

Consolidated Financial Statements and Separate Financial Statements as at 31 December 2023

Financial Statements prepared in accordance with IAS/IFRS accounting standards
- Figures in Euro -



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Corporate Bodies

Board of Directors

(In office until approval of the Financial Statements as at 31 December 2025)

Name and Surname	Office
Matteo Monfredini	Chairman of the BoD with proxies
Nazzareno Gorni	Deputy Chairman of the BoD with proxies
Micaela Cristina Capelli	Director with proxies
Paola De Martini	Independent Director without proxies
Ignazio Castiglioni	Independent Director without proxies

Board of Statutory Auditors

(In office until approval of the Financial Statements as at 31 December 2025)

Name and Surname	Office
Michele Manfredini	Chair of the Board of Statutory Auditors
Fabrizio Ferrari	Regular Auditor
Donata Paola Patrini	Regular Auditor
Andrea Bonelli	Alternate Auditor

Independent auditing firm

(In office until approval of the Financial Statements as at 31 December 2025)

BDO Italia S.p.A.

1. Growens Group

The Growens Group (hereinafter also referred to as “Growens Group” or “Group”) is an operator active in two main business areas:

Software-as-a-Service (“**SaaS**”), comprising the development and marketing of Cloud services offered to its customers, with particular focus on content design. These services are performed by the subsidiary Bee Content Design Inc. (hereinafter “Beefree” or “Bee Content Design”), which operates with over 1 million free users, around 9,400 customers and over 1,000 applications;

Communication Platform as-a-Service (“**CPaaS**”), through its subsidiary Agile Telecom S.p.A. (hereafter “Agile Telecom”), which develops and sells technologies for the mass sending of SMS, for marketing and transactional purposes, with over 370 connections to B2B operators. At the consolidated level, the Group operated in over a hundred countries and had a workforce of around 150 employees at the close of the 2023 financial year. Within the Group, Growens S.p.A. (hereinafter also referred to as “Growens” or the “Company”) operates as a parent company and holding company, providing staff services to its subsidiaries and dealing with strategic policy-making and M&A (merger and acquisition) activities.

On 13 July 2023, Growens finalised the sale of the Group-owned *Email Service Provider business unit* through the sale of its wholly-owned shareholdings in MailUp S.p.A. (formerly Contactlab S.p.A.), Acumbamail S.L., MailUp Nordics A/S and its subsidiary Globase International A.p.S. (collectively, the “Email Service Provider” businesses) to TeamSystem S.p.A. for a consideration of Euro 76.5 million. This line of business operated with over 9,500 direct customers via the SaaS MailUp platform, a multi-channel (e-mail, newsletter, SMS and messaging apps) cloud computing system for the professional management of digital marketing campaigns.

On 20 October 2023, the transaction for the sale of 100% of the share capital of the Dutch subsidiary Datatrics BV to Squeezely BV, a company of the Dutch group Spotler, a leading operator of marketing automation in the Netherlands and the United Kingdom, was also completed for a consideration of Euro 1.6 million.

Growens Group structure

Compared to the configuration at 31 December 2022, the Group underwent significant changes as a result of extraordinary transactions that were completed in 2023, namely:

- on 3 February 2023, Growens announced the signing of a binding agreement to sell the Growens business unit MailUp and its shareholdings in Contactlab S.p.A. (now MailUp S.p.A.), Acumbamail S.L., MailUp Nordics A/S and its subsidiary Globase International A.p.S. (collectively, the “Email Service Provider” or “ESP” businesses) to TeamSystem S.p.A. for a total consideration of Euro 70 million on a cash/debt free basis. The sale of the Email Service Provider activities involved the transfer of a

workforce of about 260 people in Italy, Spain, and Denmark, including Luca Azzali and Alberto Miscia, who took on roles within the transferred activities, remaining shareholders of Growens. Additionally, a set of transitional service contracts was envisaged, which included, among other things, operational support activities necessary for the buyer and the businesses sold to finalize the transition period for the more strictly administrative activities, as well as the use of certain real estate facilities of the Company

- on 7 June 2023, the extraordinary shareholders' meeting of Contactlab resolved, inter alia, to: (i) increase its share capital by a total of Euro 708,309, including nominal value and share premium, to be paid through the contribution of the MailUp business unit (with the issue of 271,428 new shares); and (ii) change its company name to "MailUp S.p.A.". On 30 June 2023, Growens, in execution of the binding agreement signed with TeamSystem, transferred the aforementioned business unit to MailUp S.p.A., effective as of 11:59 p.m. of the same day, resulting in the subscription and full release of the capital increase;
- on 13 July 2023, the closing of the transaction agreed with TeamSystem was finalised, the sale of the Growens *Email Service Provider business unit* relating to the MailUp business unit and of the shares held in Contactlab S.p.A., Acumbamail S.L., MailUp Nordics A/S and its subsidiary Globase International A.p.S. to TeamSystem S.p.A. was finalised for a total consideration of Euro 76.7 million;
- on 2 August 2023, was the repurchase of a 1.67% stake (87,500 shares) in the share capital of Bee Content Design from Massimo Arrigoni for a total consideration of Euro 0.67 million, thus raising the Group's shareholding percentage from 95.24% to 96.9%;
- on 9 October 2023, Growens entered into a binding agreement to sell 100% of the share capital of its Dutch subsidiary Datatrics BV to Squeezely BV, a company of the Spotler group, a leading player in marketing automation in the Netherlands and the UK, for a total consideration of Euro 1.6 million, which was subsequently finalised on 20 October 2023.

As a result of the above, the Group as at 31 December 2023, can be represented as follows:



Growens holds a 100% stake in Agile Telecom, while in its US subsidiary Bee Content Design it holds a controlling interest of 96.9%.

Bee Content Design Inc., with HQ in San Francisco, organised according to the dual company model, with a business team located in the United States, and a technological team located in Italy, is focused on the development and commercialisation of the innovative content editor Beefree. The Business Unit's products and brands were rebranded, with communication on 30 August 2023, with the renaming of BEEPro to **Beefree** and BEEPlugin to **Beefree SDK**. The evolution of the brand reflects two established key points in the company's recent history: growth beyond e-mail editing and its commitment to creating limitless content for all. Beefree is indeed active in the field of no-code tools for designing e-mails, landing pages, pop-ups and other digital content. Beefree has expanded its reach to include advanced artificial intelligence capabilities, collaboration tools and further integrations, also expanding its user base. Beefree tools for designing e-mail and other digital content are now used by more than 400,000 single users every month in over 150 countries, and have also been adopted by giants such as Amazon, Google and Disney. Directly on beefree.io, there are more than 40,000 monthly customers, including freemium customers, and Beefree's solutions have been integrated into more than 1,000 third-party applications, consolidating its presence in the digital landscape. At the same time, rebranding is also a crucial step for the Growens Group, which sees Beefree as the engine for future growth



after the finalisation of the sale of the Email Service Provider business to TeamSystem and the sale of Datatrics BV to the Dutch player Spotler.

Agile Telecom S.p.A., with registered office in Carpi (MO), is an operator authorized by the Ministry of Economic Development and Communication to offer a public communication service (OLO - Other Licensed Operator) and is also registered with the Register of Operators in Communication (ROC) held by the Italian Authority for Telecommunications Guarantees (AGCOM). Agile Telecom is a leader in the Italian wholesale SMS market and manages the sending out of promotional and transactional A2P messages (One-Time Password, notifications and alerts).



2. Summary data

Significant events in the year ended as at 31 December 2023

In 2023, the activities of the Group were characterised by the events indicated below.

On 3 February 2023, Growens announced the signing of a binding agreement to sell the Growens business unit MailUp and its shareholdings in Contactlab S.p.A., Acumbamail S.L., MailUp Nordics A/S and its subsidiary Globase International A.p.S. (collectively, the “Email Service Provider” businesses) to TeamSystem S.p.A. for a total consideration of Euro 70 million on a cash/debt free basis. The transfer of the Email Service Provider businesses results in the transfer of approximately 260 employees in Italy, Spain and Denmark, including Luca Azzali and Alberto Miscia, who will take over tasks within the transferred activities, while remaining shareholders of Growens. Also envisaged is a set of transitional service agreements covering, among other things, operational support activities necessary for the purchaser and the divested businesses to complete the transition period of the more purely administrative activities, as well as the use of certain of the Company’s real estate facilities. Finally, the actual transfer of the activities of Email Service Provider against payment of the price is subject to certain conditions precedent, including (i) obtaining clearance under the so-called “Golden Power” regulations in force, (ii) the granting of clearance by the Antitrust Authorities, (iii) the favourable vote of the ordinary and extraordinary shareholders’ meeting of the Company, and (iv) the effectiveness of the transfer of the business unit MailUp (including the investment in MailUp Nordics/Globase) to Contactlab S.p.A. The signing of the transaction also entails the release of the lock-up commitments for the sellers of Contactlab and the settlement towards them of a total amount of Euro 2.2 million in cash, replacing the original agreements.

On 9 March 2023, the Ordinary and Extraordinary meeting of the Company resolved on the three items on the agenda. In particular, in ordinary session, the Meeting approved the sale of the “MailUp” business and the shareholdings in Contactlab S.p.A., Acumbamail S.L., MailUp Nordics A/S and Globase International ApS to TeamSystem S.p.A. under the conditions set out in the binding agreement signed on 2 February 2023; in extraordinary session, the Meeting resolved to approve the proposed amendments to the Articles of Association (extension of the corporate purpose to holding company and renaming of the multilateral trading system “AIM Italia” to “Euronext Growth Milan”), approving in full for the effect the text of the new amended Articles of Association, in force as of the effective date of the transfer of the Email Service Provider business. Shareholders who did not participate in the shareholders’ resolution approving the amendment of the Articles of Association have the right of withdrawal, which may be exercised subject to the closing of the ESP sale. The Board of Directors set the unit liquidation value of the Company’s shares at Euro 4.39 per share.

On 7 April 2023, the Company announced that it had received notification from BMC Holding B.V., a vehicle owned by the sellers of Datatrics, that it had reduced its stake in Growens’ share capital below the 5% threshold, to an effective stake of 4.6%.

On 17 May 2023, the Company announced the partial release of a further portion of the shares held by the sellers of Datatrics from the lock-up, resulting in a total lock-up interest of 2.664%, thereby increasing the free float to approximately 41%.

On 18 May 2023, the Company announced the fulfilment of the conditions precedent to the sale of the Email Service Provider business relating to antitrust aspects, with the announcements: (i) by the Presidency of the Council of Ministers of non-exercise of special powers, pursuant to Decree-Law no. 21 of 15 March 2012, converted, with amendments, by Law no. 56 of 11 May 2012, by the Coordination Group referred to in article 3 of the Prime Ministerial Decree no. 133 of 1 August 2022 (so-called “Golden Power”); (ii) by the Spanish Ministry of Industry, Trade and Tourism (Ministerio de industria, comercio y turismo) that the aforementioned transaction is not subject to authorisation pursuant to article 7-bis of Law no. 19 of 4 July 2003.

On 12 June 2023, the Company announced a change in its significant shareholders, following the notification by Matteo Monfredini, Nazzareno Gorni, Luca Azzali, Matteo Bettoni and Alberto Domenico Miscia of a change in their shareholding as a result of the contribution of all the shares they directly held in the Company to five corporate vehicles that they fully owned. As a result of these contributions, the new major shareholders adhered to the shareholders’ agreement initially signed between the contributing shareholders on 19 December 2021 (and disclosed to the market on 23 December 2021) for a total of 7,000,000 shares, or 45.47% of the share capital.

On 30 June 2023, the Company announced that, in execution of the binding agreement entered into on 2 February 2023 with TeamSystem, on 7 June 2023, the Contactlab

extraordinary shareholders' meeting resolved, inter alia, to: (i) increase its share capital by a total of Euro 708,309.00, including nominal value and share premium, to be paid through the contribution of the Email Service Provider business unit (with the issue of 271,428 new shares); and (ii) change its company name to "MailUp S.p.A.". On the same date, Growens transferred the Business Unit to MailUp, with effect from 11:59 p.m. on 30 June 2023, resulting in the subscription and full release of the capital increase.

On 13 July 2023, Growens announced the finalisation of the sale of the MailUp business unit through the shares held in MailUp S.p.A. (formerly Contactlab S.p.A.), Acumbamail S.L., MailUp Nordics A/S and its subsidiary Globase International A.p.S. (collectively, the "Email Service Provider" businesses) to TeamSystem S.p.A. for a final consideration of Euro 76.7 million. A portion of the price of Euro 4.6 million was deposited in an escrow account to guarantee the indemnification obligations assumed by the Company in the agreement governing the transaction and will be subject to periodic releases according to a *décalage* mechanism customary for this type of instrument.

The completion of the transaction entailed the fulfilment of the condition precedent to which the resolution to change the corporate purpose passed by the Company's extraordinary shareholders' meeting on 9 March 2023 was subject, and determined, among other things, the legitimacy of the right of withdrawal for shareholders who did not take part in the relevant resolution.

Therefore, on the same date of 13 July 2023, the Company announced the opening of the period for the exercise of the right of withdrawal, which ended on the following 28 July without any adhesions being received.

On 13 July 2023, the Board of Directors approved the guidelines of an operation that envisages the promotion, subject to obtaining the necessary authorisation from the Shareholders' Meeting, of a voluntary partial tender offer on treasury shares, concerning a maximum of 2,647,058 ordinary treasury shares (without any indication of the express par value) corresponding to approximately 17.2% of the total number of ordinary shares issued for a unit price of Euro 6.80 and therefore for a maximum total countervalue of Euro 17,999,994.40.

On 30 August 2023, Growens announced the rebranding of the Bee Content Design Inc. Business Unit's (hereinafter also "BU") products from BEEPro to Beefree and from BEEPlugin to Beefree SDK, respectively, consistent with both the BU's market approach, based on offering products that give everyone access to quality content creation, and the Group's growth strategy, focused on fostering Beefree's growth.

On 1 September 2023, the Ordinary Shareholders' Meeting was called to resolve on (i) the authorisation to purchase treasury shares pursuant to article 2357 of the Civil Code, (ii) the revocation of the authorisation to purchase treasury shares granted on 20 April 2023, which, in any case, the Board of Directors did not use.

