



**Financial Results
Q4 and FY 2022**

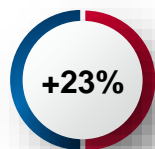
CONFERENCE CALL

April 27th, 2023

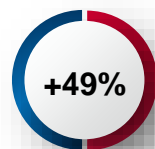
FY2022 financial performance



Improving top-line and bottom-line organically and through M&A



Revenue



EBITDA



EPS

€ m	FY 2021	FY 2022
Revenue*	203.7	251.0
EBITDA	18.5	27.6
EBITDA Margin	9.1%	11.0%
Depreciation/ Amortisation	19.1	21.0
Consolidated Profit	0.4	5.5
EPS (<i>basic/diluted Euro</i>)	0.02	0.35

Revenue increased by € m 47.3 (23%), driven by all business units:

- **Digital Business Solutions** revenue from € m 21.1 to 28.4 (34%)
 - growth in all solutions including Azolver digital business
- **Mailing, Shipping & Office Sol.** revenue from € m 123.2 to 151.3 (23%)
 - € m 6.2 positive currency impact
 - € m 2.9 from rate change
- **Mail Services** revenue from € m 59.8 to 73.4 (23%)
 - mainly related to increase in franked mail volume
 - partly non-recurring effects of € m 12.7

EBITDA increased by € m 9.1 (49%), impacted by the following:

- + Impact from **organic growth** and **Azolver** (Q2-Q4 2022)
- + Impact from **rate change in Germany** of € m 2.6
- + **FUTURE@FP** has **improved cost base**
- Investing in increased **software development** capacity
- Investing in **One ERP** (€m 4.0) expensed as incurred
- Non-recurring due diligence expenses on **acquisition** of € m 0.6

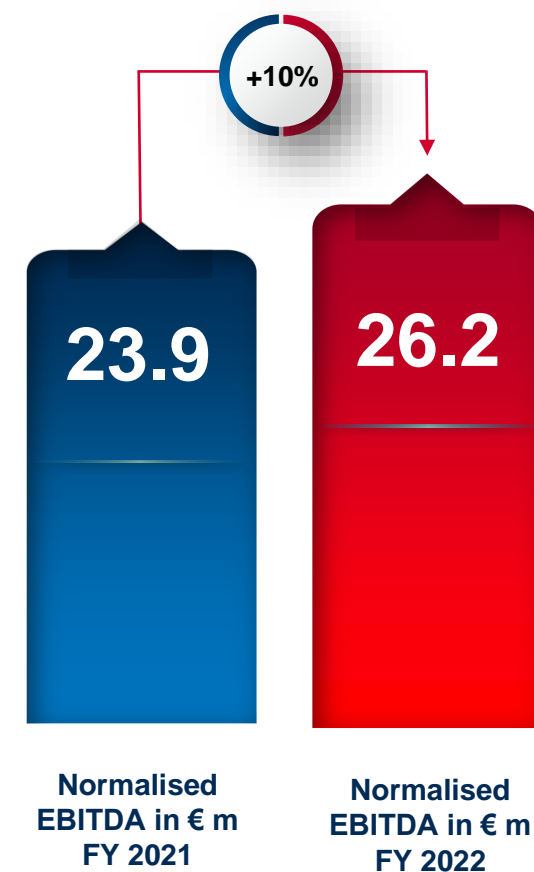
*incl. revenue from MSO, DBS, Mail Services and reconciliation to FP Group

Normalised EBITDA FY 2022



As-reported and normalised EBITDA FY 2022 better than prior year

€ m	FY 2021	FY 2022
EBITDA (as reported)	18.5	27.6
Rate Change (Germany)	0.0	-2.6
Currency effects	1.4	-2.0
One ERP	1.4	4.0
Discharge on old projects	2.8	0.0
Others	-0.2	-0.8
Normalised EBITDA	23.9	26.2
Normalised Revenues	205	229
Normalised EBITDA Margin	11.6%	11.4%



Normalised Revenues exclude Rate Change, Currency effects and DBS and Mail Services Non-Recurring in 2022

Normalised EBITDA others exclude DBS and Mail Services non-recurring, FUTUR@FP and M&A expenses and restructuring costs in 2022.

