



Growens signs definitive agreement to acquire Contactlab

4 April, 2022

Agenda

1

Deal Overview

2

Contactlab

3

Combined Entity

Deal Overview



Strategic Rationale

- Consolidation of Group position in the SaaS business
- Complementary market positioning and technology
- Sizeable, profitable business (Euro 1 million 2021 Ebitda)



Deal Consideration

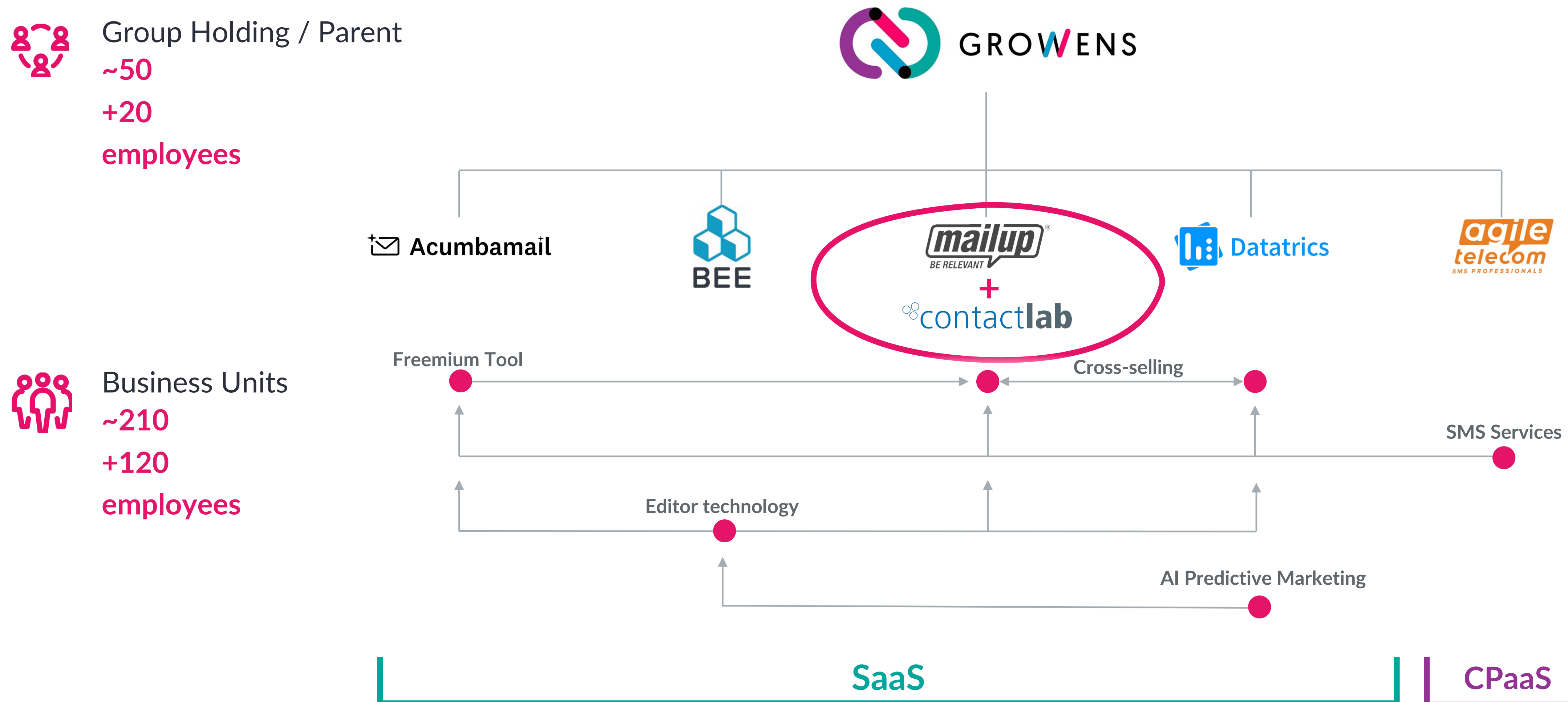
- 100% of Contactlab S.p.A.
- Euro 5 million Equity Value
 - Euro 3.75 million in cash
 - Euro 1.25 in treasury shares*, priced at Euro 6.62 per share
- Founder and CEO stays onboard
- Euro 6.6 million Earn-out** on 2022 integration & 2022-2024 business plan targets



Key Milestones

- Signing April 4, 2022
- Closing by mid-May 2022
- No client migration / platform divestiture
- Consolidation from January 1, 2022
- Unification of ContactLab and MailUp business unit