The Ordinary Shareholders' Meeting was held on 18 September 2023 and resolved unanimously (therefore with the majorities envisaged by article 44-bis of Consob's Issuers' Regulations), inter alia, to (i) revoke, for the part not executed, the previous resolution authorising the purchase and disposal of treasury shares adopted by the Shareholders' Meeting of 20 April 2023, effective as of today; (ii) authorise the Board of Directors, pursuant to and for the purposes of article 2357 of the Civil Code, to purchase a maximum of 2,647,058 ordinary treasury shares, to be carried out through a public tender offer to be promoted by the Company pursuant to article 102 of the Consolidated Finance Act (TUF); (iii) to establish that the price of the ordinary treasury shares to be purchased is equal to Euro 6.80 per share and that the duration of the authorisation is eighteen months from the date of the same Shareholders' resolution.

On 9 October, the Company announced the filing with Consob of the offer document for publication, relating to the voluntary partial tender offer pursuant to article 102 of the Consolidated Finance Act (TUF) promoted by Growens itself on a maximum of 2,647,058 treasury shares.

On the same date, it was also announced that Growens had signed a binding agreement to sell 100% of the share capital of its Dutch subsidiary Datatrics BV to Squeezely BV, a company of the Spotler group, a leading operator in marketing automation in the Netherlands and the UK, for a total consideration of Euro 1.66 million and against the waiver by Growens of approximately Euro 7 million in intercompany receivables from Datatrics. The transaction closed on 23 October, with a final price of Euro 1.6 million.

On 9 November, the offer document relating to the voluntary partial tender offer promoted by Growens on its treasury shares was published, as well as filed with Consob and made available to the public for consultation, following Consob's approval by Resolution no. 22870 of 8 November.

The acceptance period for the public offer ran from 13 November to 6 December, with payment on 13 December. A total of 4,987,932 Shares were tendered, representing approximately 188.433% of the shares in the offer and approximately 32.403% of Growens' share capital. The allocation was therefore made according to a coefficient of approximately 53.069% and, as a result, the Company acquired 2,647,058 treasury shares at a unit price of Euro 6.80, for a total countervalue of Euro 17,999,994.40 as part of the voluntary partial tender offer.

Therefore, taking into account the 2,647,058 shares subject to the offer as well as the 62,583 treasury shares already held by Growens, Growens holds a total of 2,709,641 shares, or approximately 17.6% of the relevant share capital.

3. Summary report

Highlights Consolidated Income Statement

Description	31/12/2023*	31/12/2022*	Change
Total revenues	75,060,458	76,979,649	(1,919,919)
EBITDA	(558,710)	(1,429,863)	(1,988,573)
Pre-tax result (EBT)	(2,662,612)	(1,044,488)	(1,054,559)
Net result from continuing operations	(3,025,337)	(1,044,188)	(1,980,849)
Profit for the year**	58,131,733	(2,564,003)	60,695,736

Highlights Consolidated Balance Sheet

Description	31/12/2023	31/12/2022	Change
Fixed assets	23,343,615	35,228,934	(11,885,319)
Current assets	58,857,332	25,909,110	32,948,222
Current liabilities	20,749,589	33,153,506	(12,403,916)
Consolidated liabilities	4,582,525	10,896,203	(6,313,678)
Shareholders' equity	56,868,834	17,088,335	39,780,498
Net financial position	(42,092,944)	(65,519)	(42,027,425)

Highlights Separate Income Statement

Description	31/12/2023*	31/12/2022*	Change
Total revenues	10,309,673	7,677,851	2,631,823
EBITDA	(2,376,848)	(1,184,577)	(1,192,271)
Pre-tax result (EBT)	(745,184)	(1,224,833)	479,649
Net result from continuing operations	(736,075)	(1,167,129)	431,055
Profit for the year**	56,069,522	(597,150)	56,666,674

Highlights Separate Balance Sheet

Description	31/12/2023	31/12/2022	Change
Fixed assets	18,909,607	31,768,7594	(12,859,152)
Current assets	51,990,712	13,225,334	38,765,378
Current liabilities	8,042,369	16,956,795	(8,914,426)
Consolidated liabilities	3,743,610	6,918,8412	(3,175,331)
Shareholders' equity	59,114,339	21,118,356	37,995,984

Net financial position	(37,467,411)	4,085,404	(41,552,814)
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* the values indicated, in application of IFRS 5, are net of the items referable to “Discontinued operations”, i.e. they do not contain the amounts relating to the Email Service Provider (ESP) business transferred to TeamSystem S.p.A., including the business unit corresponding to the MailUp platform, MailUp S.p.A. (formerly Contactlab S.p.A.), Acumbamail SL and the Danish subsidiaries MailUp Nordics A/S and Globase International ApS and the business related to the former Dutch subsidiary Datatrics BV, which was sold to the Spotler group on 20 October 2023. For more details on the disposal of the ESP business unit and Datatrics BV and the adoption of IFRS 5, see, respectively, the paragraph Growens Group Structure (above) and the paragraph Application of IFRS 5 (below in the introduction).

** profit for the year shown here is total, including both continuing operations, as identified for the purposes of IFRS 5, and discontinued operations.

4. Consolidated Annual Report on Operations and Separate Annual Report on Operations as at 31 December 2023

The divestiture of the ESP business and the subsequent sale of Datarics BV, already mentioned on several occasions, also had a significant impact on the presentation of the economic and financial results of these annual financial statements following the application of the IFRS 5 accounting standard, which is detailed in the specific paragraph below. The impact of the extraordinary transactions, due to the capital gain recorded for the TeamSystem transaction and the related collection of the agreed price, was particularly significant on the final results of the period under review, which recorded an excellent year-end with a consolidated net profit, including continuing and discontinued operations, of Euro 58,131,733 and a consolidated net profit in Growens’ separate financial statements of Euro 56,069,522. The net consolidated result from Continuing operations was a loss of Euro 3,025,338, including depreciation, amortisation and provisions of Euro 3,129,362 and net of current and deferred tax assets of Euro 362,726. Growens’ net result from Continuing operations was a loss of Euro 736,075, including depreciation and amortisation of Euro 957,041 after deferred tax assets of Euro 9,019.

Below is the analysis of the position and the trend of operations relative to 2023 at consolidated and separate level for Growens.

Introduction

This Report on Operations is presented for the purposes of the consolidated and separate annual financial statements of Growens prepared in accordance with International Accounting Standards (IAS/IFRS) adopted by the European Union.

In this document, information is provided regarding the Group’s consolidated position and separate related to the parent company Growens. This Report, drawn up with balances expressed in Euro, is presented so as to accompany the consolidated and separate annual

financial statements for the purpose of providing income-related, equity, financial and operating information of the Group accompanied, where possible, by historic elements and forecasts valuations.

Application of IFRS 5

On 13 July 2023, following the closing of the transaction referred to below, the sale of the Growens Email Service Provider business related to the MailUp BU and of the shares held in Contactlab S.p.A., Acumbamail S.L., MailUp Nordics A/S and its subsidiary Globase International A.p.S. to TeamSystem S.p.A. was finalised for a total consideration of Euro 76.6 million.

On 9 October 2023, Growens entered into a binding agreement to sell 100% of the share capital of its Dutch subsidiary Datatrics BV to Squeezely BV, a company of the Spotler group, a leading player in marketing automation in the Netherlands and the UK, for a total consideration of Euro 1.6 million, which was subsequently finalised on 20 October 2023.

In these consolidated and separate annual financial statements, the two extraordinary transactions mentioned above, referring respectively to the ESP business, represented by certain Cash Generating Units, and to Datatrics BV, given their significance and determinacy, have led to treating the values referring to them as Discontinued Operations in accordance with IFRS 5 dictates; therefore:

- in the Income Statement for the financial year 2023 and the comparative period, the items of revenues and income and expenses related to net assets constituting Discontinued Operations were reclassified to Net result from Discontinued Operations (Euro +56.5 million in the financial year 2023 at the consolidated level and Euro +56.8 million for Growens alone; Euro -1.3 million in the financial year 2022 at the consolidated level and Euro +0.6 million for Growens alone);
- in the Balance Sheet as at 31 December 2023, the assets and liabilities attributable to the business for sale were reclassified to Assets and Liabilities held for sale, respectively, without restating the comparative balances (as required by IFRS 5);
- the Cash Flow Statement for the year 2023 shows the cash flows from operating, investing and financing activities for the period between 1 January 2023 and 31 December 2023 and, for comparative purposes, for the year 2022; the cash flows generated by assets constituting Discontinued Operations have been detailed in the Notes to the financial statements.

It should also be noted that the existing transactions between Continuing and Discontinued Operations were treated as transactions between independent parties and that the Income Statement and Balance Sheet items referred to the Discontinued Operations also include the effect of the consolidation eliminations of these transactions. In this document, therefore, all profit and loss figures for the financial year 2022 have been restated to allow a homogeneous comparison with those for the financial year 2023; the Balance Sheet figures as at 31

December 2022 are those published in the 2022 Consolidated and Separate Financial Statements.

With reference to the consolidated financial statements, marked by uniformity of valuation criteria and by the line-by-line consolidation method, the scope of consolidation is specified as follows (data as at 31 December 2023):

Company name	Registered office	Share capital	Percentage of ownership
GROWENS S.p.A.	Milan	Euro 384,834	parent company
AGILE TELECOM S.p.A.	Carpi (MO)	Euro 500,000	100 %
BEE CONTENT DESIGN Inc.	United States of America	Euro 43,295*	96.1 %

(* historic exchange rate applied as at the date of first consolidation)

Economic context for FY 2023*

During HY1 2023, the weakness of the world economy and international trade, combined with continuing geopolitical uncertainty, persistently high inflation in the major advanced economies, together with restrictive credit conditions, continued even though the economic slowdown turned out to be less than estimated in autumn 2022. The price of oil first went down (March), then up (April). In Europe, gas prices experienced a general decrease during the period.

The major advanced economies (US and UK) approved new interest rate hikes. The worsening of conditions in international financial markets, influenced by expectations of substantial and prolonged rate hikes, was exacerbated by the collapse of some banking intermediaries in the US and Switzerland, leading to an increase in risk aversion and volatility, which only normalised in the second quarter of 2023. The ECB raised official rates again, and announced that it will take appropriate decisions with the aim of bringing inflation back to 2% in the medium term. It also started the portfolio reduction of the financial asset purchase programme, with the end expected by July.

In the first quarter of 2023, Italy's GDP increased slightly thanks to the contribution of the manufacturing sector, but remained unchanged in the second quarter, while household spending remained weak as capital accumulation continued.

Exports decreased in volume. However, the positive return of the current account balance was positively influenced by the development of energy imports.

Inflation fell in HY1 the year, with the first declines in food and non-energy industrial goods, as well as in services.

In Italy, where financial market conditions worsened at the beginning of the year as a result of the systemic events mentioned above, the financial system is basically in good shape and public accounts have shown an improvement, as has the debt-to-GDP ratio. In any case, bank lending decreased due to the rising cost of credit and falling demand.

In the second half of the year, the global economic slowdown was evident, with solid growth in the US but a marked slowdown in China in the second quarter, aggravated by the real estate crisis. The summer saw a deceleration in global economic activity, with a slowdown in the expansion of services and a continued contraction in manufacturing. IMF forecasts indicate a further slowdown in world output for 2023-24, influenced by geopolitical tensions and weak international demand, despite an increase in energy prices.

In the US and the UK, monetary policy remained restrictive, with core inflation falling but still at high levels. The Federal Reserve and the Bank of England raised interest rates, while the Bank of Japan maintained a more accommodative policy. The third quarter saw a tightening of financial conditions internationally, complicating the economic outlook.

In the Euro area, economic weakness led to stagnating GDP and lower inflation, influenced by tighter financing conditions and a high level of inflation eroding purchasing power. The European Central Bank continued to raise interest rates to combat inflation, with a direct impact on financing costs for businesses and households, and signs of possible future tightening.

In Italy, economic activity remained weak, affected by the erosion of household incomes due to inflation and tighter credit conditions. Domestic demand was weak, with a negative impact on manufacturing, services and exports. Nevertheless, the current account balance showed signs of improvement, thanks to a growing interest of non-resident investors in Italian government bonds.

In the last quarter of 2023, the global economy slowed further, with signs of weakening in the US and growth in China remaining below pre-pandemic levels. The OECD forecasts a slowdown in global GDP to 2.7% in 2024, influenced by restrictive monetary policies and reduced consumer and business confidence, with additional risks stemming from international political tensions. Models indicate a modest trade in goods and services, plagued by weak global demand, while crude oil and natural gas prices remain stable despite geopolitical tensions.

The Federal Reserve and the Bank of England have kept their key interest rates unchanged, signalling that they will continue to pursue restrictive monetary policies until inflation comes into line with their targets. This announcement led to some easing in international financial market conditions, although core inflation declined in both countries during the autumn.

Economic activity in the Euro area remains weak, with stagnation reflecting limited domestic and external demand and an extension of weakness from the manufacturing sector to the

service sector. However, employment is growing and inflation has been lower than expected, with forecasts pointing to a decline in inflation in the coming years due to a consolidated disinflation process.

In Italy, growth was almost nil towards the end of 2023, hampered by tighter credit conditions and still high energy prices. Despite this, the construction sector showed signs of growth, thanks to tax incentives. Italian GDP is expected to grow by 0.6% in 2024, with an improvement in the following two years, while exports are increasing and the current account balance shows a surplus.

At the European level, agreement was reached on the reform of the budgetary rules, incorporating both the analysis of medium-term debt sustainability and individual negotiations to define budgetary consolidation. This agreement adds uniform numerical criteria influencing debt dynamics and structural deficits, marking a significant step in the context of European fiscal policies.

* Source: Economic Bulletin 2-3-4/2023, 1/2024 - Bank of Italy

The Group

For a more in-depth analysis of the structure of the Group, please refer to the initial pages of this document illustrating the relative details.

Main events of HY1 2023

For a description of the main events of the period, please refer to as outlined in the introduction to this document.

GROW share performance in the course of 2023 and Investor Relations activities

Below is some data on the prices and volumes of the Growens stock (GROW) in 2023

Placing price	Euro 1.92*	29/07/2014
Maximum price 2023	Euro 6.50	11/04/2023
Minimum price 2023	Euro 4.13	16/01/2023
Price at period-end	Euro 6.40	30/12/2023

* price adjusted as a result of the free capital increase of 11 April 2016.