Free Cash Flow and Net Debt

FCF improving – Net Debt decreasing

FCF

+24%

Free Cash Flow € m	FY 2021	FY 2022
Cash flow from operating activities	15.1	22.4
Free cash flow	6.5	8.1

Net Debt

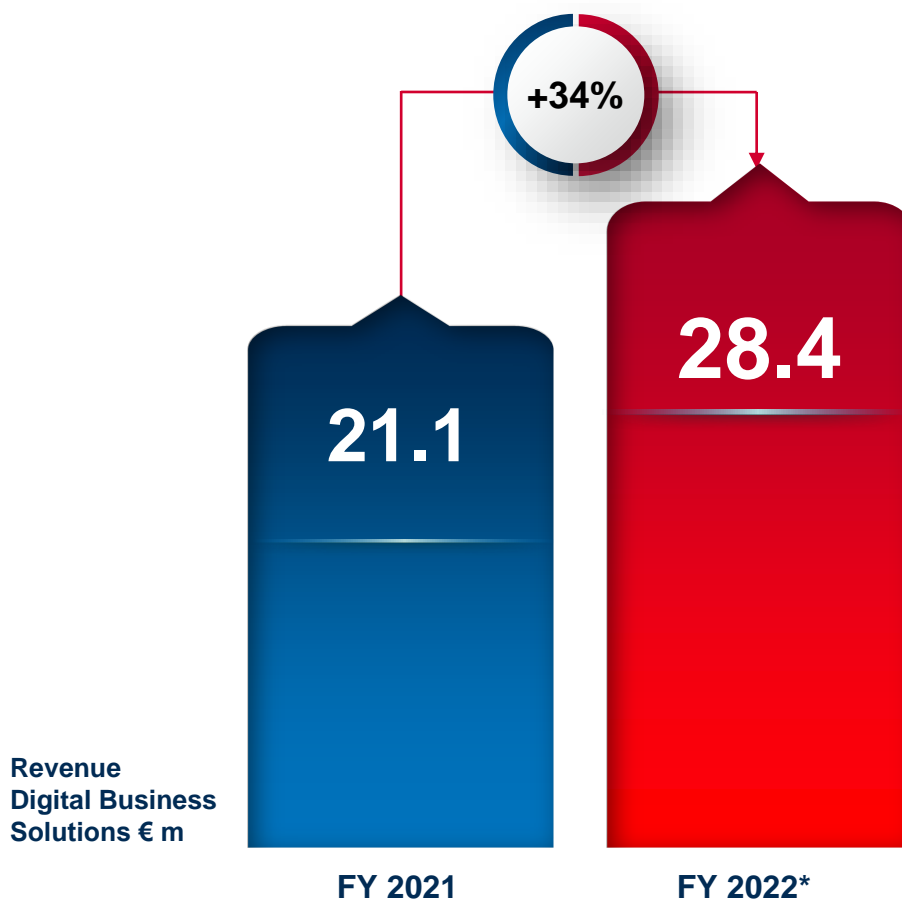
-11%

Net Debt € m	31.12.2021	31.12.2022
Financial Debt (incl. Leasing)	40.2	40.9
Cash (without postage held)	19.7	22.8
Net Debt	20.5	18.1

- Improved cash flow from operating activities by 48.5% due to increased **EBITDA**
- **Free cash flow** 2022 impacted by **acquisition** (€ m 4.1)
- **Net debt decreasing** despite Azolver acquisition
- **Financial covenants are met**,
– active communication with lenders continued

FP Digital Business Solutions

Continuous customer onboarding and further enhancement of solutions



Revenue
Digital Business
Solutions € m

FY 2021

FY 2022*

*incl. digital revenue from MSO/Azolver

- **Document Workflow Management**

- Driven by higher customer activity, mainly in outgoing communications for customers
- Q1 2022 positively influenced with € m 0.4 by pandemic-related mailings

- **Business Process Management & Automation**

- Ongoing **customer onboarding in all areas**
- **FP Sign** new customer onboarding as well as growth within customer base and further partner integrations
- **De-Mail / e-justice** customers growing with market adjustments (withdrawal of major De-Mail competitor) and increasing demand for e-justice solutions

