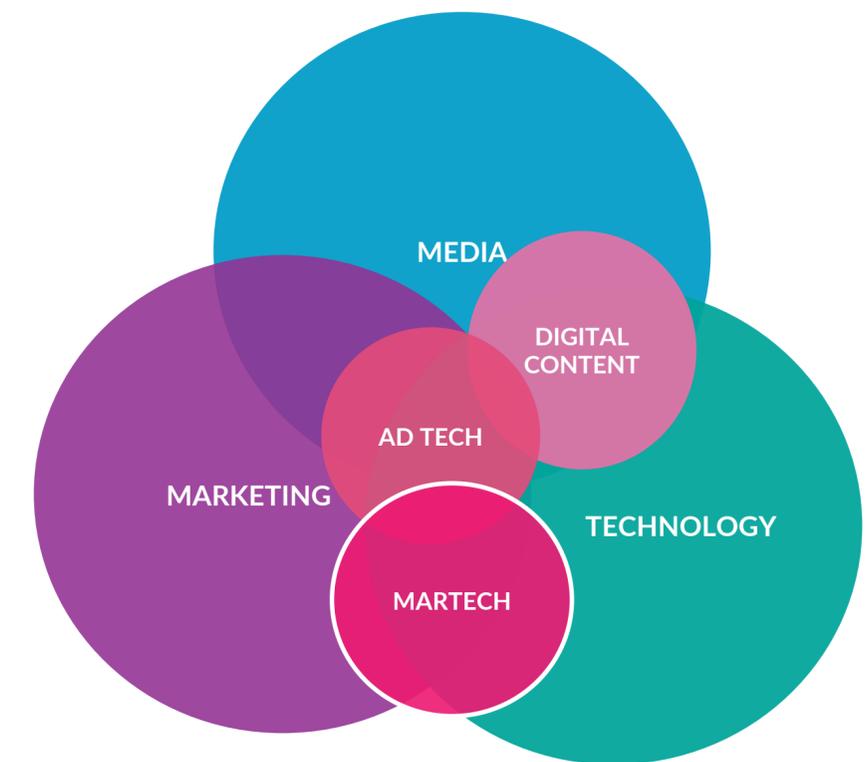
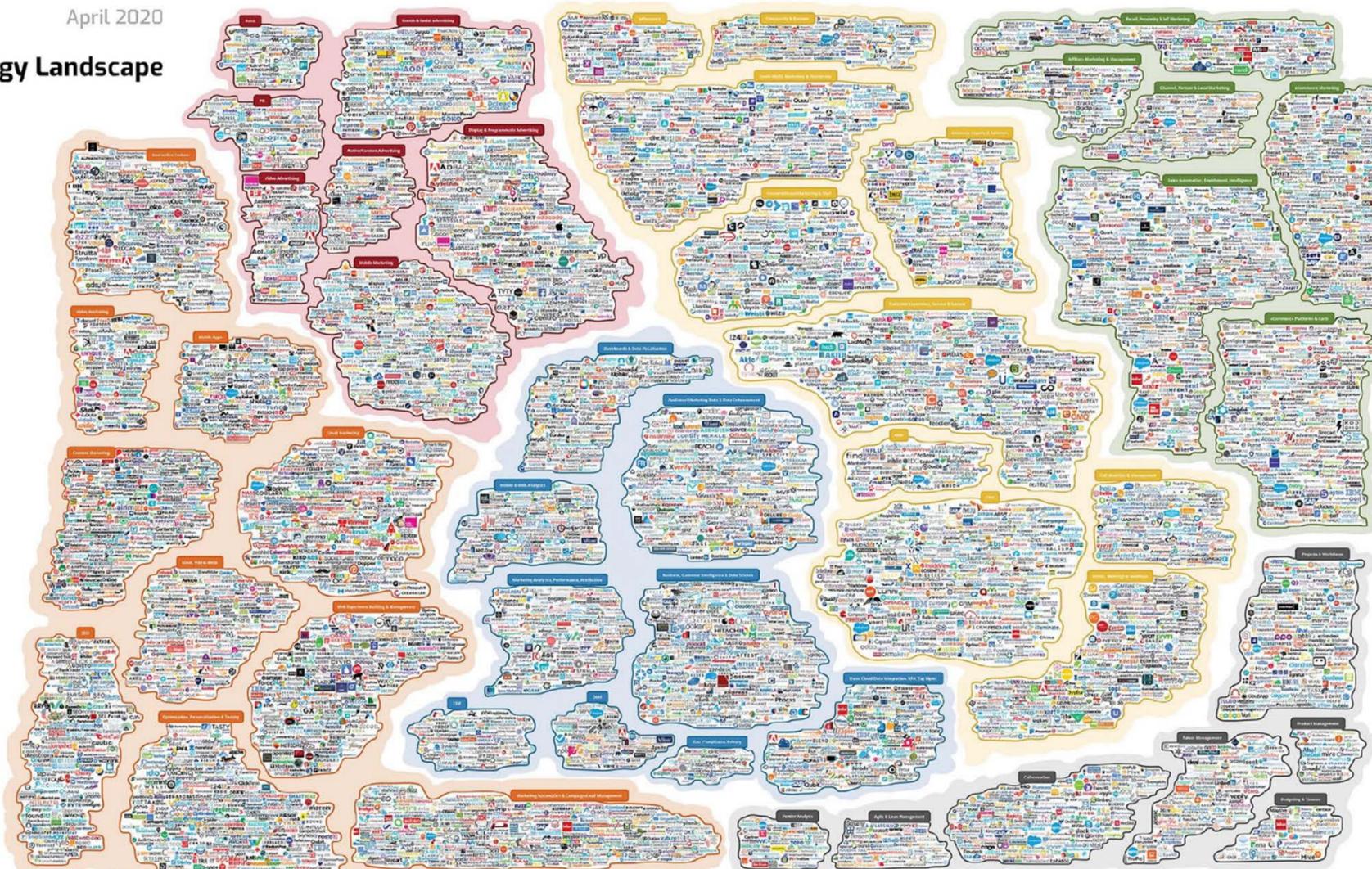
# The competitive landscape

chiefmartec.com April 2020

## Marketing Technology Landscape The Martech 5000

|                         |       |
|-------------------------|-------|
| Total Solutions         | 8,000 |
| Advertising & Promotion | 922   |
| Content & Experience    | 1,936 |
| Social & Relationships  | 1,969 |
| Commerce & Sales        | 1,314 |
| Data                    | 1,258 |
| Management              | 601   |

Access all the data of this landscape & more at [martech5000.com](http://martech5000.com)



Growens positioning is in MARTECH

Source: LUMA's Focus on Digital Media & Marketing

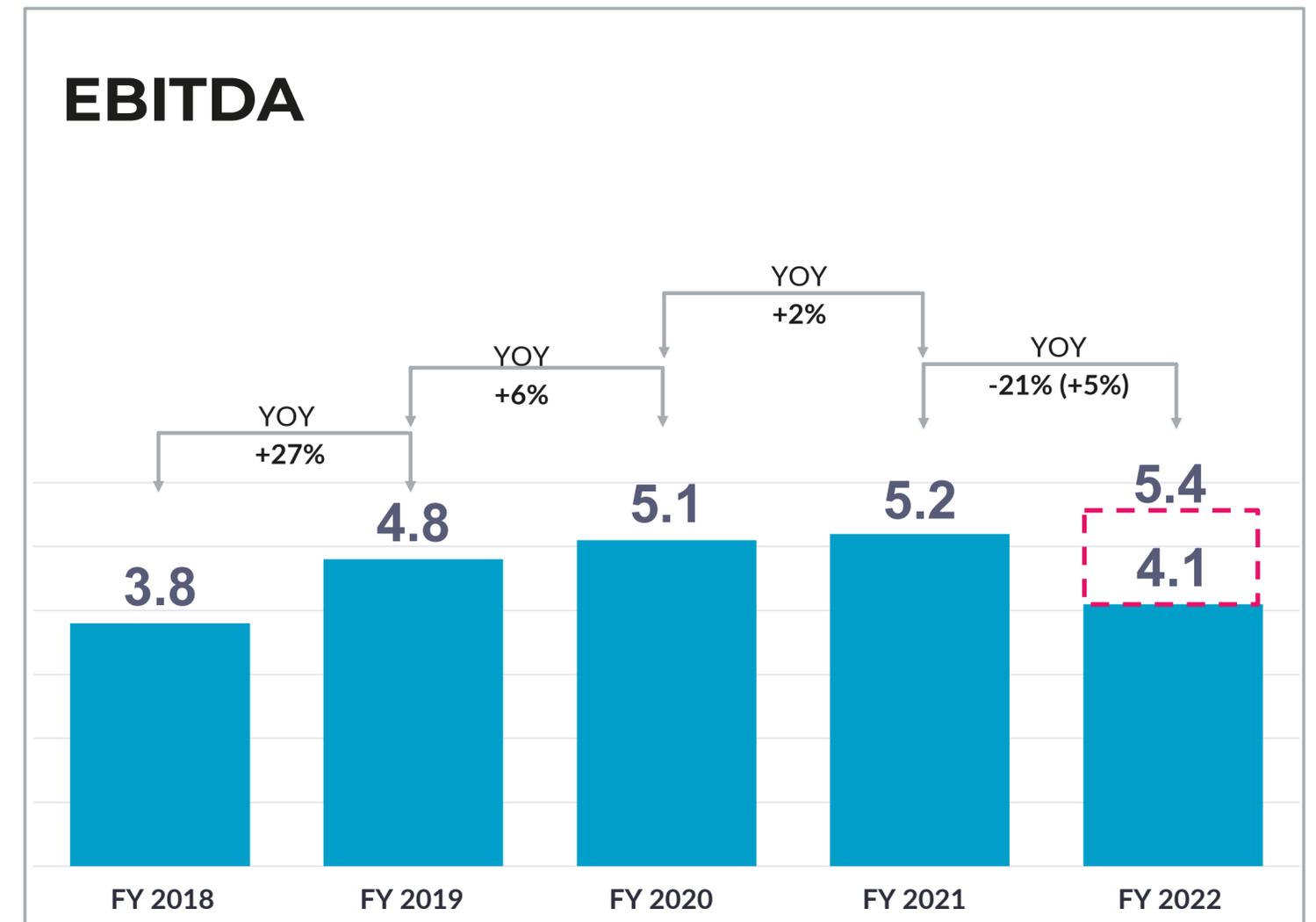
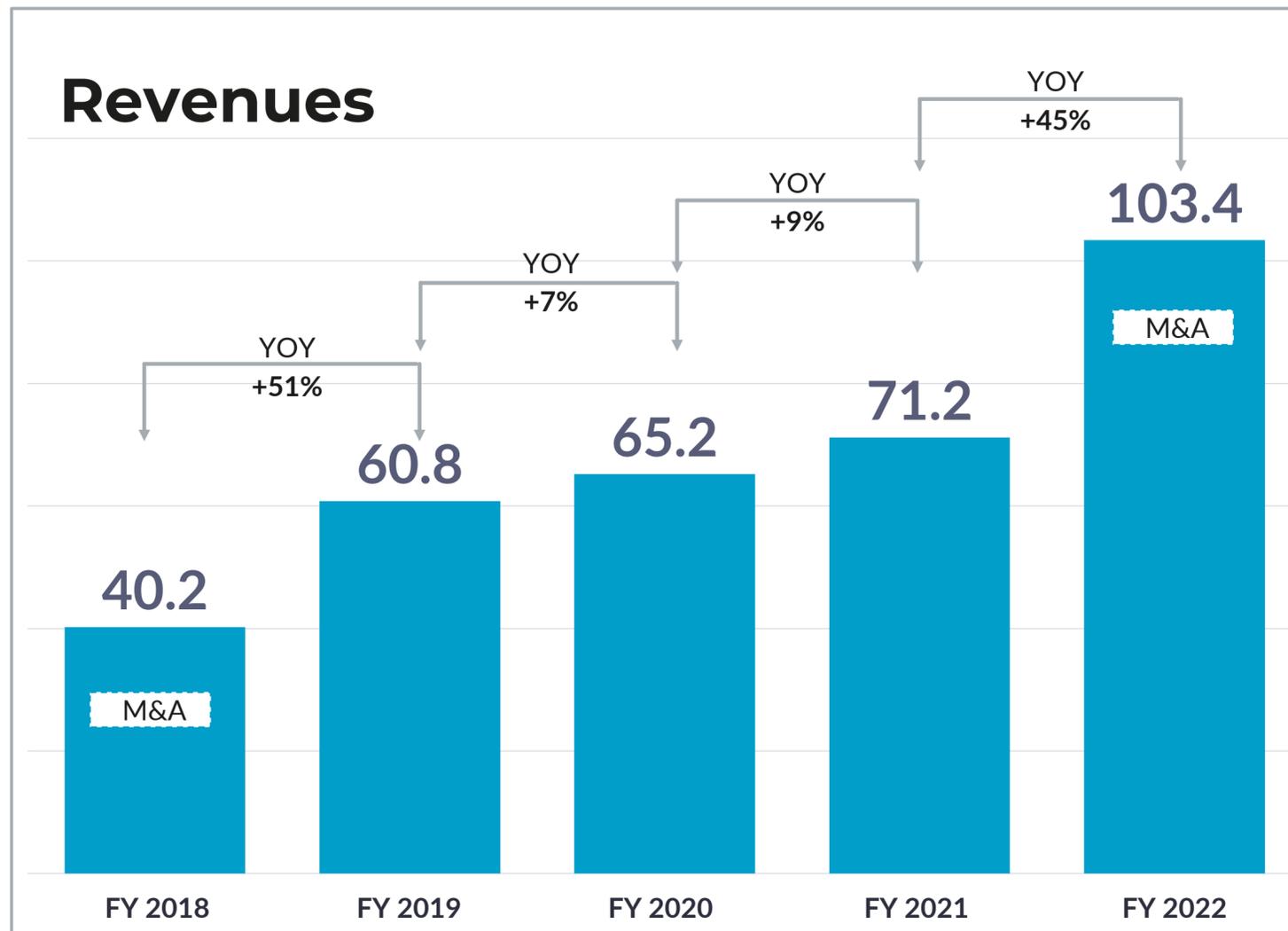
Copyright: © 2020 Marketing Technology Media, LLC. See <https://chiefmartec.com/2020/04/marketing-technology-landscape-2020-martech-5000/> for details and sources.