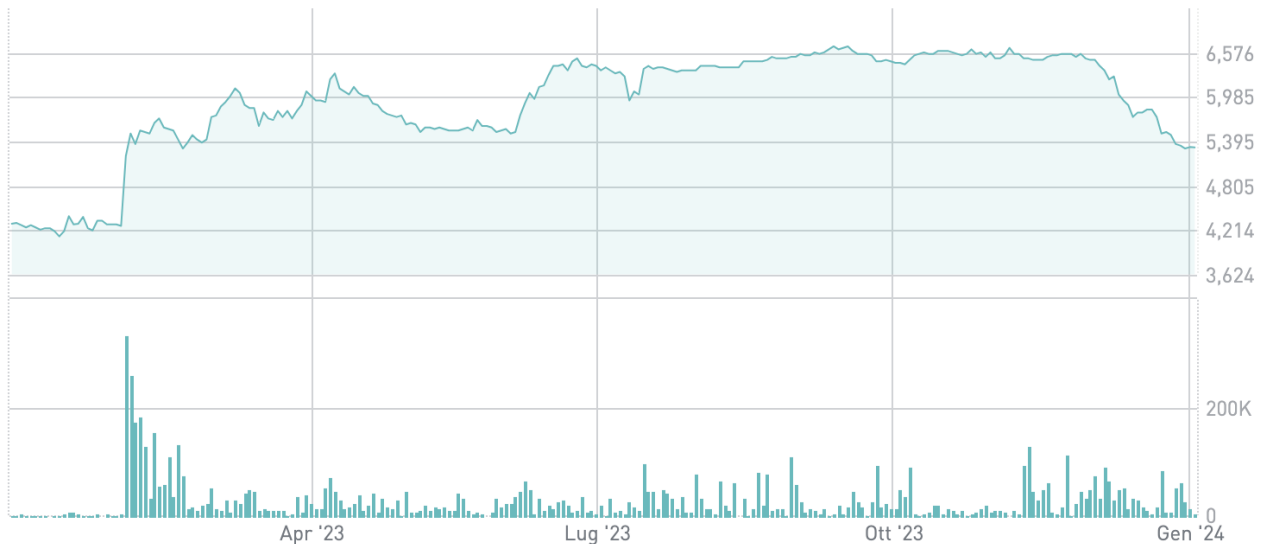
After a beginning of 2023 characterised by low volumes and an almost stable price trend just above Euro 4, prices and volumes showed steady and sustained growth following the

announcements of extraordinary transactions such as: (i) the sale of the Email Service Provider business on 03/02/2023, (ii) the launch of a voluntary partial tender offer for a maximum of 2,647,058 treasury shares, approved by the shareholders' meeting on 18/09/2023, (iii) the sale of the Datatrics business unit. The continuation saw prices and trades holding up well, also bucking the trend of the Mid & Small Cap markets.

The maximum price recorded on 11 April 2023 at Euro 6.50, as well as the price at the end of the period, were approximately 51% higher than the first price of the year (Euro 4.31 on 3 January 2023).

Below is the monthly evolution of weighted average prices and average daily volumes:

Month	Weighted average price €	Average daily volume #
January 2023	4.29	2,473
February 2023	5.44	92,455
March 2023	5.87	22,526
April 2023	6.05	29,159
May 2023	5.58	16,177
June 2023	5.98	25,704
July 2023	6.34	32,750
August 2023	6.44	34,559
September 2023	6.50	20,582
October 2023	6.51	16,750
November 2023	6.51	38,928
December 2023	5.80	35,721



GROW.MI - trend in prices and volumes January-December 2023 - Source www.borsaitaliana.it

In the year ended 31 December 2023, in over 40 trading sessions, volumes traded exceeded 50,000 units, and in 12 sessions 100,000 units, with a maximum recorded on 03/02/2023 (335,044 shares traded). Overall, daily volumes traded during the period averaged about 30,200 units, much higher than the approximately 6 thousand average daily units traded in the whole of 2022, due to the renewed interest in the stock following the announcement of the sale of the ESP business and the other extraordinary transactions of the financial year. In only one trading session, there were no trades.

On 9 October, the Company filed with Consob the offer document for publication, relating to the voluntary partial tender offer pursuant to article 102 of the Consolidated Finance Act (TUF) promoted by Growens itself on a maximum of 2,647,058 treasury shares.

On 9 November, the offer document relating to the voluntary partial tender offer promoted by Growens on its treasury shares was published, as well as filed with Consob and made available to the public for consultation, following Consob's approval by Resolution no. 22870 of 8 November.

The acceptance period for the public offer ran from 13 November to 6 December, with payment on 13 December. A total of 4,987,932 shares were tendered, representing approximately 188.433% of the shares in the offer and approximately 32.403% of Growens' share capital. The allocation was therefore made according to a coefficient of approximately 53.069% and, as a result, the Company acquired 2,647,058 treasury shares at a unit price of Euro 6.80, for a total countervalue of Euro 17,999,994.40 as part of the voluntary partial tender offer.

The Company is very careful in handling Investor Relations activities, i.e., communications and financial information activities between the Company and investors.

The Investor Relations Officer therefore meets the Company's external communication requirements and, by performing his activities, also in coordination with other Company and Group functions, aims to enhance the perception of Growens' business activities, strategies and future outlooks by financial operators, particularly professional, Italian and foreign institutional and qualified investors.

Investor Relations activities are based on Growens' reporting ecosystem, which encompasses a range of resources and working teams that work in close contact to guarantee accurate and timely reporting. The outputs of this system are the separate and consolidated annual financial statements, subject to a full audit by the independent auditing firm; the consolidated half-year report, subject to a limited audit by the independent auditing firm; the reporting of consolidated, unaudited quarterly ARR and sales data; the unaudited quarterly reports; as of May 2020, the Sustainability Report.

Furthermore, it is responsible for compulsory price sensitive communications, as well as all communications intended to provide shareholders and the market with prompt information regarding the Group, disclosed via press releases.

In the course of 2023, a total of 43 financial press releases were issued. All accounting and financial documentation and press releases generated by the Group are drafted and published in both Italian and English and made available on the website www.growens.io, which is also fully available in both languages on a voluntary basis.

The CEO and Investor Relations Officer periodically participate in both individual and group presentations and meetings to present the Group and its performance. The updated presentations are published on the website. For example, in 2023, the Group participated in more than 12 plenary (conferences) and individual (investor day) meetings held mostly in virtual mode, meeting over 40 current and potential investors.

Every month, investors who have requested it receive a newsletter providing the main financial news.

The Group also receives assistance from three corporate brokers, who generate independent research and support the Company in its financial sales and marketing activities, helping to spread its equity story and generate contacts with current and potential investors. Equity research reports, all drafted in English, are available on the website in the section www.growens.io/en/analyst-coverage/.

In 2023, 27 equity research reports were published.

Growth in demand and trends of the markets on which the Group operates

The Marketing Technology (MarTech) Market

MarTech is an ecosystem of cloud solutions and technological applications aimed at supporting companies in the development of their digital marketing strategies. This ecosystem, to which the Growens Group business is related, is growing very rapidly and is populated both by medium-small players, focused on specific niches or segments, and by large companies that cover a wide range of customer service requests.

MarTech overview: ample, complex, fragmented and segmented

Technology and traditional off-line marketing have found common fertile ground and opportunities of contamination that have led to the proliferation of cloud strategies, solutions and tools that make up the ecosystem of MarTech.

In the extremely complex and fragmented context of the MarTech market it is possible to identify 6 main sub-segments:

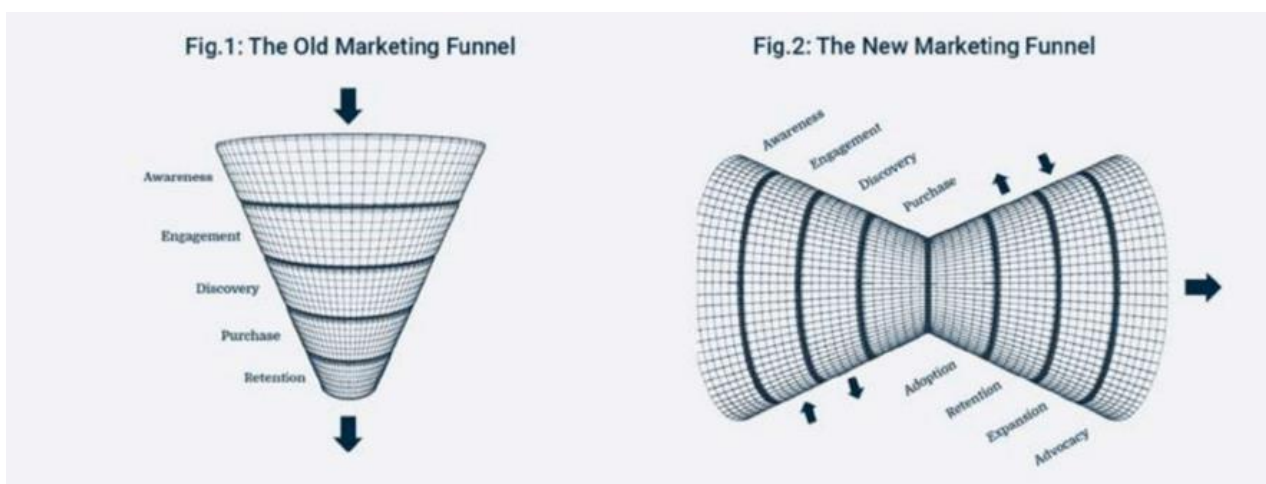
- Advertising & Promotion (mobile marketing, social and video advertising, PR);
- Content & Experience (mobile apps, e-mail and content marketing, personalization, SEO, marketing automation and lead management, CMS);
- Social & Relationship (events, meetings & webinars, social media marketing, influencers, CRM);
- Commerce & Sales (retail & proximity marketing, sales automation, e-commerce platforms and marketing);
- Data (data marketing, mobile & web analytics, customer data platforms, predictive analytics, business and customer intelligence);
- Management (talent management, product management, budgeting & finance, agile and lean management, vendor analysis).

Multi-channelling is a fundamental need for digital marketing professionals constantly looking for strategies able to combine different communication channels that allow utmost customization of the experience according to the needs of the user. That said, despite the growing popularity of social media and alternative channels of communication related mainly to instant messaging, e-mails and SMSs remain among the most popular and effective tools among the different solutions available as well as their combined use.

The main focus on which MarTech is concentrating is certainly the exploitation of the potential of Artificial Intelligence ("AI") for the collection and processing of internal and external Big Data, while, on the market structure side, further large-scale concentration phenomena resulting from intense Merger & Acquisition activity. Customers generate a large amount of data and information in the course of their purchasing experiences that represent a valuable asset which, if properly exploited, can lead to much more targeted and effective

campaigns, and ultimately an increase in sales. In order to manage large amounts of data, it is increasingly strategic to rely on the automation of flows and, in the future, on tools based on AI. The use of AI will significantly increase the effectiveness of decision making and machine learning processes, allowing the extraction of increasingly significant indicators, optimising the customisation of marketing campaigns and providing customised scalable solutions.

Thanks to the increasing possibilities to monitor the behavioural models of online customers, the main objective is no longer just that of converting a customer from potential to effective, as in traditional marketing, but that of maximizing the value of customers beyond the sales and customer retention phase. Through customer expansion and advocacy, the goal is to bring the customer closer to the Company and, thanks to AI and machine learning, to provide a one-to-one experience to the customer, who thus receives personalized content.



Source: Value Track Analysis

Segment of reference of the Growens Group: Content Design and Mobile Messaging

The most appropriate segments for the Growens Group within the MarTech ecosystem are the following:

1. Content Design Segment: e-mails represent one of the most popular tools to convey digital marketing campaigns, being in fact particularly cost-effective and allowing to achieve high conversion rates in the various stages of the customer acquisition funnel. Technological evolution has also made it possible to enrich their design and improve their functionality. Despite the competition from other communication tools (instant messaging platforms, chat, social networks), e-mail is absolutely central in digital marketing strategies, both in B2B relationships between companies, between company and consumer, but also between organisation and citizen, or between school and students. The pervasiveness of digital communication at every level and at every age has opened up the market for the so-called democratisation of design, which consists of making digital content creation

tools (videos, images, animations, e-mails, web pages, etc.) available to everyone, even without any technical training and with low or no costs. In this market, Beefree represents one of the leading players specialising in the creation of graphical e-mail templates, overcoming the limitations of traditional e-mail marketing applications in terms of greater flexibility and control, greater compatibility with the complex multidimensional device/operating system/charset/e-mail client matrix, and greater possibilities for collaboration, even in real time.

2. Mobile Messaging Segment: includes SMS messages which, despite the almost daily proliferation of new technologies in the world of smartphones, remain one of the most effective methods of communication in the case of time-sensitive information such as passwords and single-use codes for specific operations (OTP and transactional messages in general), real-time updates, alert and emergency messages (e.g. weather, health situation) - emblematic in this sense is the frequent use by public authorities - or simply special offers of limited duration, as they have the highest percentage of opening combined with a high effectiveness in determining a reaction from the recipient. For this reason, despite the undeniable popularity of alternative messaging channels such as WhatsApp, SMS will maintain a key role in business communication for specific uses, related for example to the continuous growth of online shopping, to the increasingly frequent use of multiple authentication methods (e.g. 2 Factor Authentication) in banking or cloud-based and mobile applications.