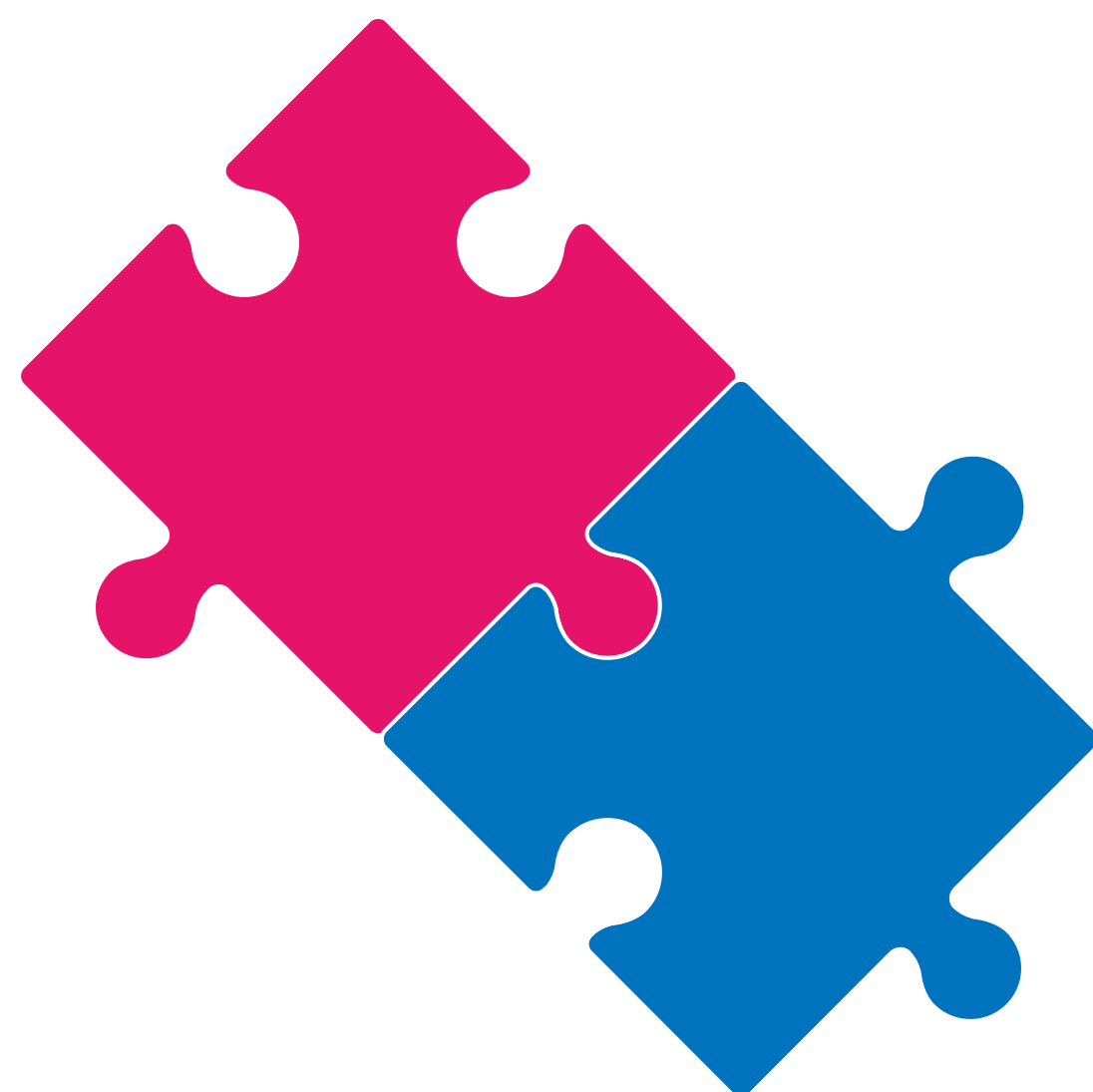
A bigger, stronger tech group built on synergies