Produced by Scott Brinker (@chiefmartec) and Blue Green Brands (@bluegreenbrands).

# Main competitors / comparables

|        | MailUp / Acumbamail   | Agile Telecom  | Datatrics   | BEE   | Growens Group  |
|--------|---|--|---|---|--|
| Italy  | <br>  |  *<br><br><br><small>Powered by link mobility</small>   | <br><small>Know your Customer, Enjoy the Experience</small><br> *   | <b>BEE Pro (for email designers)</b><br><br>  |  *  |
| Europe |  *<br><br><br><br><br>  |  *<br><br> *<br><br> *<br>  | <br><br><br><br><br><br><br><br><small>EMBRACING DATA</small>   | <br><br><br><br><br><br> |  *<br>   |
| Others | <b>Latin America</b><br><br><br><b>Rest of the World</b><br><br><br><br> *<br><br><br> | <br><br><br> *<br><br> | <br><br> *<br><br><br><br><br><br> * | <b>BEE Plugin (for developers)</b><br><br><br><br>  | <b>ADDNODE GROUP*</b><br> *<br><br> |

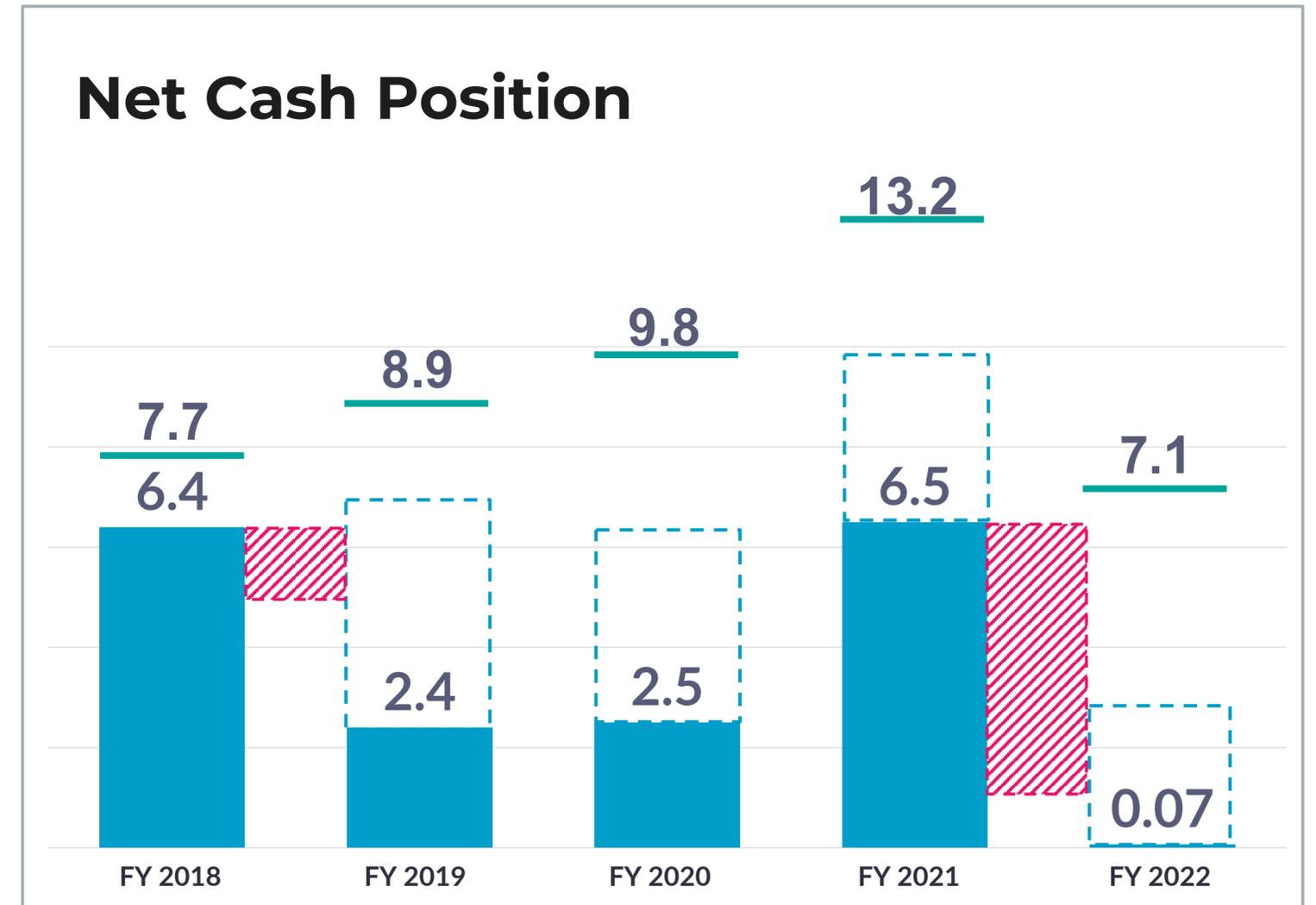
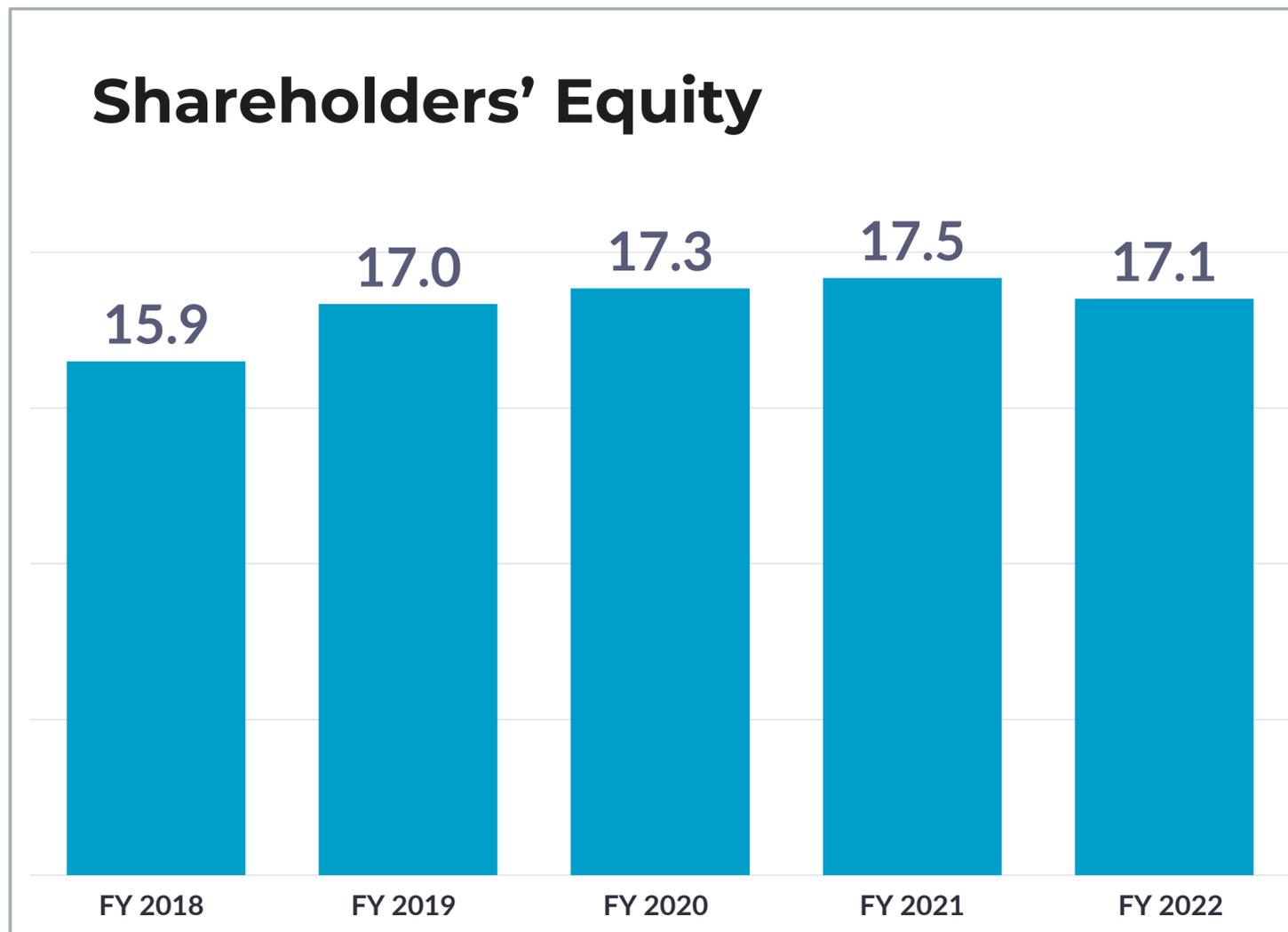
# P&L FY 2018-2022



CONTACTLAB consolidated from May 2022  
Data in €m

ADJ EBITDA for 2022  
one-offs (Contactlab's  
acquisition costs  
+HR extra costs)

