

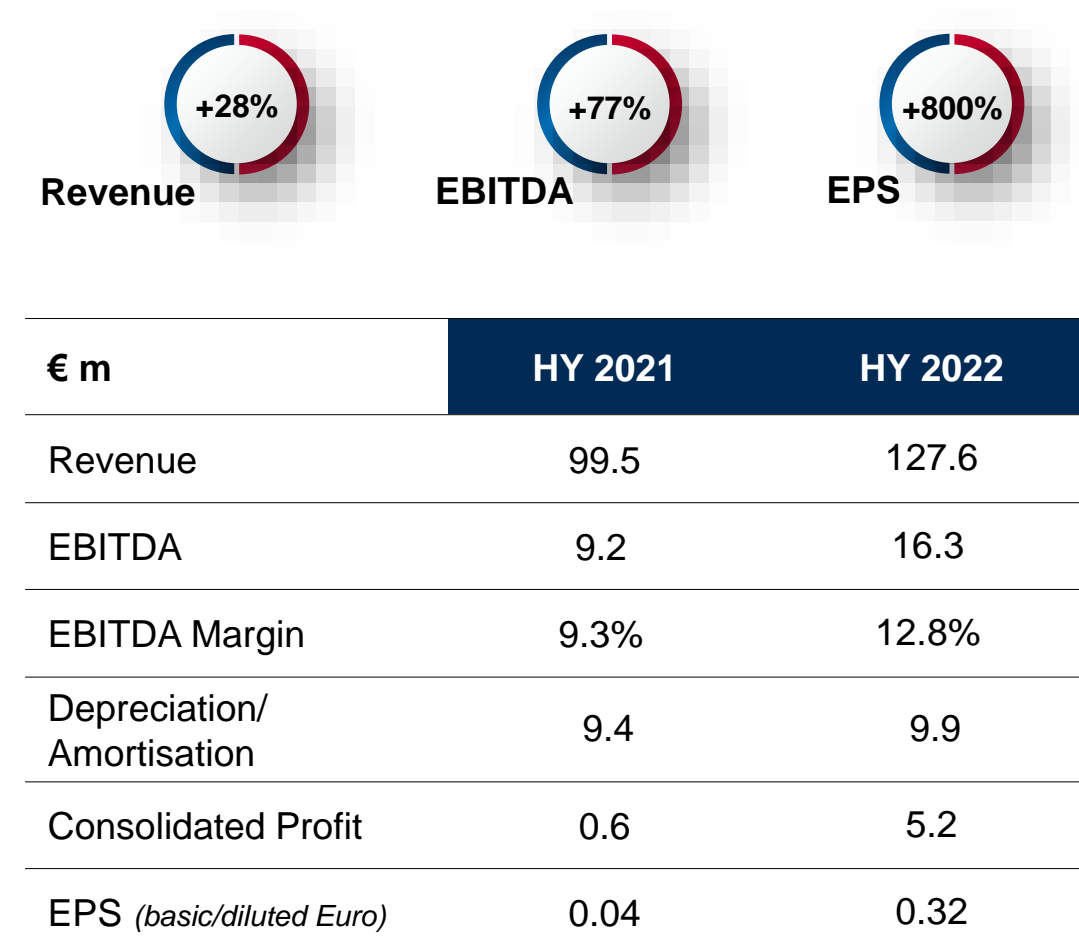
Financial Results Half Year 2022

CONFERENCE CALL

September 1st 2022

HY 2022 financial performance

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



Revenue increased by € 28.1m (28,2%), driven by all business units:

- **Mailing, Shipping & Office Solutions** revenue from € m 60.4 to 74.2 (22,6%)
 - € m 6.7 from Azolver (Q2 2022)
 - € m 2.9 from rate change
 - € m 2.8 positive currency impact
 - € m 1.5 organic growth
- **Digital Business Solutions** revenue from € m 10.2 to 13.4 (31,8%)
 - growth in all solutions including Azolver (€ m 0.7) digital business
- **Mail Services** revenue from € m 28.9 to 40.0 (38,5%)
 - mainly related to increase in franked mail volume
 - partly non-recurring effects of € m 9-10