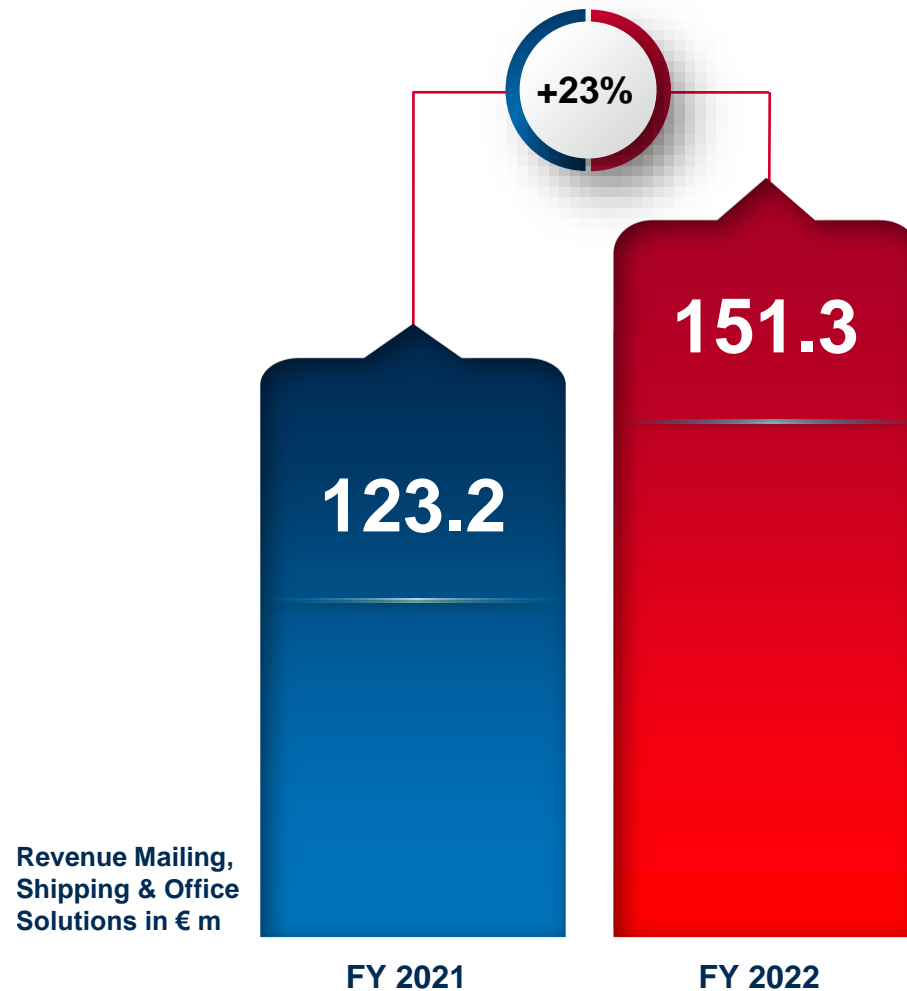
- **Shipping & Logistics**

- Contribution from **Azolver solutions**
- Further validation and development of solutions including internationalization

FP Mailing, Shipping & Office Solutions



Continuous positive revenue development - partly impacted by non-recurrings - and Azolver

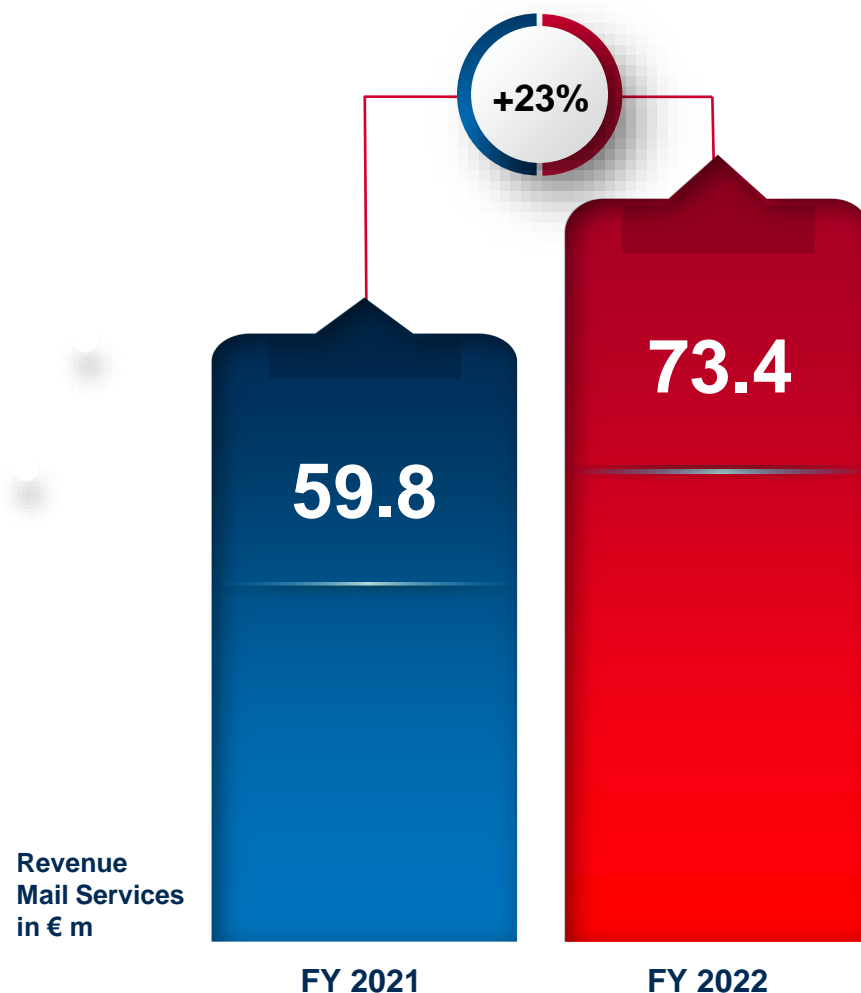


- **Revenue** increase of **23%**
 - Driven by **organic growth (1%)** and Azolver acquisition
 - Positive **currency impact** of € m 6.2
 - Positive effect from **rate change** in Germany of € m 2.9
- Overall market trend for FY 2022 with continuous global economic, supply-chain issues and pandemic situation was challenging

