Consolidated Financial Statements and Separate Financial Statements as at 31 December 2024

Financial Statements prepared in accordance with IAS/IFRS accounting standards

- Figures in Euro -

1. Growens Group

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

1. 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, more than 9,600 customers and over 1,000 applications;
2. 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, benefiting from numerous interconnections 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 end of the 2024 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.

Growens Group structure

The Group as at 31 December 2024 can be represented as follows:

Growens holds a controlling stake in Agile Telecom. The controlling stake in the US subsidiary, Bee Content Design, has increased to 97.71% from the former holding of 96.9%. On 18 March 2024, the Board of Directors of the US subsidiary Bee Content Design resolved to request Growens to partake in a share capital increase, with the total amount, including the share premium, coming to USD 15 million. The precise subscription price of the newly issued Bee Content Design shares, resulting from the 409A valuation carried out by an independent specialist, is USD 7.26 each. Of this price, USD 0.01 constitutes share capital, resulting in the issuance of 2,066,116 total shares. The capital increase, fully subscribed by Growens, is to be paid in one or more tranches by offsetting Growens' receivables from BEE arising from the provision of intercompany services already provided by the parent company. On 12 December 2024, Bee Content Design's Board of Directors requested the Company to subscribe to and release an initial tranche amounting to USD 13.5 million from the designated capital increase, resulting in the issuance of 1,859,504 shares. This request was subsequently approved and implemented by Growens' Board of Directors on 17 December 2024. As a consequence of Growens subscribing to the first tranche, the Company now owns a total of 6,947,004 BEE shares, which constitutes 97.71% of the corresponding share capital.

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 technology services comprises **Beefree** and **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's tools for designing e-mail and other digital content are now used by more than 500,000 single users every month in over 195 countries. 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 1,200 third-party applications, consolidating its presence in the digital landscape. Prominent accounts encompass both major digital enterprises and multinational conglomerates from diverse industries, including Sandoz, Google LLC, Iterable, Dealcloud, and Bloomreach. For the Group, Beefree is the engine for future growth, following the divestment of the *Email Service Provider* business in 2023 and the sale of Datatrics BV. On 15 April 2024, Beefree signed an asset purchase agreement (APA) concerning the acquisition of the email design business of the US company Really Good Emails, Inc. ("RGE"). RGE owns a website and related software that offers an extensive collection of email templates. Further details on this transaction are provided later in this Report;

Agile Telecom S.p.A., 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). Agile Telecom is also strengthening its position in the digital communications sector, expanding its portfolio with advanced CPaaS (Communications Platform as a Service) solutions such as Mobile Number Portability (MNP), termination via RCS (Rich Communication Services) and further developing channels such as Telegram Business and WhatsApp for Business.

2. Summary data

Significant events in the year ended as at 31 December 2024

In 2024, the activities of the Group were characterised by the events indicated below.

On 22 January 2024, Growens announced the appointment of Justine Jordan as Head of Strategy & Community at Beefree. In her new role, Justine Jordan has joined the Management Team reporting directly to Beefree CEO, Massimo Arrigoni, with responsibility for guiding the company's strategic choices and ensuring top management's alignment to key decisions, ensuring that all employees are fully involved in strategic objectives and driving community-focused initiatives.
Throughout her career, Justine Jordan has contributed significantly to the evolution of the email marketing industry. Named Email 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.

On 19 March 2024, the Board of Directors resolved to propose to the Shareholders' Meeting the distribution of an extraordinary dividend equal to Euro 1.58 per share, to be paid as follows: (i) first tranche - Euro 0.79 per share deriving from the distribution of extraordinary profits - payment date 8 May 2024, ex-dividend date 6 May 2024 and record date 7 May 2024; (ii) second tranche - Euro 0.79 per share deriving from the distribution of extraordinary profits - payment date 4 September 2024, ex-dividend date 2 September 2024 and record date 3 September 2024. The ordinary Shareholders' Meeting ratified the proposal on 18/04/2024.

On 15 April 2024, the Company announced that its US subsidiary BEE Content Design, Inc. ("Beefree") entered into an asset purchase agreement subject to US law to govern the acquisition of the email design business of the US-registered company Really Good emails, Inc. (RGE).
RGE owns, among other things, a website and related software that offers an extensive collection of email templates. The synergy between the RGE website's email catalogue, which allows users to take inspiration for the creation of their own campaigns, and the "Beefree" software, which in turn allows them to design email campaigns, will thus enable the US subsidiary to expand its audience and consequently the number of its customers.

The transaction involved the sale and purchase of RGE assets, including, in particular, the company's website, related software, customer contracts and brands used in the conduct of business, for a purchase price of USD 400,000, plus an earn-out component of up to USD 6 million if certain profitability targets are achieved over the three-year period 2024-2026.

Following the transaction, Mike Nelson (co-founder of RGE) took over as Head of Growth and Matt Helbig (co-founder of RGE) took over as Senior Email Marketing Manager. Justine Jordan, who was appointed Head of Strategy & Community at Beefree at the beginning of January, also helped to organise and run the Unspam events.

3. Summary report

Highlights Consolidated Income Statement

Description	31/12/2024	31/12/2023*	Change
Total revenues	74,460,302	75,060,458	(600,156)
EBITDA	(110,744)	(558,710)	447,967
Pre-tax result (EBT)	(2,708,136)	(2,662,612)	(45,524)
Net result from continuing operations	(2,535,045)	(3,025,338)	490,293
Period profit	(2,535,045)	58,131,733	(60,666,778)

*** the comparison column of the 2023 financial year of the consolidated income statement, in compliance with the application of the IFRS5 standard, highlights the continuing operations relating to the same current scope of consolidation. Such an effect is also repeated in the subsequent accounts presented in this document.**

Highlights Consolidated Balance Sheet

Description	31/12/2024	31/12/2023	Change
Fixed assets	25,809,728	23,343,615	2,466,113
Current assets	33,772,845	58,857,332	(25,084,487)
Current liabilities	20,554,404	20,749,589	(195,184)
Non-current liabilities	4,458,213	4,582,525	(124,312)
Shareholders' equity	34,569,956	56,868,834	(22,298,878)
Net financial position	(13,001,470)	(42,092,944)	29,091,473

Highlights Separate Income Statement

Description	31/12/2024	31/12/2023*	Change
Total revenues	14,590,972	10,309,673	4,281,299
EBITDA	692,715	(2,376,848)	3,069,563
Pre-tax result (EBT)	2,508,354	(745,184)	3,253,538
Net result from continuing operations	2,161,469	(736,075)	2,897,544

Comprehensive operating profit	2,161,469	56,069,522	(53,908,053)

Highlights Separate Balance Sheet

Description	31/12/2024	31/12/2023	Change
Fixed assets	31,533,631	18,909,607	12,624,024
Current assets	20,684,582	51,990,712	(31,306,130)
Current liabilities	7,855,243	8,042,369	(187,126)
Non-current liabilities	2,943,338	3,743,610	(800,272)
Shareholders' equity	41,419,631	59,114,339	(17,694,708)
Net financial position	(10,296,852)	(37,467,411)	27,170,559

4. Consolidated and separate annual Report on Operations for the year as at 31 December 2024

Introduction

This Report on Operations is presented for the purposes of the consolidated and separate financial statements of Growens, and 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.

As regards the consolidated financial statements, which strive to ensure standardized measurement criteria and have been prepared on the basis of full consolidation, please note that the consolidation scope is as shown below (as at 31 December 2024):

Company name	HQ	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 60,475*	97.71%

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

Economic context for FY 2024*

At the beginning of 2024, signs of a strengthening global economy emerged, with growth driven by services and, to some extent, manufacturing. In the US, consumption remained robust and employment grew more than expected. In China, industrial activity expanded, while domestic demand remains weak, fuelling trade imbalances with advanced countries. According to IMF and OECD estimates, world GDP will grow by just over 3% in 2024, held back by restrictive monetary policies, while world trade will expand by 2.2%. The main downside risks for the global economy are related to the escalation of ongoing conflicts. In Q4 2024, economic activity remained robust in the US but lost momentum in the other developed countries. In China, the real estate market crisis is still weighing on domestic demand. According to current estimates, world trade will expand by just above 3 percent in 2025, in line with the expected trend in global output.

In the US and UK, disinflation came to a halt in the first months of 2024, leading to the stabilisation of interest rates by the Federal Reserve and the Bank of England, which kept rates unchanged for the seventh consecutive meeting in June. The Bank of Japan also kept rates unchanged, breaking the yield curve control. Investors postponed the expected monetary easing in the US, while in the Euro area financial conditions were affected by political uncertainty in France. Inflation continued to decline in the United States. In September, for the first time since March 2020, the Federal Reserve cut its policy rates (by 50 basis points, to 4.75-5.00 percent), in light of lower inflation and a slowdown in the labour market. The Bank of England, which had cut rates in August, kept them unchanged in September. In Japan, the BoJ raised its policy rates at the end of July; the expectation of further increases, coinciding with the publication of disappointing data on the US economy, triggered strong tensions in international financial markets at the beginning of August, which have since largely subsided. To support economic growth, the Chinese Central Bank launched a package of extraordinary expansionary measures in September, in addition to the cut in policy interest rates implemented last July. In line with expectations, inflation then rose slightly in the United States; it fell slightly in the United Kingdom, while in Japan it rose more than expected. During its December meeting, the Federal Reserve once again reduced its key interest rates by 25 basis points to a range of 4.25-4.50 per cent. Unlike previous meetings, the members of the Federal Open Market Committee anticipate a more gradual normalisation of monetary policy due to the slower decline in inflation and the persistently low unemployment rate. This has contributed to the strong appreciation of the Dollar against other major currencies, including the Euro. In the same month, the Bank of England and the Bank of Japan left their rates unchanged. The Chinese authorities announced a package of measures to support domestic consumption, which would complement the Central Bank of China’s commitment to maintain an expansionary monetary stance.

Euro area H1 GDP stagnated due to weakness in industry, with signs of recovery in services. Disinflation eased, mainly due to sustained dynamics in service prices. The ECB kept rates unchanged in April, but cut them by 25 basis points in June, maintaining a data-driven approach to ensure inflation returns to its medium-term target. Throughout the summer, the significant stagnation of the Eurozone's GDP persisted. The manufacturing sector remained lacklustre, whereas the services sector continued to grow, buoyed by the strong performance of the tourist season. Inflation continued its downward trajectory in September, including the core component. Service prices continue to exhibit significant volatility, particularly those that react to past inflation with a delay. By the close of 2024, economic growth within the eurozone had faltered, adversely affected by subdued consumption and investment coupled with a decline in exports. Manufacturing trends remain lacklustre, particularly within Germany; furthermore, the momentum generated by the services sector has waned as well. Inflation maintains a moderate level of approximately 2 per cent, with the core component remaining generally stable. Within services, price changes are still relatively high, partially due to delayed adjustments to past inflation. In December, the Eurosystem's specialists adjusted the growth projections for the area downwards, anticipating an increase of over 1 per cent per annum throughout 2025 to 2027. Meanwhile, inflation is projected to stabilise around the European Central Bank's target rate of 2 per cent.

In Italy, economic activity grew moderately in the first quarter of 2024, buoyed by services, especially tourism, which benefited from the good spending trend of foreign travellers, however with a downturn in manufacturing and construction. The current account balance remains positive, thanks to the mercantile surplus and higher net purchases of Italian securities by foreign investors. Employment increased, showing historically low unemployment rates. Wages were on the rise thanks to contract renewals, but inflation remained at low levels, with a slower decline in services due to high demand in tourism. Growth in the summer months was moderate; a renewed expansion in services was combined with persistent weakness in manufacturing. Aggregate demand benefited mainly from the consumption trend, supported by the recovery of disposable income, against a negative contribution of net exports, in a context of sluggishness in the main Eurozone economies. In Q2 2024, the current account surplus widened, mainly due to the reduction of the primary income deficit and the services balance, which returned to positive territory. In Q4 2024, economic activity in Italy remained weak, being affected, as in the rest of the Euro area, by the persistent weakness of manufacturing and the slowdown in services. In the construction industry, the positive impact generated by the projects under the National Recovery and Resilience Plan was offset by a contraction in the residential market. Domestic demand is likely to be restricted due to a decline in household spending, coupled with investment conditions that continue to be unfavourable. The current account balance narrowed in the third quarter, although is still in surplus. The net international investment position was further strengthened. Foreign investors sustained their high purchases of Italian Government Bonds, resulting in a narrowed yield spread between the 10-year Italian note and the equivalent German bond.