Main complementarities

CHANNELS

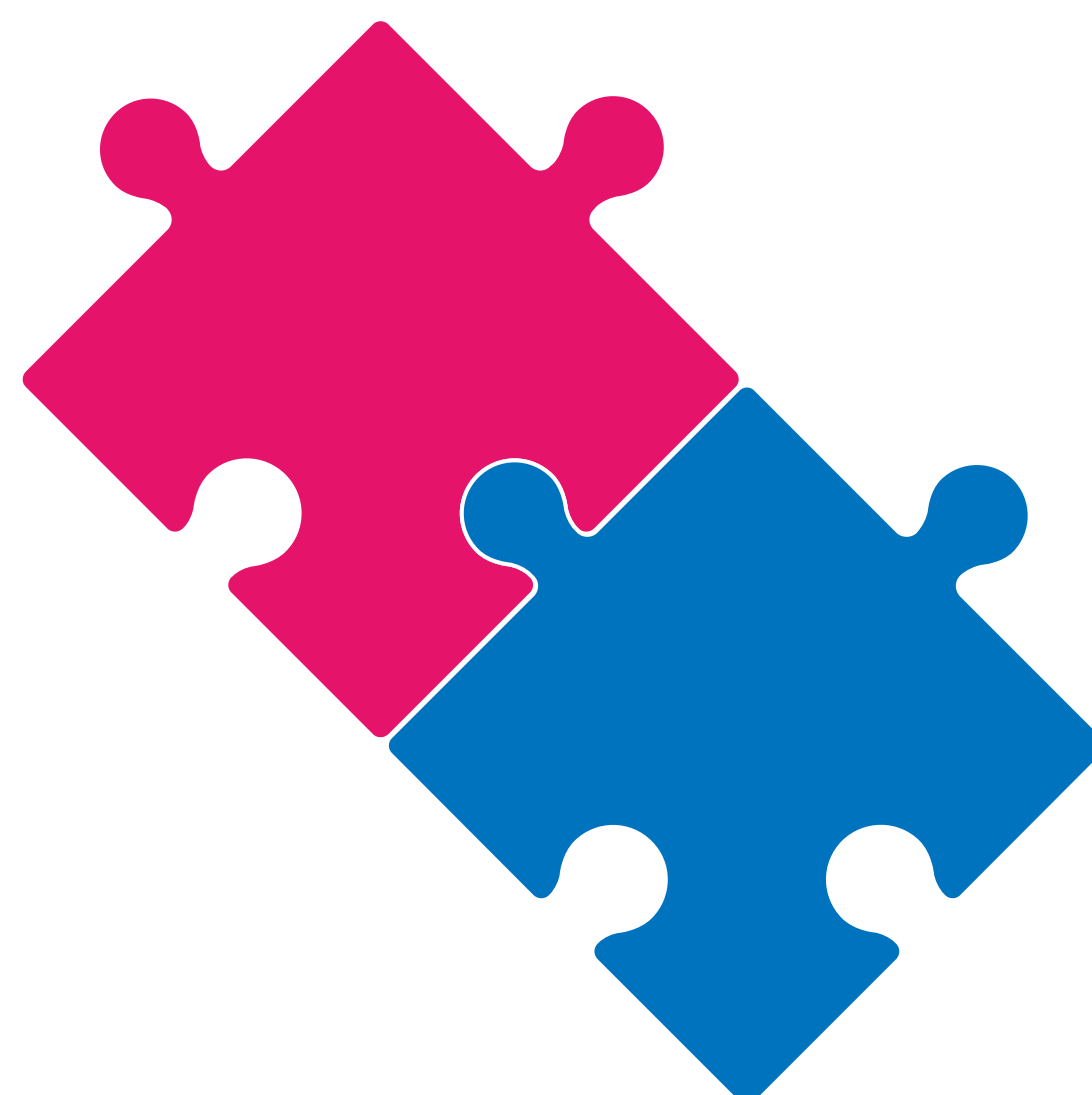
Indirect



Direct

MARKET

Small-mid

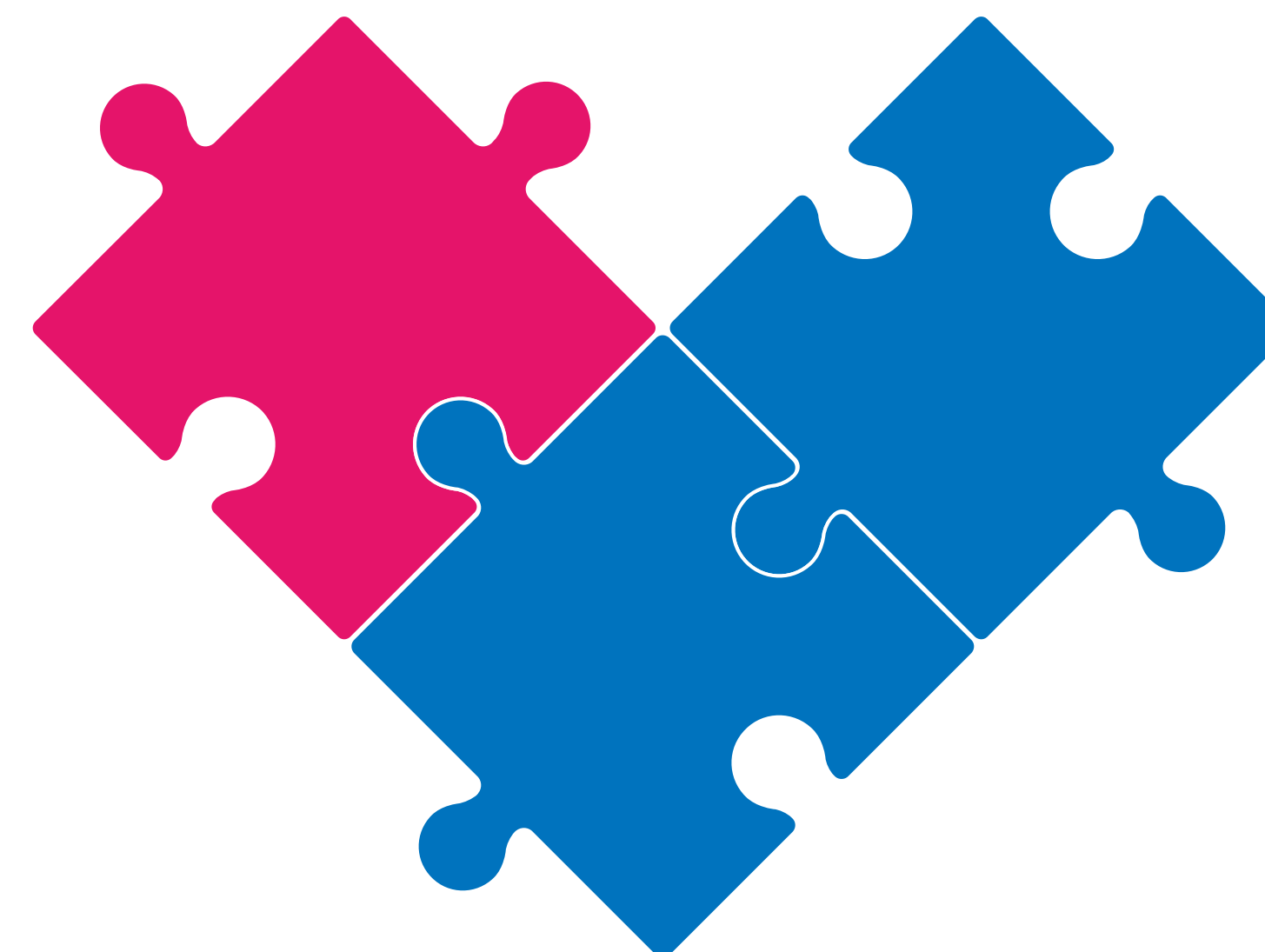


Mid-large

SERVICES

Email & SMS

Agency



Marketing Cloud

Expected outcome of integration

01

Wider product portfolio

Technology, product and service offer to serve customers' different needs and maturity

02

Professional services

Consolidation of Engagement Marketing offering on proprietary and non-proprietary platforms (Adobe/Oracle)

03

Product intelligence

Leverage on in-house agency cross-platform expertise to improve products and services

04

Customer acquisition

Acceleration of client acquisition via Product-Led approach + focus on indirect channel

05

Cross-selling e LTV

Increase total value and customer lifetime

06

Talents

Increase SaaS/Martech talent attraction and retention

Our shared values

Cloud Marketing Technology SAAS
#1 and #3 Italian ESP merging

Vision

Complementary go-to-market

MailUp: Small-Mid, Indirect, Product-Led
Contactlab: Mid-Large, Direct, Sales-Led

