

Morning Watch: Specialist/CB

Italy: Today's News

Growens (BUY)

ARR at 30 June 2024

2

11 July 2024: 8:45 CET

Date and time of production

2

Equity Market/Daily

EXM – STAR – EGM

On Our radar: Today's Newsflow

Italy Positive/Negative

Europe Positive/Negative

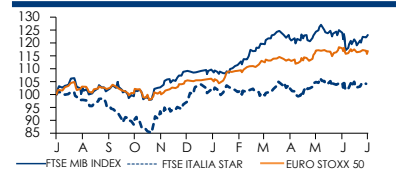
Stock Markets: Performance

Chg (%)	1D	3M	6M	12M
FTSE All Share	1.2	0.9	12.2	22.1
FTSE MIB	1.3	0.8	12.7	23.1
FTSE IT Star	0.6	1.8	2.3	4.1
Euro Stoxx 50	1.0	3.1	10.3	16.9
Stoxx Small 200	0.9	0.9	5.8	11.6
NASDAQ	1.2	15.3	24.6	36.3
S&P 500	1.0	9.2	17.8	27.8

FTSE MIB Best & Worst: 1D% chg

Telecom Italia	4.9	D. Campari	-0.7
Saipem	4.2	Banco BPM	-0.5
Prysmian	3.4	Amplifon	0.3

Index Performance (-12M)



Source: FactSet

Upcoming Intesa Sanpaolo Events

What?	Where?	When?
Sustainability Week*	Virtual	9-12 Sept.
Italian Excellences	Virtual	8-9 Oct.

*Borsa Italiana

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

This is an extract of our Equity Daily report published today, incorporating our comments on those companies for which Intesa Sanpaolo is Listing Agent, Specialist or Corporate Broker.

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Italy: Today's News

Growens (BUY)

GROW IM; GROW-IT

ARR at 30 June 2024

Results. Yesterday, Growens disclosed the following preliminary data as of June 2024:

- **ARR (annual recurring revenues) of the SaaS business line as at end-June were +21.7% yoy at EUR 12.6M** (+21.4% yoy at constant forex);
- **CPaaS business line's preliminary 2Q24 sales stood at EUR 15.9M, +8.6% vs. 2Q23** thanks to higher volumes and usage.

What we think: Growens' strategy is now to focus on the Beefree development, which we consider as the main catalyst for the stock, thanks to the cash available (EUR 15M to be invested organically in 2024-26, according to the recently-unveiled BP) and the deployment of synergies with 'Really Good Emails'.

Growens - Key Data

11/07/2024	Information		
Target Price (€)	7.0		
Rating	BUY		
Mkt price (€)	6.96		
Mkt cap (EUR M)	119.1		
Main Metrics (€ M)	2023E	2024E	2025E
Revenues	72.10	82.15	91.16
EBITDA	1.03	1.32	1.48
EPS (EUR)	-0.16	-0.01	-0.01
Net debt/-cash	-44.71	-42.03	-38.40
Ratios (x)	2023E	2024E	2025E
Adj. P/E	Neg.	Neg.	Neg.
EV/EBITDA	69.4	56.1	52.3
EV/EBIT	NM	NM	NM
Debt/EBITDA	Neg.	Neg.	Neg.
Div yield (%)	0	0	0
Performance (%)	1M	3M	12M
Absolute	-0.3	7.1	11.2
Rel. to FTSE IT All Sh	0.4	6.2	-9.0

Source: FactSet, Company data, Intesa Sanpaolo Research estimates

Intesa Sanpaolo is Corporate Broker to Growens

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ARR at 30 June 2024, 2Q23 Agile Telecom sales

EUR M	Jun-23	Jun-24	yoy %
SaaS ARR (Beefree)	10.4	12.6	21.7
CPaaS Sales (Agile Telecom)*	14.6	15.9	8.6

* 2Q23 Preliminary data; Source: Company data

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HOLD	If the target price is in a range 10% below or 10% above the market price.
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TARGET PRICE	The market price that the analyst believes the share may reach within a 12M time horizon.
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