The cost of credit remained high at the beginning of 2024, dampening demand for loans. The downturn in corporate lending continued, influenced by the high cost of credit and banks' perception of risk. The European Commission has announced its intention to open excessive deficit procedures against five Euro area countries, including Italy. Despite the reduction of the deficit compared to 2023, the deficit ratio is expected to remain above 3% of GDP in 2024 and 2025. With regard to the National Recovery and Resilience Plan, the Italian Government requested the payment of the sixth instalment at the end of June and the European Commission preliminarily approved the application for the fifth instalment. Financing conditions for households and businesses subsequently benefited from the reduction in the cost of borrowing. Despite a slight easing of lending standards in the spring, bank lending to non-financial corporations continued to contract, mainly due to lower demand for investment credit. In contrast, the reduction in household lending halted and, albeit slightly, resumed growth for the first time since early 2023. The reductions in the ECB's key interest rates are being transmitted to the borrowing and lending costs, consistent with historical trends. Amidst weak investments, business demand for financing remains modest. The gradual resumption of mortgages to households continues.

At the beginning of the year, Italian GDP was projected to grow by 0.6% in 2024, 0.9% in 2025 and 1.1% in 2026, with inflation below 2%. The projections confirmed the earlier estimates, with GDP growth anticipated at 0.6 per cent (or 0.8 per cent when excluding the working days adjustment) and suggesting an acceleration in the subsequent two years, wherein output is expected to cumulatively grow by more than 2 per cent. According to the Government's evaluations, the budgetary law ratified in December results in an increase of 0.4 percentage points in the net borrowing to GDP ratio in 2025, 0.6 percentage points in 2026, and 1.1 percentage points in 2027. Approximately half of the funds allocated for expansionary initiatives would be dedicated to making the reforms to reshape the personal income tax (Irpef) and reduce the tax wedge.

* Source: Economic Bulletin 2-3-4/2024, 1/2025 - 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.

Significant events during 2024

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

GROW share performance in the course of 2024 and Investor Relations activities

Below is some data on the prices and volumes of the Growens stock (GROW) in 2024

Placing price	Euro 1.92*	29/07/2014
Maximum price FY 2024	Euro 7.66	24/07/2024
Minimum price FY 2024	Euro 4.62	23/02/2024
Price at period-end	Euro 5.18	30/12/2024

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

After a period between the end of 2023 and the beginning of 2024 characterised by average daily volumes of slightly more than 10,500 units (January-February 2024) and an almost stable price trend between Euro 4.7 and 4.8, prices and volumes showed a steady and sustained growth, particularly following the announcement on 19/03/2024 of the proposal by the Board of Directors to distribute an extraordinary dividend of Euro 1.58 per share, to be paid as follows: (i) first tranche - Euro 0.79 per share deriving from the distribution of extraordinary profits - payment date 8 May 2024, ex-dividend date 6 May 2024 and record date 7 May 2024; (ii) second tranche - Euro 0.79 per share deriving from the distribution of extraordinary profits - payment date 4 September 2024, ex-dividend date 2 September 2024 and record date 3 September 2024.

The maximum price recorded on 24 July 2024 at Euro 7.66, equal to the new historical maximum recorded by the stock, and the end-of-period price at Euro 5.18 were respectively approximately 59.6% and 7.9% higher than the first price of the year (Euro 4.80 on 2 January 2024).

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

Month	Weighted average price €	Average daily volume #
January 2024	4.78	9,299
February 2024	4.65	11,790
March 2024	5.26	21,086
April 2024	6.26	26,069

May 2024	7.08	31,320
June 2024	6.89	9,477
July 2024	7.27	14,209
August 2024	7.29	27,905
September 2024	6.07	19,012
October 2024	5.85	12,149
November 2024	5.84	6,799
December 2024	5.35	12,057

GROW.MI - trend in prices and volumes January-December 2024 - Source www.borsaitaliana.it

In the FY ended 31 December 2024, in 14 trading sessions, volumes traded exceeded 50,000 units, of these, in 4 sessions, exceeding 100,000 units, with a maximum recorded on 03/05/2024 (237,009 shares traded). In general, daily volumes traded in the period averaged about 16,800 units, lower than the approximately 30 thousand average daily units traded in 2023. In only one trading session, there were no trades.

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 audit by the independent auditing firm; the Consolidated Half-Year Report, subject to a limited audit on a voluntary basis 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 2024, a total of 14 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 2024, the Group participated in 4 conferences and investor days, held mostly in virtual mode, meeting 38 current and potential investors. Periodically, investors who have requested it receive a newsletter providing the main financial news.
Furthermore, in 2024, the Group also received assistance from two 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 2024, 16 equity research reports were published.

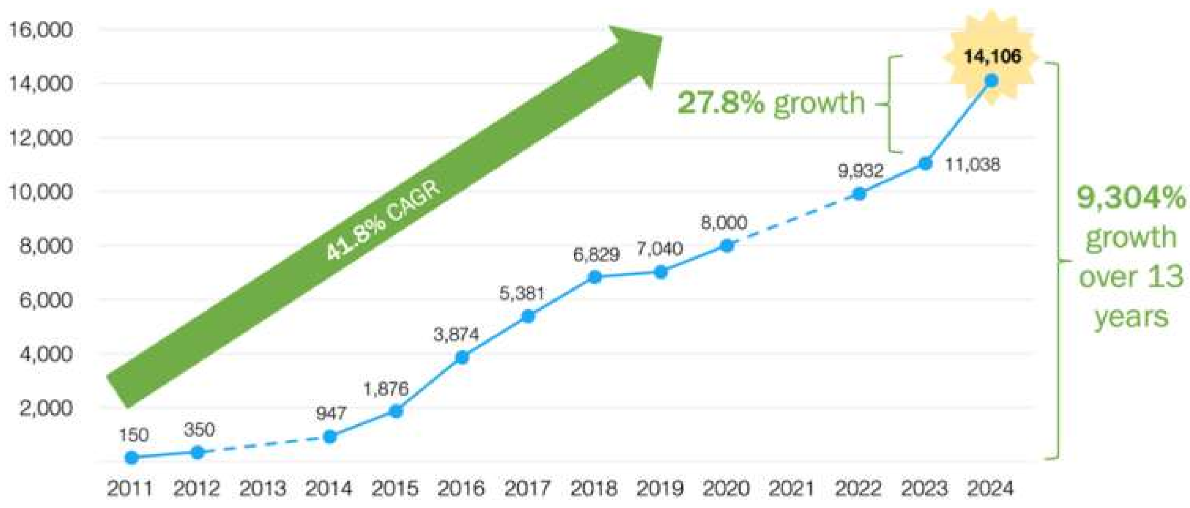
Growth in demand and trends of the markets on which the Group operates

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, and by large companies that cover a wide range of customer service requests.

The MarTech sector continues to expand despite economic uncertainties and rapid technological advances, forecasts indicate that the global MarTech market could reach approximately USD 1,379 billion by 2030, with a CAGR of 19.8% from 2024 to 2030. Factors such as geopolitical tensions, data privacy regulations and the revolutionary impact of artificial intelligence (AI) are bound to define the industry's trajectory. Innovations such as artificial intelligence, machine learning and automation are responsible for much of the growth.

The sector has not only grown in value, but also in size. In fact, the number of MarTech products on the market over the last 13 years was monitored and it was found that in 2023 alone, the number of products increased by more than 3,000 units.



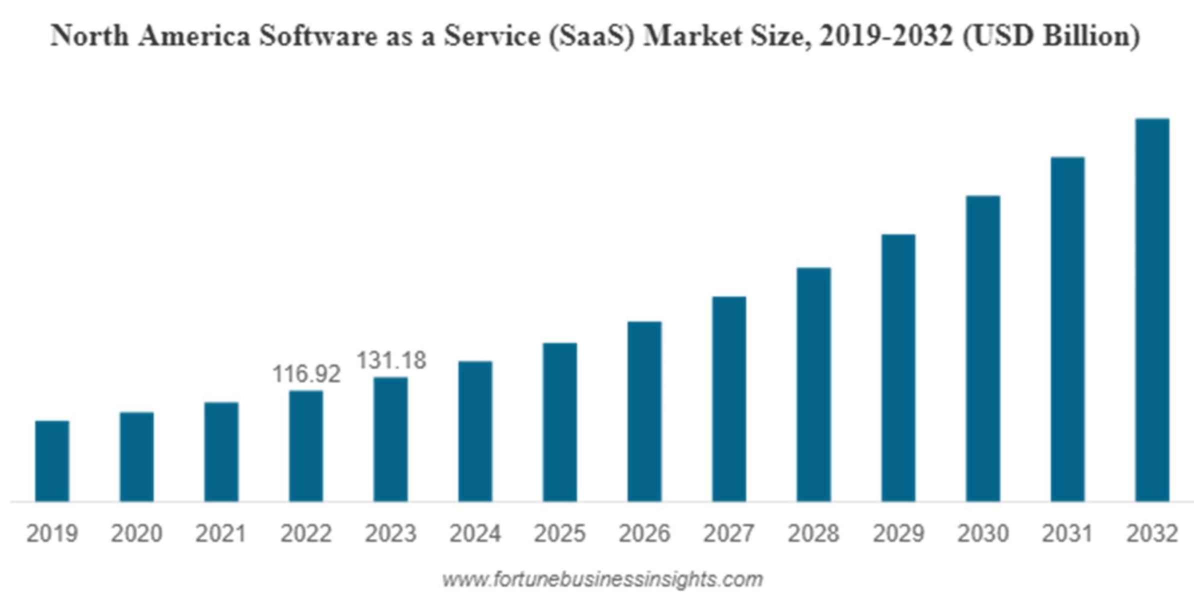
Source: martech.org

The MarTech ecosystem in the year 2024 is populated by some 14,106 pieces of software, an impressive figure that becomes even more significant when put into context. With reference to 2023, there was an increase of about 28% compared to previous years, with a compound annual growth rate of 41.8%. The MarTech landscape continued to expand for the 13th consecutive year, with a net addition of 3,068 products compared to last year's 11,038. This represents an exceptional growth of 27.8% over the previous year. From 2011 to today's scenario, the number of MarTech products on the market has increased tremendously by 9,304%. Standardising this increase over the past 13 years gives a Compound Annual Growth Rate (CAGR) of 41.8%.

It is also surprising to note that the drop-out rate in the sector has remained extremely low at only 2.1% between 2023 and 2024. Only 263 products disappeared from the market compared to the previous year. Some of these products may have been acquired, but continue to be offered as independent products under their original brand names. Others, despite having experienced significant difficulties in recent years, have not ceased to operate. This shows the resilience of companies in the segment.

The global Software as a Service (SaaS) market was valued at over USD 273 billion in 2023 and is expected to grow over USD 317 billion in 2024 to reach USD 1,229 billion by 2032, with a compound annual growth rate (CAGR) of 18.4% during the forecast period (2024-2032). In 2023, the market value of North America, of which Beefree is a part, amounted to USD 131.18 billion.

The growth of the SaaS market can be attributed to various factors, including increased adoption of public and hybrid cloud-based solutions, integration with other tools and centralised data-driven analysis. Moreover, key players are developing business strategies through partnerships and collaborations, thus creating ample opportunities for growth.



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, email and content marketing, personalisation, 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, emails and SMSs remain among the most popular and effective tools among the different solutions available as well as their combined use.