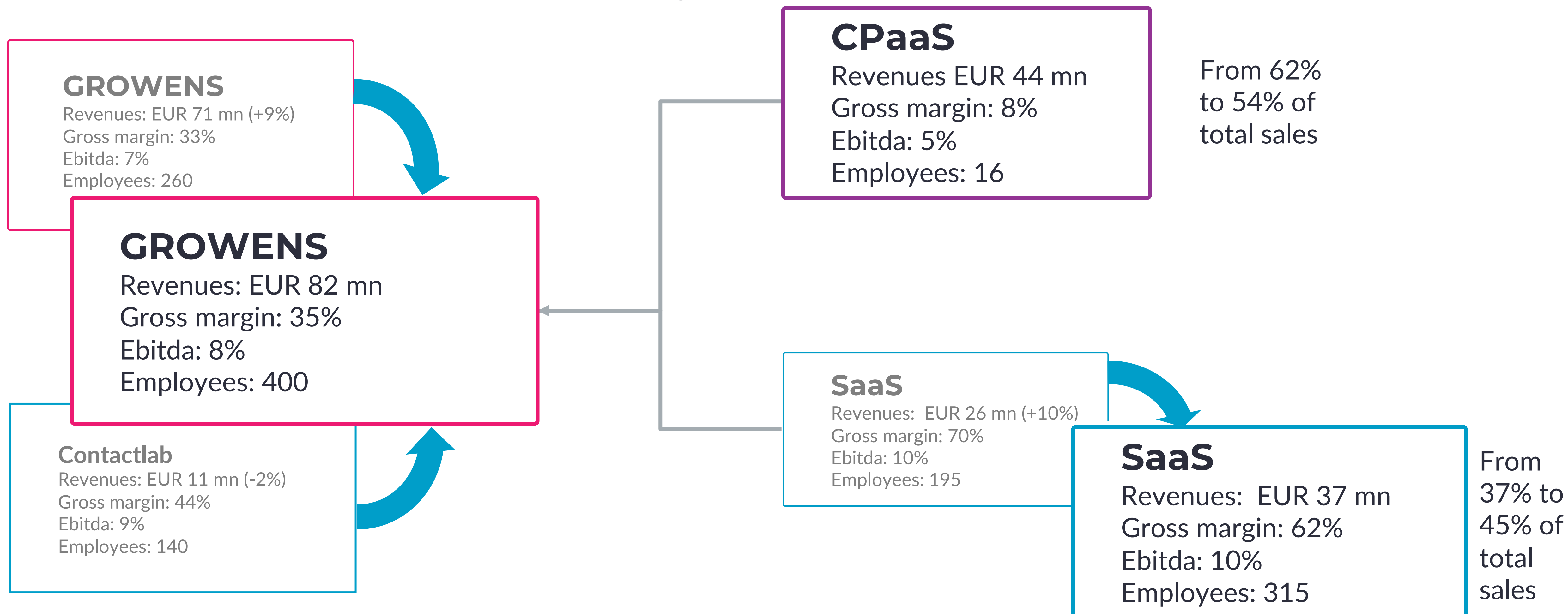
MailUp: Email & SMS Delivery with automation
Contactlab: Omnichannel Marketing Cloud with Professional Services