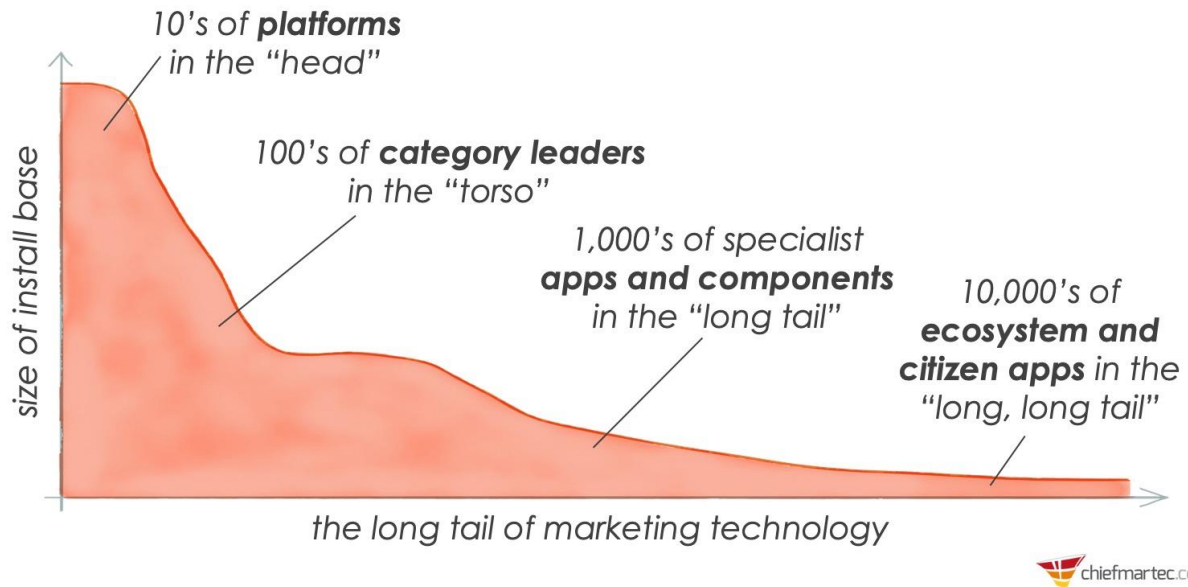
Competitors' behaviour

Competitive structure of MarTech: technological niches vs. large integrated players

In such a large, complex and interconnected market, companies must necessarily specialize in a niche or aggregate / include in their offer the most ample and most varied portfolio of alternative solutions. For this reason, from start-ups and micro / small companies to large software multinationals such as Adobe, Canva, IBM, Oracle, Salesforce and SAP coexist in the MarTech ecosystem.

As evidenced by the chart below, within MarTech a dozen very large players can be identified that dominate in terms of market share. Alongside them are several hundred established category leaders focused on developing specific functionality, with revenues ranging from several tens of millions to several hundred million dollars. The "long tail of MarTech" then includes thousands of other players, from simple start-ups to specialists, of smaller and smaller sizes, some of which will be destined to undermine the positions of the category leaders in the future.

The martech industry is already consolidated.



The smaller operators are developed and sized by their founders to operate within a specific market niche, while the large players are structured to manage multiple and diversified segments at the same time. This is possible since marketing technologies are basically based on cloud applications, which can be accessed in stand-alone mode or can be incorporated as part of more complex platforms. Staying within the Growens Group, in the case of Beefree there are both versions, represented by Beefree and Beefree SDK respectively.

In order to facilitate access to this market, most operators have in fact allocated significant resources to the development of integrations of their marketing technology platform, through plug-and-play applications, for example with the main CRM systems and the most widespread marketing automation platforms. The iPaaS (integration-Platform-as-a-Service) platforms have also significantly increased accordingly, leading to an increase in the overall level of integration between the various marketing technologies. This process has become an advantage for marketers who have thus been able to choose the best product available without necessarily being tied to a single supplier.

The table below shows a breakdown of the two business units of the Group:

	Agile Telecom	Beefree
Italy	sms it kaleyrá Commify	Beefree app for email designers)
Europe	tyntec CM sinch mitto link mobility bics	EDMdesigner TAXI alpaco Blocks Edit Carrd FreeEmailEditor litmus FOLEON StampReady SHAMAN postcards Direct Mail per Mac smore Stampila stripo unlayer Lander knak Dyspatch stensul chamaileon TOPOL.io kickofflabs Dartagnan
Others	twilio bandwidth Wavecell nexmo Clickatell	Beefree SDK (for SaaS companies) EDMdesigner stripo tiny unlayer mosaic
		Beefree indirect competitors <ul style="list-style-type: none"> Marketing automation solutions Graphic suites (Adobe, Canva...) Landing page / CMS (Unbounce, Webflow...) Email Service Providers (Mailchimp, Brevo...)

Table for illustrative and non-exhaustive purposes only, the logos remain the property of their respective owners. The asterisk (*) identifies listed companies.

Market consolidation: the probable scenario in the immediate future

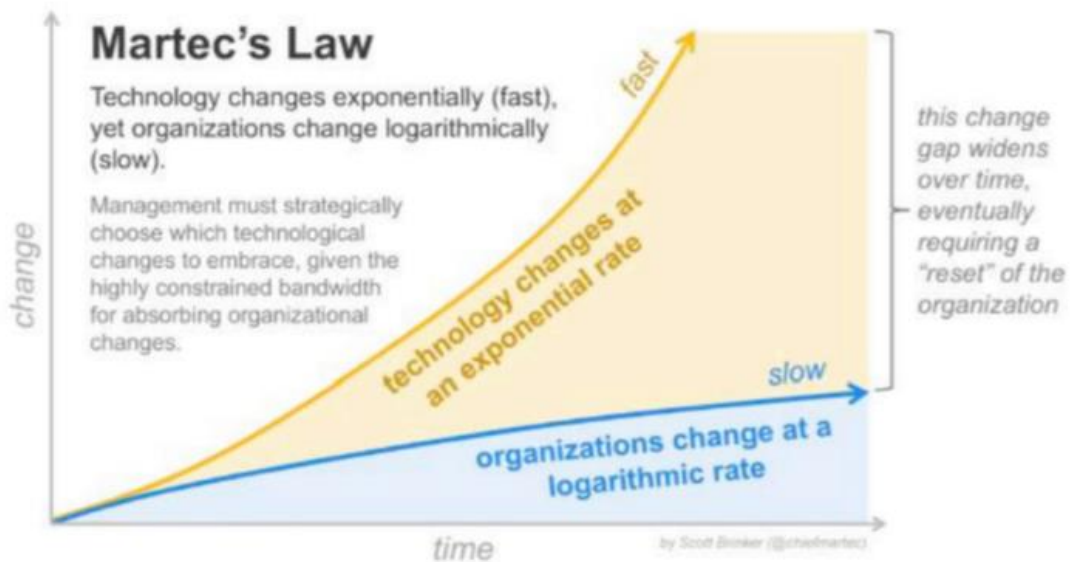
MarTech is a market that is still in full evolution, as demonstrated by the very high number of operators present. The phenomena of concentration and aggregation through M&A operations are very frequent and of increasing importance. The number of incoming companies is still higher than those outgoing and this can mean prospective growth, but also increasingly complex challenges for the players already present.

It is expected that, with the many new solutions recently launched in the area of marketing technologies, numerous innovative SaaS players will be acquired by larger players always looking for opportunities to expand their technological offerings, limiting the cases in which such players will be able to compete effectively while remaining independent.

By virtue of this trend, the phenomena of concentration and aggregation through M&A operations are frequent and of increasing importance. Therefore, there are strong expectations that the expansion in the number of participants will slow down, sooner or later, in favour of a scenario of player concentration resulting from a series of acquisitions and mergers. This trend is already underway and observable if we consider the cloud market as a whole.

The timing and magnitude of this market concentration will depend on the combined effect and the interaction of some opposing factors. The growth of the market, which in turn depends on various financial, technical and economic sub-factors, and the sustainability of the business, i.e. the high survival capacity of the operators, linked for example to the significant costs of switching to a replacement service perceived by users, especially in the

presence of a consolidated user experience, are strongly attractive factors for new potential entries. Limits to individual growth, for which even software giants, due to the presence of niches in which small operators can specialize, cannot completely dominate the ecosystem, and the push to exit, for example the risks associated with the highly competitive climate or the unexpected emergence of new technologies capable of drastically revolutionizing the technological environment, represent a deterrent to entry or a stimulus to exit for operators in difficulty. We must also consider how the impact of organizational dynamics with respect to the speed of technological innovation in the market can affect the strategic choices of the players of the MarTech ecosystem, as summarized by the following graph:



Source: Chiefmartec, Value Track Analysis

The MarTech segment is likely to undergo the most rapid evolution ever, driven by the growing demand for real-time communication by users and the increasingly intensive and widespread use of Artificial Intelligence and machine learning processes. The Growens Group will have to be ready to take up this challenge and exploit the relative opportunities and always be reactive and innovative as it has been in the recent past.

Growens operates in the marketing technology sector through its two business areas SaaS and CPaaS that correspond to the business units Beefree and Agile Telecom respectively.

BEE, renamed Beefree in August 2023, a drag-and-drop editor for e-mails, pop-ups and landing pages owned by the subsidiary BEE Content Design, Inc., continues its growth path both as a free tool available online (Freemium) and as component to be integrated into other software applications (Beefree SDK), and finally as a complete suite for the creation of e-mails and landing pages designed for freelance designers, digital agencies, and company marketing teams (Beefree). Considering the growing usage numbers, the company's goal of becoming a world standard in digital content creation becomes more and more concrete:

during 2023, there were more than 96 million usage sessions of Beefree design tools in more than 1,000 applications, an increase of more than 26% over 2022. In the same period, the Group continued to invest in the development of the product. More specifically:

Beefree: the company reacted quickly and effectively to the explosion of attention towards generative artificial intelligence, triggered by the launch of ChatGPT 3.5 during Q4 2022. In particular, Beefree users can already use a digital assistant - based precisely on OpenAI's technology - during the creation of e-mails and pages, thanks to the integration of this technology in the Beefree SDK, as explained in the following paragraphs. The growth strategy based on the product-led approach has been confirmed and expanded, where the product is at the centre of all phases of customer acquisition, conversion, growth and maintenance. The launch of the free version in the spring of 2022 allowed for a continuous increase in users, with the result that in 2023, Beefree users created more than 3,440,000 e-mails and pages, an increase of more than 21% compared to 2022. The business model uses an approach called "enterprise freemium": a free version is provided that helps the penetration of the use of the software itself not only in small and medium-sized enterprises, but also in large companies. The latter, in the course of time, as the free use of the software within them increases, often decide to move to a paid version in order to have more control over access security, the management of specific user permissions assigned to various users, control of data flow, access to higher levels of technical support, and so on. The revolutionary part of this approach lies in the fact that product adoption happens from the bottom up, with very low acquisition costs as it is often the result of organic word-of-mouth. In the case of Beefree, the launch of the free version led to an immediate surge in the activation of new accounts, which grew by more than 50% - on a monthly basis - compared to the previous year. The trend was confirmed in 2023, with over 210,000 new Beefree accounts registered. More than 41,000 people are now using Beefree every month (average Q4 2023) and the increased usage is starting to pay off at the level of the "enterprise freemium" strategy described above: the number of customers with at least 10 times the average turnover volume rose steadily during 2023, ending the year with +147% compared to 2022 (79 customers in this category vs. 32 at the end of 2022). The company is still at an early stage of strategy execution, and the bottom-up growth mode is by nature slow, as it is organic. However, the evolution of the business bodes well for its future, and new talent has been added in the sales area, so that it can offer more sales support to customers as they expand their turnover.

From the point of view of improving the top end of the Beefree marketing funnel, a marketing strategy was introduced focusing on a few key segments where product adoption is particularly attractive. In Q1 2023, this strategy focused on universities: some of Beefree's biggest customers are large US universities, and a series of "case studies" have been published on the company's website at: <https://beefree.io/customer-stories>. This type of segment-focused marketing activity continued throughout 2023 and will be further extended in 2024.

Beefree SDK: the embeddable version of the editor, that can be integrated using special software connectors into third-party applications, is confirmed as a market leader, with 598 paying customers at the end of 2023 and a total of more than 1,000 applications using it. The difference between the two is the fact that a paying customer can use the editor in more than one application, and the fact that many small companies use the product taking advantage of the free plan (the “freemium” strategy is also used on Beefree SDK). The number of paying customers remained largely unchanged compared to 2022 (+2%) because the lower availability of capital and greater market difficulties for technology start-ups led to the exit of around 30 small customers due to cessation of business. On the revenue side, the entry of a similar number of larger customers led to an increase in revenue, although the total number of paying customers remained similar. Specifically, the average monthly turnover per customer at the end of 2023 increased by 31% compared to 2022. The adoption of Beefree SDK by increasingly large customers is a clear indication of the quality of the product. Beefree SDK is now used by 60% of the applications identified by Forrester in the “Forrester Wave - Cross-Channel Marketing Hubs - Q1 2023”. Fuelling the market leader’s position is a continuous development of new features that guarantee an excellent user experience for the end user, and a great customisation capability for the product and development teams responsible for integrating the visual editor into the applications that host it. In addition, investments were made to allow the system to be installed in a dedicated environment (Virtual Private Cloud), an increasingly important requirement for high-end customers. The first Beefree SDK Virtual Private Cloud contracts were being finalised during HY1 2023 and were signed during the third quarter of the year.

Synergistic relationship between the two versions of Beefree: we recall that, from a technical point of view, the Beefree design suite accessible at beefree.io is a “customer” of Beefree SDK. It is in fact a software application that incorporates the editor for e-mails and web pages within it, integrating it via the Beefree SDK service. The integration of the OpenAI API within the Beefree SDK, for example, allowed the release of AI functionality to the over 40,000 monthly users of the Beefree application, generating immediate and fruitful feedback on the use of artificial intelligence within the company’s design tools.

Agile Telecom, on the other hand, operates in the CPaaS sector and in particular in the SMS wholesale market (SMS gateway / SMS aggregator) and sent a total of more than 2 billion SMS in the financial year 2023, serving among others a number of SaaS operators and large international operators who need to deliver SMS traffic in Southern Europe, particularly Italy, and to selected international routes.

It has been mentioned several times in this document that the financial year 2023 was characterised by two particularly significant extraordinary transactions that led to the sale of some of the BUs that were part of the Group, in particular the sale of the ERP business and the Dutch subsidiary Datatrics BV. The effect for the Growens Group is a greater concentration of financial resources and human capital, which management intends to

allocate primarily to the development of the Beefree business unit and to the creation of value for all stakeholders.

Social, political and union climate

The social climate within the Group is positive and based on full cooperation. The Group had already introduced for some time smart working before the February 2020 pandemic emergency, and confirmed it as one of the cornerstones of its working philosophy oriented to flexibility and autonomy enshrined in the Growens WoW (Way of Working).

Operating performance in Group sectors

The total consolidated net profit for the year, including continuing and discontinued operations, was over Euro 58.1 million, as a result of the extraordinary sale transactions realised in 2023, while the same figure for Growens' separate financial statements was over Euro 56 million. In return for this excellent result, the Board of Directors will propose to the next Ordinary Shareholders' Meeting the distribution of a dividend of Euro 20 million.