FP Mail Services



Revenue growth – mainly due to non-recurring effects in FY 2022

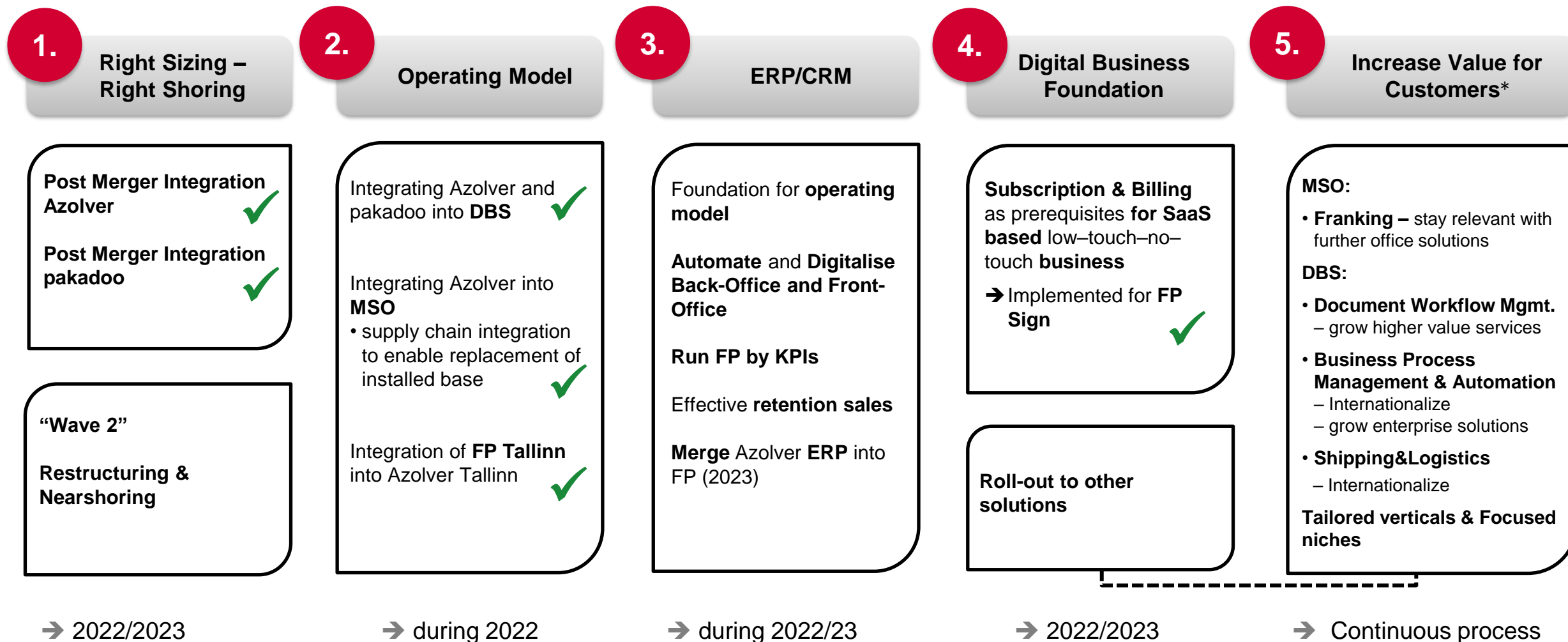


- Revenue increase above expectations – mainly non-recurring effects (€ m 12.7)
 - Continuous **new customer onboarding**
 - **Higher franking volume** due to pandemic-related staff shortage on customer side
 - Other pandemic related **special one-time orders**
- Continuous improvement in performance and pricing, reflecting cost increases