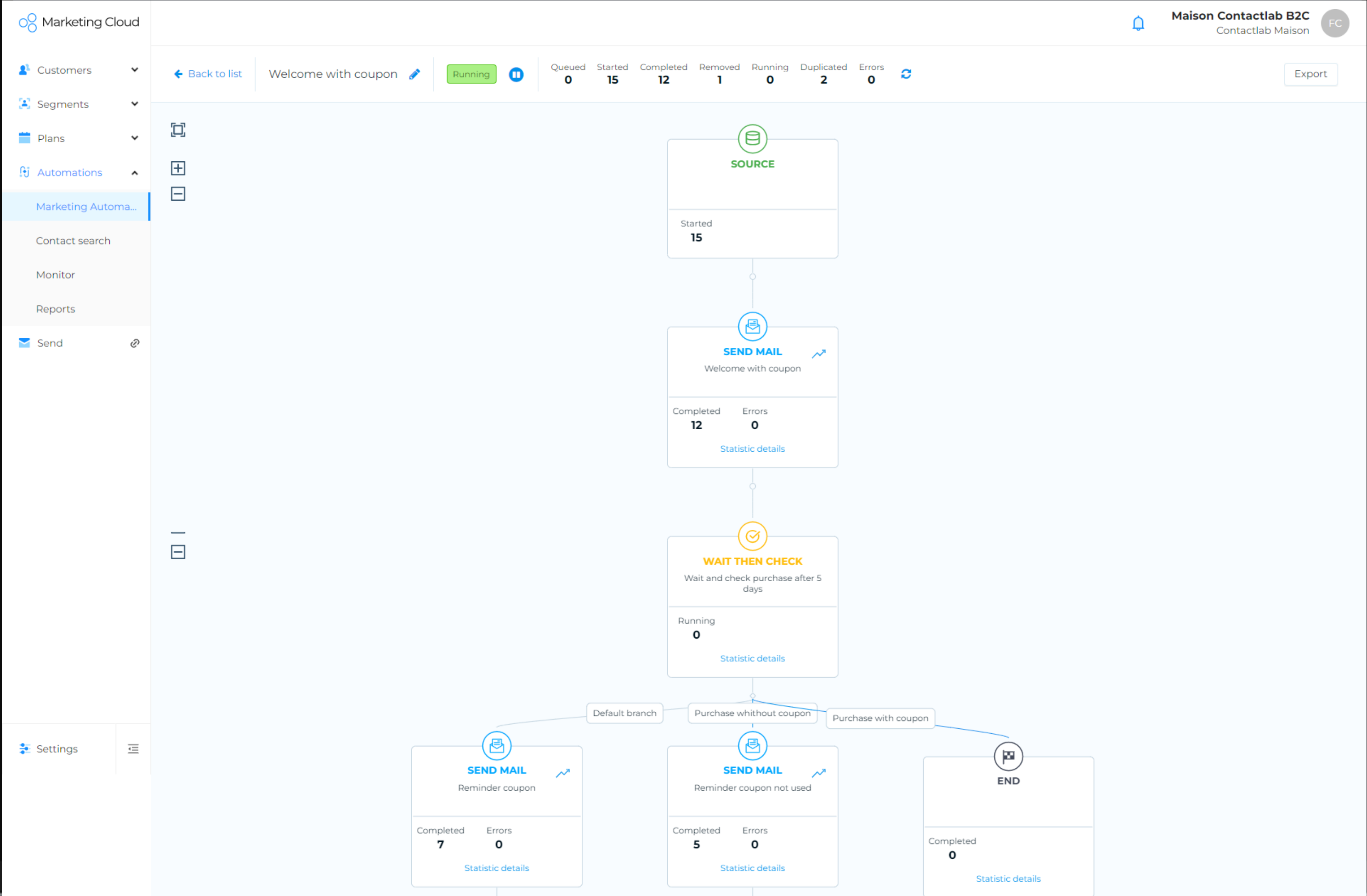
Complementary services

Principles

Caring
Passion
Innovation

Combined FY2021 figures





Contactlab: a leading one-stop-shop boutique

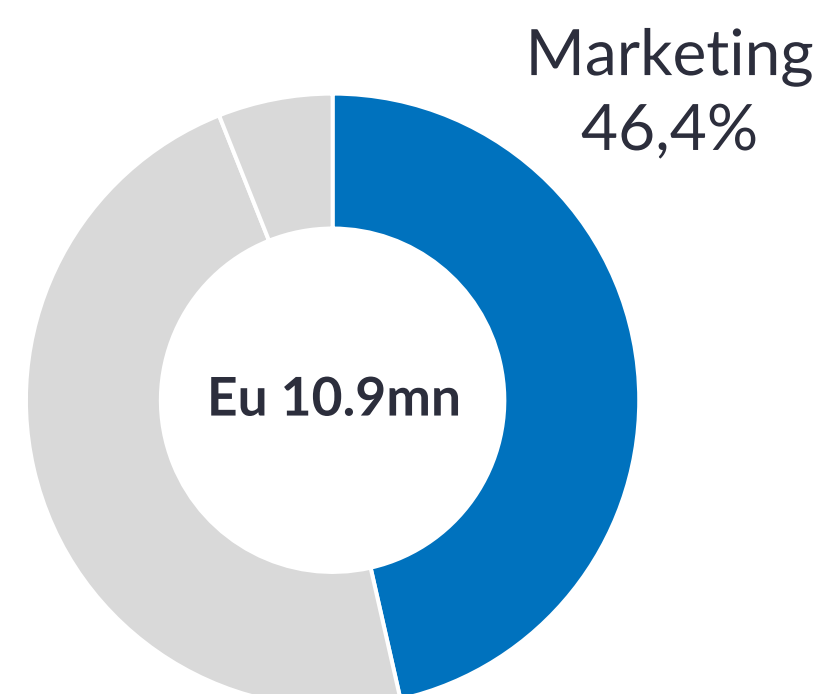
Founded in 1998 by Massimo Fubini and headquartered in Milan, Contactlab is a leading one-stop-shop boutique that provides products and services to enhance the **customer engagement strategies** and **digital marketing** campaigns. The company operates in two business segments:



Marketing Cloud

The proprietary and innovative SaaS platform “Flow” is at the core of this business providing:

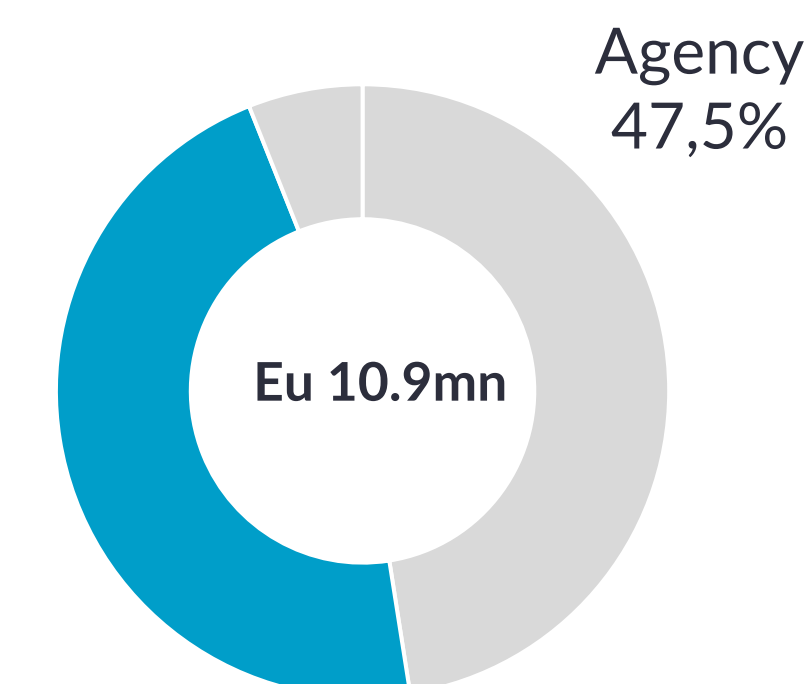
- Data analysis
- Automated marketing campaigns
- Multi-channel communication
- Return analysis to assess the effectiveness of the campaigns