# Balance Sheet FY 2018-2022

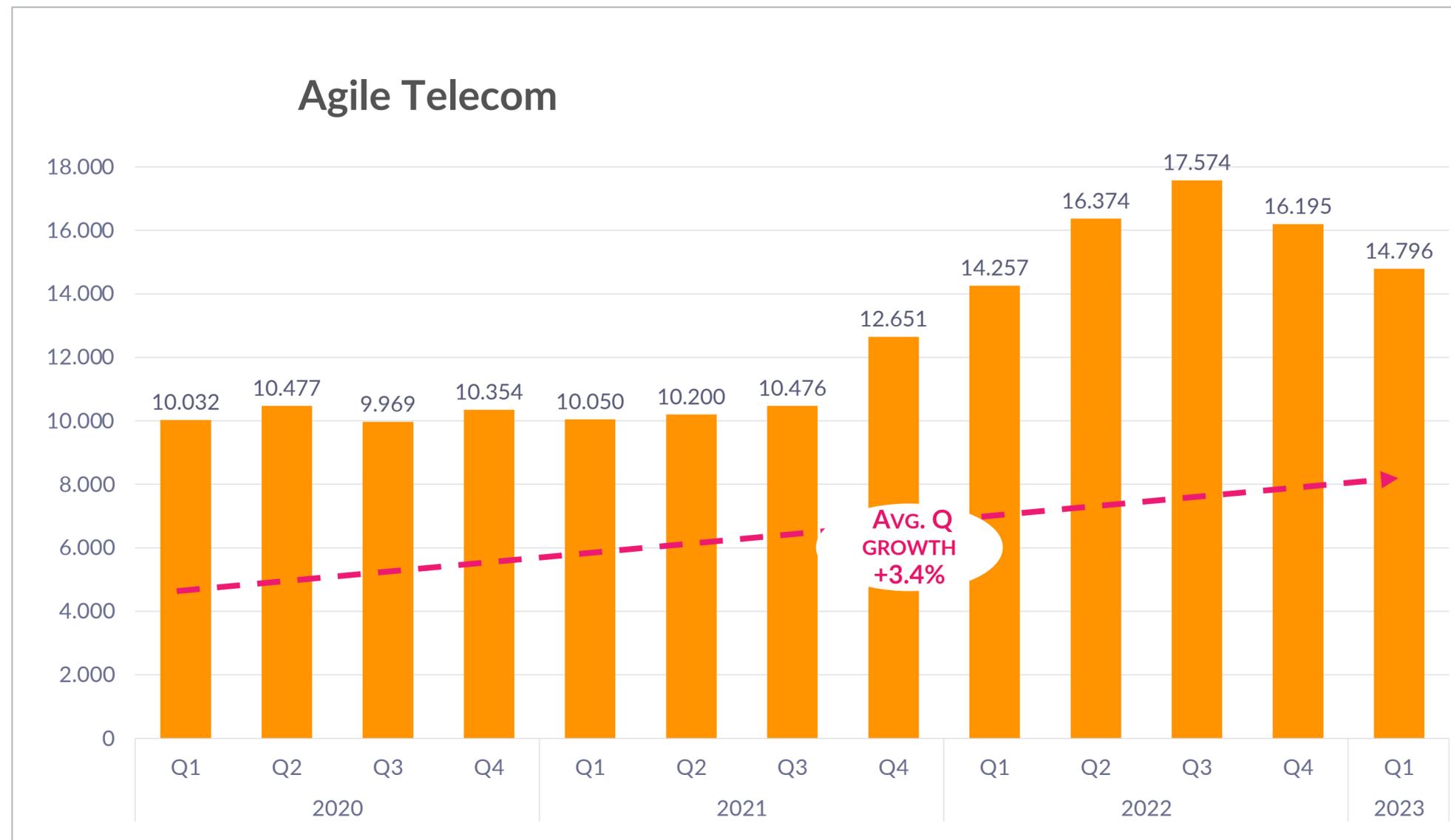


Acquisitions-related cash out

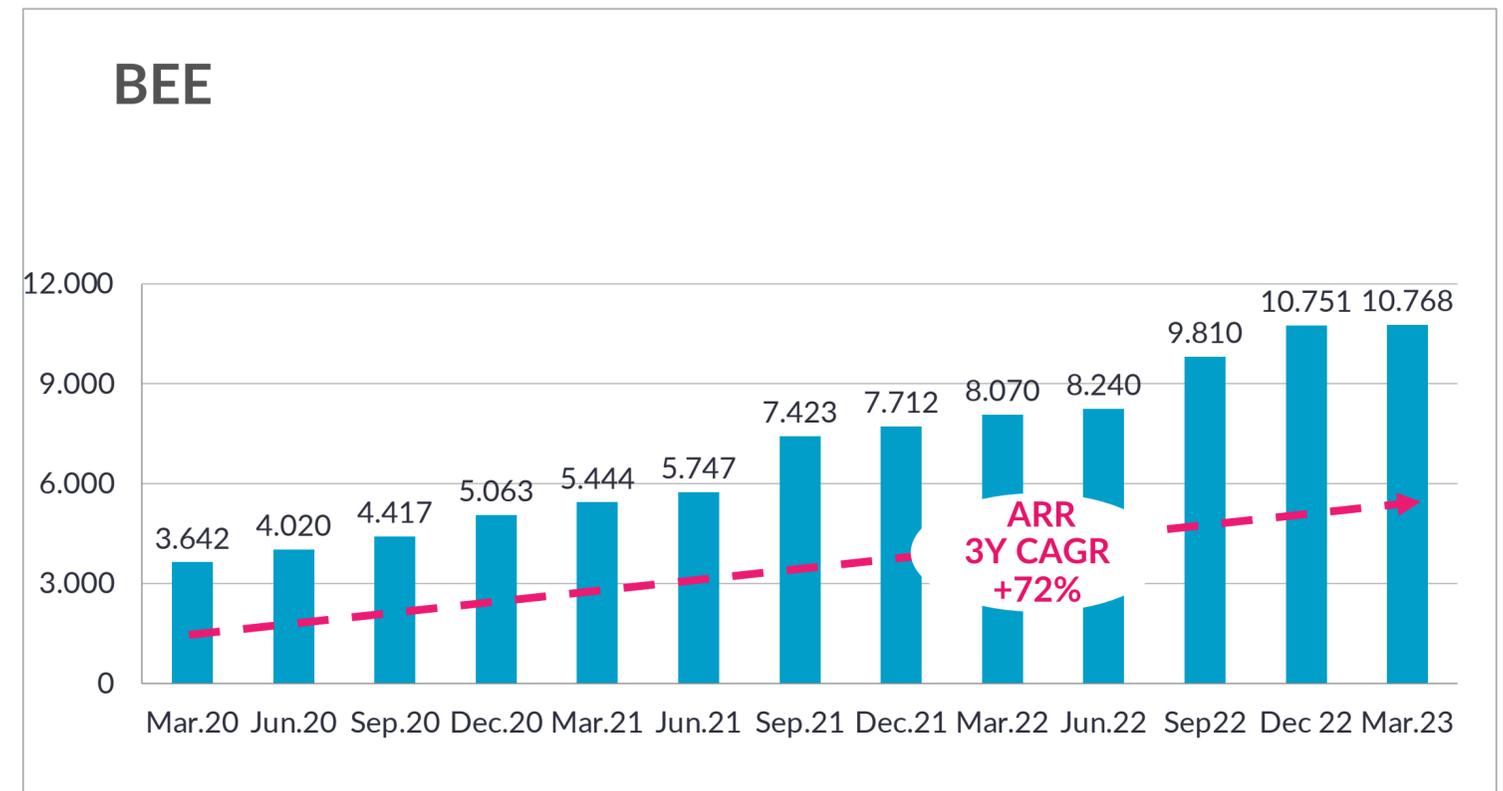
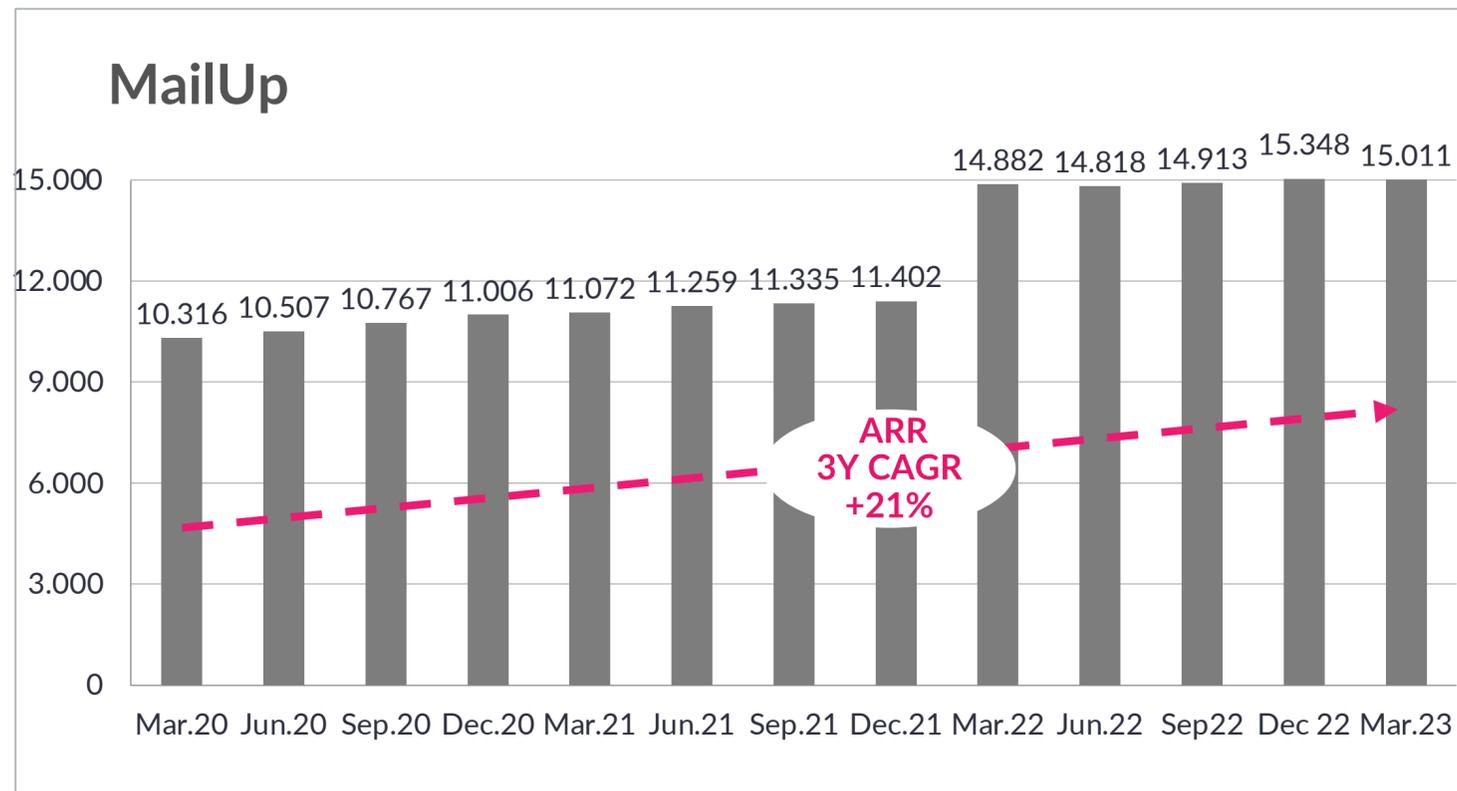
NFP gross of IFRS16 effect

Liquidity (cash)

