



PRICE SENSITIVE

PRESS RELEASE

The Board of Directors reviewed certain financial data concerning the first quarter of 2022

Sales +28% at 21.2M EUR

Gross Profit +12% at 6.3M EUR

EBITDA -21% at 1.1M EUR

Milan, 10 May, 2022 – 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, announces that today the Board of Directors examined certain consolidated financial data concerning the first quarter of 2022.

Consolidated figures show significant growth, +28% for Q1 2022 sales at 21.2M EUR vs. 16.6M EUR in Q1 2021; and -21% for Q1 2022 EBITDA at 1.1M EUR vs. 1.4M EUR in Q1 2021.

“Q1 2022 results show the return of solid double-digit top line growth, supported by the effectiveness of our investments. Margins slow down because of the difficult return to growth of Datatrics due to the 2021 reorganisation. Changes in other business units’ margins are mainly due to a greater re-allocation of intercompany costs, which also positively affects holding margins.”

Matteo Monfredini, Chairman and founder of Growens

“The first quarter shows the first effects of the investments to strengthen the five business units, on which our growth path is based. Current results do not yet include Contactlab’s contribution, the recent acquisition which will be integrated into the MailUp business unit, from which we expect relevant synergies starting from 2023 in terms of a material consolidation of our leadership with diversified client bases. We confirm our strategy, centered on both innovation and growth, both organic and via M&A.”

Nazzareno Gorni, CEO and founder of Growens

Summary of Q1 2022 results

The main results for the quarter ended 31 March 2022 are as follows:

| Item (EUR) | Q1 2022 | % | Q1 2021 | % | Change | Ch.% |
|-----------------------|-------------------|---------------|-------------------|---------------|------------------|--------------|
| SaaS Revenues | 7,368,726 | 34.8% | 6,011,793 | 36.2% | 1,356,934 | 22.6% |
| CPaaS Revenues | 13,719,300 | 64.7% | 10,327,163 | 62.2% | 3,392,137 | 32.8% |
| Other Revenues | 111,853 | 0.5% | 260,924 | 1.6% | (149,072) | (57.1%) |
| TOTAL REVENUES | 21,199,879 | 100.0% | 16,599,881 | 100.0% | 4,599,999 | 27.7% |
| Gross Profit | 6,267,239 | 29.6% | 5,586,371 | 33.7% | 680,868 | 12.2% |
| EBITDA | 1,098,419 | 5.2% | 1,385,808 | 8.3% | (287,389) | (20.7%) |
| EBT | 34,449 | 0.2% | 501,829 | 3.0% | (467,380) | (93.1%) |

The SaaS business line (Software-as-a-Service) includes services supplied to clients via cloud platforms, sold through mostly recurring multi-period contracts / c.d. *subscriptions*. In terms of Business Units, it combines revenues from MailUp, BEE, Acumbamail and Datatrics. The CPaaS business line (Communication-Platform-as-a-Service) covers the messaging services provided on a wholesale basis using APIs, especially supplied by the Agile Telecom Business Unit.

Here follow quarterly results by Business Unit:

| in Euro | SALES | | | EBITDA | | |
|---------------|-------------------|-------------------|--------------|------------------|------------------|----------------|
| | 31/03/2022 | 31/03/2021 | % | 31/03/2022 | 31/03/2021 | % |
| MailUp | 4,309,457 | 3,898,743 | 10.5% | 642,975 | 977,014 | (34.2%) |
| Agile Telecom | 14,671,428 | 10,990,415 | 33.5% | 445,069 | 513,061 | (13.3%) |
| BEE | 1,881,800 | 1,134,010 | 65.9% | 310,092 | 202,648 | 53.0% |
| Datatrics | 622,264 | 674,416 | (7.7%) | (434,560) | (80,437) | (440.2%) |
| Acumbamail | 549,974 | 469,695 | 17.1% | 100,861 | 118,560 | (14.9%) |
| Holding | 2,026,102 | 1,327,442 | 52.6% | (24,543) | (415,768) | 94.1% |
| TOTAL | 24,061,025 | 18,494,721 | 30.1% | 1,039,894 | 1,315,077 | (20.9%) |
| Consol. Adj. | (2,861,146) | (1,894,840) | | 58,526 | 70,731 | |
| TOTAL | 21,199,879 | 16,599,881 | 27.7% | 1,098,419 | 1,385,808 | (20.7%) |

The consolidated net financial position as of 31 March 2022 is the following:

| Consolidated Net Financial Position | 31/03/2022 | 31/12/2021 | Change | Ch. % |
|--|--------------------|---------------------|--------------------|----------------|
| A. Cash | 10,629,872 | 13,324,983 | (2,695,111) | (20.2%) |
| B. Cash equivalents | | | | |
| C. Other current financial assets | | | | |
| D. Cash and cash equivalents (A) + (B) + (C) | 10,629,872 | 13,324,983 | (2,695,111) | (20.2%) |
| E Financial debt | 1,071,777 | 1,164,171 | (92,394) | (7.9%) |
| F. Current financial debt | 1,197,246 | 1,068,841 | 128,404 | 12.0% |
| G. Current financial position (E) + (F) | 2,269,022 | 2,233,012 | 36,010 | 1.6% |
| H. Net short term financial position (G) - (D) | (8,360,850) | (11,091,971) | 2,731,121 | (24.6%) |
| I. Due to banks medium/long term | 5,244,300 | 4,571,252 | 673,048 | 14.7% |
| J. Bonds issued | | | | |
| K. Other financial liabilities medium/long term | | | | |
| L. Non current financial position (I) + (J) + (K) | 5,244,300 | 4,571,252 | 673,048 | 14.7% |
| M. Net financial position (H) + (L) | (3,116,549) | (6,520,719) | 3,404,169 | (52.2%) |
| o/w H. Current financial liabilities Rights of Use IFRS 16 | 743,049 | 998,388 | (255,339) | (25.6%) |
| o/w M. Non current financial liabilities Rights of Use IFRS 16 | 2,350,753 | 2,300,390 | 50,363 | 2.2% |
| O. Net financial position without IFRS 16 effect | (6,210,352) | (9,819,497) | 3,609,145 | (36.8%) |

The above-mentioned results are unaudited.