FUTURE@FP



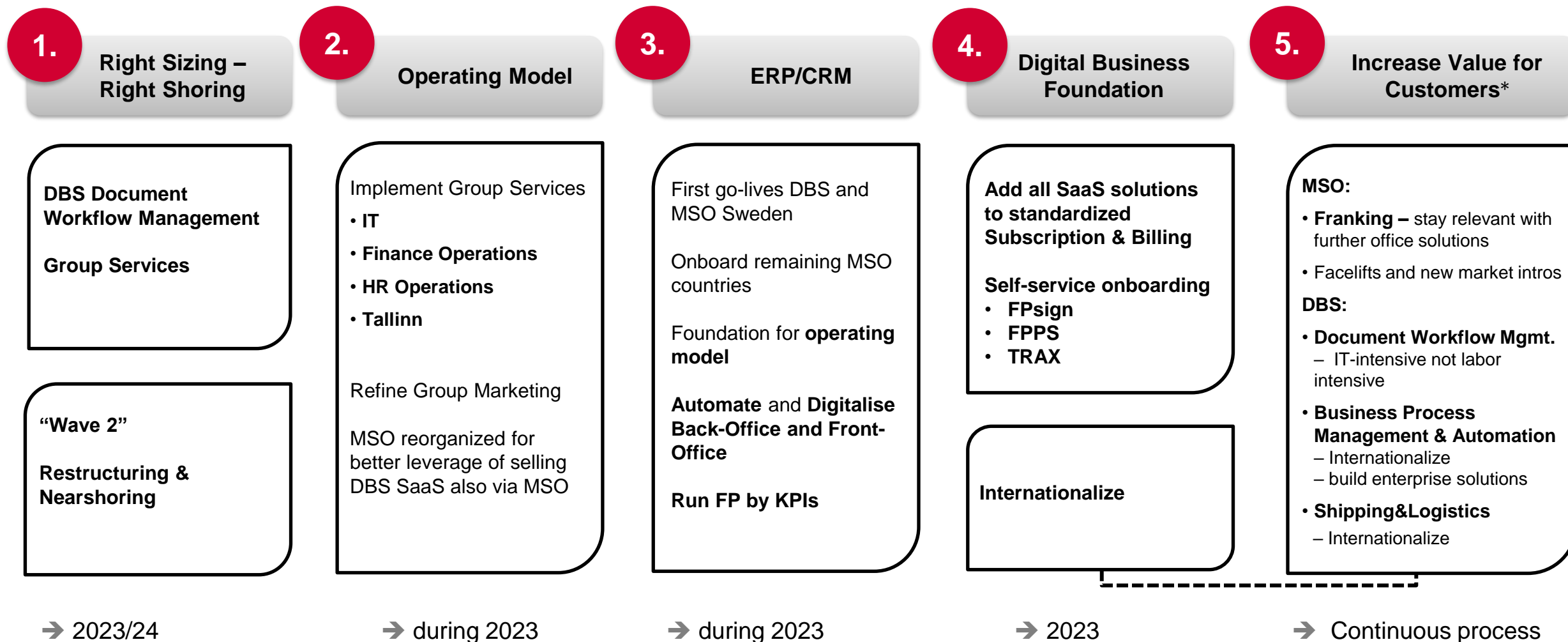
5 key programs to continue on the profitable growth path



* Selected samples, further initiatives in all areas

FUTURE@FP – next level 2023 onwards

5 key programs to continue on the profitable growth path



* Selected samples, further initiatives in all areas

FP business units



Digital Business Solutions

Enabling efficient communication & workflow processes for businesses

- Document Workflow Management
- Business Process Automation & Managemenet
- Shipping & Logistics

2022

11% Rev. share
34% YoY growth



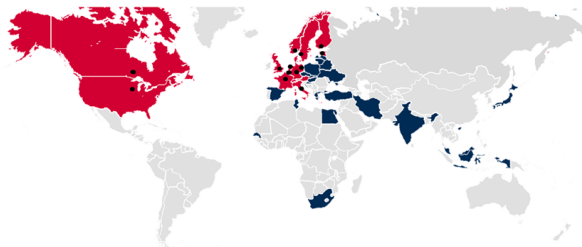
Mailing, Shipping & Office Solutions

Mailing & shipping made easy for businesses

- Mailing
- Shipping
- Office Solutions

2022

60% Rev. share
23% YoY growth



Mail Services

Efficient outsourcing of mail service processes

- Mail Outsourcing (franking, sorting, access to postage discounts)

2022

29% Rev. share
23% YoY growth



Group Services – under establishment → *efficient market compliant group service processes*

Guidance for 2023

Improving revenue and EBITDA



	2022 as reported	2022 normalised	Guidance 2023
REVENUE	€ m 251	€ m 229	€ m 245 - 255
EBITDA	€ m 27.6	€ m 26.2	€ m 28 – 31
EBITDA-MARGIN	11.0 %	11.4 %	11.4 – 12.2 %

Disclaimer

Statements in this release relating to future development and the Group's forecasts are based on our careful assessment of future events - based on economic forecasts. Any additional negative economic developments beyond this, such as a further lockdown of entire or specific economic sectors, may lead to actual results for fiscal year 2023 deviating from the forecast figures.