# CPaaS quarterly sales

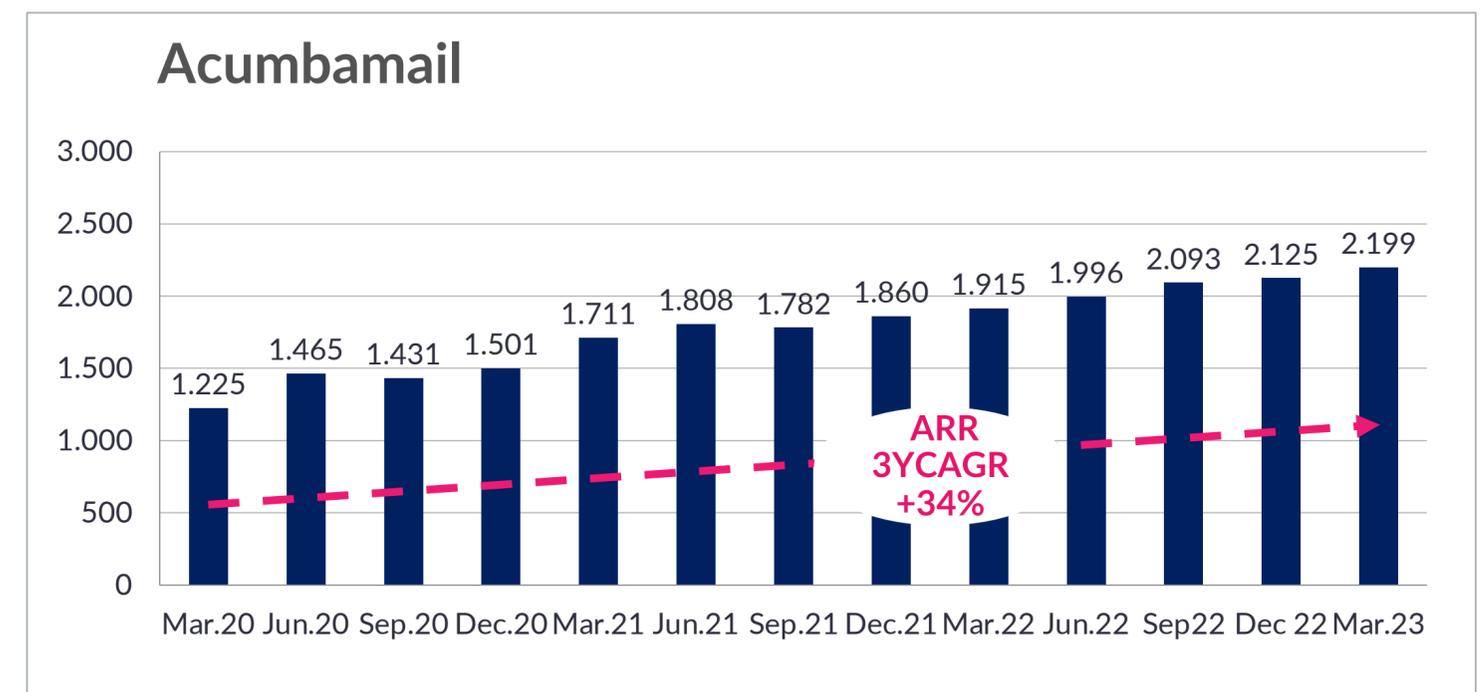
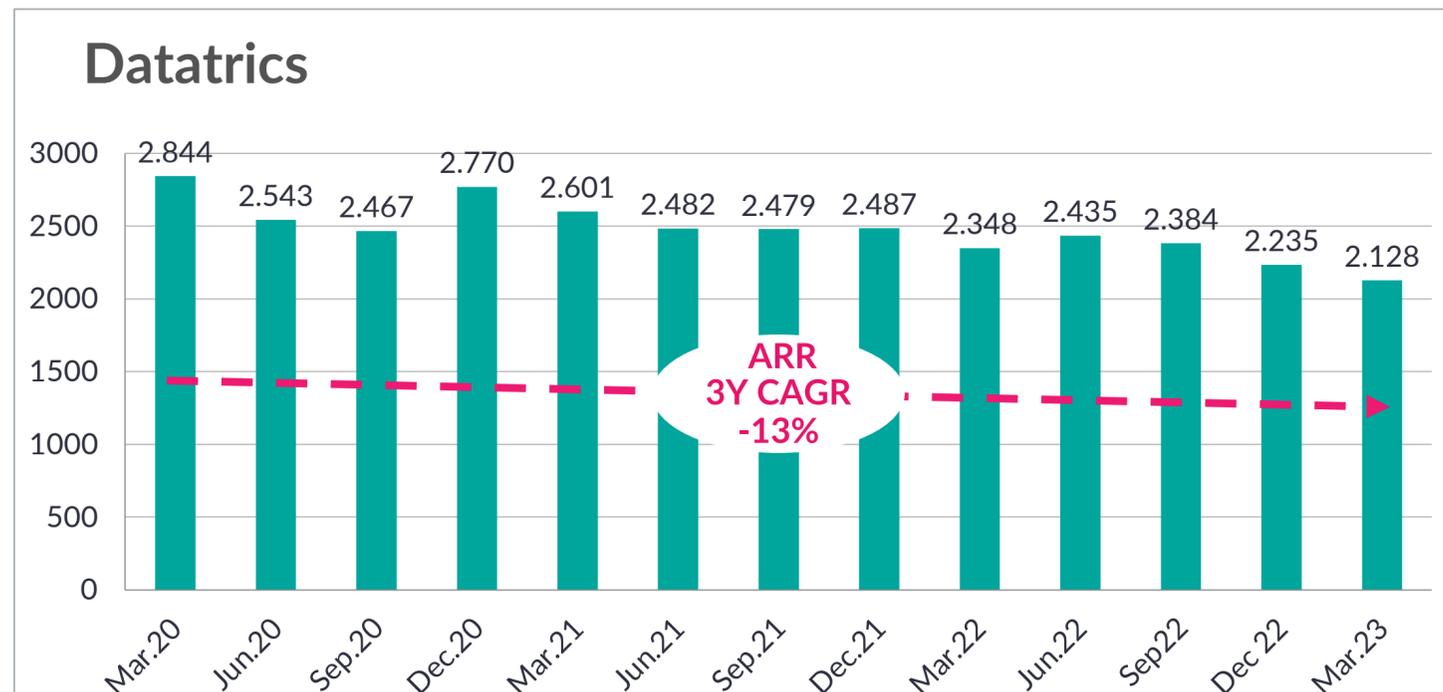


# SaaS ARR by business unit / 1



Data in €/000 for MailUp (including Contactlab from January 2022) and in US\$/000 for BEE (not including usage)  
 Data from management accounts, not subject to a BoD resolution, unaudited  
 ARR = Last available month's MRR\*12

# SaaS ARR by business unit / 2



# Board of Directors



**Matteo Monfredini**

**Co-founder - Chairman & CFO**

- Freelance software developer during his studies at the Politecnico University in Milan
- Co-founded Network srl in 1999 and MailUp in 2002



**Armando Biondi**

**Non Executive Director**

- Co-founder of AdEspresso
- One of the European Top Angels (with ~50 investments)
- Guest Contributor for VentureBeat, Business Insider, Entrepreneur and Fast Company



**Nazzareno Gorni**

**Co-founder & CEO**

- ICT Marketing and CRM Consultant since 1997
- Adjunct professor in Marketing, Consumerism & Communications
- Speaker and author of books about Email Marketing & Automation



**Ignazio Castiglioni**

**Independent Director**

- Founder and Chief Executive Officer of HAT Orizzonte Group
- Former Head of Private Equity of Vegagest SGR

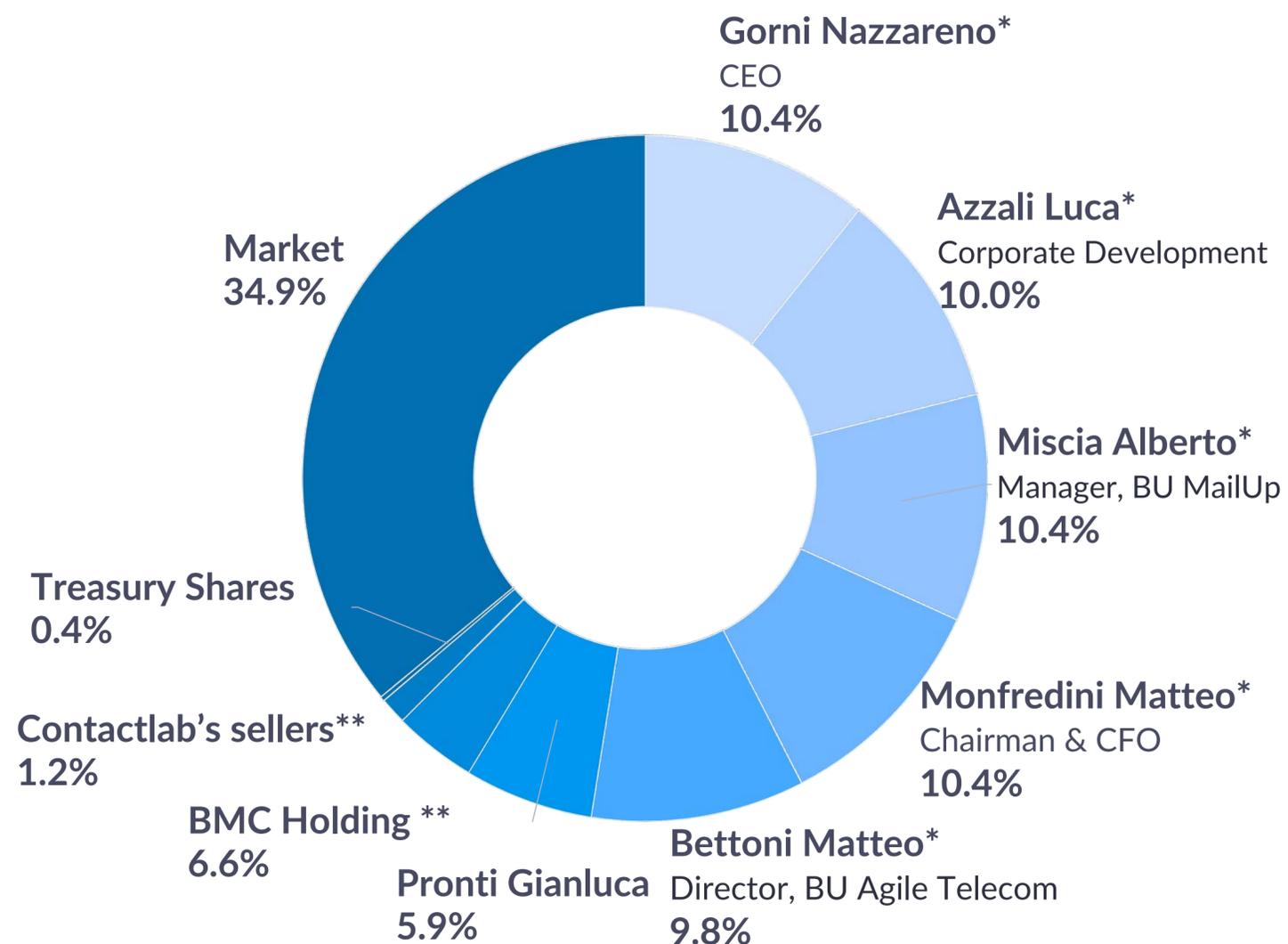


**Micaela Cristina Capelli**

**Executive Director & IR**

- Promoter Team and Board Member of Gabelli Value for Italy SPAC
- Capital Markets Director of Banca Esperia
- Capital Markets Manager of Centrobanca and UBI Banca
- Analyst at the Equity Market Listing of the Italian Stock Exchange

# Stock Information / Shareholders



\* Group's Founders and Management Team  
 \*\* Subject to lock-up  
 \*\*\* General Shareholders' Meeting, April 22, 2022



## Stable control

- Founders entered a **shareholders' agreement** regarding 45.1% of the share capital, in equal measure
- 2021-2023 lock-up



## Market friendly

- 1 independent Director, 1 female Director
- Free float ~35%
- Full quarterly reports
- Upgraded management control system
- Management incentive plan + SOP
- Reporting in international accounting principles (IFRS)
- Risk management: introduced "Model 231"
- All information in both Italian and English



## Top institutional holders\*\*\*

- Herald Investment Trust Plc
- Government of Norway
- Mediolanum
- Algebris
- Azimut

# Prices & Volumes 5 years

**EURONEXT GROWTH MILAN**  
 ISIN IT0005040354  
 Bloomberg GROW IM  
 Reuters GROW.MI

Number of Shares **15.393.343**  
 Fully Diluted **17.374.146**  
 SOP **1.136.209**

IPO Price (29 Jul 2014) **€1.92**

Current Price (11 Apr 2023) **€6.50**

Current Market Cap (11 Apr 2023) **€100.1m**

Perf 5YR **+172%**

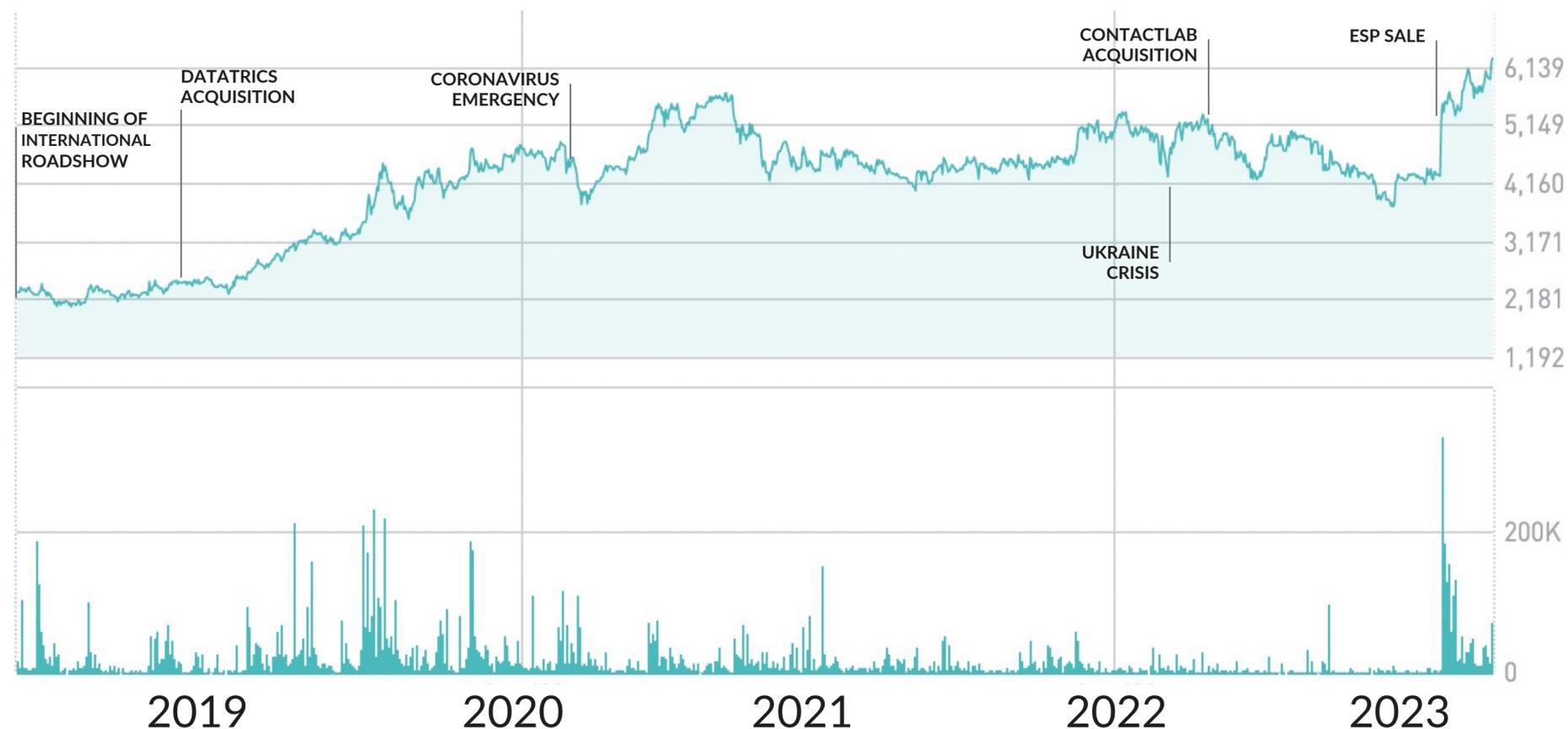
Perf 1YR **+23%**

Perf 6m **+39%**

Avg daily volumes (shares)

|      |      |
|------|------|
| 2019 | 26k  |
| 2020 | 14k  |
| 2021 | 10k  |
| 2022 | 6k   |
| YTD  | >10k |