The Income Statement for the 2023 financial year recorded consolidated revenues of over Euro 75.3 million, showing a slight decrease of Euro 1.4 million or -1.9% in relative terms on the previous financial year. This result is influenced by the growth of the SaaS component by about 20%, accounting for about 13.6% of total revenues, offset by the decrease of 6.1% of the CPaaS component, accounting for about 83.9% of total revenues.

The Agile Telecom Business Unit produced the highest turnover in absolute value, amounting to about Euro 63.5 million, a decrease of 6%, however with margins increasing significantly both relatively and in absolute value compared to the previous year (Gross Margin + Euro 1 million and +20%). The Business Unit that achieved the highest growth rate is Beefree, with an increase of 18% net of the USD/Euro exchange rate effect, reaching approximately Euro 10.3 million/USD 11.1 million in revenues, thanks to the increase in sales volumes. ARR (Annual Recurring Revenue, which is a very widespread metric for measuring the performance of a subscription business, indicative of the average annualized recurring value of outstanding contracts) was USD 12.6 million as at December 2023. The main actions in 2023 include: (i) the introduction of a content creation assistant based on artificial intelligence, leveraging integration with OpenAI's GPT API; (ii) several new features and enhancements in the areas of collaboration, review, and approval of e-mails and pages created within a multi-user account; (iii) new integrations with third-party systems, including Salesforce Marketing Cloud and Salesforce Account Engagement (Pardot); (iv) integration with Okta for identity management for large companies; several improvements to the user experience, including a complete redesign of the user interface; (v) a new system of synchronisable content among different elements; (vi) the ability to share image management among different installations of the editor under the same application; (vii) the release of File Manager - the image management tool - as a separate application, usable outside and independent of the editor; (viii) support for multilingual content. At the end of August 2023,

BEE's activities underwent a rebranding, with the launch of the Beefree brand and Beefree SDK.

Revenues realised abroad represented 82% (+2.5% compared to 2022) of the total, while recurring revenue stood at 14% (+20% compared to 2022).

Consolidated EBITDA was negative by about Euro 0.6 million, while Gross Profit exceeded Euro 14.8 million, accounting for almost 20% of revenues, and growing by more than 21% compared to 2022. In fact, the COGS component decreased by more than 6% and by about 4 percentage points as a percentage of revenues, due in particular to the virtuous actions to optimise the profitability of contracts in the CPaaS line. In fact, Agile Telecom showed EBITDA of about Euro 3 million, up 32% from 2022. The cost items that have a negative impact on EBITDA are related to the development of the Beefree Business Unit, as far as Sales & Marketing (+56%) and Research & Development (+14%) are concerned; Beefree's EBITDA was negative by about Euro 1.3 million.

Pre-tax profit (EBT) for the period was a negative Euro 3.7 million, after depreciation and amortisation of about Euro 3.1 million, an increase of over 12%. Depreciation and amortisation related to the application of IFRS 16 amounted to Euro 0.4 million, essentially stable, while depreciation and amortisation related to investments in R&D activities increased.

The net profit from Continuing Operations for the year ended 31 December 2023, after estimated current and deferred taxes, was negative for about Euro 3 million. It should be noted that tax allocations at the consolidated level are the result of a mere aggregation, as taxation is applied on the individual legal entities of the Group.

The consolidated Net Financial Position as at 31 December 2023 was negative (cash) in the amount of Euro 42.1 million, and is substantially not comparable with the cash position of Euro 66 thousand as at 31 December 2022. The change is influenced in particular by the extraordinary proceeds of the sales finalised in 2023, amounting to approximately Euro 69 million, as well as the outlay of approximately Euro 18 million for the purchase of 2,647,058 ordinary treasury shares as part of a partial voluntary public offer. The effect of the adoption of IFRS 16, relating to rental, leasing and hire costs, results in an imputed debt item of approximately Euro 1.3 million. Cash and cash equivalents as at 31 December 2023 amounted to approximately Euro 45.4 million, while approximately Euro 4.6 million was tied up in escrow as is customary in the settlement of similar extraordinary transactions (in particular, to guarantee certain obligations related to the sale of the ESP business to TeamSystem).

As far as the parent company is concerned, in compliance with IFRS 5, only Intercompany revenues have been reported, relating to staff and R&D services provided in favour of

subsidiaries, particularly Beefree, and other revenues, including services temporarily provided in favour of BUs that have left the Group perimeter to facilitate their transition under specific contractual agreements with purchasers. Revenues from the MailUp platform, which was divested as part of the sale of the ESP business, until the contribution of 30 June 2023, are in fact part of discontinued operations. The EBITDA margin is down by almost Euro 1.2 million and is affected in particular by the growing incidence of General expenses, impacted by approximately Euro 1.6 million of one-off costs, attributable to extraordinary operations including the partial takeover bid of December 2023. The increase in structural costs was only partly offset by the re-invoicing to subsidiaries and the related margins. Financial operations were extremely positive (Euro 2.6 million, an improvement of Euro 1.4 million) due to the dividends of the subsidiary Agile Telecom and the proceeds from the management of cash from extraordinary sale transactions temporarily not allocated to specific business investments. The net result for the year from continuing operations showed a loss of Euro 736,075, an improvement over the comparative figure for the previous period, while the profit including discontinued operations amounted to Euro 56 million. The absolutely positive effect on the results of the extraordinary sale transactions is also reflected in the NFP, which showed a cash positive value of Euro 37.5 million with cash and cash equivalents of Euro 40.5 million.

Alternative performance indicators

These financial statements present and outline some economic-financial indicators and some reclassified financial statements (relating to the economic, equity and financial situation) not defined by the IFRS. These figures, defined below, are used to comment on the performance of the business in compliance with Consob Communication of 28 July 2006 (DEM 6064293) and subsequent amendments and additions (Consob Communication no. 0092543 of 3 December 2015, which incorporates the ESMA/2015/1415 Guidelines). The alternative performance indicators listed below should be used as an informative supplement to the provisions of the IFRS to assist users of the Report on Operations in a better understanding of the Group's economic, equity and financial performance. It is emphasised that the method of calculating these reclassification measures used has been consistent over the years. It is also noted that it may differ from the methods used by other companies.

Financial indicators used to measure the Group's economic performance

- **EBITDA:** given by the operating result gross of depreciation and amortization of tangible and intangible assets.
- **ROE (return on equity):** defined as the ratio between net income for the period and net capital.
- **ROI (return on investment):** defined as the ratio between the operating result for the period and fixed assets at the end of the period (see the definition of fixed assets shown below).

- **ROS (return on sales):** defined as the ratio between the operating result and net sales for the period.

Main economic figures of the Growens Group

The table below summarises the consolidated results as at 31/12/2023 compared with the previous period in terms of total revenues, EBITDA and pre-tax result (EBT).

Description	31/12/2023*	31/12/2022*	Change
Total revenues	75,060,458	76,979,649	(1,919,191)
EBITDA	(558,710)	1,429,863	(1,988,573)
Pre-tax result (EBT)	(2,662,612)	(1.608.053)	(1,054,559)
Net result from continuing operations	(3,025,337)	(1,044,488)	(1,980,849)
Profit for the year**	58,131,733	(2,564,003)	60,695,736

* It should be noted that in this Report, the comparative figure as at 31/12/2022 has been reclassified in accordance with IFRS 5 for uniformity of comparison with the same value as of 31/12/2023, thus differing from the value represented in the year 2022 where the same principle did not apply. For a more detailed analysis on the application of IFRS 5, please refer to the relevant section in the introduction to this Report.

** Profit for the year shown here is total, including both continuing operations, as identified for the purposes of IFRS 5, and discontinued operations.

The following table showing some Group profitability indexes, compared with the same indexes relating to the previous period, provides a better illustration of the income situation.

Description	31/12/2023*	31/12/2022*
Net ROE (Net result/Net capital)	(0.05)	(0.09)
Gross ROE (EBT/Net capital)	(0.05)	(0.11)
ROI (EBITDA/Invested capital)	(0.01)	0.019
ROS (EBITDA/Sales revenues)	(0.01)	0.02

* The Income Statement values used for the indexes are representative of continuing operations only in accordance with IFRS 5; for uniformity of comparison, the ratios for the year 2022 have been recalculated and are different from those of the previous year.

Main equity figures of the Growens Group

In order to provide a better description of the Group's equity situation, the table below shows a few equity indexes relating to both the method of financing medium/long-term commitments and the breakdown of the sources of finance, compared with the same balance sheet indicators for the previous year.

Description	31/12/2023	31/12/2022
Primary structure margin (Own funds - Fixed assets)	33,525,218	(18,140,599)
Primary structure ratio (Own funds/Fixed assets)	2.44	0.49
Secondary structure margin ((Own funds + Consolidated liabilities) - Fixed assets)	38,107,743	(8,160,240)
Secondary structure ratio ((Own funds + Consolidated liabilities)/Fixed assets)	2.63	0.77

Main financial figures of the Growens Group

The consolidated net financial position as at 31 December 2023, was as follows:

Consolidated Net Financial Position	31/12/2023	31/12/2022
A. Cash and cash equivalents	20,488,030	7,153,665
B. Cash equivalents	20,000,060	-
C. Other current financial assets	4,891,561	-
D. Liquidity (A) + (B) + (C)	45,379,650	7,153,665
E. Current financial debt	467,161	1,076,709
F. Current portion of non-current debt	1,085,516	1,621,736
G. Current financial debt (E) + (F)	1,552,678	2,698,445
H. Net current financial debt (G) - (D)	(43,826,973)	(4,455,220)
I. Non-current financial debt	1,734,029	4,389,700
J. Debt instruments		
K. Trade payables and other non-current payables		
L. Non-current financial debt (I) + (J) + (K)	1,734,029	4,389,700
M. Total financial debt (H) + (L)	(42,092,944)	(65,519)
Other long-term financial assets	(4,646,600)	-
of which Current financial debt Liabilities Right of Use IFRS 16	354,384	817,672
of which Non-current financial debt Liabilities Right of Use IFRS 16	919,315	1,520,629
Net financial debt adjusted for IFRS 16 effect	(48,013,242)	(2,403,820)

ESMA Circular 32-382-1138 dated 04/03/2021 par. 175, orientation

The sale of the ESP business to TeamSystem and of Datatrics BV to the Spotler group, the latter with a lesser impact, also had a strong positive impact on the Group's and Growens' financial situation, as can be seen from the significant increase in cash and cash equivalents at the end of the year under review and the related indexes. In fact, the consolidated NFP improved by more than Euro 42 million compared to the previous period, even excluding the amounts tied up in Escrow for more than Euro 4.6 million under contractual agreements with TeamSystem, reported as adjustments in the lower part of the table above.

To better describe the consolidated financial situation, the table below shows some liquidity indexes with the application of the IFRS 5 principle compared with the same data from the previous period.

Description	31/12/2023	31/12/2022
Primary liquidity (Immediate and deferred liq./ Current liabilities)	3.02	0.71
Secondary liquidity (Current assets/Current liabilities)	3.08	0.76
Debt (Net debt/Shareholders' equity)	(0.74)	(0.00)
Fixed asset coverage ratio (Own capital + Consolidated liabilities)/Fixed assets	2.76	0.70

Main economic figures for Growens

The table below summarises the main results of the parent company compared with that of the previous period in terms of total revenues, EBITDA and pre-tax result (EBT).

Description	31/12/2023*	31/12/2022*	Change
Total revenues	10,309,673	7,677,851	2,631,823
EBITDA	(2,376,848)	(1,184,577)	(1,192,271)
Pre-tax result (EBT)	(745,184)	(1,224,833)	479,649
Net result from continuing operations	(736,075)	(1,167,129)	431,055
Profit for the year**	56,069,523	(597,150)	56,666,674

* It should be noted that, in this Report, the comparative figure as at 31/12/2022 has been reclassified in accordance with IFRS 5 for uniformity of comparison with the same value as at 31/12/2023, thus differing from the value represented in the year 2022 where the same principle did not apply. For a more detailed analysis on the application of IFRS 5, please refer to the relevant section in the introduction to this Report.

** Profit for the year shown here is total, including both continuing operations, as identified for the purposes of IFRS 5, and discontinued operations.

The following table showing some Group profitability indexes, compared with the same indexes relating to the previous year, provides a better illustration of the income situation.

Description	31/12/2023*	31/12/2022*
Net ROE (Net result/Net capital)	(0.01)	(0.06)
Gross ROE (EBT/Net capital)	(0.01)	(0.06)
ROI (EBITDA/Invested capital)	(0.03)	(0.03)
ROS (EBITDA/Sales revenues)	(0.23)	(0.15)

* The Income Statement values used for the indexes are representative of continuing operations only in accordance with IFRS 5; for uniformity of comparison, the ratios for the year 2022 have been recalculated and are different from those of the previous year.

Main equity figures for Growens

In order to provide a better description of the Company's equity situation, the table below shows a few Balance Sheet indexes relating to both the method of financing medium/long-term commitments and the breakdown of the sources of finance, compared with the same Balance Sheet indexes for the previous years.

Description	31/12/2023	31/12/2022
Primary structure margin (Own funds - Fixed assets)	41,762,349	(11,414,535)
Primary structure ratio (Own funds/Fixed assets)	3.41	0.65
Secondary structure margin ((Own funds + Consolidated liabilities) - Fixed assets)	42,459,913	(7,072,246)
Secondary structure ratio ((Own funds + Consolidated liabilities)/Fixed assets)	3.50	0.78

Main financial figures for Growens

The parent company's net financial position as at 31 December 2023 was as follows (amounts in Euro):

Growens Net Financial Position	31/12/2023	31/12/2022
A. Cash and cash equivalents	15,635,279	1,591,258
B. Cash equivalents	20,000,060	
C. Other current financial assets	4,891,561	
D. Liquidity (A) + (B) + (C)	40,526,899	1,591,258
E. Current financial debt	372,732	889,475
F. Current portion of non-current debt	1,085,516	1,290,549
G. Current financial debt (E) + (F)	1,458,249	2,180,024
H. Net current financial debt (G) - (D)	(39,068,650)	588,766
I. Non-current financial debt	1,601,240	3,496,638
J. Debt instruments		
K. Trade payables and other non-current payables		
L. Non-current financial debt (I) + (J) + (K)	1,601,240	3,496,638
M. Total financial debt (H) + (L)	(37,467,411)	4,085,404
Non-current financial assets	(4,646,600)	
of which Current financial debt Liabilities Right of Use IFRS 16	301,399	674,635
of which Non-current financial debt Liabilities Right of Use IFRS 16	786,526	1,317,132
Net financial debt adjusted for IFRS 16 effect	(43,201,935)	2,093,637

ESMA Circular 32-382-1138 dated 04/03/2021 par. 175, orientation 39

As in the case of the consolidated NFP and the related financial indexes, the extremely positive effect of the liquidity attributable to the extraordinary sale transactions of the former subsidiaries that took place in the year 2023 is reiterated for Growens' separate financial statements.