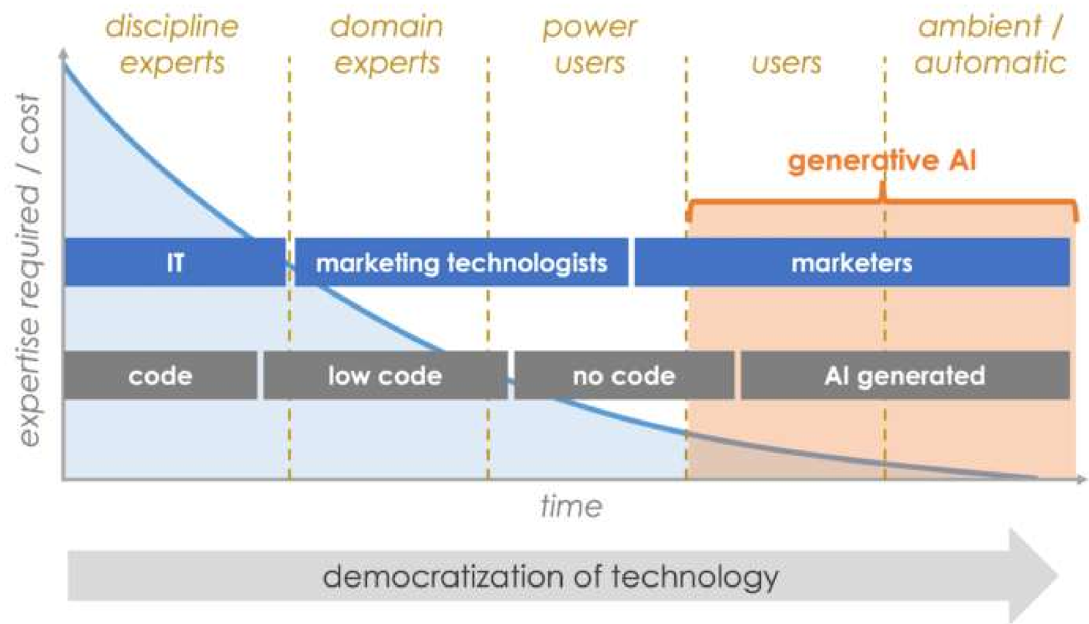
Currently, MarTech accounts for about 30% of marketing budgets, and many current or potential client companies plan to increase this expenditure even further in the near future. The main driver for this increase is the improvement of the client experience. Investing in MarTech, in fact, is key to enhancing engagement and offering a more personalised and fluid service. MarTech tools enable brands to attract consumers with tailor-made solutions, optimising client interaction and satisfaction.

In recent years, we have observed an increasing desire on the part of MarTech companies and users to integrate their technology solutions as far as possible. Gone are the days of using one product for pop-ups, one for emails, one for segmentation and another to integrate them all. We also saw a decline in the number of MarTech companies offering single solutions. We expect this trend to continue in the future. A marketing platform that combines pop-ups, multiple channels, integrated social and search engine targeting tools, and even product reviews in a single solution can offer companies a more cohesive service at a lower cost.

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.

Artificial intelligence is the undisputed star of the last few months. To engage clients in a personalised way on a large scale, the use of AI and machine learning is crucial. Chatbots and intelligent assistants are already driving customer interactions, while AI-generated content is transforming the world of content marketing. AI also makes it possible to analyse and interpret data at a speed and volume that exceeds human capabilities. The algorithms continue to improve, making optimisation faster and closer to real time. With the progress of AI, use cases are continuously increasing. The AI landscape is constantly expanding, offering a wide range of tools for organisations that now have a growing number of applications to process text, video, audio, images, coding and data.

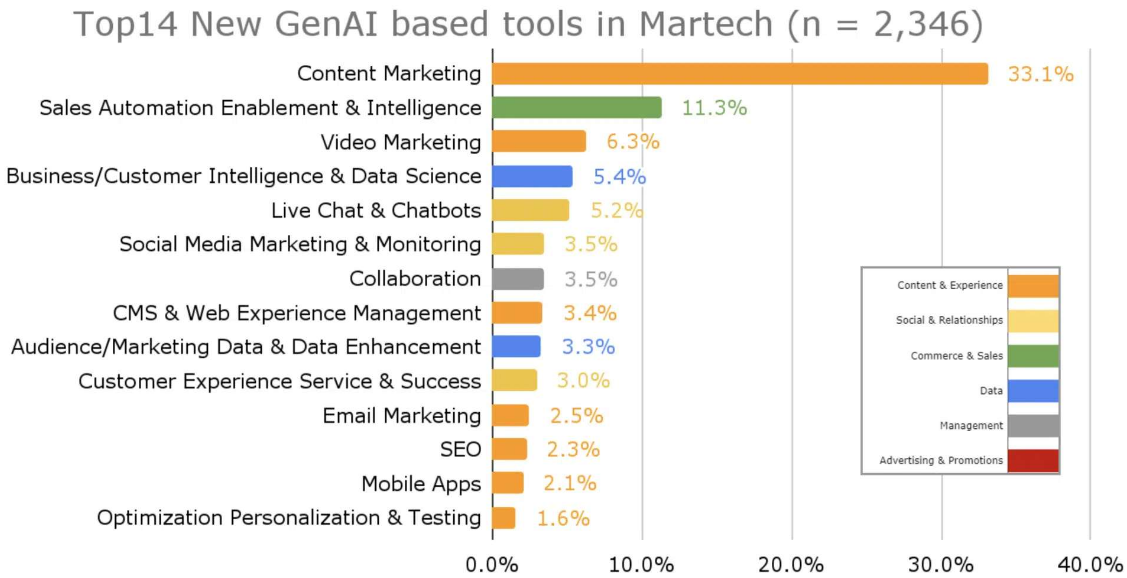
The significant role of AI in driving innovation and efficiency in martech cannot be overestimated. With substantial investments by technology giants and start-ups, AI is set to revolutionise marketing strategies and tools, offering new capabilities in content generation, predictive analytics and advanced personalisation. Generative artificial intelligence has significantly facilitated the democratisation of technology by simply formulating a series of natural language requests to an AI agent. Artificial intelligence has the potential to significantly increase the speed and efficiency of marketing content production. Repetitive tasks, such as content and ad creation, will be automated and tested on a previously unimaginable scale. Data will be generated, processed and analysed almost in real time. Machine learning will continuously optimise campaigns, exploiting constant feedback.



Source: chiefmartech.com

Given the rapid progress of generative AI, we expect this evolutionary process to happen faster than other disruptive innovation adoption curves that marketing has seen so far, ushering in a new era of "no code". Today, new AI-enhanced no-code interfaces allow users to simply indicate the desired result and let the AI automatically manage the steps needed to achieve it.

As many as 77% of the 3,068 new tools in 2024 are based on generative AI. Of these, just over half (53%) are tools dedicated to content, such as text, images and video. However, many other interesting uses of generative AI have emerged beyond content creation as the chart below illustrates, i.e. generative AI-based solutions for sales automation, enablement, business and customer intelligence, data science, live chat and chatbots.



Source: martech.org

Most companies use AI for marketing across multiple channels. Omnichannel marketing is crucial, as the average consumer interacts with brands through eight different channels. Many users change channels according to the context.

The interaction between AI and Machine Learning is continuously redefining the boundaries of marketing. Thanks to predictive analysis, marketers can now anticipate customer desires more accurately and refine their strategies in a customised way. Moreover, the automation generated by these technologies drastically reduces manual work, allowing marketers to focus on strategic, high-value activities. The integration of AI and ML into marketing tools is not a passing fad, but represents a significant advance towards more sophisticated, data-driven marketing practices. As AI is expected to bring improvements in content creation, personalisation, predictive analytics and overall marketing efficiency, most marketers believe that this technology offers the greatest value and return on investment. In addition to optimising performance, artificial intelligence (AI) and generative artificial intelligence (GenAI) enable more accurate and precise customer segmentation. Micro-segmentation, a practice that was once extremely costly, can now prove to be crucial in increasing engagement and brand loyalty. In addition, the automation of marketing activities, which eliminates repetitive tasks such as sending emails, managing social media posts and creating advertisements, ensures greater consistency in campaigns.

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:

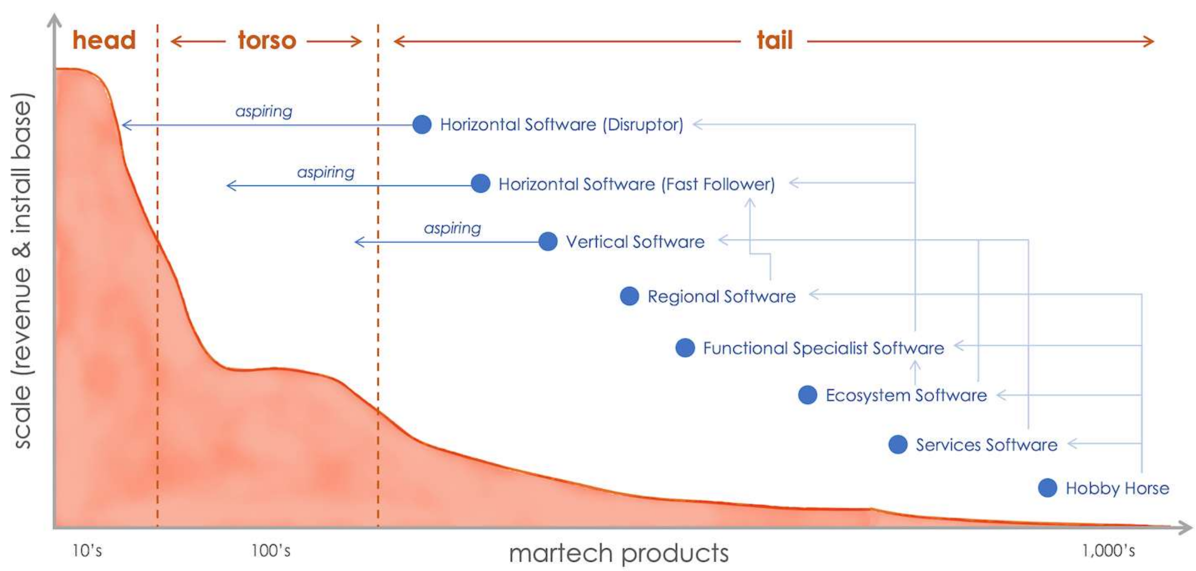
1. **Content Design Segment**: e-mails represent one of the most popular tools to convey digital marketing campaigns, being in fact particularly cost-effective and allowing to achieve high conversion rates in the various stages of the customer acquisition funnel. Technological evolution has also made 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) 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. If we look at turnover and/or number of installations, the landscape of MarTech companies shows a 'long tail' distribution. At the beginning of the tail, we find a small number of very large, public companies with a market capitalisation of more than USD 20 billion. Next, in the central body of distribution, we find a few hundred category and vertical market leaders. When a company exceeds USD 100-200 million in annual sales and is recognised as a top brand in its industry, it is placed in the core body. Finally, there is the long tail that includes everything else - currently over 12,000 products.



Source: chiefmartech.com

The market landscape is thus marked by a division between the big technology players and all the other players. Large technology platforms have demonstrated remarkable resilience and solid performance, thanks to operational efficiencies, advanced artificial intelligence capabilities, and the ability to handle privacy and antitrust challenges. Meanwhile, the rest of the MarTech ecosystem faced profitability pressures, reduced availability of venture capital and antitrust restrictions limiting M&A (mergers and acquisitions) activities. Despite these difficulties, the main drivers of MarTech - digital advertising expenditure, e-commerce and software investments - remain strong, with continued growth expected in the future.

Most MarTech companies are start-ups and specialised products with a turnover of less than USD 10 million. Of the 14,106 MarTech products on the market, the vast majority are in the "long tail" of small companies, start-ups and parallel businesses that specialise in a particular function, sector, region or platform ecosystem. These initiatives positioned in the long tail will not all be profitable businesses in the long run, but they are projects with high potential for sustainability and renewal rates that are developing solutions that will be applicable to many companies, in different sectors and geographic areas. They start out as small companies in the long tail - like all start-ups - but their goal is to grow (or be acquired) to become industry leaders in the middle or early tail. Unfortunately, this is difficult to achieve. Most of them will fail to emerge from the "long tail" and will be acquired in smaller deals, close down, or continue to survive in a state of stalemate, saturating the landscape. Some of them, however, will be successful. Indeed, it could be argued that it is the intense competition among these aspiring horizontal leaders that determines the winners. All those that fail to emerge and are not eliminated from the market continue to be part of the "long tail".

