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Oggetto : The Board of Directors reviewed certain financial data concerning the first quarter of 2023

*Testo del comunicato*

- Revenues +14% at 24.2M EUR
- Gross Profit +24% at 7.8M EUR
- EBITDA -27% at 0.8M EUR for R&D boost
- BEE, the Business Unit on which future investment will focus, posts highest top line growth (+25%)
- Update of Internal Dealing Procedure

Milan, 9 May, 2023 – Growens S.p.A. –GROW (the “Company” or the “Issuer” or “Growens”), a company admitted to trading on the multilateral trading facility Euronext Growth Milan and operating in the cloud marketing technology field, announces that today the Board of Directors examined certain consolidated financial data concerning the first quarter of 2023.

Consolidated figures show significant growth, +14% for Q1 2023 revenues at 24.2M EUR vs. 21.2M EUR in Q1 2022; and -27% for Q1 2023 EBITDA at 0.8M EUR vs. 1.1M EUR in Q1 2022, mainly due to R&D investments and extra costs for the sale of the Email Service Provider business.



PRICE SENSITIVE

PRESS RELEASE

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*“Q1 2023 results confirm a growing and profitable business, with double-digit revenue growth and a healthy Gross Profit. Focus on the future is confirmed by material R&D investments, which affect EBITDA margin.”*

**Matteo Monfredini, Chairman and founder of Growens**

*“The first quarter does not yet include positive effects from the sale of the Email Service Provider business, although accounting for certain costs incurred for advisory and execution of the extraordinary deal. Future strategy will be centered on both innovation and growth, both organic and via M&A, with a view at accelerating the development of BEE, the fastest growing business unit.”*

**Nazzareno Gorni, CEO and founder of Growens**

## Summary of Q1 2023 results

The main results for the quarter ended 31 March 2023 are as follows:

Item (EUR)	Q1 2023	%	Q1 2022	%	Change	Ch.%
SaaS Revenues	10,229,537	42.3%	7,368,726	34.8%	2,860,811	38.8%
CPaaS Revenues	13,753,979	56.9%	13,719,300	64.7%	34,679	0.3%
Other Revenues	193,008	0.8%	111,853	0.5%	81,155	72.6%
<b>TOTAL REVENUES</b>	<b>24,176,524</b>	<b>100.0%</b>	<b>21,199,879</b>	<b>100.0%</b>	<b>2,976,645</b>	<b>14.0%</b>
Gross Profit	7,787,614	32.2%	6,267,239	29.6%	1,520,374	24.3%
EBITDA	796,411	3.3%	1,098,419	5.2%	(302,009)	(27.5%)
EBT	(834,261)	(3.5%)	34,449	0.2 %	(868,710)	n.m.

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

Consolidation of Contactlab's data started from 1 May 2022, according to IFRS accounting principles. As a consequence, compare consolidated Q1 2022 data do not include Contactlab's figures.

Here follow quarterly results by Business Unit:

in Euro	REVENUES			EBITDA		
	31/03/2023	31/03/2022	%	31/03/2023	31/03/2022	%
MailUp+Contactlab	6,744,131	4,309,457	56.5%	248,737	642,975	(61.3%)
Agile Telecom	14,869,410	14,671,428	1.3%	514,316	445,069	15.6%
BEE	2,356,669	1,881,800	25.2%	203,182	310,092	(34.5%)
Datatrics	554,693	622,264	(10.9%)	(332,034)	(434,560)	23.6%
Acumbamail	624,548	549,974	13.6%	124,216	100,861	23.2%
Holding	2,641,536	2,026,102	30.4%	(26,680)	(24,543)	(8.7%)
<b>TOTAL</b>	<b>27,790,987</b>	<b>24,061,025</b>	<b>15.5%</b>	<b>731,737</b>	<b>1,039,894</b>	<b>(29.6%)</b>
Consol. Adj.	(3,614,463)	(2,861,146)		64,674	58,526	
<b>TOTAL</b>	<b>24,176,524</b>	<b>21,199,879</b>	<b>14.0%</b>	<b>796,411</b>	<b>1,098,419</b>	<b>(27.5%)</b>

The consolidated net financial position as of 31 March 2023 is the following:

Consolidated Net Financial Position	31/03/2023	31/12/2022	Change	Ch. %
A. Cash	7,578,237	7,153,665	424,572	5.9%
B. Cash equivalents				
C. Other current financial assets				
<b>D. Cash and cash equivalents (A) + (B) + (C)</b>	<b>7,578,237</b>	<b>7,153,665</b>	<b>424,572</b>	<b>5.9%</b>
E Financial debt	827,221	1,076,709	(249,488)	(23.2%)
F. Current financial debt	3,488,573	1,621,736	1,866,837	115.1%
<b>G. Current financial position (E) + (F)</b>	<b>4,315,794</b>	<b>2,698,445</b>	<b>1,617,348</b>	<b>59.9%</b>
<b>H. Net short term financial position (G) - (D)</b>	<b>(3,262,444)</b>	<b>(4,455,220)</b>	<b>1,192,776</b>	<b>(26.8%)</b>
I. Due to banks medium/long term	4,326,922	4,389,700	(62,778)	(1.4%)
J. Bonds issued				
K. Other financial liabilities medium/long term				
<b>L. Non current financial position (I) + (J) + (K)</b>	<b>4,326,922</b>	<b>4,389,700</b>	<b>(62,778)</b>	<b>(1.4%)</b>
<b>M. Net financial position (H) + (L)</b>	<b>1,064,478</b>	<b>(65,519)</b>	<b>1,129,998</b>	<b>n.m.</b>
o/w Current financial liabilities Rights of Use IFRS 16	639,679	817,672	(177,993)	(21.8%)
o/w Non current financial liabilities Rights of Use IFRS 16	1,629,250	1,520,629	108,621	7.1%
<b>Net financial position without IFRS 16 effect</b>	<b>(1,204,451)</b>	<b>(2,403,820)</b>	<b>1,199,370</b>	<b>(49.9%)</b>