The following table showing some Balance Sheet indexes of the Company, compared with the same indexes relating to the previous financial statements, provides a better illustration of the financial situation.

Description	31/12/2023	31/12/2022
Primary liquidity (Immediate and deferred liq./ Current liabilities)	4.66	0.65
Secondary liquidity (Current assets/Current liabilities)	5.55	0.81
Debt (Net debt/Shareholders' equity)	(0.63)	0.194
Fixed asset coverage ratio (Own capital + Consolidated liabilities)/Fixed assets	3.55	0.82

Information pertaining to the environment and staff

Considering the social role played by the business, we believe it appropriate to provide the following information on the environment and staff.

Staff

In 2023, there were no injuries at work and no charges were recorded with regards to occupational diseases on employees or former employees and mobbing cases.

As at 31 December 2023, the Group's workforce numbered 147 employees, of whom 4 managers, 12 middle managers and 131 white-collar workers, while as at 31 December 2022, it consisted of 417 employees, of whom 11 managers, 36 middle managers and 370 white-collar workers. The number of total employees employed during the year, i.e. ULA (Annual Work Units), amounted to 134.88 at Group level. The significant decrease in the workforce can be attributed to the extraordinary transactions in 2023, described above, which led to the sale of four companies previously controlled by the Growens Group and the historic MailUp business unit.

The Group has always been committed to safeguarding relations with employees; at present, there are no employment law disputes in progress.

Environment

Please note that the type of business carried out by the Group does not entail risks nor any onset of situations that may damage the environment. For a more in-depth analysis of the environmental sustainability issues implemented by Growens Group, please refer to the detailed information contained in the Sustainability Report 2023 prepared annually at consolidated level in correspondence with the end of the accounting period by the parent company and shared with investors and the market. This Report is a voluntary exercise.

Sustainability is the fundamental element on which Growens' activities are based, which is why the Group has decided to draw up a Sustainability Report on a voluntary basis on an annual basis, starting with the UN Agenda 2030. The 17 Sustainable Development Goals (SDGs) represent "common goals" to be achieved in areas relevant to sustainable development.

The reporting concerns the period 1 January - 31 December 2023 and was carried out in compliance with the GRI Sustainability Reporting Standards guidelines, issued in 2016 by the Global Reporting Initiative and updated in 2021. The application level of the GRI Standards corresponds to the "in accordance with" option. As required by the Standards, the data collection phase was preceded by the performance of the so-called "Materiality Analysis", aimed at identifying the relevant issues that represent the most significant impacts of the organisation on the economy, the environment and people, including their human rights.

Investments

During the year under review at the consolidated level, investments were made in the areas listed in the table below, which refer only to the companies included in the Group's perimeter as at 31/12/2023:

Description	Increases in the year
Technological platform and services development costs	2,882,147
Third-party software and trademarks	636,303
IT infrastructure, electronic office machines and systems	73,632
Furniture, office furnishings and leasehold improvements	114,602
Right of Use IFRS 16	1,030,610

Below is a table summarising the investments incurred by the Group during the financial year 2023 until the closing of the sale of the ESP business unit, relating to the MailUp BU and the companies subsequently sold.

Description	Increases in the year
Technological platform and services development costs	1,031,262
Third-party software and trademarks	184,211
IT infrastructure, electronic office machines and systems	23,325
Furniture, office furnishings and leasehold improvements	1,060

Given the nature of the Group's business, investments have historically been concentrated on intangible assets and in particular on the incremental development of the digital marketing tools, in particular of the BEE editor, now Beefree, which is increasingly the main director of investments. During 2023, particularly in the first half of the year, as shown in the table above, development activities were also carried out on the technology services related to the ESP business, which were subsequently sold. In addition to these, Agile Telecom invested in strengthening and renewing the technological tools that underpin its business. In the following section, the specifics of research and development activity in the period under consideration are given.

Also worth mentioning are Right of Use assets, recognised in accordance with IFRS 16, relating to existing rental, leasing and hire contracts, whose increases relate to the renewal for a further six years of the Cremona office lease contract for Euro 782 thousand and for new contracts for company cars and PCs for Euro 248 thousand.

Capital expenditures, which were limited in amount, were mainly for upgrading the computer equipment on hand and for furniture and fittings in the leased operational offices.

Research and development

Pursuant to article 2428, paragraph 2, number 1 of the Civil Code, it should be noted that in 2023, the Group capitalised internal investments relating to the software development of its platforms and technological services for over Euro 2.8 million as well as investments through external consultants for Euro 0.41 million. Investments in the development of the Beefree editor amounted to over Euro 2.4 million in the two versions Beefree and Beefree SDK. The development activity, carried out by the parent company on behalf of BEE Content Design under specific contractual agreements, is carried out by an Italian team of developers under Growens, assisted by American colleagues, and is defined and supervised by the management of Beefree. Agile Telecom also carried out development activities, both through the use of internal resources and through external consultants for a total of Euro 830 thousand. These investments were capitalised by virtue of the future economic use, certifying the potential economic and financial future recovery. During the year, the Group also incurred additional operating costs relating to the departments dedicated to research and development for about Euro 1.9 million at consolidated level.

Innovation, research and development have always been strategic and structural elements of the professional and cultural DNA of the Growens Group. The nature of the business and the context within which the Group operates require maximum investment and readiness in terms of innovation and evolution in order to remain competitive and provide the customer with the best possible experience. The constant investment in innovation concerns core areas of the business, such as the technological infrastructure, the development of new products and solutions, the ways of interacting and listening to customers, and the efficiency of working methods.

We summarise below the main additions and improvements made to our services in 2023 as a result of research and development.

Editor Beefree:

Beefree: the increasingly high number of service users has continued to provide a large quantity of feedback for the product team, which has exploited it to respond to market demand by developing and releasing many new functions. Below is a partial list of the improvements introduced in 2023: the introduction of an artificial intelligence-based content creation assistant, leveraging the integration with OpenAI GPT API, as mentioned at the beginning of this section; new centralised updating capabilities of content elements shared by multiple e-mails and pages (e.g., a repeated footer across multiple documents); numerous new functions and enhancements in the area of collaboration, review, and approval of e-mails and pages created within a multi-user account; new integrations with third-party systems, including Salesforce Marketing Cloud and Salesforce Account Engagement (Pardot); a function for integrating with external systems via webhooks; integration with Okta for identity management for large companies; several user experience enhancements, including

a complete redesign of the user interface at the launch of the updated “Beefree” brand at the end of August 2023;

Beefree SDK: in terms of improvements to the software user experience, many features were added or improved in 2023, typically usable regardless of whether creating an e-mail, a page or a pop-up. A list is available at <https://developers.beefree.io/> under “What’s New”. Among the most important are: integration with the OpenAI API, which allows the editor user to use a ChatGPT-like interface directly within the user interface, helping - for example - to create a draft of the first paragraph to be included in an e-mail or page, translate it into another language, shorten it, change its tone, etc.; a new system of synchronisable content between different elements, so that - for example - a footer of an e-mail can be shared by several messages and updated centrally; numerous updates and improvements to the user experience, including updates to the creation mode in smartphone view; the possibility of sharing image management between different editor installations under the same application; the release of the File Manager - the image management tool - as a separate application, usable outside and independent of the editor; support for multilingual content (only one e-mail is designed, but available in three different languages); more flexibility in creating customised content blocks; availability of the template catalogue for e-mails and pages as a stand-alone tool, via API; numerous improvements to the user interface and accessibility of the tool for people with disabilities.

Finally, we would like to remind you that the Beefree business unit - supported by the centralised cyber security and data privacy functions at Group level - continued to invest in the security of its systems and processes, renewing the ISO 27001 certification in the first half of 2022 and starting the process of SOC 2 certification, which was then successfully completed at the beginning of 2024.

Agile Telecom R&D Projects

ADAPTIVE ROUTING PHASE 2 The project essentially consists of the second stage of development of adaptive routing, which aims to restructure the routing system by implementing an artificial intelligence mechanism with the aim of improving efficiency by finding the routes of the best suppliers in terms of quality and price with the consequent cost reduction and maximisation of margins. The project is expected to be completed by June 2024.

ATWS The ATWS platform was created with the need to make Agile Telecom an all-round enabler in the SMS A2P and OTP market sector. ATWS is made up of several modules, which work synchronously and harmoniously in order to manage the entire SMS supply chain, from incoming receipt to delivery to the end customer, using a specific supplier and also including all the non-technical components such as analysis, billing and management of relations with other entities.

The modules that make it up are:

- Sampei & SMSC.net (Module related to the S.A.M.P.E.I. AntiSpam System to optimise the filtering of spam-type SMS and limit the sending of malicious SMS with continuous testing);
- Pocket & Pocket evolution (Module related to the management of the general infrastructure of core services and competitively executable modules from the ATWS platform);
- Adaptive Routing (Module related to the semi-automatic selection of the best supplier in terms of quality/price for each individual customer/SMS);
- OC9 (Module related to the portability and use on the cloud of the ATWS platform regardless of the infrastructure provider);
- MNP (Module relating to a millimetric management of the use of the dedicated db and fed by Ministerial data relating to the portability of utilities);
- IMSI.io (Module for an open public testing system consisting of backend and Android application);
- GTS (Module for a closed testing system for simultaneous monitoring and multiple testing of SMS route providers);
- AntiPhishing (Module relating to the AntiPhishing System to optimise the filtering of phishing-type SMS messages and to limit the sending of malicious SMS messages automatically and preventively).

The combination of infrastructures and modules allows Agile to have software that is easily maintainable, quickly upgradable and ready to deploy in every possible customer environment, even remotely and without an on-site visit.

The structure also minimises the customer's FTEs that have to maintain it, as it is designed to offer the best ratio in terms of self-maintenance of the modules, which can also be easily updated remotely.

By developing this project, work efficiency can be improved and risk reduced, resulting in lower costs and maximisation of the relative margin. The project is expected to be completed by June 2024.

POCKET EVOLUTION The Pocket Evolution project represents a significant result of our research and development work aimed at the commercialisation of a platform for sending SMS messages to other operators, in platform as a service mode. This project was made possible thanks to our determination and long-standing activity in the study and development of advanced solutions for the telecommunications market. The first customer to adopt our platform was ZamTel, who showed great interest and confidence in our product and its potential for success. The implementation of the platform at ZamTel enabled the generation of revenue through the provision of the service, which also includes an additional transit fee calculated on the traffic sent by the operator itself.

- The idea behind this project stemmed from the realisation that there was a need to offer telecommunication service providers an advanced and comprehensive solution for sending SMS messages that would guarantee maximum efficiency and cost-effectiveness. Initially, we focused on defining the specifications of the project, which

involved creating a cloud-based platform capable of handling large amounts of messages with speed and reliability.

- To achieve this, we have invested a lot of resources in research and development, using the most advanced technologies in the field of telecommunications and cloud computing. In particular, we developed data compression and load balancing algorithms to ensure maximum efficiency in message handling.
- In parallel, we have started a process of collaboration with several companies in the telecommunications sector, in order to better understand our customers' needs and adapt our platform to their specific requirements. Through these partnerships, we were able to gather important feedback and suggestions, which allowed us to continuously improve the quality and efficiency of our platform.
- Finally, once the development phase was completed, we moved on to the implementation phase at ZamTel, our first customer. At this stage, we worked closely with the ZamTel team to integrate our platform with their existing systems and ensure a smooth implementation. Thanks to our platform, ZamTel was able to handle large amounts of messages with ease, increasing efficiency and reducing costs.
- In summary, the Pocket Evolution project represents a significant result of our research and development activities, which saw our team engaged for over a year in the creation of a state-of-the-art platform for sending SMS to other operators. Thanks to our determination and the advanced technologies used, we were able to create a high-performance solution, which has already found great success with our first customer, ZamTel. The project was concluded in December 2023.

ANTILOOP The AntiLoop project consists of the creation of an automatic system to monitor SMS traffic in order to intercept and block possible message loops in the chain between Agile Telecom, customers and suppliers. The objective of the AntiLoop project concerns an improvement of the system and of the logic of sending and receiving messages, and is oriented towards reducing to zero the so-called "looping" phenomenon, which occurs whenever the sending of a message does not take place correctly, resulting in a send-receive loop between customer and supplier. By avoiding the occurrence of this phenomenon, a cost-revenue benefit is achieved. The project was concluded in December 2023.

JSMPP is a library on which our SMS traffic management core is based. It is a powerful software application that allows users to effectively manage SMS, taking advantage of the robustness and flexibility of the JSMPP library. Designed with the aim of providing an intuitive user experience, the software integrates advanced messaging features.

These are the main features:

- **Sending and Receiving:** the software supports the sending and receiving of SMS messages in real time, offering users seamless SMS communication.
- **User-friendly interface:** the software interface is designed with the user in mind, making complex tasks such as managing mass messaging campaigns simple.

- Report and Analysis: users can monitor the effectiveness of their SMS campaigns through detailed reports and performance analysis.
- Multi-language support: the software can handle SMS in several languages, making it ideal for global companies and multilingual applications.
- Extensibility: in addition to being powerful in its own right, it is designed to be easily extensible, allowing developers to add new functionality as required.
- The typical use of the software is perfect for companies needing a reliable messaging solution, marketers conducting SMS campaigns and anyone needing advanced SMS management.

From the combination of all the features listed above, a considerable cost-benefit can be achieved. The project was concluded in April 2023.

Other R&D Projects

ERP digital transformation project with Oracle NetSuite

In the 2023 financial year, following the signing of the financing agreement with Invitalia and the Ministry of Enterprise and Made in Italy, the reporting activities of the ERP digital transformation project with Oracle NetSuite were carried out for the allocation of the subsidies provided by the **Digital Transformation** tool, the incentive established by the Growth Decree that favours the technological and digital transformation of the production processes of micro, small and medium-sized enterprises.

