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Oggetto : Third quarter and 9m 2024

Testo del comunicato

Vedi allegato



PRICE SENSITIVE

PRESS RELEASE

The Board of Directors reviewed certain financial data concerning the third quarter and first nine months of 2024

9m Revenues 54.7M EUR

Gross Profit 12.7M EUR

EBITDA -0.5M EUR for Beefree's investment plan

NFP 12.5M EUR cash

Beefree, the Business Unit on which future investment will focus, posts highest top line growth (+22%)

Milan, 5 November, 2024 – 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 third quarter and first nine months of 2024.

Consolidated figures for the first 9 months of 2024, at 54.7M EUR, are substantially stable vs 9m 2023 (+0.1%), while Q3 2024 posts revenues at 17.8M EUR or -11% vs. Q3 2023. 9m EBITDA decreases to -0.5M EUR vs 0.3M EUR in 9m 2023, mainly due to S&M and R&D investments for the acceleration of Beefree. Q3 2024 EBITDA is positive for 0.2M EUR thanks to Agile Telecom's margin recovery.

“9m 2024 results confirm a profitable business, with a healthy Gross Profit, in excess of 23%. In detail, Beefree's revenues keep growing double-digit with a focus on the future supported by material S&M and R&D investments, which affect EBITDA margin.”

Matteo Monfredini, Chairman and founder of Growens

“The first nine months of 2024 mark the continuation of Beefree's development plan, in which the repricing of the Beefree SDK solution (for developers) has made an important contribution to growth.”

Nazzareno Gorni, CEO and founder of Growens

Summary of Q3 and 9m 2024 results

The main results for the quarter ended 30 September 2024 are as follows:

Item (EUR)	Q3 2024	%	Q3 2023	%	Change	Ch.%
SaaS Revenues	3,181,236	17.9%	2,564,555	12.8%	616,681	24.0%
CPaaS Revenues	14,456,618	81.2%	17,131,586	85.7%	(2,674,968)	(15.6%)
Other Revenues	155,521	0.9%	305,289	1.5%	(149,769)	(49.1%)
TOTAL REVENUES	17,793,375	100.0%	20,001,430	100.0%	(2,208,056)	(11.0%)
Gross Profit	4,643,638	26.1%	3,667,318	18.3%	976,320	26.6%
EBITDA	231,739	1.3%	(361,408)	(1.8%)	593,147	164.1%
EBT Cont. Operations	(557,278)	(3.1%)	(1,411,791)	(7.1%)	854,513	60.5%

The main results for the nine months ended 30 September 2024 are as follows:

Item (EUR)	30/09/2024	%	30/09/2023	%	Change	Ch.%
SaaS Revenues	8,927,513	16.3%	7,338,051	13.4%	1,589,462	21.7%
CPaaS Revenues	44,281,202	81.0%	46,611,961	85.3%	(2,330,759)	(5.0%)
Other Revenues	1,488,379	2.7%	674,254	1.2%	814,125	120.7%
TOTAL REVENUES	54,697,094	100.0%	54,624,266	100.0%	72,828	0.1%
Gross Profit	12,682,040	23.2%	10,356,317	19.0%	2,325,724	22.5%
EBITDA	(458,157)	(0.8%)	298,956	0.5%	(757,113)	n.m.
EBT Cont. Operations	(2,518,232)	(4.6%)	(2,490,863)	(4.6%)	(27,370)	(1.1%)

The SaaS business line (Software-as-a-Service) includes services supplied to clients via cloud platforms, sold through mostly recurring multi-period contracts / c.d. *subscriptions* by the Business Unit Beefree. The CPaaS business line (Communication-Platform-as-a-Service) covers the messaging services provided on a wholesale basis using APIs, especially supplied by the Agile Telecom Business Unit.

Here follow 9m results by Business Unit:

in Euro	REVENUES			EBITDA		
	30/09/2024	30/09/2023	%	30/09/2024	30/09/2023	%
Agile Telecom	44,430,074	46,732,483	(4.9%)	1,503,022	2,010,623	(25.2%)
Beefree	8,977,231	7,339,402	22.3%	(2,325,742)	(571,441)	n.m.
Holding	10,481,377	8,185,594	28.0%	311,732	(617,411)	150.5%
Consol. Adj.	(9,190,825)	(7,633,213)	(20.4%)	52,831	(522,815)	110.1%
TOTAL	54,697,857	54,624,266	0.1%	(458,157)	298,956	n.m.