The above-mentioned results are unaudited.

### Comments to the results

Consolidated Q1 2023 P&L posts total **Revenues** around 24.2M EUR, showing a +14% increase (+3% organic) versus 21.2M EUR in the same period of 2022: such growth is mainly driven by the 39% growth of the SaaS component, for a 42% incidence on total revenues. CPaaS is stable (+0.3%) for a 57% incidence on total revenues.

The **Agile Telecom** Business Unit posted the biggest sales of ca. 14.9M EUR, growing +1% over the same period of the previous year. Focus on profitability implied good recovery in margins, with EBITDA growing over 10x versus sales growth.

The fastest organically growing Business Unit is **BEE (beefree.io)**, with a 25+% increase, at 2.4M EUR turnover, driven by increasing volumes. ARR (Annual Recurring Revenues, a very popular key performance indicator for a subscription business, showing the average annual recurring value of existing contracts) equals 11M USD as of March 2023.

**Acumbamail's** performance is also excellent (growing ca 14%), whereas **MailUp+Contactlab** posts growing sales (+57%, of which 1% organic). The **Datatricks** business unit sales, operating in the Predictive Marketing space with a proprietary Customer Data Platform, generated a 0.6M EUR revenues, decreasing by 11% YoY.

Consolidated recurring sales (SaaS subscriptions), representing 30+% of total sales at 7.2M EUR, grew by 23% vs. the same period of the previous year.

**Foreign sales** amount to 15.2M EUR, representing 63% of total sales and growing by 14%.

New clients include Compagnia Italiana di Navigazione/Moby, Veronafiore, RSE, Kahoot, University of Houston.

Consolidated **EBITDA** amounts to 0.8M EUR in Q1 2023, decreasing by 27% versus Q1 2022, with a 3+% margin on sales. The absolute and relative decrease of this figure is due to accelerated investments in R&D

(+65%, of which opex +37%) in view of BEE's development, as well as the incidence of G&A (+49%), largely due to advisory and execution costs for the sale of the Email Service Provider Business, consolidation of Contactlab's costs not included in Q1 2022, plus the additional effect of the change in bonus systems on staff expenses.

Gross Profit grows by over 24% to 7.8M EUR, with a 32+% margin on sales, whereas EBT is negative for 0.8M EUR.

The consolidated **Net Financial Position** as of 31 March 2023 amounts to ca. 1.1M EUR debt, decreasing versus the previously recorded (net cash) amount of 65k EUR as of 31 December 2022, mainly due to cash-outs for (i) the anticipated settlement of Contactlab's earn-out's first instalment, functional to the sale of the Email Service Provider business, financed via a short term loan facility, as well as (ii) indirect cash pooling policies relying on Agile Telecom liquidity facilities. Figurative debt from IFRS 16's adoption amounts to ca. 2.3M EUR. Cash amounts to 7.6M EUR, growing 6%.

### Summary of KPI's

#### SAAS

KPI	MailUp	Datatics	Acumbamail	BEE	Date
ARR	15,010,752€	2,128,400€	2,198,928€	10,767,936\$	March 2023
ARR growth	+29%	-8%	+15%	+23%	March 2023
Gross margin	58%	46%	87%	72%	FY 2022
EBITDA margin	4%	-60%	20%	9%	Q1 2023
Net Revenue Retention	94%	78%	91%	97%	March 2023

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

### Update of Internal Dealing Procedure

The Board of Directors resolved to approve the updated Internal Dealing Procedure.

According to applicable rules, the procedure and this press release are online on [www.emarketstorage.com](http://www.emarketstorage.com) and on the Issuer website [www.growens.io](http://www.growens.io), Section "Corporate Governance/Corporate Documents".

### Investor Relations

Growens Chairman and CEO will comment Q1 2023 results in a conference call to be held on 12 May 2023 at 12,30 pm CET. Registration at this link: <https://my.demio.com/ref/VrqfJ82AaA6bm1Wg>.



**Growens (GROW)** is a leading European player in the field of Cloud Marketing Technologies, serving thousands of clients worldwide. Its suite of SaaS and CPaaS solutions allows SMEs and large corporations globally to master the evolving ways of communicating with customers. Starting from the original business MailUp the Group grew steadily since 2002, both organically and via M&A, peaking with the launch of innovative products such as [BEefree.io](https://www.befree.io).

The company is admitted to trading on the Euronext Growth Milan (EGM) market managed by the Italian Stock Exchange, with a free float of ca. 36%.

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

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

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