Comments to the results

Consolidated Q1 2022 P&L posts total **Revenues** around 21.2M EUR, showing a +28% organic increase versus 16.6M EUR in the same period of 2021: such growth is mainly driven by the 23% growth of the SaaS component, for a 35% incidence on total sales. CPaaS grows by 33% for a 65% incidence on total sales. Other revenues decrease because of the reduction in non-refundable government grants and windfall profits vs. the same period in 2021.

The **Agile Telecom** Business Unit posted the biggest sales of ca. 14.7M EUR, growing +33% over the same period of the previous year. Data confirm the recovery of the SMS data traffic, with a material increase in foreign sales.

The fastest growing Business Unit is **BEE (beefree.io)**, with a 66% increase in, at 1.9M EUR turnover, driven by increasing volumes. ARR (Annual Recurring Revenues, a very popular key performance indicator for a subscription business, showing the average annual recurring value of existing contracts) exceeds 8.7M USD as of March 2022.

Acumbamail's performance is also excellent (growing ca 17%), whereas MailUp (not yet including Contactlab, acquired on May 4, 2022) posts growing sales (+11%), thanks to product-led strategy and development of the indirect channel abroad.

The **Datatricks** Business Unit sales, operating in the Predictive Marketing space with a proprietary Customer Data Platform, decreased by -7.7%

Consolidated recurring sales (SaaS subscriptions), representing ca. 28% of total sales at 5.9M EUR, grew by 20% vs. the same period of the previous year.

Foreign sales amount to 13.1M EUR, representing 63% of total sales and growing by 49%.

New clients include IGPDecaux, Banca Valsabbina, Deutsche Bank, Tucano, Fondazione Policlinico Universitario Campus Bio-Medico, Latteria Soresina, Giuliani, Legami, Amazon, LVMH (Louis Vuitton Moët Hennessy), Equifax, U.S. Cellular.

Consolidated **EBITDA** amounts to 1.1M EUR in Q1 2022, decreasing by 21% versus Q1 2021, with a 5% margin on sales. The absolute and relative decrease of this figure is due to the sales mix in favor of CPaaS line, which generates lower margins. This figure is also negatively affected by certain one-off costs, amounting to ca. 100k EUR, due to personnel exit packages; restated EBITDA would amount to 1.2M EUR, decreasing by 14 on Q1 2021.

Gross Profit grows by over 12% to 6.3M EUR, with a 30% margin on sales, whereas EBT amounts to 34k EUR or 0.2% on sales.

The consolidated **Net Financial Position** as of 31 March 2022 is negative (for net cash) and amounts to 3.1M EUR, decreasing versus the previously recorded (net cash) amount of 6.5M EUR as of 31 December 2021, mainly due to temporary extra payment deferrals granted to certain strategic clients of Agile Telecom's, which affected March-end (historically characterized by high volumes of payments to suppliers) but were readily normalized in the first half of April. Figurative debt from IFRS 16's adoption amounts to ca. 3.1M EUR. Cash amounts to 10.7M EUR.

Summary of KPI's

SAAS

| KPI | MailUp | Datatics | Acumbamail | BEE | Date |
|-----------------------|-------------|------------|------------|-------------|------------|
| ARR | 11,640,012€ | 2,324,100€ | 1,914,732€ | 8,730,000\$ | March 2022 |
| ARR growth | +5% | -11% | +12% | +53% | March 2022 |
| Gross margin | 67% | 55% | 86% | 73% | FY 2021 |
| EBITDA margin | 15% | -70% | 18% | 17% | Q1 2022 |
| Net Revenue Retention | 94% | 74% | 90% | 113% | March 2022 |

Data from management accounts, not subject to a BoD resolution, unaudited

Investor Relations

Growens Chairman and CEO will comment Q1 2022 results in a conference call to be held on 13 May 2022 at 4 pm CET. Registration at this link: <https://my.demio.com/ref/VrqfJ82AaA6bm1Wg>

Growens CEO and Executive Director&IR will participate to the following investor conferences

- **Sidoti May Virtual Micro Cap Conference**, 11 and 12 May 2022;
- **Euronext Growth Conference**, 26 May 2022;
- **Virgilio Mid & Small Virtual**, 28-30 June 2022.



Growens (GROW) is a vertically integrated player in the field of Cloud Marketing Technologies. Its growing suite of data-driven solutions allows SMEs and large corporations globally to master the evolving ways of communicating with customers. Starting from the parent company, which includes the MailUp business unit (Email marketing technology), the group boasts a steady growth path both organically and through acquisitions: Acumbamail (Spanish and LatAm markets), Agile Telecom (wholesale SMS market) and Datatrics (artificial intelligence), Contactlab (Email marketing enterprise). The brand portfolio is completed by BEE, an email editor launched in 2017 as a complementary business line, already covering thousands of customers worldwide. Today, Growens is a leading European player in the field of Cloud Marketing Technologies, serving 26,000+ customers in 100+ countries.

The company is admitted to trading on the AIM Italia market managed by the Italian Stock Exchange, with a free float of 36+%.

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

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

For further information

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