The long tail of solutions populating the market is fuelled by small, sometimes very small, technology providers who listen, interpret and innovatively fulfil niche needs that could hardly be satisfied by the MarTech giants. However, in order to support digital simplification and the alleviation of IT costs, MarTech providers are - and will increasingly be - called upon to provide increasing levels of versatility to their product offerings. Concentrating a substantial amount of workflows in a single solution not only reduces investment in software fees, but also minimises the development and maintenance costs of integrations.

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

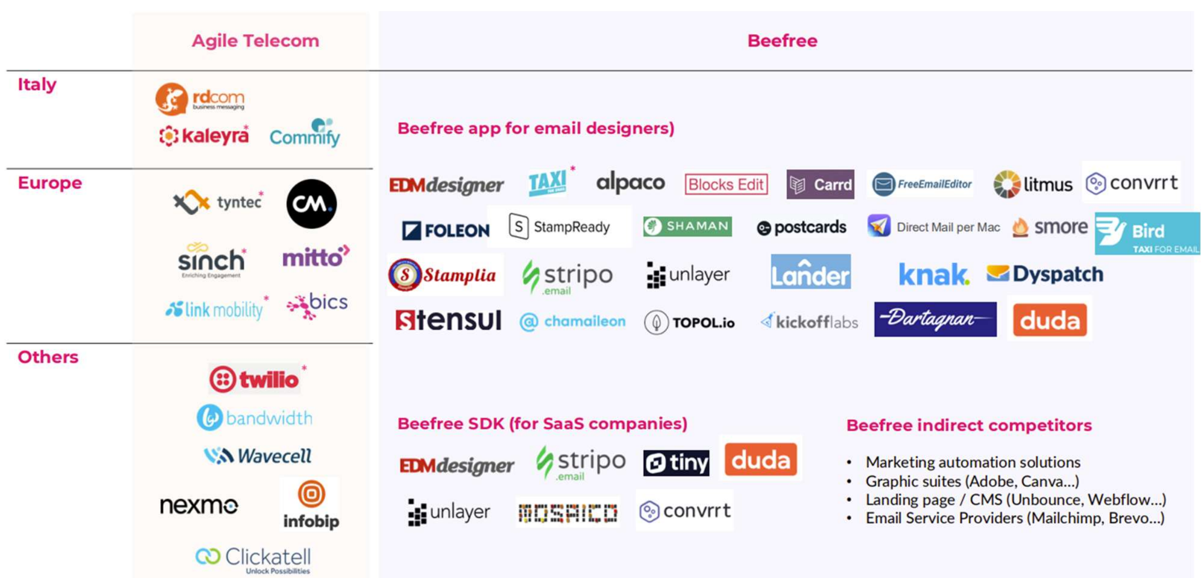
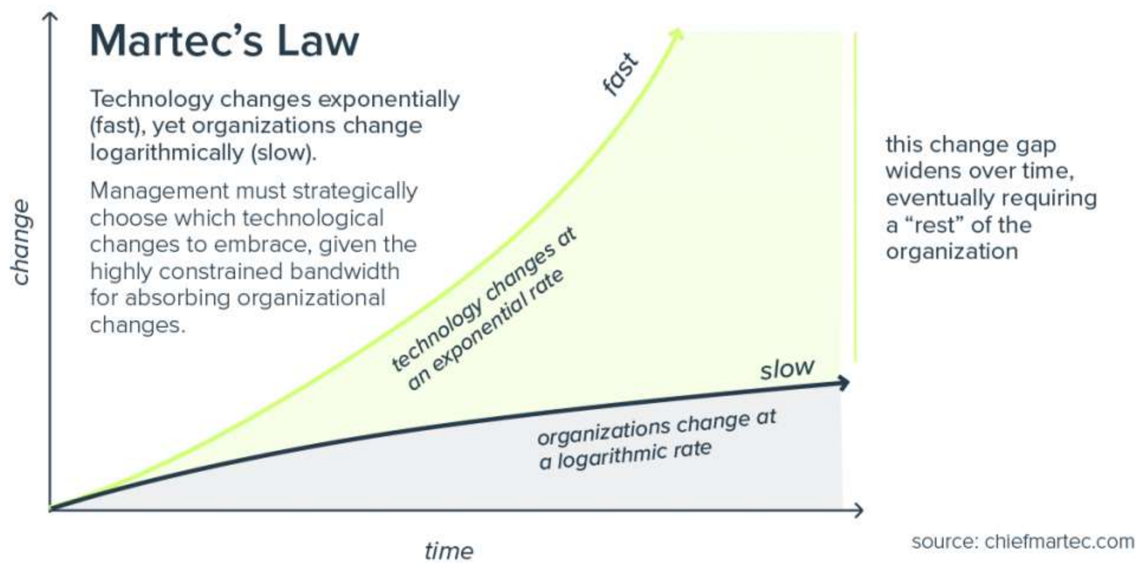


Table for illustrative and non-exhaustive purposes only, the logos remain the property of their respective owners. The asterisk (*) identifies listed companies.

Market concentration: the probable scenario in the immediate future

"Technologies change exponentially, but organisations change logarithmically." This is the merciless Law of Martec according to which technology is advancing too fast, so fast that companies cannot keep up. Artificial intelligence certainly amplified this feeling.



It is therefore essential to adopt an agile approach. Not simply understood as "working faster", but rather implementing agile management. Developing capabilities and experiences for clients in an iterative and incremental way. Designing with change in mind, using open platform principles. Fostering a culture of continuous experimentation and learning. Strategic choices and agile management are two approaches that allow to adapt faster than the competition, and often this speed is enough to be competitive.

However, every now and then, significant environmental events offer us the opportunity to take a substantial leap forward in organisational evolution with respect to technology. The COVID-19 pandemic was an example of such an event, accelerating digital transformation for many companies by several years. The current explosion of artificial intelligence also represents a similar moment. Some innovations in AI have the potential to simplify the technological complexity we face, rather than contribute to increasing it.

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 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. The atomisation of MarTech, i.e. the long-tail phenomenon, is, however, destined to remain.

In the MarTech landscape, mergers, acquisitions and terminations are events that happen constantly. LUMA Partners' Q3 2024 Market Report documents an average of more than 40 martech acquisitions per quarter over the past three years, with a further 15 quarterly acquisitions in the adtech sector. Of the increase in the number of products in martech, 73% is attributable to generative AI. Most generative AI tools appeared in categories that were already densely populated with many "long tail" products: Content Marketing, Sales enablement, Automation & Intelligence, Business/Customer Intelligence & Data Science.

Looking to the future, we see a trend where the role of AI goes beyond automation and into areas such as decision-making. Although current language models do not yet have the human judgement needed to make important decisions, with the ongoing evolution, we may be just a few steps away from AI integrations that could make technology stacks agile and responsive in a similar way to humans.

By 2024, 53% of Chief Marketing Officers (CMOs) are prioritising data security and ethics. The emergence of new risks and changing regulations have increased the importance of protecting consumer information. Stricter regulations have restricted access to high-quality data, prompting many marketing teams to review their strategies. Over 75% of marketers are re-evaluating their channels and key performance indicators (KPIs) in response to these changes. This change highlights the need for marketers to adapt to the changing landscape, ensuring regulatory compliance and maintaining effective consumer engagement.

Software as a Service (SaaS) Market Trends

Integrating AI and ML to Stimulate Market Growth

SaaS solutions are evolving rapidly thanks to the integration of advanced technologies such as Machine Learning (ML) and Artificial Intelligence (AI) in particular generative. These innovations are improving the operational efficiency and decision-making capacity of companies in various sectors.

Companies are leveraging autonomous technologies to improve services, optimise content and better understand user needs through data-driven analysis. Machine learning improves the operational efficiency and decision-making capacity of SaaS solutions. Consequently, the adoption of AI and ML is becoming crucial, requiring better software training and management.

The integration of AI and ML is set to transform the SaaS industry in many ways, enhancing the core functionality of software solutions. This integration makes it possible to customise and automate solutions, increase security and enhance human capabilities.

The Growens Group 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.

Beefree, the drag-and-drop editor for email, pop-ups and landing pages owned by subsidiary BEE Content Design, Inc., continues its growth path both as a component to be integrated into other software applications (Beefree SDK), and as a complete email and landing page creation suite designed for freelance designers, digital agencies, and corporate marketing teams (Beefree App), with a "Product-Led" growth strategy that includes a free version on beefree.io, completely frictionless at the entrance. Growing usage numbers make the company's goal of becoming a world standard in digital content creation becomes more and more concrete: during 2024, there were more than 131 million usage sessions of Beefree design tools, an increase of more than 36% over 2023. Over 1,200 software applications have integrated Beefree editors, generating a cumulative monthly average of approximately 440,000 users, peaking at approximately 500,000 people in October 2024. The same month saw a record number of sessions (around 12.7 million), an increase of more than 40% from the previous year. In 2024, the Group continued and expanded its investment in product development, with a special focus on the evolution of artificial intelligence and its application in content generation. More specifically:

Beefree App: the company continued the evolution of the email and landing page creation suite, continuing the exploration of generative artificial intelligence technologies, and implementing innovative features in the product. Thousands of Beefree customers now use a digital assistant to increase their productivity while using the tool by creating and editing texts, generating images, translating content into other languages, and solving accessibility problems such as adding explanatory text to images (the so-called "alt text"). From the point of view of the market approach strategy, the implementation of the product-led growth technique ("product-led growth" or PLG) continues, where the product is at the centre in all phases of customer acquisition, conversion, growth and maintenance, accompanied by an increasingly effective introduction of consultative sales to support more complex customers ("product-led sales" or PLS). The combination of PLG and PLS is considered a best-practice in Software-as-a-Service, and Beefree continues to be at the forefront of executing such strategies. The result is an increasing amount of digital content created and exported: over 3.3 million emails and pages during 2024. More than 43,000 people used the Beefree App to design those emails and web pages each month during 2024, with companies with at least

10 times the average monthly recurring revenue increasing by more than 60% over the year, indicating that the product is now being recognised as a solution to more complex digital content creation and management problems. It is now clear that this is an area particularly rich in opportunities, which is why new talents were added in the Sales and Growth department during the year, to better identify and support customers experiencing revenue growth.

From the point of view of improving the upper end of Beefree's marketing funnel, the marketing strategy focused on a few key segments where product adoption is particularly attractive, such as universities and digital agencies, has continued: some of Beefree's largest customers are large US universities, and a series of "case studies" have been published in this regard on the company's website at: https://beefree.io/customer-stories. This type of segment-focused marketing will be further confirmed and extended in 2025, also thanks to the acquisition of Really Good Emails (https://reallygoodemails.com), which was finalised during 2024. The Really Good Emails website is visited by hundreds of thousands of people throughout the year looking for inspiration for their email marketing campaigns, and represents a great opportunity for growth.

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 681 paying customers at the end of 2024 and a total of more than 1,200 applications using it. The difference between the two figures 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).

In terms of client profile, the shift towards larger companies continues, reflected in the fact that the average monthly turnover per client at the end of 2024 rose by around 29% compared to the same period the year before, growth which accelerated in the second half of 2024 due to the implementation of a new price list. 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 more than 50% of the software included in the "Forrester Wave - Email Marketing Service Providers - 2024" and 60% 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.

Synergistic relationship between the two versions of Beefree: we recall that, from a technical point of view, the Beefree App 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.

