



PRICE SENSITIVE

PRESS RELEASE

Growens (GROW)

The Board of Directors examined certain financial data concerning the first quarter of 2021

Sales +4.8% at 16.6 mln EUR

Gross Profit +25.7% at 5.6 mln EUR

EBITDA + 153.8% at 1.4 mln EUR

Milan, 11 May, 2021 – Growens S.p.A. – former MailUp S.p.A., ticker GROW (the “Company” or the “Issuer” or “Growens”), a company admitted to trading on the multilateral trading facility *AIM Italia* 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 2021.

Consolidated figures show significant growth, 4.8% for Q1 2021 sales at 16.6M EUR vs. 15.8M EUR in Q1 2020; and +153.8% for Q1 2021 EBITDA at 1.4M EUR vs. 0.5M EUR in Q1 2020.

“We are particularly pleased with the last quarterly results which confirm the resilience of our business notwithstanding a full lockdown quarter. Such results are the more encouraging when compared to Q1 2020, which was only partially affected by global shutdowns of economic activities.”

Matteo Monfredini, Chairman and founder of MailUp Group

“The first quarter is still deeply affected by the Covid effect, especially on MailUp’s SMS and Professional Services as well as Datatrics and BEEPlugin which require a greater investment from clients, not only in terms of economics but also people and know-how. We keep the focus on execution, with a view to both organic and external growth. From the organic growth standpoint, the reinforcement of MailUp’s, BEE’s and Datatrics’ top lines is almost completed, which represent the foundation of the renewed growth path. From the M&A standpoint, we are currently assessing several opportunities, aiming at integrating a significant-sized SaaS company.”

Nazzareno Gorni, CEO and founder of MailUp Group

Summary of Q1 2021 results

The main results for the quarter ended 31 March 2021 are as follows:

Item (EUR)	Q1 2021	%	Q1 2020	%	Change	Ch.%
Revenues from Email	4,378,239	26.4 %	3,938,846	24.9 %	439,392	11.2 %
Revenues from SMS	11,264,296	67.9 %	10,872,678	68.7 %	391,618	3.6 %
Revenues from Predictive Marketing	696,421	4.2 %	785,175	5.0 %	(88,754)	(11.3 %)
Other Revenues	260,924	1.6 %	237,699	1.5 %	23,226	9.8 %
TOTAL REVENUES	16,599,881	100.0 %	15,834,399	100.0 %	765,482	4.8 %
Gross Profit	5,586,371	33.7 %	4,442,590	28.1 %	1,143,781	25.7 %
EBITDA	1,385,808	8.3 %	546,021	3.4 %	839,787	153.8 %
EBT	501,829	3.0 %	(275,236)	(1.7 %)	777,065	+282.3%

In response to the recent change in the economic and market environment, which led to a contraction in demand for Professional Services from larger clients, the affected personnel were redistributed in the Sales and Operations area. Accordingly, related revenues were added to Email revenues.

Here follow quarterly results by Business Unit:

in Euro	SALES			EBITDA		
	31/03/2021	31/03/2020	%	31/03/2021	31/03/2020	%
MailUp	3,898,743	3,956,964	(1.5%)	977,014	618,033	58.1%
Agile Telecom	10,990,415	10,516,465	4.5%	513,061	119,545	329.2%
BEE	1,134,010	891,548	27.2%	202,648	58,072	249.0%
Datatrix	674,416	817,913	(17.5%)	(80,437)	(321,040)	74.9%
Acumbamail	469,695	350,209	34.1%	118,560	68,421	73.3%
Holding	1,327,442	1,134,563	17.0%	(415,768)	(73,713)	(464.0%)
TOTAL	18,494,721	17,667,662	4.7%	1,315,077	469,317	180.2%
Consol. Adj.	(1,894,840)	(1,833,264)		70,731	76,704	
TOTAL	16,599,881	15,834,398	4.8%	1,385,808	546,021	153.8%

The consolidated net financial position as of 31 March 2021 is the following:

Consolidated Net Financial Position	31/03/2021	31/12/2020	Change	Ch.%
A. Cash	9,082,989	9,866,364	(783,375)	(7.9%)
B. Cash equivalents	0	0	0	0.0%
C. Assets held for sale	195	195	0	0.0%

D. Cash and cash equivalents (A) + (B) + (C)	9,083,184	9,866,559	(783,375)	(7.9%)
E. Current financial assets	0	0	0	0.0%
F. Due to banks short term	246,921	69,400	177,521	255.8%
G. Current financial debt	864,834	916,100	(51,267)	(5.6%)
H. Other financial liabilities short term	1,005,035	1,029,099	(24,064)	(2.3%)
I. Current financial position (F) + (G) + (H)	2,116,790	2,014,599	102,190	5.1%
J. Net short term financial position (I) - (E) - (D)	(6,966,394)	(7,851,959)	885,565	(11.3%)
K. Due to banks medium/long term	2,392,702	2,641,533	(248,831)	(9.4%)
L. Bonds issued	0	0	0	0.0%
M. Other financial liabilities medium/long term	2,559,220	2,696,519	(137,299)	(5.1%)
N. Non current financial position (K) + (L) + (M)	4,951,922	5,338,052	(386,130)	(7.2%)
O. Net financial position (J) + (N)	(2,014,472)	(2,513,907)	499,435	(19.9%)
o/w H. Current financial liabilities Rights of Use IFRS 16	1,005,035	1,029,099	(24,064)	(2.3%)
o/w M. Non current financial liabilities Rights of Use IFRS 16	2,559,220	2,696,519	(137,299)	(5.1%)
O. Net financial position without IFRS 16 effect	(5,578,727)	(6,239,525)	660,798	(10.6%)

CESR Recommendation 54/B 2005

The above-mentioned results are unaudited.