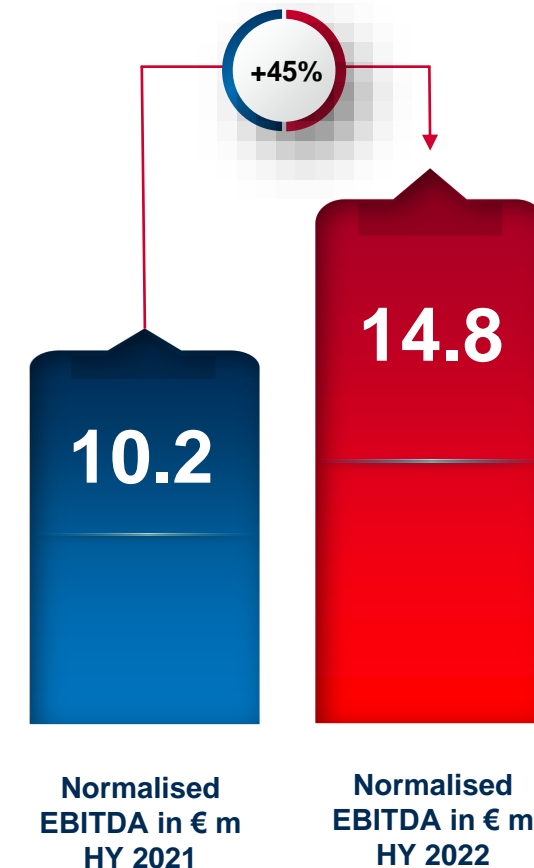
EBITDA increased by € m 7.1 (77,2%), impacted by the following:

- + Impact from **organic growth** and **rate change in Germany** of € m 2.6
- + Impact from Azolver (Q2 2022)
- + **FUTURE@FP** has **improved cost base**
 - Investing in **One ERP** (€m 2.2) expensed as incurred
 - Impact from increased material prices (microchips) € m 0.5
 - Non-recurring due diligence expenses on acquisition of € m 0.5

Normalised EBITDA HY 2022

As-Reported and Normalised EBITDA HY 2022 better than prior year period

€ m	HY 2021	HY 2022
EBITDA (as reported)	9.2	16.3
Rate Change (Germany)	0.0	-2.6
Currency effects	0.0	-2.1
FUTURE@FP	1.0	0.0
One ERP	0.0	2.2
Cost of material (microchips)	0.0	0.5
M&A expenses	0.0	0.5
Normalised EBITDA	10.2	14.8
Normalised Revenues	99.5	111.9
Normalised EBITDA Margin	10.3%	13.2%



Free Cash Flow and Net Debt

FCF improving – Net Debt decreasing



Free Cash Flow € m	HY 2021	HY 2022
Cash flow from operating activities	7.6	15.6
Free cash flow	4.0	7.4

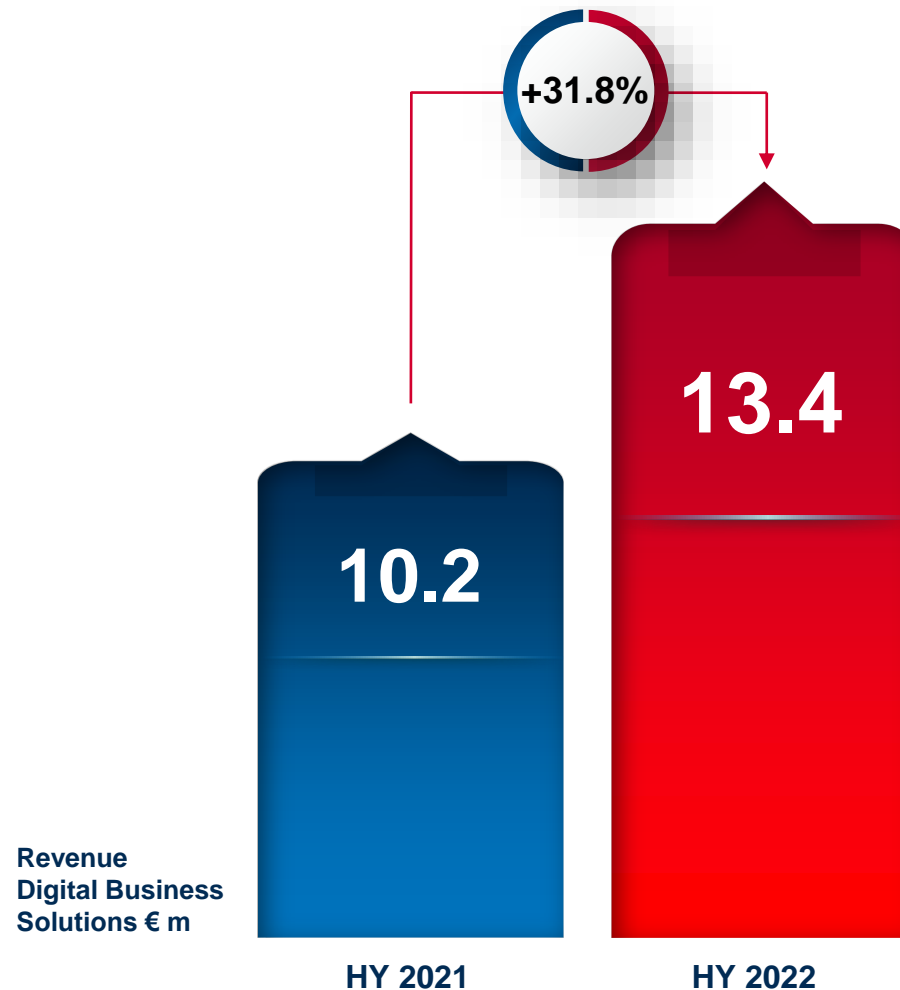


Net Debt € m	31.12.2021	30.06.2022
Financial Debt (incl. Leasing)	40.2	43.0
Cash (without postage held)	19.7	27.1
Net Debt	20.5	16.0