Source: Borsa Italiana. as of 12 April 2023



# ESG - Environment, Social, Governance

We care for employees, environment, people, community, investors



## Environment

---

- **Carbon Neutrality goal:** CO<sub>2</sub> offset for all Business Units, by planting trees and supporting forest conservation projects
- **Climate Positivity goal:** starting 2022, 1 tree planted for every new customer
- Use of renewable energy (solar systems)
- Cloud sustainability (-67% carbon emissions thanks to cloud servers)



## Social

---

- Flexibility & hybrid work
- No temporary staff
- Key stakeholder engagement: constant dialogue with customers, social parties, institutions, local communities, employees, etc.
- Support to non-profits, cultural associations & local sport organizations



## Governance

---

- Voluntary ESG disclosure in accordance to GRI Standards
- Independents: 1/5
- Pay-per-performance
- Anti-corruption policy & Code of Ethics
- Tax transparency
- Top-score Legality Rating
- GDPR compliance

# List of Parties

**Euronext Growth Advisor**



**Audit & Accounting**



**Specialist**



**Broker / Coverage**



**Legal Advisor**



# Analyst Coverage and Outlook

ValueTrack | Flash Note | 13 July 2021

## Growens

Sector: Marketing Technology

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**Cash Sales at €33.8mn in 1H21, +3.4% y/y**

Growens is an integrated industrial group that creates technologies for predictive marketing, mobile messaging and content creation, meant for organisations wishing to communicate effectively with their customers worldwide.

**2Q21 – recurring revenues at 32% of total**

Growens just released its 2Q21 unaudited Cash Sales at €16.9mn, recording a +3.1% like-for-like y/y growth, still affected by negative implications linked to Covid-19-related sanitary emergency, and almost in line with sales dynamics faced during 1Q21. In 2Q21, management efforts were mostly focused on: (i) push on the SaaS component, with recurring revenues at €5.9mn (+11% y/y, vs. +2% of total), (ii) business internationalisation (foreign Sales at €8.5mn, +50% of total), (iii) hiring of new top managers for MailUp, BEE and Datarics, expected to bring on satisfactory results by 2021 year-end, and (iv) acquisition of new top tier customers (NBA and LVMH just to make a few names), thus achieving 26.4k total number of clients (+3.6% y/y).

**Less SMS, more emails. BEE grows impressively**

Looking at 2Q21 results across different business segment, the SMS channel still suffered the slowdown of retail SMS traffic, particularly in Italy, with sales from Agile Telecom at €10.2mn, down 3% y/y.

On the other side, the email channel resumed to grow at double digit speed. MailUp, the Italian based provider reached €4.4mn Sales (+13% y/y), confirming a gradual recovery of marketing investments at domestic level, while Acumbamail, active in Spain and Latam, kept growing +25%/y/y. The strongest performer was pursued by BEE, the California based email and content editor, with Sales at €1.2mn (+25% y/y, or +41% y/y at constant exchange rate), thanks to a combined increase in both customer base and revenue per client on the BEE Pro component, partially compensating the slowdown of BEE Plugin's sales cycle. Datarics – still in the middle of the reorganization process – reported the worst growth performance in Cash Sales, down 9% y/y, heavily impacted by pandemic implications.

**Slight top line estimates revision. Fair value stable at €5.65**

We are slightly modifying the expected revenues mix, i.e. slower sales growth from Agile Telecom and Datarics, partially offset by some acceleration from MailUp and Acumbamail, which in turn trigger higher margins, consistent with management guidance to focus more on the profitability side instead of mere sales growth.

We update our S&P valuation, which confirm a €5.65 fair value per share, implying 1.0x EV/Sales and 11.2x EV/EBITDA 2022E fair multiples.

| KEY FINANCIALS (€m) | 2020A | 2021E | 2022E |
|---------------------|-------|-------|-------|
| TOTAL REVENUES      | 65.2  | 70.0  | 80.5  |
| EBITDA              | 5.1   | 5.5   | 6.9   |
| EBIT                | 1.4   | 1.7   | 3.0   |
| NET PROFIT          | 0.6   | 1.2   | 2.1   |
| NET PROFIT ADJ.     | 0.8   | 1.2   | 2.1   |
| EQUITY              | 17.3  | 18.4  | 20.5  |
| NET FINANCIAL POS.  | 2.5   | 3.1   | 6.6   |
| EPS ADJ. (€)        | 0.04  | 0.08  | 0.14  |

Source: Growens (provisional figures), Value Track (2021E-22E estimates)

| KEY FINANCIALS (€m)   | 2020A | 2021E | 2022E |
|-----------------------|-------|-------|-------|
| EBITDA MARGIN (%)     | 8.0   | 8.0   | 8.7   |
| EBIT MARGIN (%)       | 2.2   | 2.5   | 3.8   |
| NET DEBT / EBITDA (x) | nm    | nm    | nm    |
| NET DEBT / EQUITY (x) | nm    | nm    | nm    |
| EV/SALES (x)          | 1.0   | 0.9   | 0.8   |
| EV/EBITDA (x)         | 12.8  | 11.8  | 8.6   |
| EV/EBIT (x)           | nm    | 37.9  | 20.2  |
| P/E ADJ. (x)          | nm    | nm    | 33.0  |

Source: Growens (2020A), Value Track (2021E-22E estimates)  
 (\*) As % of Net Revenues from Sales

| STOCK DATA | FAIR VALUE (€) | MARKET PRICE (€) | SHS. OUT. (M) | MARKET CAP. (€m) | FREE FLOAT (%) | AVG. 20D VOL. (M) | RC / WBK        | 52 WK RANGE |
|------------|----------------|------------------|---------------|------------------|----------------|-------------------|-----------------|-------------|
|            | 5.65           | 4.53             | 15.0          | 67.8             | 36.8           | 10.135            | GROW.M / GROW.M | 4.02-5.68   |

Source: Stock Market Data

ValueTrack | www.value-track.com | NOT FOR DISTRIBUTION IN OR INTO THE UNITED STATES, CANADA, JAPAN OR AUSTRALIA

INTESA SANPAOLO

## Equity

Daily Note

### Calls from Italy

13 July 2021: 08:43 CET  
 Date and time of production

**On Our Radar: Today's Newswall**

| Positive                                    | Negative |
|---|----------|
| Telecom Italia: SerI Industrial; SIF: Grifa | -        |

**New Research**

**Iniziativa Brescione (BUY)** Company Note: BUY: New TP EUR 24.2/sh

**Reviews**

**Brunello Cucinelli (ADD)** Results Preview

**Results**

**Growens (BUY)** 2Q21 Gross Sales +3% yoy, Like in 1Q21

**S&P (BUY)** FY20/21 Results

**SIF (BUY)** Strong Revenues in 2Q21

**Company News**

**Mediolanum (BUY)** Launch of Presto

**Catolico As.n (Funder Shares)** Press on BCC Bancassurance Partnership

**D. Compost (HOLD)** Strengthening the e-Commerce Channel

**ENAV (HOLD)** June 2021 Enroute Traffic Data

**Eni (HOLD)** JV for Scottish Offshore Wind

**ERG (BUY)** Hydro & Thermal Disposals

**Eurotech (BUY)** Leader in Railway IoT

**Grifa (BUY)** New Plant in Romania Starting Production

**SerI Industrial (BUY)** Decree for Taverola 2 Published

**Telecom Italia (BUY)** TAR Undoes the Antitrust Fine on the 28-Day Billing

**Sector News**

**Branded Goods Sector** LVMH Supports Return of Phoebe Philo with Her Own Label

**Italy/Equity Market**

**Stock Markets Performance**

| Chg (%)         | 1D  | 3M   | 6M   | 12M  |
|-----------------|-----|------|------|------|
| FTSE All Share  | 0.9 | 3.9  | 12.4 | 28.7 |
| FTSE MIB        | 0.9 | 3.4  | 11.6 | 27.9 |
| FTSE 100        | 0.9 | 14.1 | 25.1 | 39.4 |
| Euro Stoxx 50   | 0.6 | 6.1  | 12.2 | 17.5 |
| Stoxx Small 200 | 0.8 | 7.4  | 15.5 | 38.5 |
| NASDAQ          | 0.2 | 6.4  | 12.7 | 38.8 |
| S&P 500         | 0.3 | 6.2  | 15.3 | 37.7 |

**FTSE MIB Best & Worst: 1D% chg**

|           |     |        |      |
|-----------|-----|--------|------|
| Recordati | 4.9 | Freil  | -0.8 |
| Amplifon  | 2.7 | Sogefi | -0.5 |
| Hera      | 2.4 | Ternis | -0.4 |

**Euro Stoxx Best/Worst Sectors -1D %**

|                 |     |                |      |
|-----------------|-----|----------------|------|
| Real Estate     | 1.8 | Travel&Leisure | 1.3  |
| Financials Serv | 1.4 | Resources      | 0.0  |
| Utilities       | 1.4 | Retail         | -0.3 |

**FTSE MIB-STAR Performance (-12M)**

**Upcoming Intesa Sanpaolo Events**

| What                | When    | Where           |
|---------------------|---------|-----------------|
| Italian Equity Week | Virtual | 7-9 September   |
| GAO Milan           | Virtual | 28-30 September |
| S&P Conference      | Virtual | 12-13 October   |

Report price of market close on day prior to issue. Ratings and Target Prices as assigned in the latest company reports (unless otherwise indicated).

**Intesa Sanpaolo Research Dept**  
 Equity Research Team  
 Corporate Banking Research Team  
 Sales & Trading  
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13 July 2021: 08:44 CET  
 Date and time of first circulation

See page 13 for full disclosure and analyst certification

IMI CORPORATE INVESTMENT BANKING

ARROWHEAD

BUSINESS AND INVESTMENT SOLUTIONS

## Due Diligence and Valuation Report

BORSA ITALIANA

Company: Growens S.p.A.  
 Ticker: BIT.GROW  
 Headquarters: Milan, Italy  
 CEO: Nazzareno Gorni  
 Website: www.growens.io

Arrowhead code: 75-03-01  
 Coverage initiated: 09-Mar-2021  
 This document: 04-Jun-2021  
 Fair share value bracket: €8.13 to €9.93  
 Share Price (03 June): €4.45

**Analyst Team**

Aman Sabherwal  
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Sudhanshu Agarwal  
 sudhanshu.agarwal@arrowheadbid.com

**Market Data**

52-Week Range: C3.81 - C5.74  
 Average Daily Volume: 5.74k  
 Market Cap. on date: €65.1 million

**Financial Forecast (in C) (FY Ending – Dec)**

| EUR     | '21P | '22P | '23P | '24P | '25P  |
|---------|------|------|------|------|-------|
| NI (mm) | 0.78 | 2.27 | 4.31 | 7.61 | 10.96 |
| EPS     | 0.05 | 0.15 | 0.29 | 0.47 | 0.73  |

**Company Overview**

Growens S.p.A. ("Growens" or "the Group", previously MailUp S.p.A.) is a Milan, Italy based vertically integrated Cloud Marketing Technologies ("MarTech") sector. The Group offers a wide range of solutions, focusing on messaging, as well as data-driven and omni-channel marketing automation.