Comments to the results

The Q1 2021 P&L posts total **Revenues** around 16.6M EUR, showing a +5% organic increase versus 15.8M EUR in the same period of 2020: such figures need to be considered within an economic scenario widely characterized by global lockdowns, vis-à-vis Q1 2020 driven by 2019 expansion and only affected by lockdowns in its final weeks.

As per the results by business line, the SMS Q1 2021 consolidated Sales, mainly originated by the Agile Telecom business unit, posted the biggest sales of ca 11.3M EUR, growing +3.6% over the same period of the previous year. The slowdown in growth, although positive, is mainly due to the utterly negative impact of the various lockdowns, implying a massive stop or slowdown of retail SMS traffic (so-called “drive-to-store”, i.e. marketing text messages aiming at bringing retail customers to b&m stores), especially in Italy.

Email business line grew in excess of 11% to 4.4 M EUR, driven by the excellent performances of BEE (beefree.io), with 1.1M EUR sales, up 27+% (or +43% at constant EUR/USD exchange rate) and Acumbamail (growing over 34%). In Q1 2021 MailUp posts substantially stable sales (-1.5%), due to the impact of the crisis in Italy (where the business unit's sales are most exposed), especially given the contraction of consumption and investments (fashion, events, travel/hospitality sectors), with negative performances of SMS and professional services and email growing.

Equally, Predictive Marketing sales, generated by Datatrics, decreased by -11%, and were negatively affected by the dramatic impact of the Covid-19 crisis. In this respect, the Group has launched a reorganisation of Datatrics' operations, with the aim to respond in a more efficient way to the evolution of

the market and focus on unified client management, leveraging on a leaner and more qualified organisation. Such reorganisation includes: (i) an enhanced infrastructure – migrated on Amazon AWS at the end of 2020 –; (ii) a restated business model towards a more scalable and self-provisioning model, relying on the relevant contribution of partners; (iii) the enhancement of top management with the introduction of a Marketing Manager, Head of Sales and Head of Customer Value Management (as announced on 15 April 2021). Full outcome of the reorganisation is expected by Q3 2021.

Consolidated recurring sales (SaaS subscriptions), representing ca. 30% of total sales at 4.9M EUR, grew by 9% vs. the same period of the previous year.

Foreign sales amount to ca 9M EUR, representing 54% of total sales and growing by 9+%.

Consolidated **EBITDA** exceeded EUR 1.4M in Q1 2021, growing by +154% versus Q1 2020, with an 8.3% margin on sales. Q1 shows strong evidence of recovery, with EBITDA solidly growing more than sales, and Gross Profit growing over 600 bps on sales (from 28.1% to 33.7%), with a larger increase than sales (+26%), proof of the ongoing effect of optimizations and cost savings. Margins are positively affected by a variety of factors, among which: (i) lockdown-related cost savings, especially S&M both in absolute (-3%) and margin-wise terms (from 9.8% to 9.1% on sales), due to the lack of in-person events and related travel; (ii) general double- and triple-digit margins increase in all the business units (especially Agile Telecom and BEE); (iii) the reduction of Datatrics' operating loss to ca. 80k EUR, as a positive effect of the above-mentioned measures. Cost-wise, as already disclosed, the Group chose not to suspend or defer the planned strategic projects, especially fundamental R&D (+28.6%) where the biggest investments are currently concentrated. As a consequence of the above, **EBT** reverted to a positive 0.5M EUR, or 3% on sales.

The consolidated **Net Financial Position** as of 31 March 2021 is negative (for net cash) and exceeds 2M EUR, slightly decreasing versus the previously recorded (net cash) amount of EUR 2.5M as of 31 December 2020. Figurative debt from IFRS 16's adoption amounts to ca. 3.6M EUR. Cash exceeds EUR 9M.

Investor Relations

Growens Chairman and CEO will comment Q1 2021 results in a conference call to be held on 12 May 2021 at 4 pm CET, registration at this [link](#).

Growens CEO and Executive Director & IR will participate to the following investor conferences

- “[German Spring Conference](#)” 17 - 18 May 2021;
- “[Borsa Italiana AIM Italia Conference](#)” 27 May (tech day);
- “[ISMO – Italian Stock Market Opportunities Paris Virtual](#)” by Intesa Sanpaolo IMI CIB” on 10 June 2021.



Growens (GROW) is a vertically integrated player in the field of Cloud Marketing Technologies. Its growing suite of data-driven solutions allows SMEs and large corporations globally to master the evolving ways of communicating with customers. Starting from the parent company, which includes the MailUp business unit (Email marketing technology), the group boasts a steady growth path both organically and through acquisitions: Acumbamail (Spanish and LatAm markets), Agile Telecom (wholesale SMS market) and Datatrics (artificial intelligence). The brand portfolio is completed by BEE, an email editor launched in 2017 as a complementary business line, already covering thousands of customers worldwide. Today, Growens is a leading European player in the field of Cloud Marketing Technologies, serving 25,500+ customers in 100+ countries.

The company is admitted to trading on the AIM Italia market managed by the Italian Stock Exchange, with a free float of 36+%.

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

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