- **Improved Cash flow from operating activities** due to increased **EBITDA**
- **Free cash flow** for HY 2022 impacted by **acquisition** (€ m 4.1)
- **Acquisition of Azolver** financed out of free cash flow
- **Net debt decreasing** despite Azolver acquisition
- **Financial covenants are met** in HY 2022,
– active communication with lenders continued

FP Digital Business Solutions*

Continuous customer onboarding and further enhancement of solutions



* Including FP Parcel Shipping & others

Document Workflow Management

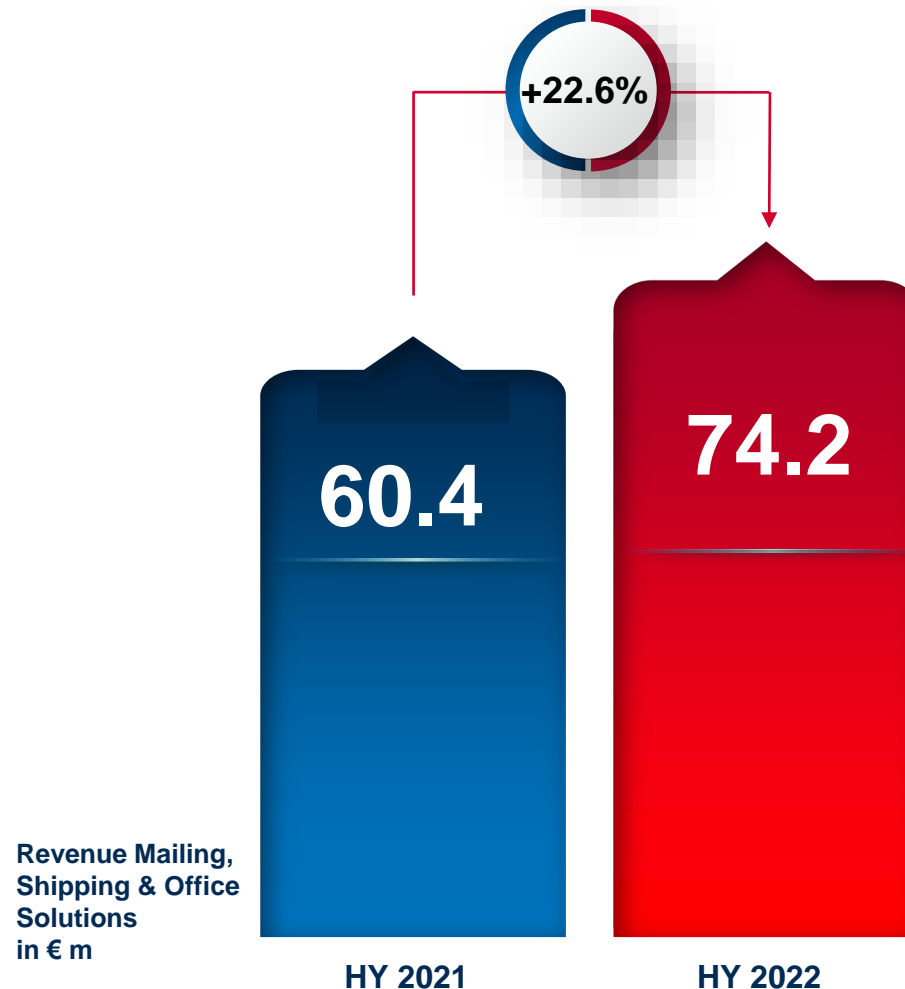
- Increasing customer activity in first HY 2022, mostly in handling outgoing communications for customers
- Incoming communications on the way

Business Process Management & Automation

- Ongoing **customer onboarding** in all areas
- Further integrations of FP Sign into DMS-systems** like EASY-Software
- Contribution from **Azolver** (i.e. **TRAX**) of **€ m 0.7**
- De-Mail / e-justice** customers growing with market adjustments (withdrawal of major De-Mail competitor), e.g., onboarding of most supreme federal authorities (oberste Bundesbehörden)