The Group has 5 key business units – MailUp, Agile Telecom ("Agile"), BEEfree.io, Datarics and Acumbamail, and generates revenue from email, SMS, predictive marketing, and do-it-yourself ("DIY") content design products. SMS revenue contributed 50% to 70% of the Group's total revenue in the last five years, and Agile Telecom generated most of this.

Growens stock price has been volatile in the last 12 months, oscillating between €4.02 and €5.68. The Group's stock fell sharply from €4.85 on Feb 17, 2020 to €3.88 on Mar 23, 2020 in the immediate aftermath of the Covid-19 outbreak as volumes of the Company's mainstay SMS business (particularly Marketing SMS) declined. The stock price has since recovered, reaching an all-time high of €5.68 on Sep 7, 2020, and closing at €4.45 on June 3, 2021. This volatility is consistent with the broader market as investors have preferred to invest in safer assets since the Covid-19 outbreak.

**Key Highlights**

1. Growens has followed an inorganic growth strategy with an aim of becoming a one-stop-shop for technology-driven marketing solutions. The Group

has made five acquisitions since 2015 to bring more products and services under the Growens umbrella and is currently in acquisition discussions with multiple potential targets.

2. Agile Telecom is the Group's largest business with partnerships with 50+ telecom operators worldwide. It sends close to two billion SMSs each year, including almost half of all marketing and transactional messages in Italy. Agile's growth is likely to plateau over the next few years with SMSs losing popularity.

3. BEE is likely to be Growens' principal growth driver going forward, with significant growth expected in the coming years. The Group believes that BEE is a self-financing business that can grow rapidly without significant external capital.

4. Growens plans to hire up to 60 additional employees in the current financial year, which is 24% of the current employee count. Most of this hiring will be for Customer Success and Sales & Marketing roles at BEE and Datarics teams, as the Group looks to scale these businesses.

**Key Risks**

We believe that Growens has a medium risk profile. The Group has a stable revenue generator in Agile and potential high-growth businesses in BEE and Datarics. However, these businesses are positively correlated to economic sentiment and consumer spending, both of which are currently down. Consequently, the Group might face some headwinds over the coming months.

**Valuation & Assumptions**

Based on its due diligence and valuation estimates, Arrowhead believes that Growens' fair share value lies in the €8.13 to €9.93 bracket, which has been calculated using a blended valuation method, with 50% weighting to the DCF method and 50% weighting to the Comparable Companies Valuation method. Our DCF model suggests a fair value of €7.98, while a relative valuation provides a fair value of €10.08.

Growens S.p.A. – Arrowhead BID  
 Due Diligence and Valuation Report

BIT:GROW  
 See important disclosures on page 30 of this report.

CORPORATE FAMILY OFFICE

Growens SpA

Italy – Marketing Technology

An acquisition might be around the corner

20<sup>th</sup> May 2021

GERMAN SPRING CONFERENCE

RIC: GROVE.MI  
 BBG: GROW IM

Growens SpA was virtually in Frankfurt for the German Spring Conference, during which the company's co-founder & CEO and Executive Director, Board member & IR manager took part in one-to-one meetings with eight key European investors. Here are the main points worth remembering from the meetings:

Rating: Buy  
 Price Target: € 6.00  
 Upside/Downside: 44.9%  
 Last Price: € 4.14  
 Market Cap.: € 62.2m  
 1Y High/Low: € 5.74 / € 3.81  
 Free Float: 36.8%

Major shareholders:

|                   |       |
|-------------------|-------|
| Alberto Macia     | 10.7% |
| Matteo Manfredini | 10.6% |
| Nazzareno Gorni   | 10.6% |
| Luca Azzali       | 10.2% |
| Matteo Belloni    | 10.1% |

Well on track to announce at least one M&A deal by the end of the year. The huge cash available (€ 9.1m in Q1-21) and the potential leverage allow the group to seize a few M&A opportunities; management confirmed that the group is currently assessing a couple of targets, with a view to integrating a large size SaaS company. In particular, Growens is looking for EU or UK companies operating in the MarTech segment and owning software solutions complementary to MailUp, in order to enlarge the group's product portfolio as well as its market share. The targets should have a turnover between € 5m and € 15m and good cash flow generation. Management is confident to close at least one deal by the end of the year. Furthermore, after this round of acquisitions, the group is likely to start planning the listing on the MTA:STAR segment or any other foreign stock market in 2022 concurrently with a sizeable rights issue to feed a second round of M&A.

In Q1-21 sales grew by 4.8% YoY. EBITDA totalled € 1.4m vs € 0.5m in Q1-20. Q1-21 showed growing revenues and a massive improvement in margins thanks to several optimisation and cost saving strategies. Revenues grew by 4.8% YoY to € 16.6m, despite Q1-21 was to a certain extent a period of full lockdown, whilst Q1-20 was only partially affected by Covid-19. EBITDA totalled € 1.4m, 8.3% margin (vs € 0.5m, 3.4% margin in Q1-20). The strong improvement in margins was mainly related to the massive increase in gross profit, which soared by 25.7% YoY, more than proportionally to revenues thanks to several optimisation and cost saving measures. On the other hand, the group did not suspend or postpone any planned strategic projects, mainly related to R&D. Growens's reported revenues and EBITDA in Q1-21 represented 22.2% and 23.5% of our FY-21 top line and EBITDA estimates respectively, thus corroborating our 2021 projections. Just by way of comparison, in 2020 Q1 revenues and EBITDA accounted for 24.3% and 10.7% of FY figures respectively, while in 2019 they accounted for 22.0% and 10.1%.

A leading, fast-growing and global MarTech scale-up  
 After the first-rate growth since its establishment, Growens is now aiming at continuing its expansion and consolidating its competitive positioning in the reference market, relying on 1) its widespread client portfolio, 2) the ample amount of recurring revenues (generally 1/3 of FY sales) stemming from its SaaS business model, 3) good revenue distribution by geography (foreign sales accounted for more than 50%) and 4) a solid financial structure with vast M&A firepower.

Strengthening the operating structure in 2021 to support medium-term growth  
 In 2021, the group will continue to strengthen its operating structure, hiring senior staff members in order to take advantage of the recovery in the demand for marketing activities in the medium-term. According to our figures, Growens is projected to grow at a CAGR<sub>2021-23</sub> of 12.8%, 22.1% and 85.3% in terms of revenues, EBITDA and EPS respectively. We reiterate our Buy recommendation on the stock, FY confirmed.

Growens, key financials and ratios

| € m                  | 2019  | 2020   | 2021e | 2022e  | 2023e  |
|----------------------|-------|--------|-------|--------|--------|
| Total Revenues       | 60.8  | 65.2   | 74.8  | 84.2   | 93.7   |
| EBITDA               | 4.8   | 5.1    | 5.4   | 7.5    | 9.3    |
| EBIT                 | 1.8   | 1.4    | 1.8   | 4.0    | 5.8    |
| Net profit           | 1.2   | 0.6    | 1.1   | 2.5    | 3.6    |
| NPV (cash/asset)     | (2.4) | (2.5)  | (4.2) | (7.7)  | (12.0) |
| EBITDA margin        | 7.9%  | 7.8%   | 7.3%  | 8.9%   | 9.9%   |
| EBIT margin          | 3.0%  | 2.1%   | 2.4%  | 4.7%   | 6.2%   |
| EPS                  | 0.08  | 0.04   | 0.07  | 0.14   | 0.24   |
| EPS growth           | -8.4% | -50.9% | 93.6% | 124.4% | 46.5%  |
| Free Cash Flow Yield | 4.7%  | 3.3%   | 2.7%  | 5.6%   | 7.0%   |
| PEV x                | 47.4  | 127.2  | 56.9  | 25.4   | 17.3   |
| PCF x                | 13.3  | 16.8   | 13.2  | 10.4   | 8.8    |
| EV/Sales x           | 0.86  | 1.06   | 0.78  | 0.65   | 0.54   |
| EV/EBITDA x          | 10.9  | 13.4   | 10.7  | 7.3    | 6.4    |
| EV/EBIT x            | 28.2  | 50.2   | 32.1  | 13.7   | 8.7    |

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CFO SIM Equity Research

COMPANY FLASH

Download here: [www.growens.io/en/analyst-coverage](http://www.growens.io/en/analyst-coverage)

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growens.io (GROW)

## Monthly Newsletter

Subscribe at [growens.io/newsletter](https://growens.io/newsletter)

## Social channels



## Investor Newsletter // December 2021

Q3 and 9M results : Sales +8% and +7%

Consolidated sales recorded +6.8% in 9m 2021, EBITDA +1.0% | [Read the press release](#) | [Listen to the conference call](#)

Updated research reports

Updated analyses including 9m 2021 | [Download ISP Update](#) | [Download CFO SIM update](#) | [Download Value Track Update](#)

Growens enters Growth Leaders 2022

New important ranking among 450 Italian fastest growing companies in 2017-2020 - by IIsole24Ore and Statista | [Read the press release](#) | [Read the story](#)

ESG Survey

Please take a moment to contribute to our ESG survey as our valued stakeholders, questionnaire is voluntary and anonymous - THANKS! | [Take the ESG Survey](#)

## Upcoming Events

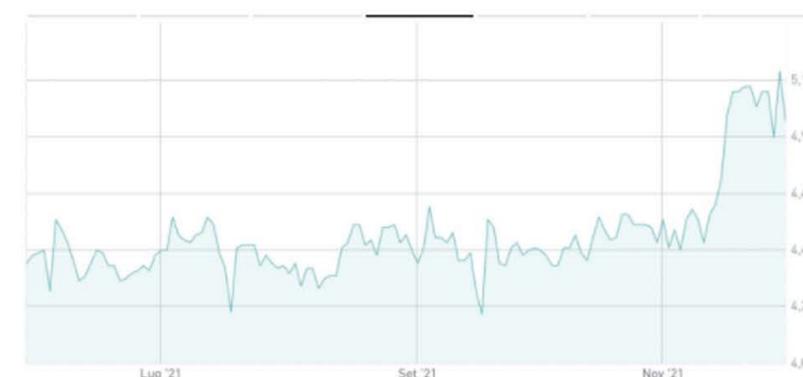
9-14 January 2022

US Roadshow (to be confirmed)

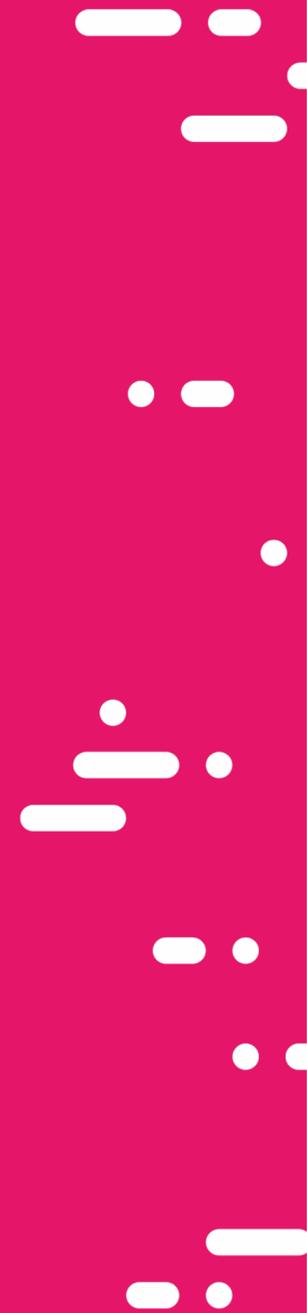
27 January 2022

ISMO 2022 Italian Stock Market Opportunities Virtual Conference B. Intesa

## Stock Chart



# Appendix



# FY 2022 Net Financial Position

| Consolidated Net Financial Position                            | 31/12/2022         | 31/12/2021          | Change             | Ch. %          |
|--|--------------------|---------------------|--------------------|----------------|
| A. Cash  | 7,153,665          | 13,324,983          | (6,171,318)        | (46.3%)        |
| B. Cash equivalents  |                    |                     |                    |                |
| C. Other current financial assets                              |                    |                     |                    |                |
| <b>D. Cash and cash equivalents (A) + (B) + (C)</b>            | <b>7,153,665</b>   | <b>13,324,983</b>   | <b>(6,171,318)</b> | <b>(46.3%)</b> |
| E. Current debt  | 1,076,709          | 1,164,171           | (87,462)           | (7.5%)         |
| F. Current part of non current debt                            | 1,621,736          | 1,068,841           | 552,895            | 51.7%          |
| <b>G. Current financial position (E) + (F)</b>                 | <b>2,698,445</b>   | <b>2,233,012</b>    | <b>465,433</b>     | <b>20.8%</b>   |
| <b>H. Net current financial position (G) - (D)</b>             | <b>(4,455,220)</b> | <b>(11,091,971)</b> | <b>6,636,751</b>   | <b>(59.8%)</b> |
| I. Non current debt  | 4,389,700          | 4,571,252           | (181,552)          | (4.0%)         |
| J. Debt financial instruments                                  |                    |                     |                    |                |
| K. Trade and other non current debt                            |                    |                     |                    |                |
| <b>L. Non current financial position (I) + (J) + (K)</b>       | <b>4,389,700</b>   | <b>4,571,252</b>    | <b>(181,552)</b>   | <b>(4.0%)</b>  |
| <b>M. Net financial position (H) + (L)</b>                     | <b>(65,519)</b>    | <b>(6,520,719)</b>  | <b>6,455,199</b>   | <b>(99.0%)</b> |
| o/w H. Current financial liabilities Rights of Use IFRS 16     | 817,672            | 998,388             | (180,716)          | (18.1%)        |
| o/w M. Non current financial liabilities Rights of Use IFRS 16 | 1,520,629          | 2,300,390           | (779,762)          | (33.9%)        |
| <b>O. Net financial position ex IFRS 16 effect</b>             | <b>(2,403,820)</b> | <b>(9,819,497)</b>  | <b>8,206,934</b>   | <b>(83.6%)</b> |