The contract with MIMIT and Invitalia was signed at the end of the 2022 financial year and the project reporting work was carried out in January 2023. Since all the expenses reported were entirely incurred in previous years, with the project ending on 30/06/2022, the disbursement of the subsidies was requested in a single instalment (single SAL). The cost items covered include part of the payroll costs, consultancy, general expenses, tools and equipment.

Reported expenditures amounted to Euro 361,100, compared to Euro 359,280 declared at the project submission stage, divided between two implementation objectives as follows:

- Horizon 1 - 100% complete: Euro 150,000 reported;
- Horizon 2 - 100% complete: Euro 209,280 reported.

Growens is the beneficiary of subsidies amounting to 50% of the expenditure, of which 10% will be disbursed in the form of a grant and 40% in the form of a facilitated loan. Against an admitted project worth Euro 500,000, a total subsidy of Euro 250,000 was granted, of which Euro 50,000 in the form of a non-repayable grant and Euro 200,000 in the form of a facilitated loan. The request for disbursement of the subsidies is at the end of the year in the preliminary investigation phase, managed entirely by Invitalia.

The NIMP project - New Innovative Multilateral Platform

In the financial year 2023, was the conclusion of the disbursement of the last instalment of the grant provided for in the ICT - Digital Agenda call for tenders in reference to the final SAL (fifth SAL) of the NIMP - New Innovative Multilateral Platform project, which started in March 2018 and ended in September 2021.

Taking into account the whole project, the expenses reported against those declared are respectively equal to:

- Industrial Research - 100% complete: Euro 455,288 reported against Euro 453,484 forecast;
- Experimental Development - 100% complete: Euro 6,668,054 reported against Euro 5,803,892 forecast.

The overall disbursement under the ICT - Digital Agenda program, including a non-repayable grant and low-interest financing from Cassa Depositi e Prestiti and Banca Popolare dell'Emilia Romagna, covered 60% of the total cost of the project, including part of the payroll costs, consultancy, general expenses, tools and equipment. The disbursement of the last instalment of the non-repayable grant, amounting to Euro 125,147, pertaining to the fifth and final project SAL, took place on 14 July 2023, while on 11 September 2023, the contract for the last instalment of the facilitated loan, amounting to Euro 379,200, was signed with BPER, which was disbursed on the same day.

Transactions with subsidiaries, associates, parents and other related companies

In 2023, the Growens Group implemented transactions between its parent company, subsidiaries and associates included in the scope of consolidation, associates and other related parties that were part of its core business. Interventions all aimed to promote development in a synergic context that favours positive integrations and lastly, the efficiency of processes in the Group. No atypical or unusual operations were carried out with respect to normal business management. Transactions essentially concern the provision of services that are part of the Group's core business, the holding activities provided by the parent company, such as accounting, legal, human resource management and administrative services in general, as well as the provision of technological services relating to the development of the Group's proprietary platforms and the management of the shared technology infrastructure. Said relations come under the scope of ordinary business management and are stipulated at arm's length, or at the conditions that would have been established between independent parties.

Company name	Receivables	Payables	Other payables	Dividends	Revenues	Costs
Agile Telecom	168,168	546,381	-	1,870,429	1,405,709	1,953,642
BEE Content Design	6,978,669	-	1,449		7,648,334	8,781
Subsidiaries	7,146,837	546,381	1,449	1,870,429	9,054,043	1,962,422
Consorzio CRIT Scarl	24,799	1,171	70,000		868	8,880
Associates	24,799	1,171	70,000		868	8,880
Floor Srl	17,932					80,551
Other related parties	17,932					80,551

Agile Telecom

At year-end 2023, the parent company had the following economic-financial relations with Agile Telecom: receivables related to intercompany contracts for Euro 168,168, payables for Euro 546,381 arising from Group VAT managed by Growens, revenues for Euro 1,953,642 related to intercompany staff services provided by the parent company, and costs for Euro 1,405,709 related to SMS mailings provided by Agile Telecom to the MailUp BU before the sale to TeamSystem.

Bee Content Design

At the close of the 2023 financial year, the parent company had the following economic-financial relations with its US subsidiary: receivables related to intercompany contracts in the amount of Euro 6,978,669, payables in the amount of Euro 1,449, revenues in the amount of Euro 7,648,334 related to intercompany staff and R&D services provided by Growens staff, and costs in the amount of Euro 8,781. The Group is thus allocating significant and growing resources to support the improvement of Beefree, strengthening the Italian teams dedicated to the technological part and other functions within the parent company, in parallel with the organisational growth underway in the United States.

For the associated company Consorzio CRIT Scarl, on 7 November 2023, Growens disbursed a non-interest-bearing loan in the amount of Euro 70,000.

The real estate company Floor S.r.l., owned by some of the parent company's reference partners, has signed with Growens the lease contract for the building where the offices of the Cremona premises are located. The items highlighted refer to the existing real estate lease related to 2023. The receivable amounting to Euro 17,932 relates to the sale of capital goods referring to the aforementioned building.

With regard to transactions with related parties attributable to Directors, please refer to the specific section Fees to Directors and Statutory Auditors in the Notes to this document.

Treasury shares and shares/units of parent companies

In January 2023, a total of 750 shares were purchased for Euro 3,168.62 at an average price of Euro 4.224828 per share. These purchases were made as part of the programmes approved by the shareholders' meeting on 21 April 2022. Subsequently, the meeting of 20 April 2023 resolved the authorisation to purchase and sell treasury shares and in particular the following:

- to revoke the previous resolution authorizing the purchase and disposal of treasury shares of 21 April 2022 with effect from the date of the meeting;
- to authorize the Administrative Body, and for it the Chair pro tempore, with ample faculty of sub-delegation, to carry out operations involving the purchase and disposal of treasury shares to:
 - (i) be able to use its treasury shares as investment for efficient use of liquidity generated by the core business;
 - (ii) purchase treasury shares from the beneficiaries of any stock option plans approved by the competent corporate bodies or however implement new plans structured in any form or proceed with free assignments to Shareholders or fulfil obligations deriving from warrants, convertible financial instruments, with mandatory conversion or exchangeable with shares (based on transactions in progress or to be approved/implemented);
 - (iii) allow the use of treasury shares in transactions related to operations or projects consistent with the Company's strategic lines also through equity exchanges, with the main objective of finalizing corporate integration operations with potential strategic partners; as well as
 - (iv) take action (where possible and provided for by the applicable legal and regulatory provisions), in compliance with current provisions, including through intermediaries, to limit anomalous price movements and to regularise trading and price trends, in the face of temporary distorting phenomena linked to excessive volatility or poor trading liquidity;
- to determine the arrangements for the purchase and sale of shares for a period of 18 months from the date of the resolution, up to a maximum amount of treasury shares the total of which, also taking into account the shares held by the parent company and its subsidiaries in the portfolio from time to time, does not exceed the 10% limit of the share capital.

On 18 September 2023, the ordinary shareholders' meeting of Growens resolved unanimously (therefore with the majorities envisaged by article 44-bis of Consob's Issuers' Regulations), inter alia, to (i) revoke, for the part not executed, the previous resolution authorising the purchase and sale of treasury shares adopted by the shareholders' meeting of 20 April 2023; (ii) authorise the Board of Directors, pursuant to and for the purposes of article 2357 of the Civil Code, to purchase a maximum of 2,647,058 ordinary treasury shares, to be carried out through a public tender offer to be promoted by the Company pursuant to article 102 of the Consolidated Finance Act (TUF); (iii) establish that the price of the ordinary

treasury shares to be purchased is equal to Euro 6.80 per share and that the duration of the authorisation is eighteen months from the date of the same shareholders' meeting resolution.

On 9 October 2023, the Company filed with Consob the offer document for publication, relating to the voluntary partial tender offer pursuant to article 102 of the Consolidated Finance Act (TUF) promoted by Growens itself on a maximum of 2,647,058 treasury shares. On 9 November 2023, the offer document relating to the voluntary partial tender offer promoted by Growens on its treasury shares was published, as well as filed with Consob and made available to the public for consultation, following Consob's approval by Resolution no. 22870 of 8 November 2023.

The acceptance period for the public offer ran from 13 November to 6 December 2023, with payment on 13 December 2023. A total of 4,987,932 Shares were tendered, representing approximately 188.433% of the shares in the offer and approximately 32.403% of Growens' share capital. The allocation was therefore made according to a coefficient of approximately 53.069% and, as a result, the Company acquired 2,647,058 treasury shares at a unit price of Euro 6.80, for a total countervalue of Euro 17,999,994.40 as part of the voluntary partial tender offer.

Therefore, taking into account the 2,647,058 shares subject to the offer as well as the 62,583 treasury shares already held by Growens, Growens holds a total of 2,709,641 shares, equal to approximately 17.6% of the relevant share capital for a total amount of Euro 18,280,938 as resulting from the relevant negative equity reserve. The overall average purchase price of treasury shares during the financial year 2023 was Euro 6.79927.

Use of subjective estimates and valuations

The draft of the financial statements requires from the Directors the application of standards and methods which, in some cases, are based on difficult and subjective evaluations and estimates based on historical experiences and assumptions which are each time considered reasonable and realistic based on the relative circumstances. The application of these estimates and assumptions influences the amounts shown in the financial statements – the Statement of Financial Position, the Statement of Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement – as well as the disclosure supplied. The final results of the balance sheet entries, for which the aforesaid estimates and assumptions have been used, may differ from those posted on the balance sheet that represents the effects of the estimated event, due to the uncertainty that characterises the assumptions and conditions on which the estimates are based. The topic of impairment of assets, strongly impacted by the use of estimates and valuations, is mentioned below, for which a change in the conditions underlying the assumptions used could have a significant impact on the consolidated financial data.

Impairment of assets

The Group's tangible and intangible assets are impaired at least once a year if they have an indefinite useful life or, more often, if there are events that suggest that their carrying amount

may not be recovered. Impairment is determined by comparing the carrying amount with the recoverable amount, which is the higher of fair value less costs to sell and value in use determined by discounting the estimated future cash flows from using the asset less costs to sell. The expected cash flows are quantified in the light of the information available at the time of the estimate, on the basis of subjective judgements regarding future trends in variables – such as prices, costs, the rate of growth of demand – and are discounted using a rate that takes account of the risk inherent to the asset concerned. Goodwill and other intangible assets with an unlimited useful lifespan are not amortized. The recoverability of their carrying value is checked at least annually and whenever events occur which imply a drop in value. Goodwill is tested at the smallest CGU at which management monitors, directly or indirectly, the return on investments in assets that include the goodwill. When the book value of the CGU, including the goodwill attributed to it, exceeds the recoverable value, the difference is subject to impairment, which is allocated first to the goodwill up to its amount. Any excess impairment is allocated pro rata to the book value of the assets which constitute the CGU. To verify the outcome of the impairment procedure, please refer to the specific paragraph in the Notes to these consolidated annual financial statements.

Disclosure on risks and uncertainties pursuant to article 2428, paragraph 2, point 6-bis of the Civil Code

Risk analysis

As part of its business, the Group is exposed to risks and uncertainties, deriving from exogenous factors connected with the general macroeconomic context or the specific context in the segments in which it operates, as well as to risks deriving from strategic choices or internal operating risks. The identification and mitigation of such risks has been carried out systematically, allowing for the monitoring and timely oversight of the risk levels detected.

Under the scope of the business risks, the main risks identified, monitored and managed by the Group are as follows:

- Risks related to the general economic trend;
- Risks related to the market;
- Risks related to financial operations;
- Risks of recovery of assets;
- Risks related to external unlawful acts;
- Reputational risks;
- Environmental risks.

Risks related to the general economic trend

The economic-financial position of the companies belonging to the Group, is influenced by all factors comprising the Italian and international macroeconomic context. In the reference period, there are still general economic uncertainties and regarding Italian and international policy, the effects of which are unpredictable and cannot be easily measured. In Italy, like in other EU countries, the widespread climate of political instability could negatively influence consumer trust, their buying power and spending capacity. Growens has been able to grow and achieve important objectives. However, the possible permanence of national and international conditions of uncertainty and the unpredictable effects of the same, could still have negative impact on the Group's business, following a possible decline in revenues, profitability and cash flows.

For a more detailed analysis, see the notes on the macroeconomic situation at the beginning of this Report.

Market risks

The sectors in which the Group operates are characterised by rapid technological development and suffer the competitive pressure deriving from the fast pace of development of technology. The Group's success depends, amongst other aspects, on the capacity to innovate and strengthen its technologies, in order to respond to the technological progress in the sector in which it operates. The Group may consequently find itself having to cope with a more acute competition by virtue of the emerging technologies and services that may be introduced or implemented in the future. The new technologies, in fact, may limit or reduce the company's business and/or encourage the development and growth of new operators.

If the solutions offered by the Group should be unable to satisfy the needs of customers and/or respond to technological progress, rapid improvements and the ability to develop and introduce new services, new applications and new solutions to the market in a timely manner and at competitive prices will be required. The Group's incapacity to improve, develop, introduce and supply services quickly that are able to satisfy market demands, including in technological terms, may have a negative impact on operating results or may make the services offered by the Group obsolete. In order to maintain its competitiveness on the market, the Group will therefore need to invest further in research and development, with a high capacity to adjust to continue responding to the rapid technological changes and constantly develop the characteristics of its services so as to respond to the changing market demands.

If the Group should be unable to adjust promptly to the technological evolution and/or the introduction of new solutions, negative effects may be seen on the consolidated economic, equity and financial position.

In another part of this same document we have highlighted in detail how constant investment in research, development and innovation of the Group's services is a fundamental strategic guideline for the Group, dedicating increasing resources, with the aim of mitigating as far as possible this risk inherent in the reference market.

The extraordinary transactions of the sale of the ESP business unit and the former Dutch subsidiary Datatrics BV, outlined in detail above, can also be traced back to a general derisking strategy implemented by the Group by reducing the breadth and complexity of its reference markets and concentrating its development focus on the growth potential of its US subsidiary Beefree, supported by a consolidated business such as that represented by Agile Telecom.

Risks related to financial operations

Credit risk

The credit risk is determined by the exposure to potential losses deriving from failure by counterparties to fulfil the obligations they have assumed. Credit management is entrusted to the Group finance and administration department, which, on the basis of formalised assessment and appointment procedures of commercial partners, seeks to minimise the risk. The recent cyclical developments have encouraged the adoption of more stringent procedures for quantifying and controlling customer risk level. To reduce the risk of insolvency arising from trade receivables, the focus is on encouraging the use of electronic payments by customers, in particular of the Beefree BU. The share of collections deriving from electronic payments is historically very substantial, improving the quality of trade receivables and reducing the impact of the costs of debt collection.