FP Mailing, Shipping & Office Solutions*

Positive revenue development - partly impacted by non-recurrings - and Azolver



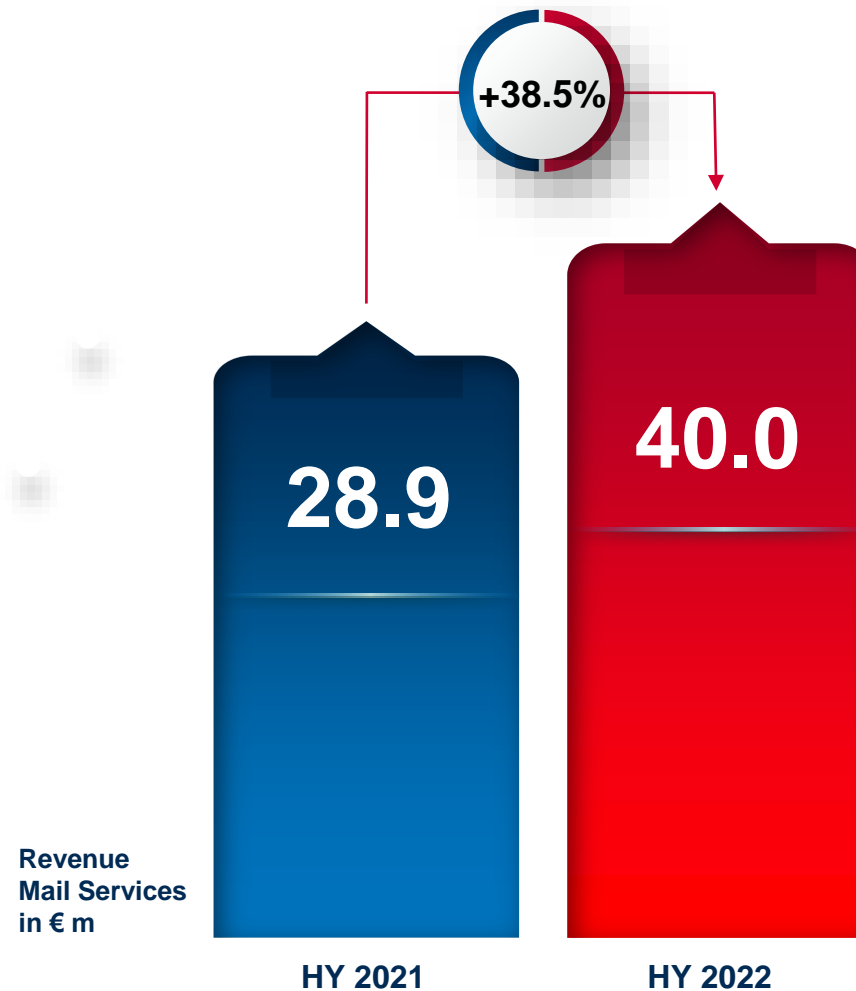
*Excluding FP Parcel Shipping & others – shown within DBS

- **Revenue** increase of **22,6%**
 - Positive impact from **Azolver acquisition** during Q2 2022 with € m 6.7
 - Positive effect from **rate change** in Germany of € m 2.9
 - Positive **currency impact** of € m 2.8
 - **Organic growth** w/o non-recurring effects and FX by **2,3%**
- Overall market trend for FY 2022 with continuous global economic, supply-chain issues and pandemic situation still remains somewhat unclear

FP Mail Services



Revenue growth – partly due to non-recurring effects in first HY 2022



- Revenue increase above expectations – (partly non-recurring effects of € m 9-10)
 - 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 product price and performance characteristics
- Further focus on **expanding market opportunities**

FUTURE@FP – next level

5 key programs to continue on the profitable growth path



1.

Right Sizing –
Right Shoring

Post Merger Integration
Azolver (ongoing)

“Wave 2”

Restructuring &
Nearshoring

→ 2022/2023

2.

Operating Model

Integrating Azolver into
DBS

Integrating Azolver into
MSO
• supply chain integration
to enable replacement of
installed base

Integration of **FP Tallinn**
into Azolver Tallinn

→ during 2022

3.

ERP/CRM

Foundation for **operating
model**

Automate and **Digitalise**
Back-Office and **Front-
Office**

Run FP by KPIs

Effective **retention sales**

Merge Azolver **ERP** into
FP (2023)

→ during 2022/23

4.

Digital Business
Foundation

Subscription & Billing
as prerequisites for **SaaS
based** low-touch–no-
touch **business**
→ Implemented for **FP
Sign**

**Roll-out to other
solutions**

→ 2022/2023

5.