**Financial Results
FY 2022**

Q&A Session



FP

Appendix

Revenue by Product and Service FY 2022

Recurring revenue base

€ m	FY 2021	FY 2022
Equipment sales & others	30.5	36.1
Consumables	23.9	29.0
Service	19.5	33.0
Teleporto	7.7	8.9
Mail Services	59.8	73.4
Software / Digital	22.9	30.1
Revenue acc. to IFRS 15	164.4	210.4
Operate Lease	29.8	28.4
Finance Lease	9.7	12.8
Revenue acc. to IFRS 16	39.5	41.2
Currency effects	-0.2	-0.6
Revenue total	203.7	251.0

Major items FY 2023

- **Growth in Mailing, Shipping & Office Solutions** – including **rate change** in Germany, **Azolver** and positive **currency effects**
- **Growth in Mail Services** mainly through increase in franked mail (postage)
- **Growth in Digital Business Solutions** mainly driven by **Document Management Workflow solutions**, **FP Sign**, **De-Mail**, **Azolver** solutions
- Approximately **68%** (65% in prior year period) of **recurring revenue**, underlining FP's resilient business model

Consolidated Statement

of profit and loss FY 2022

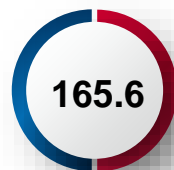
€ m	FY 2021*	FY 2022
Revenue	203.7	251.0
Change in inventories	3.1	0.4
Other own work capitalised	6.2	7.7
Total output	213.0	259.1
Other income	1.7	2.1
Cost of materials	-103.3	-124.7
Personnel expenses	-57.6	-65.7
Impairment losses and gains on trade receivables	-1.5	-2.8
Other expenses	-33.8	-40.3
EBITDA	18.5	27.6
<i>as % of revenue</i>	<i>9.1%</i>	<i>11.0%</i>
Depreciation/Amortisation	-19.1	-21.0
Interest result	1.2	1.5
Other financial result including at-equity income	1.6	0.4
Income taxes	-1.8	-3.0
Consolidated net income	0.4	5.5
EPS (€ basic)	0.02	0.35
EPS (€ diluted)	0.02	0.35

* Adjustment for 2021 due to IAS 8 accounting of commissions restatement

Financial Situation

Balance Sheet - Assets (31.12.2022)

ASSETS
in € m



NON-CURRENT
ASSETS

75.7

75.9

CURRENT
ASSETS

89.9

96.8

31.12.2021

31.12.2022

Non-Current Assets

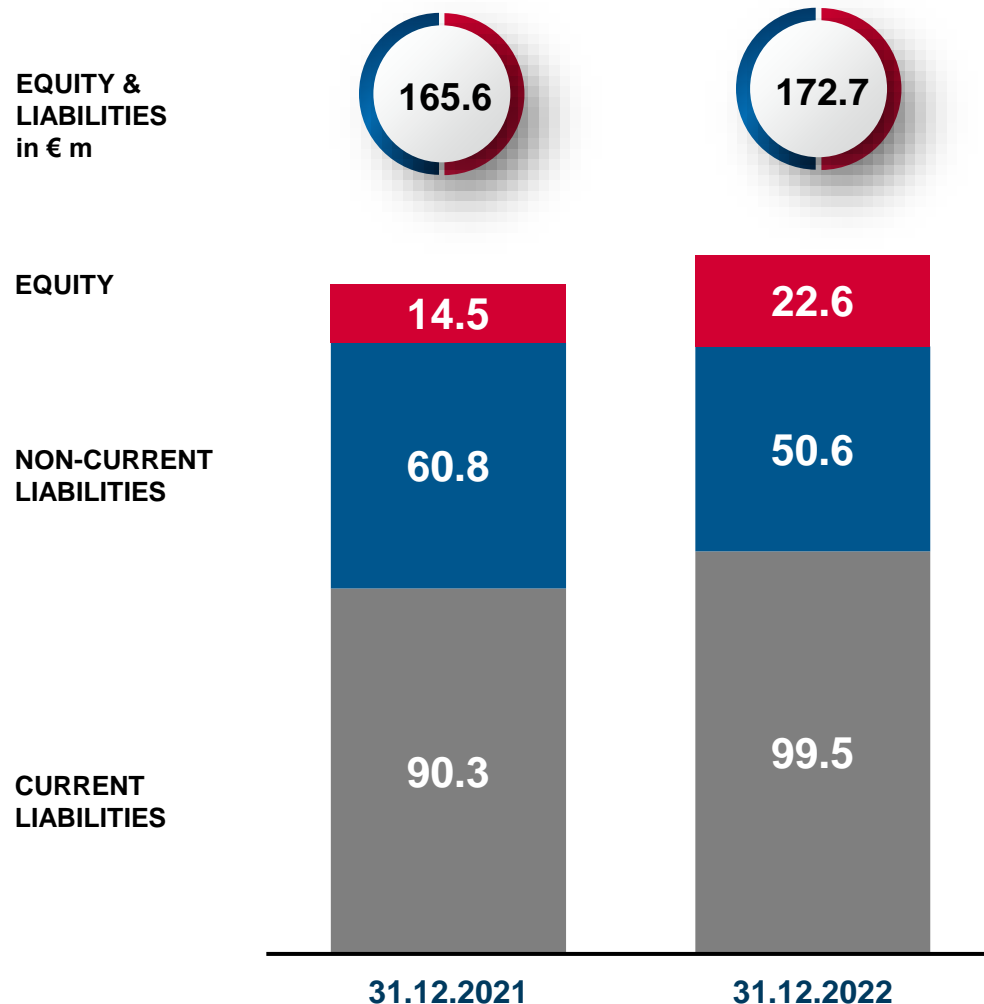
- Increase in goodwill (€ m 0.4) and additions to other intangible assets (€ m 5.8) due to purchase price allocation of Azolver; the effect was partly offset by amortisation of intangible assets
- Increase in leased equipment (€ m 2.1); decrease in technical equipment and machinery (€ m 0.8)