Data in EUR

ESMA Guidelines 32-382-1138 of 04/03/2021 par. 175, guideline 39  
Contactlab's acquisition not included in data as of 31 December 2021

# P&L

|   | Half Year          |               |                   |               |                    |                | Full Year          |               |                   |               |                    |                |
|---|--------------------|---------------|-------------------|---------------|--------------------|----------------|--------------------|---------------|-------------------|---------------|--------------------|----------------|
|   | 30/06/2022         | %             | 30/06/2021        | %             | Change             | Ch.%           | 31/12/2022         | %             | 31/12/2021        | %             | Change             | Ch.%           |
| SaaS Revenues                           | 16,897,544         | 35.8%         | 12,502,015        | 37.1%         | 4,395,530          | 35.2%          | 38,692,028         | 37.4%         | 26,089,735        | 36.6%         | 12,602,293         | 48.3%          |
| CPaaS Revenues                          | 29,807,128         | 63.2%         | 20,736,869        | 61.5%         | 9,070,259          | 43.7%          | 63,312,092         | 61.3%         | 44,070,048        | 61.9%         | 19,242,044         | 43.7%          |
| Other Revenues                          | 478,560            | 1.0%          | 452,503           | 1.3%          | 26,057             | 5.8%           | 1,354,293          | 1.3%          | 1,077,179         | 1.5%          | 277,114            | 25.7%          |
| <b>Total Revenues</b>                   | <b>47,183,233</b>  | <b>100.0%</b> | <b>33,691,387</b> | <b>100.0%</b> | <b>13,491,845</b>  | <b>40.0%</b>   | <b>103,358,412</b> | <b>100.0%</b> | <b>71,236,961</b> | <b>100.0%</b> | <b>32,121,452</b>  | <b>45.1%</b>   |
| Cost of Goods Sold                      | 33,515,524         | 71.0%         | 22,095,818        | 65.6%         | 11,419,706         | 51.7%          | 72,537,675         | 70.2%         | 47,436,618        | 66.6%         | 25,101,057         | 52.9%          |
| <b>Gross Profit</b>                     | <b>13,667,708</b>  | <b>29.0%</b>  | <b>11,595,569</b> | <b>34.4%</b>  | <b>2,072,139</b>   | <b>17.9%</b>   | <b>30,820,738</b>  | <b>29.8%</b>  | <b>23,800,343</b> | <b>33.4%</b>  | <b>7,020,394</b>   | <b>29.5%</b>   |
| Sales & Marketing costs                 | 4,778,496          | 10.1%         | 3,315,335         | 9.8%          | 1,463,161          | 44.1%          | 9,986,088          | 9.7%          | 7,323,997         | 10.3%         | 2,662,090          | 36.3%          |
| <b>Research &amp; Development Opex</b>  | <b>2,144,470</b>   | <b>4.5%</b>   | <b>1,840,168</b>  | <b>5.5%</b>   | <b>304,302</b>     | <b>16.5%</b>   | <b>4,507,146</b>   | <b>4.4%</b>   | <b>3,175,065</b>  | <b>4.5%</b>   | <b>1,332,081</b>   | <b>42.0%</b>   |
| <i>Research &amp; Development Capex</i> | (1,599,738)        | (3.4%)        | (1,183,686)       | (3.5%)        | (416,052)          | 35.1%          | (3,850,637)        | (3.7%)        | (2,661,338)       | (3.7%)        | (1,189,299)        | 44.7%          |
| <i>Research &amp; Development costs</i> | 3,744,208          | 7.9%          | 3,023,854         | 9.0%          | 720,354            | 23.8%          | 8,357,783          | 8.1%          | 5,836,403         | 8.2%          | 2,521,380          | 43.2%          |
| General & Admin Costs                   | 5,387,987          | 11.4%         | 4,031,472         | 12.0%         | 1,356,515          | 33.6%          | 12,229,875         | 11.8%         | 8,099,937         | 11.4%         | 4,129,938          | 51.0%          |
| Total Costs                             | 12,310,953         | 26.1%         | 9,186,976         | 27.3%         | 3,123,977          | 34.0%          | 26,723,109         | 25.9%         | 18,599,000        | 26.1%         | 8,124,110          | 43.7%          |
| <b>EBITDA</b>                           | <b>1,356,755</b>   | <b>2.9%</b>   | <b>2,408,593</b>  | <b>7.1%</b>   | <b>(1,051,838)</b> | <b>(43.7%)</b> | <b>4,097,629</b>   | <b>4.0%</b>   | <b>5,201,344</b>  | <b>7.3%</b>   | <b>(1,103,715)</b> | <b>(21.2%)</b> |
| General Depreciation Costs              | 217,587            | 0.5%          | 184,055           | 0.5%          | 33,532             | 18.2%          | 451,347            | 0.4%          | 344,028           | 0.5%          | 107,319            | 31.2%          |
| Right of Use Amort. Costs               | 504,315            | 1.1%          | 548,002           | 1.6%          | (43,687)           | (8.0%)         | 999,342            | 1.0%          | 1,188,778         | 1.7%          | (189,435)          | (15.9%)        |
| R&D Amortization Costs                  | 1,659,584          | 3.5%          | 1,197,678         | 3.6%          | 461,906            | 38.6%          | 3,952,461          | 3.8%          | 2,385,842         | 3.3%          | 1,566,619          | 65.7%          |
| Write off of assets                     |                    |               |                   |               |                    |                | 1,542,000          | 1.5%          | 150,666           | 0.2%          | 1,391,334          | n.m.           |
| <b>EBIT</b>                             | <b>(1,024,731)</b> | <b>(2.2%)</b> | <b>478,858</b>    | <b>1.4%</b>   | <b>(1,503,589)</b> | <b>n.m.</b>    | <b>(2,847,521)</b> | <b>(2.8%)</b> | <b>1,132,031</b>  | <b>1.6%</b>   | <b>(3,979,552)</b> | <b>n.m.</b>    |
| Net financial income/(charges)          | 66,077             | 0.1%          | (33,720)          | (0.1%)        | 99,797             | n.m.           | (272,795)          | (0.3%)        | (49,653)          | (0.1%)        | (223,141)          | n.m.           |
| <b>EBT</b>                              | <b>(958,654)</b>   | <b>(2.0%)</b> | <b>445,138</b>    | <b>1.3%</b>   | <b>(1,403,792)</b> | <b>n.m.</b>    | <b>(3,120,316)</b> | <b>(3.0%)</b> | <b>1,082,377</b>  | <b>1.5%</b>   | <b>(4,202,693)</b> | <b>n.m.</b>    |
| Current Income Taxes                    | (173,416)          | (0.4%)        | (396,865)         | (1.2%)        | 223,449            | (56.3%)        | (184,723)          | (0.2%)        | (848,723)         | (1.2%)        | 664,001            | n.m.           |
| Deferred Taxes                          | 194,709            | 0.4%          | 250,678           | 0.7%          | (55,969)           | (22.3%)        | 741,036            | 0.7%          | 134,955           | 0.2%          | 606,081            | n.m.           |
| <b>Net Profit (Loss)</b>                | <b>(937,360)</b>   | <b>(2.0%)</b> | <b>298,951</b>    | <b>0.9%</b>   | <b>(1,236,311)</b> | <b>n.m.</b>    | <b>(2,564,003)</b> | <b>(2.5%)</b> | <b>368,608</b>    | <b>0.5%</b>   | <b>(2,932,611)</b> | <b>n.m.</b>    |
| Group Net Profit (Loss)                 | (930,945)          | (2.0%)        | 298,951           | 0.9%          | (1,229,896)        | n.m.           | (2,424,718)        | (2.3%)        | 420,071           | 0.6%          | (2,844,789)        | n.m.           |
| Minority Net Profit (Loss)              | (6,415)            | (0.0%)        |                   | 0.0%          | (6,415)            | n.m.           | (47,998)           | 0.0%          | (18,489)          | 0.0%          | (29,508)           | n.m.           |

Data in EUR

# Balance sheet

|   | 31/12/2022          | 31/12/2021          | Change           | Ch. %           |
|---|---------------------|---------------------|------------------|-----------------|
| Intangible fixed assets                               | 11,021,312          | 6,934,260           | 4,087,052        | 58.9%           |
| Goodwill  | 17,321,151          | 15,326,343          | 1,994,808        | 13.0%           |
| Tangible fixed assets                                 | 1,204,296           | 1,451,491           | (247,195)        | (17.0%)         |
| Rights of Use (IFRS 16)                               | 2,282,409           | 3,168,182           | (885,773)        | (28.0%)         |
| Financial fixed assets                                | 301,952             | 200,985             | 100,968          | 50.2%           |
| <b>Fixed Assets</b>                                   | <b>32,131,120</b>   | <b>27,081,261</b>   | <b>5,049,859</b> | <b>18.6%</b>    |
| Receivables from customers                            | 16,721,062          | 12,465,270          | 4,255,792        | 34.1%           |
| Payables to supplier                                  | (14,871,582)        | (14,188,380)        | (683,202)        | 4.8%            |
| Payables to associated companies                      |                     | (2,000)             | 2,000            | (100.0%)        |
| <b>Commercial Trade Working Capital</b>               | <b>1,849,481</b>    | <b>(1,725,110)</b>  | <b>3,574,591</b> | <b>(207.2%)</b> |
| Tax receivables and payables                          | 756,563             | (424,256)           | 1,180,819        | (278.3%)        |
| Accruals and deferrals                                | (9,236,163)         | (7,845,047)         | (1,391,116)      | 17.7%           |
| Other receivables and payables                        | (4,147,048)         | (3,589,466)         | (557,582)        | 15.5%           |
| <b>Net Working Capital</b>                            | <b>(10,777,167)</b> | <b>(13,583,879)</b> | <b>2,806,712</b> | <b>(20.7%)</b>  |
| Provisions for risks and charges                      | (354,667)           | (221,667)           | (133,000)        | 60.0%           |
| Provisions for severance and pension                  | (3,976,471)         | (2,265,831)         | (1,710,640)      | 75.5%           |
| <b>Net Capital Invested</b>                           | <b>17,022,816</b>   | <b>11,009,885</b>   | <b>6,012,931</b> | <b>54.6%</b>    |
| Share capital   | 384,834             | 374,276             | 10,557           | 2.8%            |
| Reserves  | 19,279,481          | 16,775,315          | 2,504,166        | 14.9%           |
| Profit (Loss) for the period                          | (2,516,005)         | 387,098             | (2,903,103)      | (750.0%)        |
| Third parties Net Equity                              | (59,974)            | (6,086)             | (53,888)         | 885.5%          |
| <b>Net Equity</b>                                     | <b>17,088,335</b>   | <b>17,530,603</b>   | <b>(442,268)</b> | <b>(2.5%)</b>   |
| Cash  | (7,153,665)         | (13,324,983)        | 6,171,318        | (46.3%)         |
| Short-term debt                                       | 1,880,773           | 1,234,624           | 646,149          | 52.3%           |
| Financial liabilities right of use (short term)       | 817,672             | 998,388             | (180,716)        | (18.1%)         |
| Medium/long-term debt                                 | 2,869,072           | 2,270,862           | 598,210          | 26.3%           |
| Financial liabilities right of use (medium/long term) | 1,520,629           | 2,300,390           | (779,762)        | (33.9%)         |
| <b>Net financial position</b>                         | <b>(65,519)</b>     | <b>(6,520,719)</b>  | <b>6,455,199</b> | <b>(99.0%)</b>  |
| <b>Total sources</b>                                  | <b>17,022,816</b>   | <b>11,009,885</b>   | <b>6,012,931</b> | <b>54.6%</b>    |