Increase Value for
Customers*

MSO:

- **Franking** – stay relevant with
further office solutions

DBS:

- **Document Workflow
Management** – enhance to
higher value services
- **Business Process
Management & Automation**
– Internationalize
– grow enterprise solutions
business

**Tailored verticals & Focused
niches**

→ Continuous process

* Selected samples, further initiatives in all areas

Guidance for 2022

Improving revenue and EBITDA – organic and M&A growth

	2021	2022
REVENUE	€ m 203.7	€ m 229 - 237
EBITDA	€ m 18.5	€ m 24 – 28
EBITDA-MARGIN	9.1 %	10.5 – 11.8 %

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 2022 deviating from the forecast figures.



Financial Results HY 2022 | Q&A Session

Appendix

Revenue by Product and Service HY 2022

Recurring revenue base

€ m	HY 2021*	HY 2022
Equipment sales & others	14.3	17.9
Consumables	11.8	12.8
Service	10.0	16.5
Teleporto	3.8	4.7
Mail Services	28.9	40.0
Software / Digital	14.3	10.8
Revenue acc. to IFRS 15	79.6	106.2
Operate Lease	14.8	15.9
Finance Lease	5.2	5.8
Revenue acc. to IFRS 16	20.0	21.7
Currency effects	-0.1	-0.3
Revenue total	99.5	127.6