It must be considered that the financial assets of the Group have a good credit standing.

Liquidity risk

The liquidity risk consists of the impossibility of respecting payment commitments due to difficulties in obtaining funds or liquidating assets on the market. The consequence is a negative impact on the economic results if the Group is forced to incur additional costs to fulfil its commitments or, as an extreme consequence, a situation of insolvency that risks the company as a going concern. The Growens Group currently enjoys good liquidity, also thanks to its admission to trading on the Euronext Growth Milan market and its excellent relations with the banking system. Financial debt is mainly aimed at supporting strategic investments, particularly in research and development of its products.

In order to optimise the management of financial resources and reduce the liquidity risk, the Group has adopted processes for the systematic monitoring of prospective liquidity conditions, in connection with business planning. The Group expects to meet its financing needs from available liquidity and cash flows from operations. Future projections of the Group's financial performance suggest that the prospective financial resources, together

with current availability, will be able to ensure adequate support for operations and planned ordinary and extraordinary investments.

Therefore, the liquidity risk is not considered to be significant, especially in view of the proceeds realised from the sale of the ESP BU and Datatrics BV completed in 2024 in excess of Euro 73 million, net of the amounts tied up in Escrow.

Interest rate risk

The parent company has historically made moderate use of financial leverage through the banking channel, mainly in the medium and long term, benefiting from the previous favourable trend in debt costs, to support extraordinary external growth operations, investments relating to software development activities and other strategic investments. The underlying loan contracts envisage terms and conditions that are in line with market practice. The loans are connected with the risk of interest rate changes, as they are partly negotiated at variable rates. The current economic situation has already led to a significant rise in reference rates such as the Euribor, which could be followed by further upward corrections. The future rise in interest rates may result in an increase in related financial expenses with consequent negative effects on the economic and financial situation of the Company, even if the prevalence of own financial resources compared to recourse to indebtedness to third parties reduces the possible impact. The aforementioned collection of large sums deriving from the extraordinary sale transactions carried out in the current year and the resulting available liquidity made it possible to further rationalise the structure of financial debt, significantly reducing the portion financed at variable rates and the corresponding risk arising from any unfavourable fluctuations.

Exchange rate risk

There are trade receivables and payables held in foreign currencies by Growens mainly with regards to the foreign subsidiary Bee Content Design, as well as marginal amounts for trade payables and receivables in foreign currencies with third-party suppliers and customers, also relating to other Group companies. The consolidated values of the US subsidiary are denominated in foreign currencies, in particular US Dollars, which are subject to exchange rate fluctuations against the Euro in some cases. The current exposure to risks associated with exchange rate fluctuations is believed to be reduced, with potentially increasing risk in relation to future growth in terms of Beefree activity volumes. For this reason, the Finance function within the Holding regularly monitors the trend of the risk and resorts to hedging operations in order to limit possible negative effects deriving from extremely unfavourable developments in the Euro/Dollar exchange rate.

Risk of recovery of assets

The risk of recovering the value of the assets held by the Group refers to the economic and financial performance of the consolidated companies and the capacity to produce sufficient cash flow to guarantee recovery of the investment value. This risk is monitored by the

management through the regular verification of economic results, including under the scope of specific valuation procedures, such as, for example, by carrying out impairment tests at least annually or more frequently where there are indicators that the value recorded is not fully recoverable.

Risks related to external unlawful acts

With reference to this category, among the main potential risks, fraudulent events related to Cyber attacks were highlighted. These risks may cause the possible slowdown or interruption of the services provided by the Group and compromise the confidentiality of personal data related to these services, as well as damage the Group's commercial reputation. All these assumptions could have a negative, even significant, economic and financial impact. In order to mitigate the risk of the occurrence of such situations, the Growens Group has implemented and is investing increasingly significantly in strengthening a system of controls aimed at improving the Group's IT security, both through external consultants with proven experience and reliability, but above all by recruiting and training highly specialised figures within its workforce with high professionalism and specific skills.

Reputational and Corporate Social Responsibility (CSR) risks

In carrying out its business, the Group may be subject to worsening of the perception of trust and reputation by its stakeholders due to the dissemination of prejudicial news or failure to meet the sustainability requirements defined in the CSR Report with reference to the economic, environmental, social and product aspects. The Group is particularly sensitive to these issues, including environmental sustainability, an ethical approach to business and the containment of related risks, to which it is dedicating more and more resources, as reflected in the ESG consolidated report published annually on a voluntary basis and freely available on the Group's website.

Environmental risks

Group companies and the parent company itself are located in areas not subject to particular environmental risks such as floods, earthquakes and landslides. The climatic changes in recent years, which have resulted in torrential rainfall, including very violent events such as water bombs and tornadoes, especially in the summer period, do not create foreseeable problems for business continuity. The companies are all insured against damage, the facilities in which they operate are safe and in accordance with the law. To date, no significant damage has ever occurred as a result of sudden and intense climatic events. It can therefore be stated that, apart from expecting the Company to continue as a going concern, we do not assess any particular problems in this area that could cause significant material damage to equipment and infrastructure and consequent impacts on the economic-financial level.

Significant events after the end of 2023

On 22 January 2024, Growens announced the appointment of SaaS and e-mail marketing veteran Justine Jordan as Head of Strategy & Community at Beefree, the leading Business Unit offering no-code design tools that enable the simple and fast creation of digital content for everyone. In her new role, Justine Jordan will join the Management Team and report directly to Beefree CEO, Massimo Arrigoni. Her responsibilities will include steering the company's strategic choices and ensuring the alignment of top management to key decisions. She will also ensure that all employees are fully involved in the strategic objectives and will lead community-focused initiatives.

Throughout her career, Justine Jordan has contributed significantly to the evolution of the e-mail marketing industry. Named E-mail Marketer Thought Leader of the Year in 2015, she has led the marketing of high-growth B2B SaaS companies, contributing to successful results (such as Salesforce's acquisition of ExactTarget) and holding key roles in companies such as Wildbit, Litmus, Help Scout, Postmark and ActiveCampaign.

Outlook

The sale of the ESP (Email Service Provider) business, amply referred to previously, may help mitigate the risk of Growens' position in mature businesses. The proceeds will mainly go towards the development of Beefree.

In 2015, Beefree was launched as an internal growth hacking experiment. It was spun off in 2017 and is now based in San Francisco, with a technology team based in Italy. With more than 1 million free users as at December 2023, the business unit recorded a growth rate of 19% year-on-year with an ARR, Annual Recurring Revenue, a major metric among SaaS tools, of more than USD 12 million, confirming its vocation as a fast-growing BU.

Beefree's future growth strategy will be based on organic growth, with an announced investment of Euro 15 million over the three-year period 2024-2026 that will focus on the areas of R&D and M&A. This is coupled with an opportunistic approach to external growth. In detail, the main investment lines are: 1) investments in Sales & Marketing, aimed at increasing brand awareness; 2) research & development, with the implementation of incremental and disruptive innovations (e.g. connectors, AI functions); and 3) M&A. Management is in the process of scouting in the Beefree field, in particular for players that can complement the company's offer, technology or human resources to support the Beefree S&M strategy.

Agile Telecom is expected to continue its growth by exploiting a scalable, high-conversion business.

Organisation, Management and Control Model pursuant to Legislative Decree no. 231/2001

In compliance with the provisions of Legislative Decree no. 231 of 8 June 2001 ("Decree 231"), in 2015, Growens adopted its own organisational model and its own Code of Ethics meeting the requirements of the Decree.

In collaboration with professionals with proven experience, during the last months of 2017, a complex internal audit and review process was started, which ended with the approval by the Board of Directors meeting held on 15 May 2018 of a new organisational model (“**Model 231**”) and a new Code of Ethics (“**Code of Ethics 231**”). On the same date, the administrative body also appointed the Lawyer Gabriele Ambrogetti as the Company’s single-member Supervisory Body, which, at the end of the first term of office, has been confirmed once again until approval of the financial statements as at 31 December 2023.

In order to better manage the Company’s business and, more generally, the activities of the Group to which it belongs, over the years the Company has, therefore, paid particular attention to issues related to compliance and compliance with Decree 231, carrying out constant audits, providing specific training to its employees and updating, where necessary, its Model 231 and its Code of Ethics 231.

In this context, it should be noted that, in light of the so-called Whistleblowing Directive, as well as Legislative Decree no. 24 of 10/03/2023 and the ANAC Guidelines adopted by the latter authority with ANAC Resolution no. 311 of 12 July 2023, the Company proceeded to revise its procedure on whistleblowing matters (the “**Whistleblowing Procedure**”) and to select a special software for managing whistleblowing reports and to provide specific training to Company staff.

At the same time - following the extraordinary transaction that led to the sale, respectively, to TeamSystem S.p.A., of the business line dedicated to e-mail marketing, and to Squeezely BV, of 100% of the share capital of the Dutch subsidiary Datatrics B.V., and the consequent substantial change in the corporate model - the Supervisory Body decided to carry out a single audit on the special parts aimed at preventing the types of offences provided for in article 25-septies of Legislative Decree no. 231/2001 on health and safety in the workplace. The verification activities conducted revealed the Model’s suitability to prevent the commission of so-called predicate offences without the emergence of non-compliance.

Moreover, following the extraordinary transactions mentioned above, as well as in light of certain new relevant offences within the scope of 231 introduced by the Italian legislature, the Company started and concluded a review of its Model 231 and its Code of Ethics 231, in order to reflect the changed corporate structure and to revise the mapping of risk areas and the related controls.

In order to provide an in-depth understanding of the legal implications and responsibilities associated with the legislation in question and at the same time strengthen staff awareness, the Company has provided specific training focused on the special parts of Model 231 concerning the following predicate offences:

- Tax Offences

- Offences of Market Abuse
- Corporate Offences
- Safety at Work

Consistent with what has been done in the past, during the current year, the Company plans to conduct an audit of specific special parts of Model 231.

During these months, the Supervisory Body met with the Board of Statutory Auditors and the auditing firm in order to share information flows and the results of their respective activities, and was constantly updated on the main corporate news.

Finally, it should be noted that the mandate of Lawyer Gabriele Ambrogetti as Supervisory Body - expiring with the approval of the annual financial statements as at 31 December 2023 - will be renewed for a further period of three years.

Personal data processing

Due to the characteristics of its business, which requires the utmost correctness and attention in the processing of data, Growens has always been particularly sensitive to issues of Data Protection. In fact, the Group has also for years been assisted by legal advisors of proven competence and experience, on both national and international level, on these matters.

In particular - for the purposes of better management of the Company's business and, more generally, of the activities of the Group to which it belongs - the support of an external Data Protection Officer ("DPO") remains confirmed, i.e. a highly qualified, independent figure also having experience in the personal data protection sector, who continues to carry out this function for the benefit of the entire Group.

Following the corporate transactions that took place in 2023, the "Organisational Model for the protection of personal data" ("MOP", also known as the "**Group Data Protection Compliance Framework**") was also confirmed, as a tool for aligning the Group's policies and demonstrating that the processing of personal data is carried out in accordance with the GDPR. The MOP has been localised on all Group companies and reflects the position they want to adopt in relation to the processing of personal data, containing policies and procedures aimed at establishing a comprehensive internal framework on the processing of personal data - rules, standards and guidelines to be followed by employees and staff - but also to demonstrate the various measures implemented by the Group to comply with the various applicable privacy and data protection laws. In particular, the objective of the MOP continues to be to ensure a coherent and solid level of protection of personal data processed in the context of the activities carried out by Group companies, regardless of where said activities may take place. In addition to policies and procedures that cover all relevant aspects and obligations that must be considered in the processing of personal data, the MOP also

includes various operational documents - such as models, questionnaires, assessment tools and fact sheets - to assist employees and staff of the Company in daily operations.

During 2023, the treatment records of Group companies were reviewed and updated, and a similar process was conducted in relation to the so-called “LIA - Legitimate Interest Assessment” with respect to processing activities based on the legal basis of legitimate interest and carried out by individual companies. Documents were also updated in relation to new personal data processing initiatives and activities carried out by the Company in its capacity as Data Controller or Data Processor.

Assessments continued on the data protection impacts of the implementation of AI-based tools within the tools provided or used by some Group companies. With the aim of minimising the risks associated with such integration, and in anticipation of the imminent legislative developments in Europe regarding the regulation of the use of Artificial Intelligence, a Policy on the Use of Artificial Intelligence Tools has been drafted and is currently being finalised.

With particular reference to the adoption of Legislative Decree no. 104 of 27/06/2022 (the so-called “Transparency Decree”), the DPO supported the Company in concluding the appropriate in-depth investigations aimed at understanding the existence of processing operations and/or systems that fall within the application of said rule, in light of which, a Data Protection Impact Assessment (DPIA) was drawn up - for some identified instruments - insofar as they were considered potentially suitable for scoring particular categories of interested parties (in particular, employees and candidates), without prejudice to the need to proceed in the future with any further and appropriate privacy assessment in relation to any relevant tools and/or updates in this regard.

Regarding the adoption of Legislative Decree no. 24 of 30/03/2023 (the so-called “Whistleblowing Decree”), the Company concluded the necessary privacy activities, starting with the revision of the relevant privacy-side documentation as well as the relevant procedure already adopted by Growens and forming part of the implemented “Organisational Model for the Protection of Personal Data”. In addition, with the support of the DPO, a careful evaluation of the platforms dedicated to the management of reports was carried out in order to identify the one providing adequate guarantees of compliance, and an impact assessment (DPIA) was consequently carried out for the processing operations carried out in the context of the management of reports through the chosen platform.

During 2023, the DPO also conducted data protection training in order to spread data protection awareness among the staff of Group companies, with a focus on the GDPR, new regulations and, in general, the privacy legislative framework applicable to the processing activities carried out by the Group. In continuity with what has already been done, the most appropriate ways of planning subsequent training activities will also be evaluated.

Finally, the Company - with the support of the DPO - proceeded to carry out the privacy-related activities related to the sale transaction concluded with TeamSystem S.p.A. on 13 July 2023, which led to the transfer of the companies MailUp S.p.A. (formerly Contactlab S.p.A.) and Acumbamail SL.

Thank you for the trust placed in us.

Milan, 19 March 2024

The Chairman of the Board of Directors

Matteo Monfredini