Reference was repeatedly made to the purchase of the assets representing RGE business (APA), which was considered synergic for Beefree growth. The main asset is the RGE website and related software, which offers a large collection of email templates, divided into different categories (marketing emails, welcome emails, order confirmation emails, etc.) from which users can draw inspiration. The combination of the RGE extensive email catalogue with Beefree intuitive design tools has the potential to offer new opportunities to bridge the gap between inspiration and the creation of valuable content. The presence of more than 15,000 quality email templates has the potential to attract a broader audience for Beefree, including those who are not experts in design or content creation, allowing it to maximise its brand visibility and increase its pool of potential clients looking for intuitive and accessible solutions. In over ten years, RGE has led campaigns for some of the biggest global brands and built a user community with over 220,000 newsletter subscribers and hundreds of participants in the "Unspam" event that attracts email design experts and enthusiasts from all over the world. This community, and the dialogue that develops within it, makes it possible to investigate and sometimes anticipate market needs and trends, so as to orient and validate strategic research and development choices. This aspect is even more relevant in this period of paradigm shift linked to the spread of generative artificial intelligence technologies. The transaction represents a strategic opportunity to enrich the Beefree offer, improve the user experience, differentiate itself from competitors and expand its client base, thus contributing to the growth and success of the company and the Group.

Ultimately, the Growens Group, following the divestments of the previous year and the most recent strategic orientations, is concentrating more and more financial and human capital resources on the development of the Beefree business unit and the creation of value for all stakeholders.

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 about 2.2 billion SMS in the financial year 2024, 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.

During the financial year 2024, Agile Telecom further strengthened its position in the digital communications sector, significantly expanding the range of solutions it offers. In addition to the well-established wholesale SMS service, it integrated and enhanced the portfolio with advanced CPaaS (Communications Platform as a Service) solutions, effectively responding to the needs of a rapidly evolving market.

Among the most notable services introduced was the Mobile Number Portability (MNP) service, which was particularly appreciated by prestigious clients such as Sky. This service allows users to keep their telephone number when changing operator, thus easing the transition and improving the customer experience. The ability of Agile Telecom to offer this service demonstrates our commitment to solutions that not only meet, but anticipate client needs.

Another pillar of the Agile Telecom growth strategy is the introduction of termination via RCS (Rich Communication Services). This modern messaging standard enriches the communication experience by offering features such as group chat, video transmission and file sharing in a secure and controlled environment. The Agile Telecom adoption of RCS not only extends its reach in the messaging sector but also strengthens its offering to companies looking for innovative ways to interact with their customers.

In FY 2024, Agile Telecom successfully developed and marketed the Telegram Business and WhatsApp Business channels, expanding communication options for businesses and improving customer engagement. It is also currently working on promising evolutions of its platform, harnessing artificial intelligence to offer increasingly advanced and customised solutions in line with emerging trends in the CPaaS sector.

Social, political and union climate

The social climate within the Group is positive and based on full cooperation. The Group has long implemented hybrid work (smart working), even before the February 2020 pandemic emergency, one of the cornerstones of its working philosophy oriented to flexibility and autonomy enshrined in the Growens WoW (Way of Working). The focus on employee well-being and work-life balance was further enhanced in 2024 in the introduction of the REST (Recharge, Empower, Support, Thrive) programme, designed to standardise and improve leave options across all countries where Growens operates, valuing personal time as a key lever to attract and retain talent.

Furthermore, in 2024, Growens launched a series of initiatives to mainstream diversity, equity, and inclusion (DEI) principles into its organisation. Activities focused on building a comprehensive DEI framework, engaging employees through educational sessions and interactive discussions, as well as on developing and formalising more inclusive policies.

Operating performance in Group sectors

The consolidated net profit for the financial year 2024 is negative for Euro 2.5 million, while the equivalent figure for Growens' separate financial statements is a positive Euro 2.2 million. If compared with the results of continuing operations, i.e. on a like-for-like basis with respect to the Group's current situation, after the divestments of the 2023 financial year, these are

improved results in both cases, particularly at the level of Growens' separate financial statements, where the reversal of the trend with respect to the comparison period is evident (Euro + 2.9 million). It should be noted that the previous year's operating profit, both at consolidated and separate level, was heavily influenced by the extraordinary performance of financial operations, which was positive by more than Euro 56 million, following the capital gain recognised on the sale of the ESP business unit to the TeamSystem group.
The Income Statement for the 2024 financial year recorded consolidated revenues of Euro 74.5 million, showing a substantially stable trend compared to the previous year (Euro -0.6 million or -0.8% in relative terms). This result is influenced by the growth of the SaaS component by 23%, accounting for about 17% of total revenues, offset by the 5% reduction of the CPaaS component, accounting for about 81% of total revenues. The Agile Telecom Business Unit produced the most significant revenues in absolute value, equal to approximately 60.3 million Euro, down 5%, in line with the strategic project of improving margins even at the expense of revenue growth, against a total of 2.2 billion SMS sent in the year. The Business Unit that achieved the highest growth rate was Beefree, with an increase of 24% net of the USD/Euro exchange rate effect, reaching approximately Euro 12.7 million/USD 13.7 million in revenues. 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 16 million as at December 2024. Revenues generated abroad accounted for 81% (-3% in absolute value compared to FY 2023) of the total, while recurring revenues exceeded 17% (+23% compared to FY 2023).

Consolidated EBITDA was essentially at break-even (about Euro -0.1 million), while Gross Profit exceeded Euro 17.7 million, accounting for about 24% of revenues, up 20% compared to 2023. The COGS component, i.e. the direct costs of providing services, is in fact reduced by approximately 6% and by over 4 percentage points in terms of impact on revenues. Agile Telecom shows an EBITDA of about Euro 2 million, down 33% from 2023, but still extremely positive in an extremely competitive market environment. 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 (+31%) and Research & Development (+56%) are concerned; Beefree's EBITDA was negative by about Euro 2.8 million. The increase in R&D costs highlighted above demonstrates the focus of strategic investments concentrated mainly on the US subsidiary.
Pre-tax profit (EBT) for the period was a negative Euro 2.7 million, after depreciation and amortisation of about Euro 3.9 million, an increase of 26%, largely related to R&D activities. Depreciation and amortisation related to the application of IFRS 16 amounted to Euro 0.5 million. Financial management was positive by over Euro 1.3 million thanks to financial income from investments in low-risk securities made to maximise the profitability of liquidity not allocated in the short term to specific strategic investments, in addition to the positive effect of exchange rate gains following the strengthening of the Dollar against the Euro, particularly in the last months of the year. 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 2024 was negative (cash) in the amount of Euro 13 million, and is substantially not comparable with the cash position of Euro 42.1 million as at 31 December 2024. The alteration was primarily driven by the issuance of an extraordinary dividend of approximately Euro 20 million, alongside R&D expenditures associated with Beefree, and other dynamics concerning the Group's VAT receivables, trade receivables and payables of Agile Telecom, as well as the account of one-off items relevant to the preceding year. 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 2024 amounted to about Euro 17 million, while about Euro 4.8 million were tied up in escrow to guarantee certain obligations related to the sale of the ESP business to TeamSystem.

As far as the parent company is concerned, the results for the financial year 2024 show a positive trend in revenue (+42%), which amounted to Euro 14.6 million.
The EBITDA margin turned positive again at about Euro 0.7 million, despite the increase in R&D costs, which is attributable to the organisational strengthening of the holding teams supporting the subsidiaries, as reflected in the increasing trend of the corresponding intercompany revenues. Financial management remained positive due to the dividends of the subsidiary Agile Telecom and the very positive performance of investments in low-risk securities of cash not allocated in the short term to specific strategic activities, in addition to the positive effect on the Euro/Dollar exchange rate mentioned above. As reported above, the net profit for the year amounted to approximately Euro 2.2 million.
Growens' Net Financial Position amounted to about Euro 10.3 million in cash and showed impacts for the period essentially attributable to the same dynamics as those already shown for the consolidated NFP.

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 summarizes the consolidated results as at 31/12/2024 compared with the previous period in terms of total revenues, EBITDA and pre-tax result (EBT).

Description	31/12/2024	31/12/2023*	Change
Total revenues	74,460,302	75,060,458	(600,156)
EBITDA	(110,744)	(558,710)	447,967
Pre-tax result (EBT)	(2,708,136)	(2,662,612)	(45,524)
Net result from continuing operations	(2,535,045)	(3,025,338)	490,293
Period profit	(2,535,045)	58,131,733	(60,666,778)

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	31/12/2024	31/12/2023*
Net ROE (Net result/Net capital)	(0.07)	(0.05)
Gross ROE (EBT/Net capital)	(0.08)	(0.05)
ROI (EBITDA/Invested capital)	(0.002)	0.01
ROS (EBITDA/Sales revenues)	(0.002)	0.01

Main equity figures of the Growens Group

Description	31/12/2024	31/12/2023
Primary structure margin (Own funds – Fixed assets)	8,760,228	33,525,218
Primary structure ratio (Own funds/Fixed assets)	1.34	2.44
Secondary structure margin ((Own funds + Consolidated liabilities) - Fixed assets)	13,218,441	38,107,743
Secondary structure ratio ((Own funds + Consolidated liabilities)/Fixed assets)	1.51	2,63

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.

The ratios shown in the table above, although largely positive, reflect the reduction in shareholders' equity following the payment of dividends in the amount of Euro 20 million by Growens and the simultaneous increase in fixed assets due to higher investments, especially in Research & Development.

Main financial figures of the Growens Group

The consolidated Net Financial Position as at 31 December 2024 was as follows:

Consolidated Net Financial Position	31/12/2024	31/12/2023
A. Cash and cash equivalents	4,970,777	20,488,030
B. Cash equivalents		20,000,060
C. Other current financial assets	11,834,813	4,891,561
D. Liquidity (A) + (B) + (C)	**16,805,590**	**45,379,650**

E. Current financial debt	2,065,949	467,161
F. Current portion of non-current debt	1,111,891	1,085,516
G. Current financial debt (E) + (F)	**3,177,841**	**1,552,678**
H. Net current financial debt (G) - (D)	**(13,627,749)**	**(43,826,973)**
I. Non-current financial debt	626,279	1,734,029
L. Non-current financial debt (I) + (J) + (K)	**626,279**	**1,734,029**
M. Total financial debt (H) + (L)	**(13,001,470)**	**(42,092,944)**
N. Other long-term financial assets	(4,813,589)	(4,646,600)
of which E. Current financial debt Liabilities Right of Use IFRS 16	446,936	354,384
of which I. Non-current financial debt Liabilities Right of Use IFRS 16	880,369	919,315
Net financial debt adjusted for IFRS 16 effect (M)+(N)-(E)-(I)	**(19,142,365)**	**(48,013,242)**

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The significant decrease in consolidated liquidity, in the amount of Euro 29 million, is attributable to the payment of dividends to Growens' shareholders in the amount of Euro 20 million, the increase in the Group's VAT credit in the amount of over Euro 2.5 million, the one-off effects of the payment of consultancy fees and bonuses in connection with the extraordinary transactions of 2023 in the amount of a further Euro 2.5 million, the repayment of outstanding bank loans in the amount of Euro 1 million and the remainder of the financial support to the subsidiary Beefree, investments in Research and Development and the commercial dynamics of receivables from customers and payables to suppliers, particularly for Agile Telecom.

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	31/12/2024	31/12/2023
Primary liquidity (Immediate and deferred liq./ Current liabilities)	1.57	3.02
Secondary liquidity (Current assets/Current liabilities)	1.64	3.08
Debt (Net debt/Shareholders' equity)	(0.38)	(0.74)
Fixed asset coverage ratio (Own capital + Consolidated liabilities)/Fixed assets	1.61	2.76

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	31/12/2024	31/12/2023*	Change
Total revenues	14,590,972	10,309,673	4,281,2993
EBITDA	692,715	(2,376,848)	3,069,563
Pre-tax result (EBT)	2,508,354	(745,184)	3,253,538
Net result from continuing operations	2,161,469	(736,075)	2,897,544
Period profit	2,161,469	56,069,523	(53,908,053)

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	31/12/2024	31/12/2023*
Net ROE (Net result/Net capital)	0.05	(0.01)
Gross ROE (EBT/Net capital)	(0.01)	(0.01)
ROI (EBITDA/Invested capital)	0.01	(0.03)
ROS (EBITDA/Sales revenues)	0.05	(0.23)

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	31/12/2024	31/12/2023
Primary structure margin (Own funds – Fixed assets)	9,886,000	41,762,349
Primary structure ratio (Own funds/Fixed assets)	1.31	3.41
Secondary structure margin ((Own funds + Consolidated liabilities) - Fixed assets)	12,829,339	42,459,913

Secondary structure ratio ((Own funds + Consolidated liabilities)/Fixed assets)	1.41	3.50

While these ratios are predominantly positive, they indicate a reduction in shareholders' equity due to the distribution of dividends amounting to Euro 20 million, alongside a notable rise in fixed assets resulting from the capital increase in Beefree previously mentioned, which totalled nearly Euro 13 million.