Current Assets

- Increase in inventories (€ m 3.0) from Azolver acquisition, due to increased material procurement costs
- Increase in trade receivables (€ m 1.2) mainly due to Azolver acquisition
- Increase in cash and cash equivalents (€ m 1.1)
- Increase in other assets (€ m 1.6) mainly due to Azolver acquisition

Financial Situation

Balance Sheet - Equity & Liabilities (31.12.2022)



Equity ratio of 13.1 %
(31.12.2021: 8.7 %)

Non-current liabilities

- Decrease of bank liabilities mainly due to maturity change (€ m 7.2). Extension of loans (€ m 22.5) has been agreed in October 2022
- Decrease of provisions for pensions (€ m 4.3) due to the change in actuarial gains and losses

Current liabilities

- Increase of bank liabilities (€ m 7.2) and lease liabilities (€ m 0.8)
- Increase in other non-financial liabilities of (€ m 4.6) mainly due to the acquisition of the Azolver Group
- Decrease in restructuring provisions (€ m 2.3) mainly due to utilisation and reversion of unused amounts
- Decrease in financial liabilities from telepostage (€ m 2.8) due to decrease of cash and cash equivalents from postage credit managed by FP

* Adjustment for FY 2021 due to IAS 8 accounting of commissions restatement



FP

General Information

FP Management Board



Carsten Lind

CEO
since November 2020

Degree in M.Sc, Ba and EMBA



- Long-standing experience in technology companies: Regional CEO for 13 years in international IT & consulting companies such as CSC and Fujitsu as well as Asterion

Ralf Spielberger

CFO
since October 2022

Degree in Business Administration



- Proven financial expert with extensive experience in digital transformation processes: CFO for more than 15 years in international companies such as Pitney Bowes, ADAC SE and CSC.

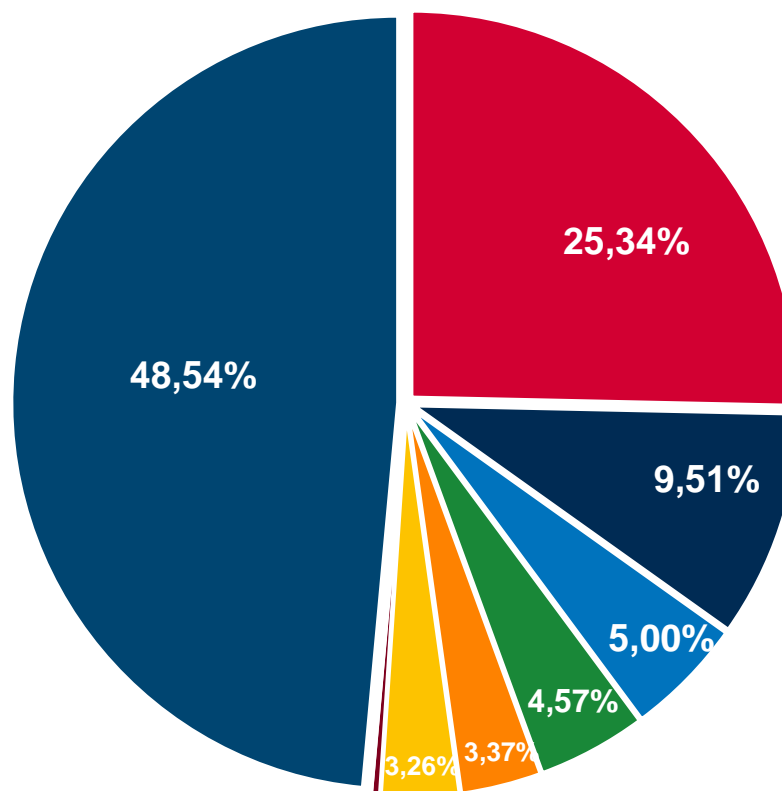
The FP share

Strong & international shareholder base (in %)