Data in EUR

# By Business Unit

## FY 2022

|                     | REVENUES     |             |              | EBITDA     |            |                |
|---------------------|--------------|-------------|--------------|------------|------------|----------------|
|                     | FY 2021      | FY 2020     | Δ%           | FY 2021    | FY 2020    | Δ%             |
| MailUp              | 25.0         | 16.6        | 50.6%        | 2.7        | 2.6        | 3.9%           |
| Agile Telecom       | 67.6         | 47.5        | 42.5%        | 2.3        | 2.3        | (1.2%)         |
| BEE                 | 8.9          | 5.6         | 59.0%        | 0.2        | 0.3        | (36.6%)        |
| Datatrix            | 2.5          | 2.6         | (2.0%)       | (1.6)      | (0.9)      | (83.2%)        |
| Acumbamail          | 2.6          | 2.1         | 21.6%        | 0.5        | 0.5        | (0.1%)         |
| Holding             | 10.4         | 7.1         | 45.4%        | (0.3)      | 0.1        | <i>n.m.</i>    |
| Consol. Adjustments | (13.7)       | (10.3)      |              | (0.3)      | (0.2)      | -              |
| <b>Total</b>        | <b>103.4</b> | <b>71.2</b> | <b>45.1%</b> | <b>4.1</b> | <b>5.2</b> | <b>(21.1%)</b> |

## 1H 2022

|                     | REVENUES    |             |              | EBITDA     |            |                |
|---------------------|-------------|-------------|--------------|------------|------------|----------------|
|                     | 1H 2022     | 1H 2021     | Δ%           | 1H 2022    | 1H 2021    | Δ%             |
| MailUp+Contactlab   | 10.6        | 8.2         | 28.9%        | 1.1        | 1.4        | (21.1%)        |
| Agile Telecom       | 32.0        | 22.3        | 43.4%        | 0.7        | 1.1        | (34.1%)        |
| BEE                 | 4.0         | 2.4         | 67.2%        | 0.4        | 0.1        | 178.8%         |
| Datatrix            | 1.2         | 1.3         | (8.5%)       | (0.9)      | (0.4)      | (112.0%)       |
| Acumbamail          | 1.2         | 1.0         | 19.9%        | 0.2        | 0.2        | (21.2%)        |
| Holding             | 4.8         | 3.5         | 38.0%        | (0.3)      | (0.2)      | 45.6%          |
| Consol. Adjustments | (6.5)       | (4.9)       |              | 0.1        | 0.2        |                |
| <b>Total</b>        | <b>47.2</b> | <b>33.7</b> | <b>40.0%</b> | <b>1.4</b> | <b>2.4</b> | <b>(43.7%)</b> |

Data in EUR

Contactlab's data included from 1 May 2022

# March 2022 ARR and Cash Sales Preview

## SaaS ARR

| Business Unit     | ARR Mar 2023 | ARR Mar 2022 | Ch %         |
|-------------------|--------------|--------------|--------------|
| MailUp+Contactlab | 15.0         | 11.6         | 29.0%        |
| BEE               | 10.0         | 7.8          | 29.4%        |
| Acumbamail        | 2.2          | 1.9          | 14.8%        |
| Datatrix          | 2.1          | 2.3          | (8.4%)       |
| <b>Total</b>      | <b>29.4</b>  | <b>23.6</b>  | <b>23.3%</b> |

## CPaaS Q1 cash sales

|               | Q1 2023 | Q1 2022 | Ch % |
|---------------|---------|---------|------|
| Agile Telecom | 14.8    | 14.3    | 3.8% |

# 9m and Q3 2022

## By Business Unit

|                     | Q3 2022           | %             | Q3 2021           | %             | Change            | Ch.%         |
|---------------------|-------------------|---------------|-------------------|---------------|-------------------|--------------|
| SaaS Revenues       | 10,208,158        | 35.8%         | 6,305,694         | 36.2%         | 3,902,464         | 61.9%        |
| CPaaS Revenues      | 18,102,195        | 63.5%         | 10,940,029        | 62.9%         | 7,162,166         | 65.5%        |
| Other Revenues      | 217,389           | 0.8%          | 154,509           | 0.9%          | 62,879            | 40.7%        |
| <b>TOT.REVENUES</b> | <b>28,527,742</b> | <b>100.0%</b> | <b>17,400,232</b> | <b>100.0%</b> | <b>11,127,510</b> | <b>64.0%</b> |
| Gross Profit        | 7,960,488         | 27.9%         | 5,968,596         | 34.3%         | 1,991,891         | 33.4%        |
| <b>EBITDA</b>       | <b>1,466,068</b>  | <b>5.1%</b>   | <b>1,149,057</b>  | <b>6.6%</b>   | <b>317,011</b>    | <b>27.6%</b> |
| EBT                 | 234,164           | 0.8%          | 163,370           | 0.9%          | 70,794            | 43.3%        |

|                      | 30/09/2022        | %             | 30/09/2021        | %             | Change            | Ch.%           |
|----------------------|-------------------|---------------|-------------------|---------------|-------------------|----------------|
| SaaS Revenues        | 27,105,704        | 35.8%         | 18,807,709        | 36.8%         | 8,297,995         | 44.1%          |
| CPaaS Revenues       | 47,909,323        | 63.3%         | 31,676,898        | 62.0%         | 16,232,425        | 51.2%          |
| Other Revenues       | 695,949           | 0.9%          | 607,013           | 1.2%          | 88,936            | 14.7%          |
| <b>TOT. REVENUES</b> | <b>75,710,976</b> | <b>100.0%</b> | <b>51,091,619</b> | <b>100.0%</b> | <b>24,619,357</b> | <b>48.2%</b>   |
| Gross Profit         | 21,628,196        | 28.6%         | 17,564,166        | 34.4%         | 4,064,031         | 23.1%          |
| <b>EBITDA</b>        | <b>2,822,824</b>  | <b>3.7%</b>   | <b>3,557,651</b>  | <b>7.0%</b>   | <b>(734,827)</b>  | <b>(20.7%)</b> |
| EBT                  | (724,490)         | (1.0%)        | 608,508           | 1.2%          | (1,332,998)       | (219.1%)       |

|                   | REVENUES          |                   |              | EBITDA           |                  |                |
|-------------------|-------------------|-------------------|--------------|------------------|------------------|----------------|
|                   | 30/09/2022        | 30/09/2021        | %            | 30/09/2022       | 30/09/2021       | %              |
| MailUp+Contactlab | 17,142,264        | 12,380,834        | 38.5%        | 1,919,151        | 2,181,518        | (12.0%)        |
| Agile Telecom     | 50,887,066        | 33,650,246        | 51.2%        | 1,365,156        | 1,696,444        | (19.5%)        |
| BEE               | 6,372,308         | 3,870,743         | 64.6%        | 670,212          | 138,215          | 384.9%         |
| Datatics          | 1,840,816         | 1,949,012         | (5.6%)       | (1,299,421)      | (716,148)        | (81.4%)        |
| Acumbamail        | 1,827,834         | 1,457,392         | 25.4%        | 312,723          | 325,551          | (3.9%)         |
| Holding           | 7,261,968         | 4,724,661         | 53.7%        | (318,385)        | (326,933)        | 2.6%           |
| <b>TOTAL</b>      | <b>85,332,256</b> | <b>58,032,888</b> | <b>47.0%</b> | <b>2,649,436</b> | <b>3,298,646</b> | <b>(19.7%)</b> |
| Consol. Adj.      | (9,621,280)       | (6,941,269)       |              | 173,388          | 259,005          |                |
| <b>TOTAL</b>      | <b>75,710,976</b> | <b>51,091,619</b> | <b>48.2%</b> | <b>2,822,824</b> | <b>3,557,651</b> | <b>(20.7%)</b> |

# P&L FY2022 Adjusted

| Growens Group      | Reported Consolidated FY 2022 | One-off Adjustments 2022 | Consolidated FY 2022 post One-offs | Carve-Out ESP Adjustments | Consolidated FY 2022 post Carve-Out |
|--------------------|-------------------------------|--------------------------|------------------------------------|---------------------------|-------------------------------------|
| SaaS Rev.          | 38,692                        |                          | 38,692                             | (27,297)                  | 11,395                              |
| CPaaS Rev.         | 63,312                        |                          | 63,312                             | 0                         | 63,312                              |
| Other Rev          | 1,354                         |                          | 1,354                              | (305)                     | 1,049                               |
| <b>Total Rev.</b>  | <b>103,358</b>                |                          | <b>103,358</b>                     | <b>(27,602)</b>           | <b>75,756</b>                       |
| COGS               | 72,538                        | (19)                     | 72,519                             |                           |                                     |
| Gross Margin       | 30,821                        | 19                       | 30,840                             | (17,216)                  | 13,624                              |
| S&M                | 9,986                         | (23)                     | 9,963                              |                           |                                     |
| R&D                | 4,507                         | (35)                     | 4,472                              |                           |                                     |
| G&A                | 12,230                        | (1,269)                  | 10,961                             |                           |                                     |
| <b>Total Costs</b> | <b>26,723</b>                 | <b>(1,327)</b>           | <b>25,396</b>                      | <b>(13,198)</b>           | <b>12,198</b>                       |
| <b>EBITDA</b>      | <b>4,098</b>                  | <b>1,346</b>             | <b>5,444</b>                       | <b>(4,018)</b>            | <b>1,426</b>                        |

One-off costs impacting EBITDA, for a total amount of ca. 1.3M EUR, are as follows:

- advisory and other direct costs related to Contactlab's acquisition, ca. 0.5M EUR;
- costs of exit for redundant managers from Contactlab, ca. 0.3 M EUR;
- variable compensations historically referred to FY2021 but paid and accounted for in 2022, ca. 0.4 M EUR. In 2022 a new Group *shared bonus* system was introduced, which allows to account for variable compensation in the same year it is accrued;
- Payment of *una tantum* (one-off adjustment) under national trade agreements for FY 2020 - 2021 - 2022, to Growens and Agile Telecom employees, ca. 90k EUR.

The adjustments related to the *carve-out* of the Email Service Provider business were derived from FY2022 management data, thus reflecting intercompany principles in use. They do not constitute in any case forward-looking statements, re-calculation nor forecasts on the actual 2023 figures which will be produced after the closing.

# Glossary

**ARPA** - Average Revenue per Account, generally measured on a monthly or annual basis

**ARR** - Annual Recurring Revenue, a measure of predictable subscription-based revenue stream

**CAC** - Cost to Acquire a new Client, equal to the total sales and marketing expense divided by the number of new clients

**CPAAS** - Communications Platform as a Service is a cloud-based, programmable multichannel communications platform that lets you add messaging features to your existing business software using APIs

**CDP** - Customer Data Platform, a marketer-managed system that creates persistent, unified, customer database that is accessible to other systems

**LTV** - Life Time Value, an estimation of the aggregate gross margin contribution of the average customer over the life of the customer

**MRR** - Monthly Recurring Revenue, a measure of predictable subscription-based revenue stream

**NET RETENTION (%)** - How much revenue growth or churn the company had over time from the existing pool of customers. Takes into account expansion (upgrades), contraction (downgrades), and churn

**NPS** - Net Promoter Score, a method of using a single survey to gauge customer satisfaction. Range is from -100 to +100. Average for SaaS is 31

**Payback Period** - the average time (in months) it takes for the revenues from a new client to cover the cost of acquisition (sales and marketing) and the cost of service provision (COGS)

**RECURRING REVENUE** - The portion of a company's revenue that is expected to continue in the future. Unlike one-off sales, these revenues are predictable, stable and can be counted on to occur at regular intervals going forward with a relatively high degree of certainty. In SaaS they are referred to the annual or monthly subscriptions

**SAAS** - Software-as-a-service uses cloud computing to provide users with access to a program via the internet

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