Agency

Consulting services on e-commerce and digital marketing to create tailor-made marketing campaigns:

- Evaluation of effectiveness
- Interpret customer feedback
- Predictive model to optimize the outcome
- Deliverability services



Select clients



Stroili



DIOR

PATRIZIA PEPE



DSQUARED2

PANDORA[®]




Business unit highlights: Contactlab

Company

 Bootstrapped in 1998.
Unique proprietary SaaS platform to deliver customised marketing campaign and data analysis


 330+ clients, mainly enterprise in Italy

 140 employees

Market

 3rd in the Italian market


 Strong in fashion and retail industries

 Professional service expertise in customer engagement

Strategy

 Strengthen positioning in the Italian market

 Reinforce digital marketing offering

 Exploit synergies to create value for shareholders

KPIs

 Total revenues: € 10.9mn

 ARR: € 3.3mn

 EBITDA margin: 9+%

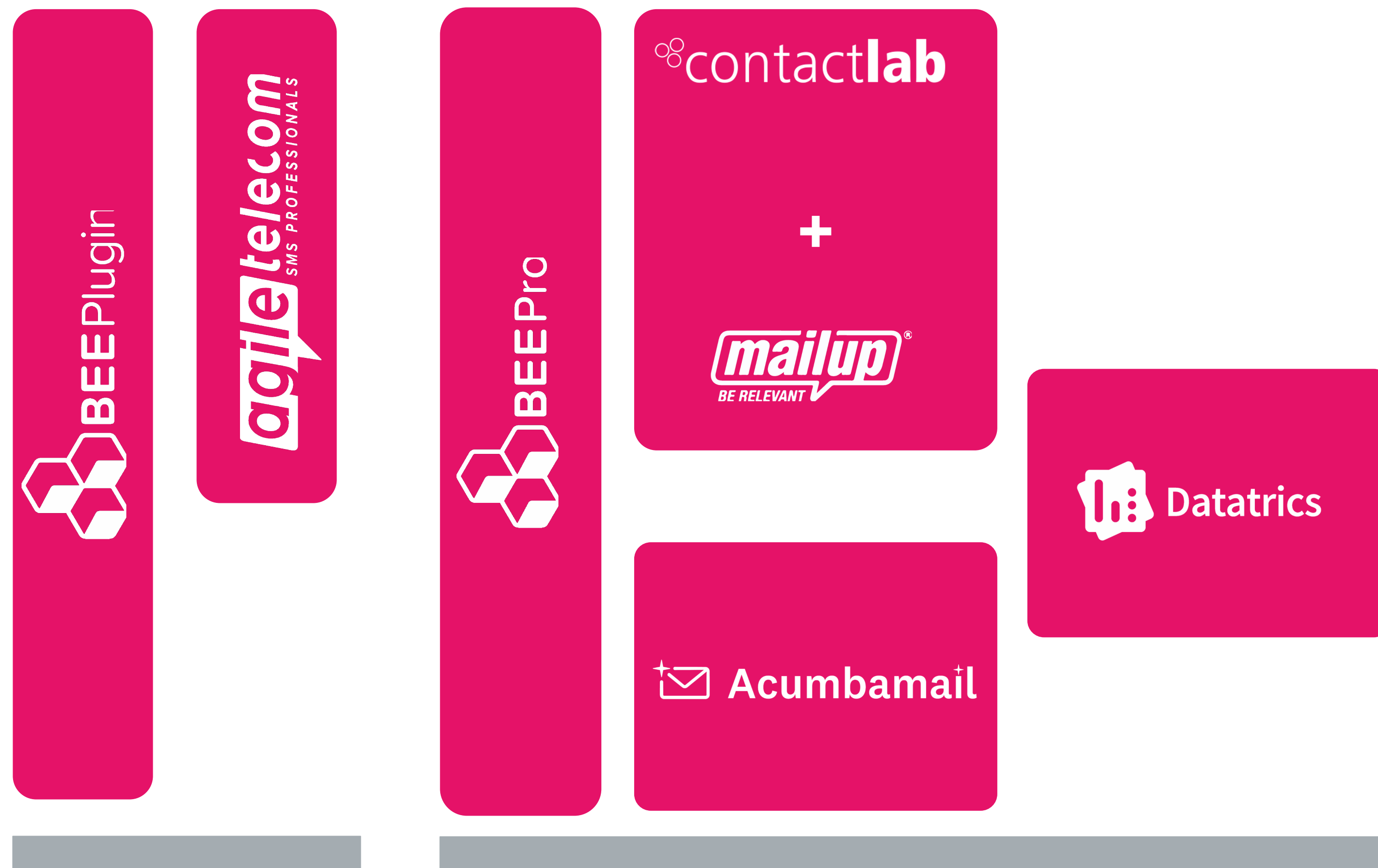
 Gross margin: 44+%

 Leverage: cash positive

 23.5+ million SMS sent

 5.8+ million Email sent

Products & Markets



HI-TOUCH

Go-to-market




LOW-TOUCH (Product-Led)

Department

IT

MARKETING

Aggregated key financials FY 2021

			
Total Revenues	71.2	10.9	82.1
<i>Recurring Revenues</i>	30.0%	30.3%	30.0%
Gross Profit	23.8	4.8	28.6
<i>Gross Margin</i>	33.4%	44.5%	34.8%
EBITDA	5.2	1.0	6.2
<i>EBITDA Margin</i>	7.3%	9.3%	7.6%
NFP	(6.5)	(0.4)	(3.2)

List of Parties

Growens

Financial Advisor



Legal Advisor



**Due diligence and
Integration Advisor**



Contactlab

Financial Advisor



Legal Advisor



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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 II Sole24Ore 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

P&L FY2021

	Growens	%	Contactlab	%
SaaS Revenues	26,090	36.6%	10,888	100.0%
CPaaS Revenues	44,070	61.9%		
Other Revenues	1,077	1.5%		
Total Revenues	71,237	100.0 %	10,888	100.0%
Cost of Goods Sold	47,437	66.6%	6,048	55.6%
Gross Profit	23,800	33.4%	4,840	44.5%