Major items HY 2022

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

* Adjustment for HY1 2021 due to IAS 8 accounting of commissions restatement

Consolidated Statement

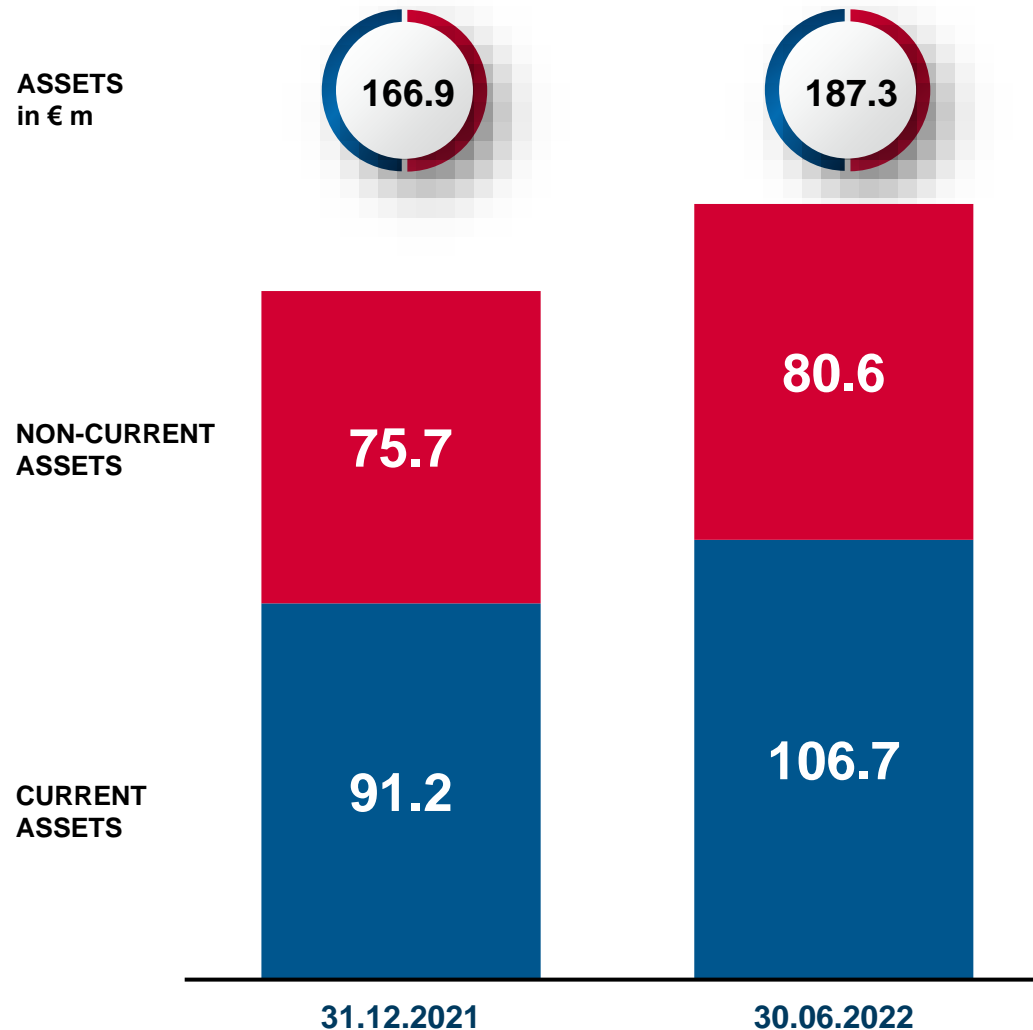
of profit and loss HY 2022

€ m	HY 2021*	HY 2022
Revenue	99.5	127.6
Change in inventories	1.8	0.5
Other own work capitalised	3.0	3.2
Total output	104.3	131.3
Cost of materials	-49.8	-64.6
Personnel expenses	-29.5	-31.0
Impairment losses and gains on trade receivables	-0.5	-1.2
Other expenses (less other income)	-15.7	-19.1
EBITDA	9.2	16.3
<i>as % of revenue</i>	<i>9.3%</i>	<i>12.8%</i>
Depreciation/Amortisation	-9.4	-9.9
Interest result	0.5	0.8
Other financial result including at-equity income	0.6	1.0
Income taxes	-0.3	-3.0
Consolidated net income	0.6	5.2
EPS (€ basic)	0.04	0.32
EPS (€ diluted)	0.04	0.32

* Adjustment for HY1 2021 due to IAS 8 accounting of commissions restatement

Financial Situation

Balance Sheet - Assets (30.06.2022)



Non-Current Assets

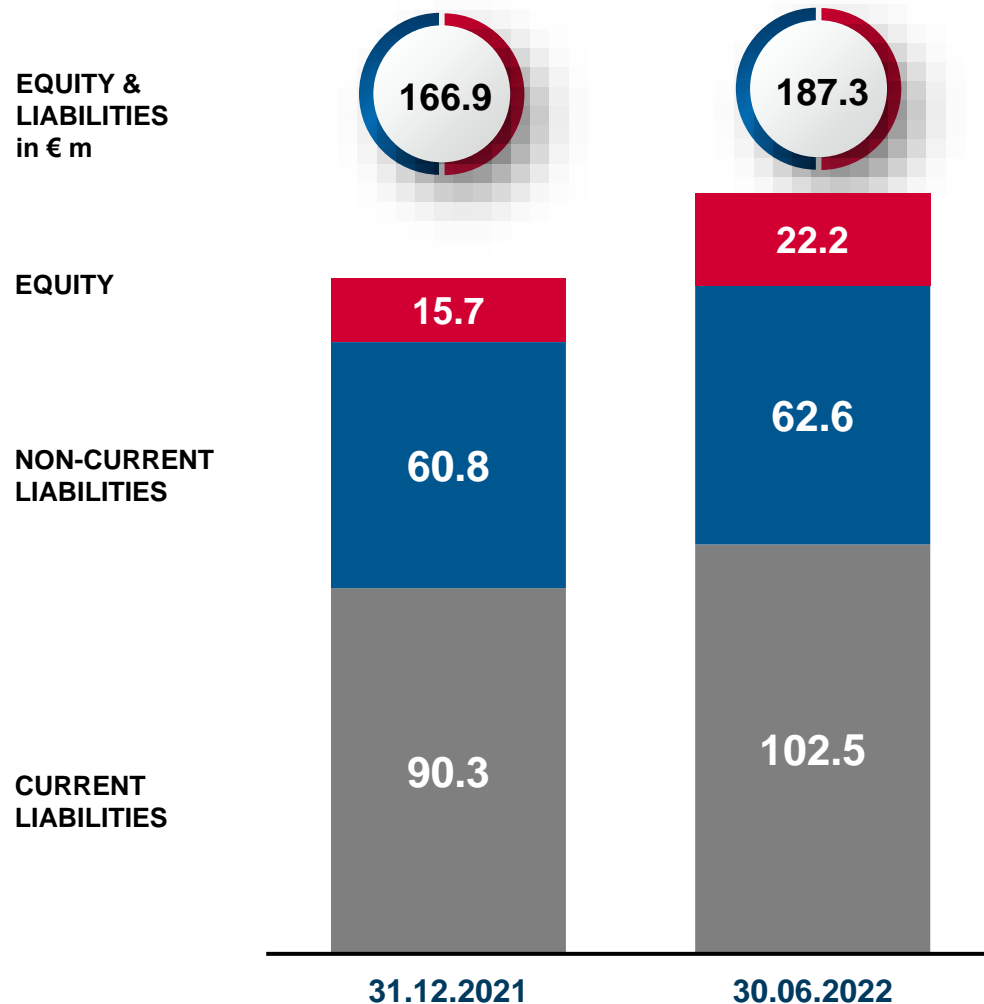
- Increase in goodwill due to preliminary purchase price allocation of Azolver (€ m 5.1)

Current Assets

- Increase in inventories (€ m 3.2) from Azolver acquisition and in order to avoid supply chain risks for planned growth in NAM
- Increase in trade receivables (€ m 3.5) due to Azolver acquisition and increased revenues – partly mitigated by improved working capital management
- Increase in cash and cash equivalents (€ m 4.9), mainly due to strong operations including Azolver
- Increase in other assets (€ m 4.0) mainly due to Azolver acquisition