Main financial figures for Growens

The parent company's net financial position as at 31 December 2024 was as follows (amounts in Euro):

Growens Net Financial Position	31/12/2024	31/12/2023
A. Cash and cash equivalents	492,770	15,635,279
B. Cash equivalents		20,000,060
C. Other current financial assets	11,834,813	4,891,561
D. Liquidity (A) + (B) + (C)	**12,327,583**	**40,526,899**
E. Current financial debt	448,539	372,732
F. Current portion of non-current debt	1,111,891	1,085,516
G. Current financial debt (E) + (F)	**1,560,431**	**1,458,249**
H. Net current financial debt (G) - (D)	**(10,767,152)**	**(39,068,650)**
I. Non-current financial debt	470,300	1,601,240
J. Debt instruments		
K. Trade payables and other non-current payables		
L. Non-current financial debt (I) + (J) + (K)	**470,300**	**1,601,240**
M. Total financial debt (H) + (L)	**(10,296,852)**	**(37,467,411)**
N. Non-current financial assets	(4,813,589)	(4,646,600)
of which E. Current financial debt Liabilities Right of Use IFRS 16	411,743	301,399
of which I. Non-current financial debt Liabilities Right of Use IFRS 16	796,166	786,526
Net financial debt adjusted for IFRS 16 effect (M)+(N)-(E)-(I)	**(16,318,349)**	**(43,201,935)**

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The same dynamics apply to Growens' NFP as outlined above for the consolidated NFP underlying the reduction in available liquidity.

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	31/12/2024	31/12/2023
Primary liquidity (Immediate and deferred liq./ Current liabilities)	2.52	4.66
Secondary liquidity (Current assets/Current liabilities)	2.63	5.55

Debt (Net debt/Shareholders' equity)	(0.25)	(0.63)
Fixed asset coverage ratio (Own capital + Consolidated liabilities)/Fixed assets	1.34	3.55

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 2024, 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 2024, the Group's workforce numbered 151 employees, of whom 4 managers, 17 middle managers and 130 white-collar workers, while as at 31 December 2023, it consisted of 147 employees, of whom 4 managers, 12 middle managers and 131 white-collar workers. The number of total employees employed during the year, i.e. ULA (Annual Work Units) amounted to 150.79 at the consolidated level. 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 2024 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 decided to voluntarily draw up the Sustainability Report on an annual basis, in accordance with the UN 2030 Agenda. The 17 Sustainable Development Goals (SDGs) represent "common goals" to be achieved in areas relevant to sustainable development.

The reporting covers the period 1 January - 31 December 2024 and has been carried out in accordance with the GRI Sustainability Reporting Standards guidelines. 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 the human rights. Starting with this reporting cycle, the materiality analysis was supplemented with the so-called "double materiality" approach, which Growens took as its inspiration, analysing, in addition to the impacts, the financial risks and opportunities that the Group may potentially "suffer" from external 'sustainability' factors.

Investments

In the reporting year, consolidated investments were made in the following areas:

Description	Increases in the year
Technological platform and services development costs	4,190,546
Third-party software and trademarks	220,275
IT infrastructure, electronic office machines and systems	44,087
Furniture, office furnishings and leasehold improvements	19,547
Right of Use IFRS 16	678,465

of which investments pertaining to the parent company alone, as specified below:

Description	Increases in the year
Third-party software and trademarks	220,275
IT infrastructure, electronic office machines and systems	32,829
Furniture, office furnishings and leasehold improvements	19,547
Right of Use IFRS 16	564,693

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 represented by the Beefree editor, which is increasingly the main director of consolidated investments. 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 the Right of Use assets, recognised in compliance with the IFRS 16 accounting standard, relating to existing rental, leasing and hire contracts, whose increases in the half-year relate to the new rental contract for the spaces where the Milan offices of Growens have been established in via Porro Lambertenghi 7 for Euro 296 thousand and to new contracts relating to company cars and hardware equipment for Euro 268 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 Italian Civil Code, it should be noted that, in FY 2024, the Group capitalised internal investments relating to the software development of its platforms and technological services for over Euro 3.56 million as well as investments through external consultants for approximately Euro 250 thousand. Investments in the development of the Beefree editor amounted to over Euro 3.14 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 628 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 3.03 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 2024 as a result of research and development.

Editor Beefree:

Beefree App: the company continued its exploration of generative artificial intelligence technologies, creating an R&D team focused on the topic, and implementing innovative features in the product. In particular, thousands of Beefree users can already use a digital assistant - based on OpenAI 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 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. Here is a partial list of improvements introduced during 2024: improvements to the AI-based content creation assistant, leveraging the integration with OpenAI's GPT API, as mentioned above; automatic creation of "alternative text" for images – very important to ensure accessibility of emails and web pages – based on the use of AI to automatically understand the image content; language management: the same email or web page can now be translated into multiple languages, without the need to duplicate the design file (so one design, many languages), which allows a big increase in productivity when translating the marketing campaign for different language countries; AI can also be used to quickly translate the texts of different language versions of the same content; introduction of a new "Business" plan that moves the "Workspaces" management functionality to a commercial offering also suitable for medium-sized companies (previously the functionality was reserved for the "Enterprise" plan); numerous new features and improvements in the area of collaboration, review, and approval of emails and pages created within a multi-user account; a new dashboard that allows you to see a summary of the latest emails and pages you have worked on and the conversations open on them, further improving collaboration; several improvements to the user experience, including a redesign of the navigation, which now allows the user to choose whether to use in portrait or landscape mode; a new automatic quality control system that helps users avoid problems related to the content they create; many other changes that improve the user experience and remove obstacles in creating and managing the account.

Beefree SDK: in terms of improvements to the software user experience, many features were added or improved over the course of 2024, typically usable regardless of whether creating an e-mail, a page or a pop-up. A complete list is always available at https://developers.beefree.io/ under "What's New". Among the most important, we would like to point out: the continuous evolution of the integration with the OpenAI API that 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 email or page, translate it into another language, shorten it, change its tone, etc.: users can now also use artificial intelligence to create the subject line of messages, the title of a page, the summary text of the email (preheader text), and more; automatic ALT text generation by artificial intelligence has been extended to icons and animated GIFs; a new content block allows the insertion of tables, which is useful when information is to be presented within a tabular structure, such as in the case of order confirmation emails or price pages; new methods have been added to the Content Services API to allow the use of some of the artificial intelligence functions without having to load the editor; a new 'service' mode of use of content that can be saved and reused, which allows the application integrating the Beefree SDK to give access to this functionality to its customers quickly and at a reduced cost, compared to in-house development; numerous improvements to the user interface and accessibility of the tool for people with disabilities.

Finally, we recall that the Beefree business unit - supported by centralised cyber security and data privacy functions at Group level - has continued to invest in the security of its systems and processes, renewing the ISO 27001 certification and obtaining the SOC 2 certification 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 was concluded in December 2024.

MULTI CHANNEL PLATFORM The main objective of the **Multi-Channel Platform** project is to implement a messaging platform that not only supports different communication channels, but also optimises the interaction between these channels to ensure efficient and targeted message delivery. Through the use of advanced methods such as artificial intelligence and machine learning, the platform will be able to identify the most effective channel for each type of message, thus improving the user experience and maximising the effectiveness of communication campaigns.

Key Features:

- Multi-channel support: integration with various communication channels such as WhatsApp, RCS, and potential new channels to ensure that clients can reach their target audience through the most appropriate medium;
- Intelligent routing: implementation of artificial intelligence algorithms to determine the best channel for each message based on variables such as cost, reliability, and recipient preferences;
- Interoperability: creation of an open, interoperable system that allows easy integration with different platforms and technologies, thus ensuring greater flexibility and scalability;
- Analysis and optimisation: continuous monitoring of delivery performance across all channels to optimise routing strategies and reduce operating costs.

Anticipated Benefits:

- Cost reduction: efficient distribution of messages through the cheapest channel available, without compromising service quality;
- Increased engagement: using the recipient's preferred channel significantly increases the likelihood of interaction and engagement;
- Versatility: ability to quickly adapt to new communication channels as they emerge, keeping the platform at the forefront of the telecommunications industry.

Implementation Phases:

1. Research and development: identification and integration of existing and emerging technologies to support a wide range of communication channels;
2. Testing and evaluation: piloting the platform with a selected group of customers to refine functionality and ensure system stability;
3. Launch and optimisation: full implementation of the platform followed by a period of intensive monitoring to continuously optimise performance based on user feedback and collected data.

Conclusion:

The Agile Telecom Multi-Channel Platform project aims to position itself as a leading solution in the multi-channel digital communications market, providing users with an unprecedented experience in terms of flexibility, reliability and efficiency. By integrating advanced technologies and a future-oriented approach, the platform aims to revolutionise the way companies and individuals communicate in an increasingly connected world. The project is expected to be completed by March 2025.

AI TRAFFIC CATEGORIZER

Project Overview:

The Categorizer AI module is a key component of the Agile Telecom Multi-Channel Platform, designed to improve efficiency and accuracy in the distribution of messages through various communication channels such as WhatsApp, RCS, and others. This tool uses advanced artificial intelligence technologies to categorise messages in real time, ensuring that they are sent through the most appropriate channel at the optimal time.

Project Objectives:

The objective of Categorizer AI is to automate and optimise the channel selection process for each message, based on predetermined criteria such as urgency, content type, and recipient preferences. Through semantic analysis and pattern recognition, the system is able to classify messages with high accuracy, thus improving the overall performance of the platform.

Key Functionalities:

- Intelligent classification: analysis of message content to determine the appropriate category (e.g. promotional, transactional, urgent) and choose the most effective delivery channel;
- Machine learning: ability to learn from past interactions and continuously improve classification accuracy based on data analysis and feedback;
- Recipient-based personalisation: adaptation of routing decisions according to the preferences and past behaviour of recipients, thereby optimising engagement;

- Intuitive user interface: dashboard for real-time display of ratings and performance, allowing users to make manual changes if necessary.

Anticipated Benefits:

- Improved accuracy: minimisation of categorisation errors and misdirected messages, increasing the effectiveness of communication;
- Rapid response: ability to react in real time to communication needs, ensuring that urgent messages are prioritised;
- Increased ROI: optimisation of channels according to message type to maximise return on investment in marketing and communication campaigns;
- Customer satisfaction: improving the customer experience by receiving messages through preferred channels and in the most suitable format.

Implementation Phases:

1. Algorithm development: construction and training of machine learning algorithms for text classification based on a large dataset of messages;
2. Platform integration: linking the AI Categorizer with the existing platform for a seamless and automated workflow;
3. Testing and optimisation: continuous evaluation of system performance in real scenarios to refine the technology and ensure maximum effectiveness;
4. Launch and continuous monitoring: full implementation and monitoring of operations to identify and resolve any problems and to make incremental improvements.

Conclusion:

The AI Categorizer module of the Multi-Channel Platform aims to be a revolutionary solution in the field of digital communications, offering Agile Telecom a significant competitive advantage due to its ability to manage and optimise the distribution of messages on a variety of communication platforms. With careful implementation and continuous refinement based on artificial intelligence, the AI Categorizer is set to become a key pillar in the Agile Telecom communication strategy. The project is expected to be completed by March 2025.