shares 16,301,456

Market cap approx.
€ m 60

Prime Standard

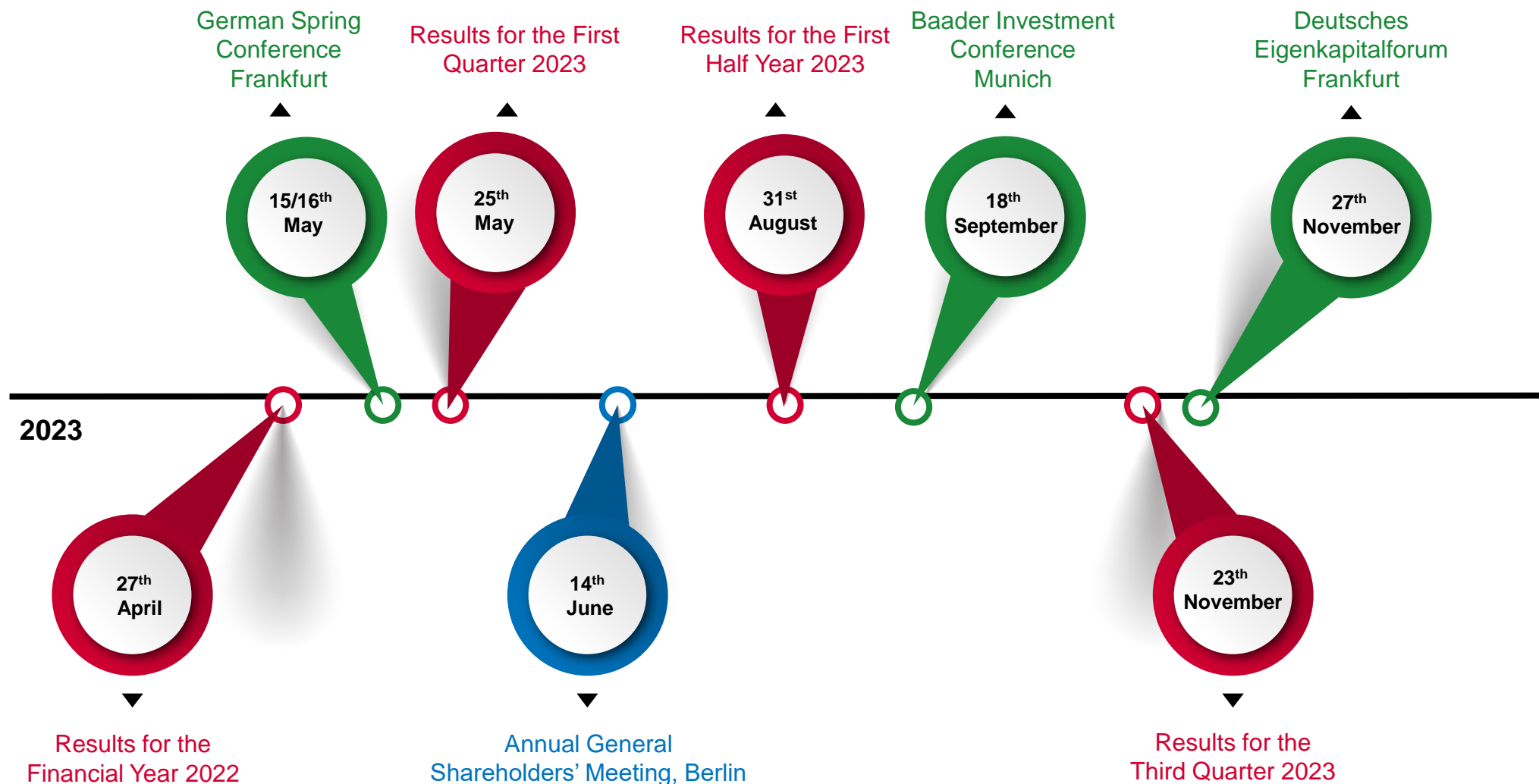


April 2023

- OSP Alpha Management Limited (SY)
- Active Ownership Fund (LUX)
- SALTARAX GmbH (GER)
- Ludic GmbH (GER)
- Universal-Investment GmbH (GER)
- Magallanes Value Investors SA (ESP)
- Management Board
- Own Shares
- Freefloat

Financial Calendar

2023



Contact



Francotyp-Postalia Holding AG

Prenzlauer Promenade 28

13089 Berlin

Phone + 49 30 220 660 410

Fax + 49 30 220 660 425

ir@francotyp.com

www.fp-francotyp.com

Disclaimer



This report contains forward-looking statements on the business development of the Francotyp-Postalia Group. These statements are based on assumptions relating to the development of the economic and legal environment in individual countries and economic regions, which we have made on the basis of the information available to us and which we consider to be realistic at the time of going to press.

The estimates given entail a degree of risk, and the actual developments may differ from those forecast. Consequently, any unexpected fall in demand or economic stagnation in our key sales markets, such as Western Europe (and especially Germany) or in the USA, UK, or Canada will have a corresponding impact on the development of our business.

The same applies in the event of a shift in current exchange rates relative to the US dollar, sterling and Canadian dollars. In addition, expected business development may vary if the assessments of value-enhancing factors and risks presented in the 2022 Annual Report develop in a way other than we are currently expecting.

Please note that there may be **rounding differences** compared to exact mathematical figures (monetary units, percentages, etc.).