Financial Situation

Balance Sheet - Equity & Liabilities (30.06.2022)



Equity ratio of 11.9 %
(31.12.2021: 9.4 %)

Non-current liabilities

- Increase of leasing liability (€ m 0.7), other liabilities and deferred taxes (€ m 1.2)

Current liabilities

- Increase of bank liabilities (€ m 1.8)
- Increase in other non-financial liabilities of (€ m 7.9) mainly due to the acquisition of the Azolver Group, as well as tax liabilities (€ m 2.9) due to the stronger business in 2022
- Increase of other liabilities (€ m 7.4) due to increased activities and the Azolver acquisition
- Increase of Accounts Payables (€ m 1.8) due to increased activities and the Azolver acquisition

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



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
- Before joining FP, he was Managing Partner at Bavaria Industries Group AG, where he served as Active Chairman for portfolio companies and inter alia was responsible for M&A activities

Martin Geisel

CFO

since January 2021



Degree in Business Administration

- More than 30 years of experience working in the finance industry such as ISS Facility Services Holding GmbH and ISS Communication Services GmbH as well as Danaher Corporation, a US company listed on the stock market
- Chief Finance Officer of Leica Microsystems, Hach-Lange, and Fluke
- Martin Geisel possesses many years of experience in the areas of treasury, M&A and investment banking

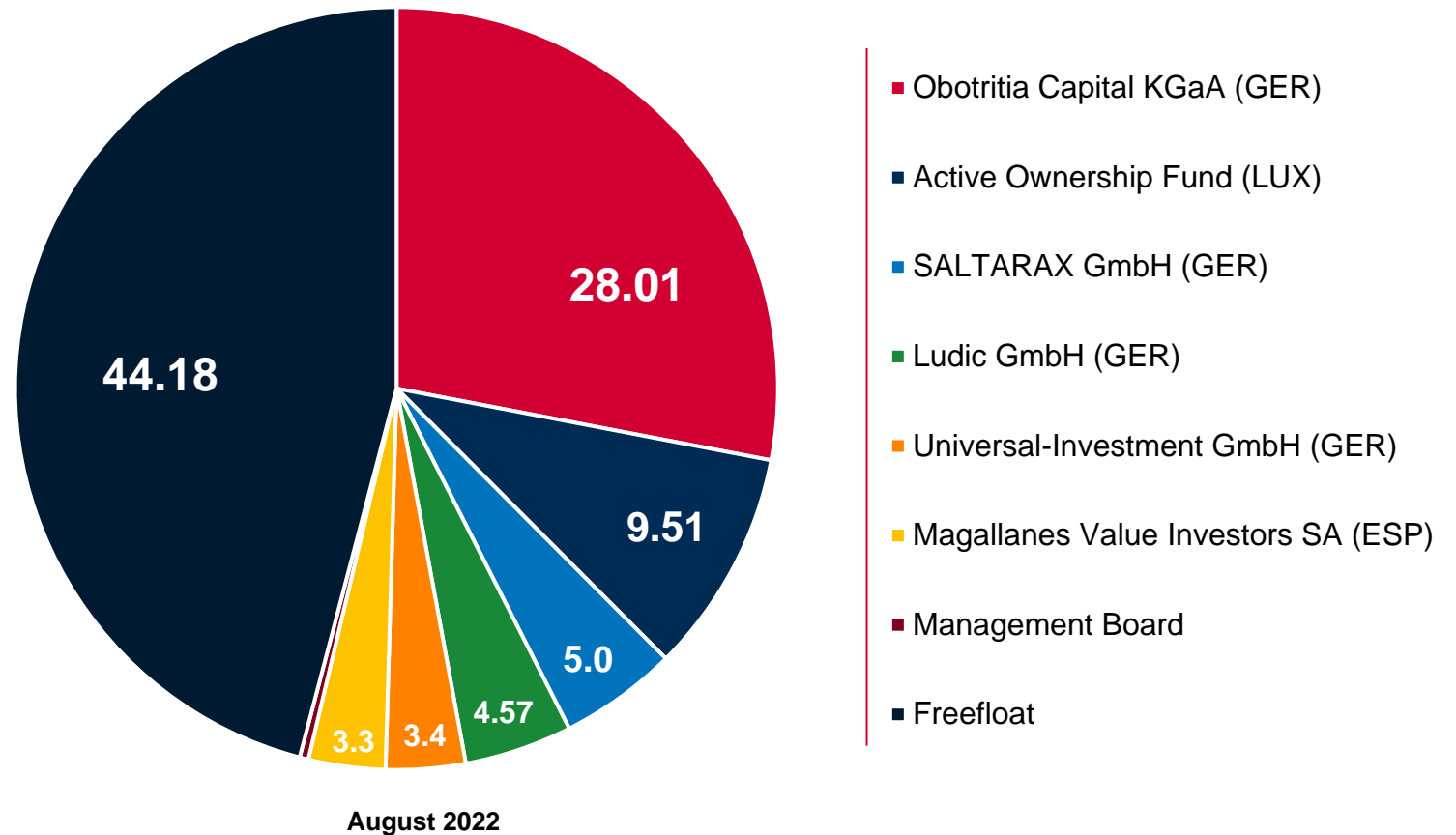
The FP share

Strong & international shareholder base (in %)