Sales & Marketing costs	7,324	10.3%	31	0.0%
Research & Development Opex	3,175	4.5%	340	3.1%
<i>Research & Development Capex</i>	(2,661)	(3.7%)	(946)	(8.7%)
<i>Research & Development costs</i>	5,836	8.2%		
General & Admin Costs	8,100	11.4%	4,397	40.4%
Total Costs	18,599	26.1%	3,822	35.1%
EBITDA	5,201	7.3%	1,018	9.3%
General Depreciation Costs	344	0.5%		
Right of Use Amortization Costs	1,189	1.7%		
R&D Amortization Costs	2,386	3.3%		
Amortization & Depreciation	151	0.2%	1,532	14.1%
EBIT	1,132	1.6%	(514)	(4.7%)
Net financial income/(charges)	(50)	(0.1%)	(29)	(0.3%)
EBT	1,082	1.5%	(543)	(5.0%)
Current Income Taxes	(849)	(1.2%)	0	(0.0%)
Deferred Taxes	135	0.2%	1	(0.0%)
Net Profit (Loss)	369	0.5%	(542)	(5.0%)

Balance sheet FY 2021

	Growens	Contactlab
Intangible fixed assets	6,934	985
Goodwill	15,326	
Tangible fixed assets	1,452	103
Rights of Use (IFRS 16)	3,168	
Financial fixed assets	201	50
Fixed Assets	27,081	1,138
Receivables from customers	12,465	3,391
Payables to suppliers	(14,188)	(832)
Payables to associated companies	(2)	
Commercial Trade Working Capital	(1,725)	2,559
Tax receivables and payables	291	
Accruals and deferrals	(7,845)	(882)
Other receivables and payables	(3,589)	(438)
Net Working Capital	(12,869)	1,239
Provisions for risks and charges	(937)	
Provisions for severance and pension	(2,266)	(1,733)
Net Capital Invested	11,010	644
Share capital	374	1,229
Reserves	16,775	377
Profit (Loss) for the period	387	(542)
Third parties Net Equity	(6)	
Net Equity	17,531	1,064
Cash	(13,325)	(1,747)
Short-term debt	1,235	307
Financial liabilities right of use (short term)	998	
AFS Financial Assets	0	
Medium/long-term debt	2,271	1,021
Financial liabilities right of use (medium/long term)	2,300	
Net financial position	(6,521)	(419)
Total sources	11,010	644

Data in €/000

Contactlab data in Italian GAAP, hence respective figures are not totally comparable

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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