EXPANDING HORIZONS

Project Overview:

The project Expanding Horizons stands as a crucial extension of the Agile Telecom Multi-Channel Platform, aiming to integrate and expand the existing corporate communication ecosystem to include a variety of new digital communication channels. This project aims to transform the traditional SMS sending platform into a versatile multi-channel hub, using technologies based on various frameworks to connect with new channels such as RCS, WhatsApp, Telegram, Signal, and others.

Project Objectives:

Expanding Horizons aims to:

- Expand the range of communication channels supported by the platform to include the latest innovations in digital messaging;
- Improve the flexibility and adaptability of the platform to respond quickly to market changes and consumer preferences;
- Ensure full interoperability between different channels for more effective and consistent communication.

Key Functionalities:

- Integration of new channels: adding support for emerging and established channels, allowing users to communicate through their preferred medium;
- Open and modular framework: use of an open architecture to facilitate the integration of new channels and technologies as they become available;
- Unified communications management: centralisation of the management of all channels for a holistic view and consistent controls;
- Automatic channel optimisation: implementation of algorithms that automatically direct messages to the most effective channel based on real-time analysis.

Anticipated Benefits:

- Greater market coverage: reaching a wider audience through the variety of channels supported, adapting to individual client preferences;
- Operational efficiency: reducing costs and improving efficiency through the use of more suitable channels for specific types of messages;
- Improved customer engagement: increased client engagement through the ability to interact in their preferred channels;
- Competitive agility: increased ability to respond quickly to market innovations and changes in communication technologies.

Implementation Phases:

1. Research and development: identification of emerging channels and suitable technology platforms for integration;
2. Design and integration: development of a modular architecture that allows easy addition or modification of communication channels;
3. Validation and testing: intensive testing to ensure the compatibility and effectiveness of new integrations;
4. Launch and continuous interaction: gradual implementation of new channels, with continuous adjustments based on user feedback and performance analysis.

Conclusion:

The Expanding Horizons project represents a significant step forward for Agile Telecom in the field of digital communications. With the goal of building a truly multi-channel platform that not only meets current needs but is also ready for future market evolutions, Expanding

Horizons positions Agile Telecom as an innovative leader in communication technology. This open and interoperable approach ensures that the platform can continue to grow and adapt, maintaining its relevance and effectiveness in the rapidly changing technology landscape. The project is expected to be completed by December 2025.

MULTI-CLASS TEXT CLASSIFICATION The project aims to identify, train and implement the most effective text classification model for a specific application, with a focus on multi-class classification. The aim is also to put in place a system for real-time updating, improvement and monitoring of model performance.

Project Phases:

- Model identification: search and selection of various text classification models suitable for multi-classification. Comparison of the theoretical and practical performance of the selected models;
- Creation of the training dataset: collection of a large textual dataset relevant to the application, labelling of the data into different classes and pre-processing and cleaning of the data;
- Creation of the verification dataset: dividing the total dataset into a training set and a verification set and using the verification set to test the effectiveness of the model.

The project also aims to carry out periodic performance analyses and adjustments of the model to improve accuracy and effectiveness, which can lead to a cost-revenue benefit by improving margins. The project is expected to be completed by September 2024.

AUTOMATING LCR DATABASE The project aims to automate the updating of the LCR (Least Cost Routing) database in Agile Telecom by extracting and processing XML data from the RAEX database. This data will then be used in various applications within the Agile Telecom A2P SMS sending platform. It is therefore the implementation of a monitoring system to track any errors or inconsistencies in the data, to ensure that the process is always efficient while achieving margin benefits. The project was concluded in December 2024.

OMNI PLATFORM

The focus of the OMNI project is on the creation of an all-in-one platform based on artificial intelligence, designed to meet the digitisation needs of small and medium-sized enterprises (SMEs) and to facilitate the management of their online presence in an automated and centralised manner.

Main objective: The OMNI platform aims to optimise the management of SMEs’ digital marketing activities through a suite of integrated tools that automate and simplify complex, traditionally costly in terms of time and human resources needed.

Key features of the OMNI platform include:

Automation in marketing and conversational content generation: The platform will be able to independently produce both textual and visual multilingual content, using advanced artificial intelligence models. This feature will enable SMEs to quickly create effective and consistent content tailored to different markets and segments.

Multi-channel management of marketing campaigns: OMNI will support a wide range of digital channels, such as RCS, SMS, WhatsApp, social media (e.g. Instagram), and search engine marketing (SEM) channels. This multi-channel approach will allow companies to reach their customers on different platforms through unified management, thus expanding the reach of campaigns and ensuring consistency in the message.

Optimisation based on predictive analytics: Using machine learning algorithms, the platform will be able to analyse campaign performance and provide predictive insights that support decision-making, improving the accuracy and effectiveness of marketing strategies. The data collected will be used to refine messages, schedules and channels, thereby increasing the effectiveness of marketing efforts.

Creation and management of microsites and payment support: OMNI will facilitate the digital transformation of physical and digital businesses, with the ability to create customised microsites that serve as online storefronts or interactive touch points. Payment management and integration with other e-commerce services will be a further step towards full digitisation.

Centralisation of customer support: All customer interactions, coming from different channels, will be collected and managed in a single inbox accessible also from mobile, allowing a quick and co-ordinated response to customer enquiries, improving customer experience and increasing satisfaction.

Hybrid Business Model: OMNI is designed to be offered to SMEs via a SaaS subscription model for basic features, while advanced advertising campaigns and other additional services are available on a pay-per-use basis. This approach provides flexibility and accessibility to SMEs, allowing them to adjust their investment according to their needs and desired outcomes.

In summary, OMNI represents a significant step towards the digital transformation of SMEs, enabling them to develop, monitor and adapt their digital presence with AI-based tools that streamline operations and optimise results, fostering sustainable and competitive growth.
By developing this project, work efficiency can be improved and the business diversified, resulting in lower costs and profit maximisation. The first part of the project is expected to be completed by June 2025.

Other R&D Projects

ERP digital transformation project with Oracle NetSuite

In the 2024 financial year, following the signing of the financing agreement with Invitalia and the Ministry of Enterprise and Made in Italy, the preliminary investigation 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. On 21 February 2025, the documentary and functional review of the project was carried out by Infratel Italia S.p.A., a company appointed by Invitalia, and the outcome was positive. A specific memo was then signed by the parties and promptly forwarded to the Institution. We are currently waiting for the allowances to be paid.

Reported expenditures amounted to Euro 361,100, compared to the Euro 359,280 declared at the project submission stage.

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 disbursement of the subsidies, which has not yet taken place, is being managed by Invitalia.

Sace Simest Internationalisation Project

Agile Telecom's application for the Sace Simest tender has been accepted and approved. A subsidised financing instrument managed directly by the latter, part of the Cassa Depositi e Prestiti group, designed to support the internationalisation of Italian companies. This fund aims to support the international competitiveness of Italian companies by promoting expansion in foreign markets and encouraging exports and the opening of branches or joint ventures abroad. Among the various types of financing offered by the fund are feasibility studies, which cover the costs of preliminary studies for foreign investments, and foreign market insertion programmes, which finance investment projects aimed at international expansion. The fund supports the digital and ecological transition of companies, promoting digitalisation and sustainability. Agile Telecom applied for an allowance of Euro 350,000, of which 10% was non-repayable and the remainder at a subsidised rate of 0.464% per annum. The total duration of the loan is four years, of which two years of pre-amortisation and two years of repayment. To date, only the first tranche of four has been disbursed, amounting to 25% of the total, i.e. Euro 71,775 in funding and Euro 7,656 in non-repayable grants.

Transactions with subsidiaries, associates, parents and other related companies

In 2024, 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 Beefree proprietary editor and the management of the shared technology infrastructure and technological tools. 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	90,403	3,018,472	-	1,491,918	1,924,807	-
BEE Content Design	1,386,125	-	-	-	11,032,387	-
Subsidiaries	**1,476,528**	**3,018,472**	**-**	**1,491,918**	**12,957,194**	**-**
Consorzio CRIT Scarl	305		70,000		(5,916)	19,200
Associates	**305**		**70,000**		**(5,916)**	**19,200**
Floor Srl	12,235				10,028	171,166
Other related parties	**12,235**				**10,028**	**171,166**

Agile Telecom: at the end of the 2024 financial year, the parent company had the following economic-financial relations with Agile Telecom: receivables relating to contracts for the supply of intercompany staff services for Euro 90,403, debt for Euro 3,018,472 deriving from the Group VAT regime managed by Growens, revenues for Euro 1,924,807 relating to intercompany staff services provided by the parent company, and dividends approved in favour of Growens for Euro 1,491,918.

Bee Content Design: at the end of the 2024 financial year, the parent company had the following economic-financial relations with the American subsidiary: receivables relating to intercompany contracts for Euro 1,386,125, revenues for Euro 11,032,387 relating to intercompany staff services and other core services relating in particular to the software development of the Beefree editor provided by personnel employed by Growens. By virtue of the strategic design outlined above, the Group is allocating significant and increasing resources to support Beefree growth and optimisation, strengthening the Italian teams (so-called Team Beefree) dedicated to technology and other functions, in parallel with the organisational growth taking place in the US. In the initial section relating to the Group Structure, reference was made to the capital increase completed by Growens in relation to Beefree for a total amount of USD 13.5 million by offsetting the US subsidiary's debt related to intercompany services provided by the parent company.

The associated company Consorzio CRIT Scarl regularly provides services to Growens, in addition to the non-interest-bearing shareholder loan of Euro 70,000 disbursed last year.

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 2024. The receivable of Euro 12,235 relates to the sale of capital goods.

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

No treasury shares were purchased during the 2024 financial year. The meeting of 18 April 2024 resolved to authorise the purchase and disposal of treasury shares and in particular the following: to authorise the Board of Directors to carry out the purchase and disposal of treasury shares for the following purposes:

(i) implement share incentive plans in whatever form they are structured (whether stock options, stock grants or work for equity plans) or proceed with free allotments to shareholders or fulfil obligations deriving from warrants, convertible financial instruments, with mandatory conversion or exchangeable for shares (based on existing transactions or transactions to be resolved/implemented);

(ii) allow the use of treasury shares in the context of transactions related to the Company's core business or projects consistent with the strategic guidelines that the Company intends to pursue, in relation to which the opportunity to exchange shares is materialized, with the main objective therefore to have a portfolio of treasury shares available to it in the context of extraordinary finance transactions and/or other uses deemed to be of financial, management and strategic interest to the Company with the aim of completing corporate integration transactions with potential strategic partners, exchanges of equity investments or agreements of a commercial and/or professional nature deemed strategic for Growens;

(iii) be able to use its treasury shares as investment for efficient use of liquidity generated by the Company's core business; and

(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 regularize trading and price trends, in the face of temporary distorting phenomena linked to excessive volatility or poor trading liquidity or, more generally, in support of the liquidity of the share and the efficiency of the market.

It should be noted that the authorisation to purchase treasury shares is not preordained to share capital reduction operations through cancellation of the treasury shares purchased.

The Board of Directors is therefore authorised, for a period of 18 months from the date of resolution, to purchase fully paid-up ordinary shares of the Company, in one or more tranches, in an amount freely determinable by it up to a maximum number of treasury shares such as not to exceed 20% of the number of shares in circulation from time to time, at a unit price not lower than 15% and not higher than 15% of the reference price that the stock will have recorded in the market session of the day preceding each individual transaction.

Purchases may be made, in any case in compliance with the equal treatment of shareholders, in any of the following ways: (i) public offer for purchase or exchange; (ii) purchases made on the Euronext Growth Milan market, in accordance with market practices that do not allow the direct matching of trading proposals for purchase with specific trading proposals for sale, or (iii) by any other method provided for by the law and therefore through block purchases or auction methods (including the so-called "Dutch" auction), as evaluated from time to time in relation to the best realisation of the meeting proxy.

In any event, purchases will be made - in accordance with the provisions of Article 2357, paragraph 1 of the Italian Civil Code - within the limits of the distributable profits and available reserves resulting from the latest duly approved financial statements of the Company.