shares 16,301,456

Market cap approx.
€ m 51¹

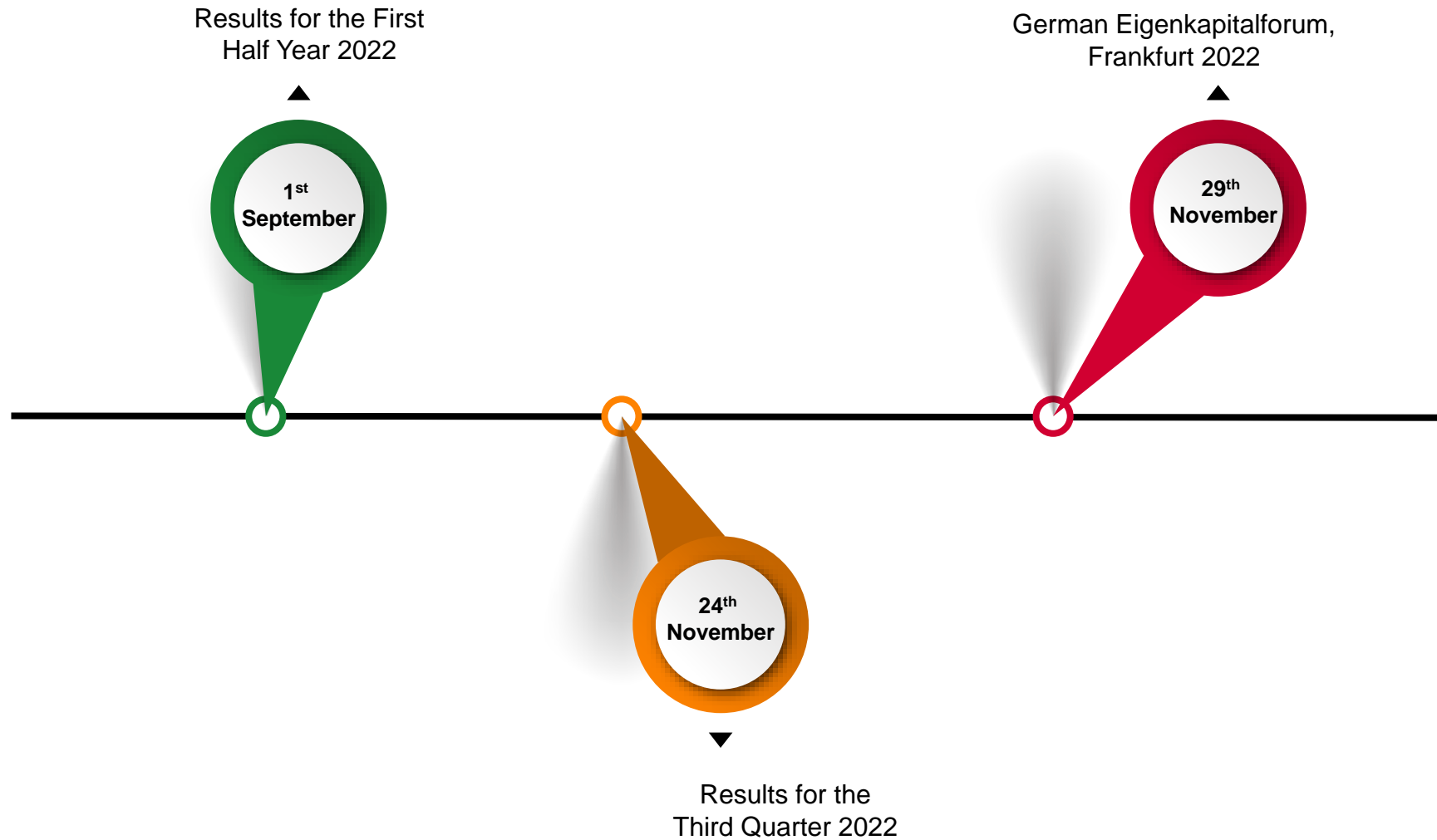
Prime Standard



¹ As of 31 August 2022, excluding 257,393 own shares.

Financial Calendar

2022



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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 2021 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.).