The consolidated net financial position as of 30 September 2024 is the following:

Consolidated Net Financial Position	30/09/2024	31/12/2023	Change	Ch. %
A. Cash	3,671,059	20,488,030	(16,816,971)	(82.1%)
B. Cash equivalents		20,000,060	(20,000,060)	(100.0%)
C. Other current financial assets	11,597,718	4,891,561	6,706,158	137.1%
D. Cash and cash equivalents (A) + (B) + (C)	15,268,777	45,379,650	(30,110,873)	(66.4%)
E Financial debt	498,731	467,161	31,570	6.8%
F. Current financial debt	1,063,126	1,085,516	(22,390)	(2.1%)
G. Current financial position (E) + (F)	1,561,857	1,552,678	9,180	0.6%
H. Net short term financial position (G) - (D)	(13,706,920)	(43,826,973)	30,120,053	(68.7%)
I. Due to banks medium/long term	1,176,085	1,734,029	(557,944)	(32.2%)
J. Bonds issued				
K. Other financial liabilities medium/long term				
L. Non current financial position (I) + (J) + (K)	1,176,085	1,734,029	(557,944)	(32.2%)
M. Net financial position (H) + (L)	(12,530,835)	(42,092,944)	29,562,109	(70.2%)
Other non current fin. assets	(4,789,933)	(4,646,600)	(143,333)	3.1%
o/w Current financial liabilities Rights of Use IFRS 16	380,355	354,384	25,971	7.3%
o/w Non current financial liabilities Rights of Use IFRS 16	1,020,214	919,315	100,899	11.0%
Net financial position without IFRS 16 effect	(18,721,337)	(48,013,242)	29,291,905	(61.0%)

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The above-mentioned results are unaudited.

Comments to the results

Consolidated 9m 2024 P&L posts total **Revenues** around 54.7M EUR, substantially stable versus 54.6M EUR in the same period of 2023: such result is mainly driven by the 22% growth of the SaaS component, for a 16+% incidence on total revenues. CPaaS decreases by 5% for an 81% incidence on total revenues.

The **Agile Telecom** Business Unit posted the biggest sales of ca. 44.4M EUR, decreasing -5% over the same period of the previous year, following the strategy of focus on profitability.

The fastest organically growing Business Unit is **Beefree**, with a 22% increase, or +23% at constant FX rate, at 9.8M 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 15.2M USD as of September 2024.

Consolidated recurring revenues (SaaS subscriptions), representing 17% of total sales at 8.9M EUR, grew by 22% vs. the same period of the previous year.

Foreign revenues amount to 43.8M EUR, representing over 82% of total sales, substantially stable.

Consolidated **EBITDA** amounts to 0.2M EUR in Q3 2024 and -0.5M EUR in 9m 2024, decreasing versus 9m 2023. The decrease of this figure is due to accelerated investments in S&M (+30%) and R&D (+33%, of which opex +28%) in view of Beefree's development. Agile Telecom's margins recovered materially in Q2 and Q3.

Gross Profit grows by 23% to 12.7M EUR, with a 23% margin on sales, whereas EBT is negative for 2.5M EUR.

The consolidated **Net Financial Position** as of 30 September 2024 amounts to ca. 12.5M EUR cash, decreasing versus the previously recorded net cash amount of 42.1M EUR as of 31 December 2023, with a variation largely influenced by the following factors: (i) cash payment of fees and commissions pertaining to the 2023 fiscal year in 2024, related to the execution of extraordinary transactions for the sale of businesses and the partial voluntary takeover bid, for approximately 2.4M EUR; (ii) payment of the extraordinary dividend for approximately 20M EUR; (iii) capitalization of R&D expenses, mainly related to Beefree, for approximately 3.3M EUR; (iv) net working capital variation from Agile Telecom for approximately 2.7M EUR; (v) reimbursement of certain debt facilities for 1.1M EUR. Figurative debt from IFRS 16's adoption amounts to ca. 1.4M EUR. Cash and equivalents exceed 15.3M EUR. The adjusted Net Financial Position also shows escrowed sums as customary in the settlement of comparable extraordinary operations (in particular, as a guarantee of certain obligations related to the sale of the ESP business to TeamSystem).

Summary of KPI's

SAAS

KPI	Beefree	Date
ARR Beefree App	\$5,033,244	Sept. 2024
ARR Beefree SDK	\$10,178,052	Sept. 2024
ARR growth Beefree App	+14%	Sept. 2024
ARR growth Beefree SDK	+40%	Sept. 2024
Gross margin	80%	9m 2024
EBITDA margin	-25%	9m 2024
Net Revenue Retention	106%	Sept. 2024

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



Growens (GROW) is a leading European player in the field of Cloud Marketing Technologies, serving thousands of clients worldwide. Its 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://beefree.io).

The company is admitted to trading on the Euronext Growth Milan (EGM) market managed by the Italian Stock Exchange, with a free float above 31%.

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

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

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