In application of the so-called "whitewash" procedure pursuant to Article 44-bis, paragraph 2 of Consob Regulation no. 11971/1999, the treasury shares purchased by the Company in execution of said authorisation resolution will not be excluded in the ordinary share capital (and therefore will be counted in the same) if, as a result of the purchases of treasury shares, a shareholder exceeds the relevant thresholds pursuant to Article 106 of Legislative Decree no. 58/1998.

At the end of the 2024 FY, Growens holds a total of 2,709,641 shares, equal to approximately 17.6% of the related share capital for a total amount of Euro 18,280,938 as resulting from the related negative equity reserve.

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 consolidated statement of financial position, the statement of comprehensive income, the statement of changes to equity and the statement of cash flow – as well as in 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 Italian 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 and Corporate Social Responsibility (CSR) risks;
- 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 reporting period and especially at the beginning of 2025, general economic uncertainties have intensified further also at international policy level, the effects of which are unpredictable and cannot be easily measured. Additional exogenous factors relating to current and future political scenarios, in Italy as well as in other EU countries or generally at international level, could negatively affect consumer confidence, purchasing 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. The Group may 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 its services obsolete. In order to maintain its competitiveness on the market, the Group will therefore need to invest further in research and development, with 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, to which increasing resources are dedicated, with the aim of mitigating as far as possible this risk inherent in the reference market.

At present, the breadth and complexity of the reference markets is more contained, also as a result of the derisking effect of the extraordinary transactions of the previous year, concentrating the focus of development on the growth potential of the American subsidiary Beefree, supported by a consolidated business such as that of Agile Telecom, but at the same time increasing the risks inherent in the more contained diversification of the business reference areas.

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. 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 Business Unit. The share of collections deriving from electronic payments is 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.

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, in order to support extraordinary external growth operations, investments relating to software development activities and other strategic investments. The remaining medium- and long-term loans were contracted at a subsidised fixed rate or at a very convenient rate. A short-term variable-rate credit line is only occasionally used by Agile Telecom, with an extremely short time horizon, in order to cope with cash stress at certain particularly demanding month-end payments. The risk of unfavourable fluctuations in interest rates, if negotiated at a floating rate, is limited to this type of loan, except for future loans that are subsequently taken out at a floating rate. The economic situation has recently led to a reduction in reference rates such as the Euribor after a very significant hikes cycle. However, subsequent upward trends cannot be ruled out. 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 liquidity from the extraordinary transactions of the previous year was allocated, in addition to dividends, to strategic investment in the Beefree project and, for the surplus, to prudential investment in securities in order to maximise the return on liquidity not currently allocated to specific investments. At the same time, bank debt was restructured by closing the sources most exposed to increases in the cost of borrowing.

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 expressed in foreign currencies, notably US Dollars, which are susceptible to exchange rate fluctuations against the Euro. In many instances, these fluctuations have been significant and, recently, marked by pronounced volatility. 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 for non-speculative purposes 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 2024

On 13 January 2025, the subsidiary Agile Telecom received notification of a notice of objection from the Directorate of Electronic Communications Networks and Services of the Italian Communications Regulator (AGCom) concerning an alleged infringement of the Alias Regulation, adopted by AGCom Resolution no. 12/23/CIR. The company believes it has a reasonable chance of having its case recognised. Please refer to Agile Telecom's 2024 Financial Statements for a detailed analysis of the above.

Outlook

BEEFREE DEVELOPMENT PLAN

Introduction - Sector and competitive context

In the last fifteen years, design has become more accessible thanks to tools such as Canva and Adobe Express that allow even users without technical skills to create various digital

content. Despite progress, email service providers still have room for improvement in their graphics modelling offerings. Beefree has distinguished itself as a pioneer in the niche of Visual Email Builders since 2014, in a market now also crowded with venture capital-backed players. Generative artificial intelligence is revolutionising the sector in several areas, from content production to reporting, with an increase in demand for content expected in the coming years. In this context, Growens reinforced its investment in Beefree to capitalise on these developments and maintain competitiveness.
The SaaS (Software-as-a-Service) sector also experienced average growth, which halved year-on-year, while Beefree grew at twice the rate of the market average. Therefore, although Beefree's performances were lower than initially expected, they were higher than those measured in the reference market.

Beefree 2024-2027 three-year plan summary

The Beefree mission is to democratise the design of complex digital assets - such as emails and landing pages - by creating tools that empower people to do their best work.
The strategic guidelines shared by Growens and Beefree aim to achieve positive development in both its operating segments, Beefree and Beefree SDK, by leveraging its proprietary technology and its historical critical success factors: responsible business approach, innovation and growth, product-led-growth.
As a result of the integration with RGE, highlighted above, the strategic plan for the organic growth of the Beefree business unit includes the following projected targets:

- Revenues: 2024-2027 CAGR: 20-23%
- Gross margin when fully operational (2026) above 80%
- EBITDA break-even in 2027
- Ebitda when fully operational: above 15%
- Negative cash flow in 2024-2025 of USD 12 million, with break-even in 2028
- ARR as of December 2026 between USD 21-23 million
- ARR as of December 2027 between USD 24-27 million

In the M&A field, the approach remains opportunistic, focused on the constant scouting of companies of all sizes and geography, capable of accelerating the growth process in Beefree core business areas, expressing synergies in complementary technologies, people or go-to-market.

Target 2025

In relation to the evolution of the market context, investments were reallocated, focusing them in particular on the development and optimisation of Beefree SDK, the solution intended for developers, and reducing them instead on Beefree App, the solution intended for designers. This decision, the result of a careful analysis of the current landscape, has already shown a sustained growth trend: ARR growth was over 33% for Beefree SDK in 2024. Thus, this refocusing creates potential for medium-term acceleration.

For FY 2025, Beefree's budget guidance include: the release of the multi-region infrastructure by March 2025; continued investment in incremental innovations, including several features based on generative AI and an HTML Converter that will reduce barriers to entry for users; new "hosted" add-ons for SDK customers, which will aim to increase revenue per customer; and the development of features targeted at the Enterprise segment for the Beefree App. At the commercial level, the Startup Program, inaugurated in mid-2024 and dedicated to the Beefree SDK service, is still ongoing.

At an organisational level, the new Growth team led by Mike Nelson started in January 2025 and will work to increase the size of the Beefree App's new user entry channel with a particular focus on the Really Good Emails site acquired during 2024, and the conversions of current free users/visitors into paying ones.

The investment in the Community area, spearheaded by Justine Jordan, is projected to deliver medium-term returns, accompanied by substantial current guidance for the product development roadmap.

AGILE TELECOM DEVELOPMENT PLAN

The A2P messaging market is going through an advanced maturity phase, characterised by a gradual contraction of volumes and margin compression due to intensified competition and pricing policies of mobile players. While SMS remains a central tool for transactional and authentication communications, its use for marketing purposes is declining, driven by the growing adoption of more interactive and sometimes less expensive digital channels, especially on foreign directives.
In this context, Agile Telecom aims to safeguard and, where possible, increase its margins through optimisation of termination routes, more efficient management of operating costs and the development of value-added services. At the same time, the company is expanding its messaging solutions portfolio, investing in alternative channels such as RCS, Telegram and WhatsApp Business, which represent a growing opportunity for companies looking for richer and more interactive ways to communicate.
Market evolution requires an approach increasingly oriented towards diversification and flexibility. For this reason, Agile Telecom will continue to strengthen its ability to adapt, focusing on a scalable technological infrastructure and on pricing and delivery models that guarantee sustainability and competitiveness in the long term.

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 231.

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 second term of office, has been confirmed once again until approval of the financial statements as at 31 December 2026.

In order to better manage the Company's business and, more generally, the activities of the Group to which it belongs, in recent years the Company has, therefore, paid particular attention to issues related to compliance and compliance with Decree 231, carrying out constant verification activities on the suitability of the Model to perform its general-preventive function as well as its consistency with the Company's operations, 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 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 email 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 business model, as well as in light of certain new relevant offences within the scope of 231 introduced by the Italian legislator - the Company started and concluded in 2023 a review of its 231 Model and 231 Code of Ethics, in order to reflect the changed corporate structure and review the mapping of risk areas and 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, during the first months of 2024, the Company - in line with what has been done in the past

- 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

Likewise, the Company revised and updated the training slides that are submitted to all employees during the onboarding phase, expanding the slides dedicated to the special parts of Model 231.

In 2024, the Company subsequently undertook:

a) a specific audit activity on the special chapters of Model 231 dedicated to Market Abuse crimes and Corporate crimes, and
b) a specific audit activity on the special parts of Model 231 dedicated to occupational health and safety crimes,

through which it was possible to ascertain the suitability of the 231 Model to prevent the types of offences referred to in Decree 231, and its consistency with the operating procedures adopted by the Company was also confirmed.

During 2024, the Supervisory Body regularly 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.

Lastly, the Company has recently started a revision of Model 231 and Code of Ethics 231 in order to adapt them to the most recent regulatory changes.

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 remains confirmed of an external Data Protection Officer, whose role has been entrusted to ICTLC S.p.A. (the "DPO"), whose working group is composed of highly qualified, independent figures who are also experienced in the field of data protection and who continue to perform this function for the entire Group.

Following the corporate transactions that took place in 2024, 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.

Furthermore, during the second half of 2024, a review and update of the processing registers of the Group companies continued, in addition to the preparation of the so-called "LIA – Legitimate Interest Assessment" whenever new processing operations based on the legal basis of legitimate interest and implemented by the individual companies come to light. 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. Among the most important activities carried out in this regard, it should be noted in particular the updating of the Procedures for managing data breaches of each company in the Group in a sense that is more consistent with the operating flows of each of them.

As part of the advisory activities carried out by the DPO, the 2024 mandate also included dedicated privacy support - as well as a regular update channel on the most relevant legislative changes in the field of privacy and data protection - pursuant to US state and federal regulations applicable to the business context of BEE Content Design Inc. ("Beefree"). The aim is to increasingly ensure adequate compliance of this company also with respect to the privacy regulatory landscape in the US, as well as constant updating in relation to the main legislative changes on the subject. This support has also been explained in a general analysis of the national data protection regulations in force in the US - and potentially applicable to Beefree - in order to identify potential gaps and/or improvement actions.

In addition, the DPO is currently supporting Beefree in its certification process under the EU-US Data Privacy Framework with the aim of ensuring an appropriate and lawful mechanism for the transfer of personal data from the European Economic Area to the US. This process is in its final stages, and it is estimated that certification can hopefully be achieved by Q1 2025.

In the first half of 2024, the DPO supported Beefree in carrying out privacy-related activities related to the corporate transaction that led to the acquisition of some strategic assets of the company Really Good Emails LLC., and then continued its privacy support and consultancy also during the second half of 2024 in relation to the issues of relevance for this business (above all, the privacy activities related to the organisation of the "Unspam" event).

Lastly, 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 pending the enactment of European Regulation (EU) 2024/1689 (so-called "**AI Act**", actually approved and published in the Official Journal of the European Union on 12 July 2024), a Policy on the use of AI tools was drafted, the content of which may be further revised and supplemented in light of the expected interpretative indications and specifications. The Group has also started some preliminary work with the DPO to assess the impact of this new regulation in order to comply with the applicable provisions of the AI Act.

Preliminary evaluations were also undertaken regarding the applicability to Group companies of recent European regulations related to the use of data, such as the Digital Service Act with reference to services rendered by Agile Telecom.

ICTLC is also supporting Agile Telecom and Beefree in assessing the applicability of the European accessibility provisions under the so-called "European Accessibility Act" (Directive (EU) 2019/882, hereinafter also "EEA"). It should be noted that this assessment also includes (i) for Beefree, the similar provisions currently in force in the US on accessibility, and (ii) for Agile Telecom, the local legislation transposing the aforementioned EEA (see Law 4/2004 and subsequent amendments, as well as Legislative Decree no. 82/2022), with the consequent prescriptions on the obligations deriving from these regulations.

Thank you for the trust placed in us.

Milan, 13 March 2025

The Chairman of the Board of Directors

Matteo Monfredini