



**Financial Results  
First Quarter 2022**

**CONFERENCE CALL**

May 25<sup>th</sup> 2022

# Q1 2022 financial performance

Improving our top-line and bottom-line

| € m                             | Q1 2021 | Q1 2022 |
|---------------------------------|---------|---------|
| Revenue                         | 51.5    | 65.2    |
| EBITDA                          | 5.1     | 10.3    |
| EBITDA Margin                   | 10.0 %  | 15.8 %  |
| Depreciation/<br>Amortisation   | 4.7     | 4.9     |
| Consolidated Profit             | 0.8     | 5.3     |
| EPS <i>(basic/diluted Euro)</i> | 0.05    | 0.33    |

Revenue increased by 26.5%, driven by all business units:

- **Mailing, Shipping & Office Solutions** with **15.8% growth** of € m 4.8 incl. Rate Change in Germany € m 2.9 and positive currency effects of € m 1.1
- **Digital Business Solutions** (incl. Digital Office and IoT) with **42.2% growth** of € m 1.9; Output management, FP Sign and DE-Mail/eJustice as drivers
- **Mail Services** with **41.9% growth** of € m 6.9, mainly related to increase in franked mail volume, partly non-recurring effects of € m 4-5
- **Revenue increase without non-recurring effects >10%**

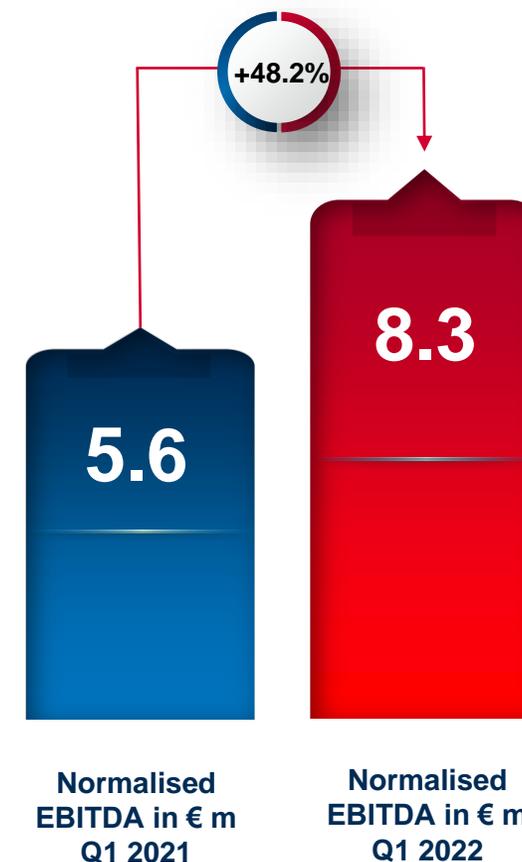
EBITDA margin improved, yet impacted by the following aspects:

- + Positive impact from **rate change in Germany** of € m 2.6
- + **FUTURE@FP** has **improved** our **cost base** (€ m 1.2 less personnel expenses vs prior year period)
- Investing in **One ERP** (€ m 1.0) expensed as incurred
- Non-recurring due diligence expenses on acquisition of € m 0.5

# Normalised EBITDA Q1 2022

Normalised EBITDA Q1 2022 lower than reported due to non-recurring effects  
 – improving compared to prior year period

| € m                             | Q1 2021       | Q1 2022       |
|---------------------------------|---------------|---------------|
| <b>EBITDA (as reported)</b>     | <b>5.1</b>    | <b>10.3</b>   |
| Rate Change (Germany)           | 0.0           | - 2.6         |
| Currency effects                | 0.0           | - 0.9         |
| FUTURE@FP                       | 0.5           | 0.0           |
| One ERP                         | 0.0           | 1.0           |
| M&A expenses                    | 0.0           | 0.5           |
| <b>Normalised EBITDA</b>        | <b>5.6</b>    | <b>8.3</b>    |
| <b>Normalised EBITDA Margin</b> | <b>10.9 %</b> | <b>12.7 %</b> |



# Free Cash Flow and Net Debt

FCF impacted by acquisition – Net Debt continuously reduced

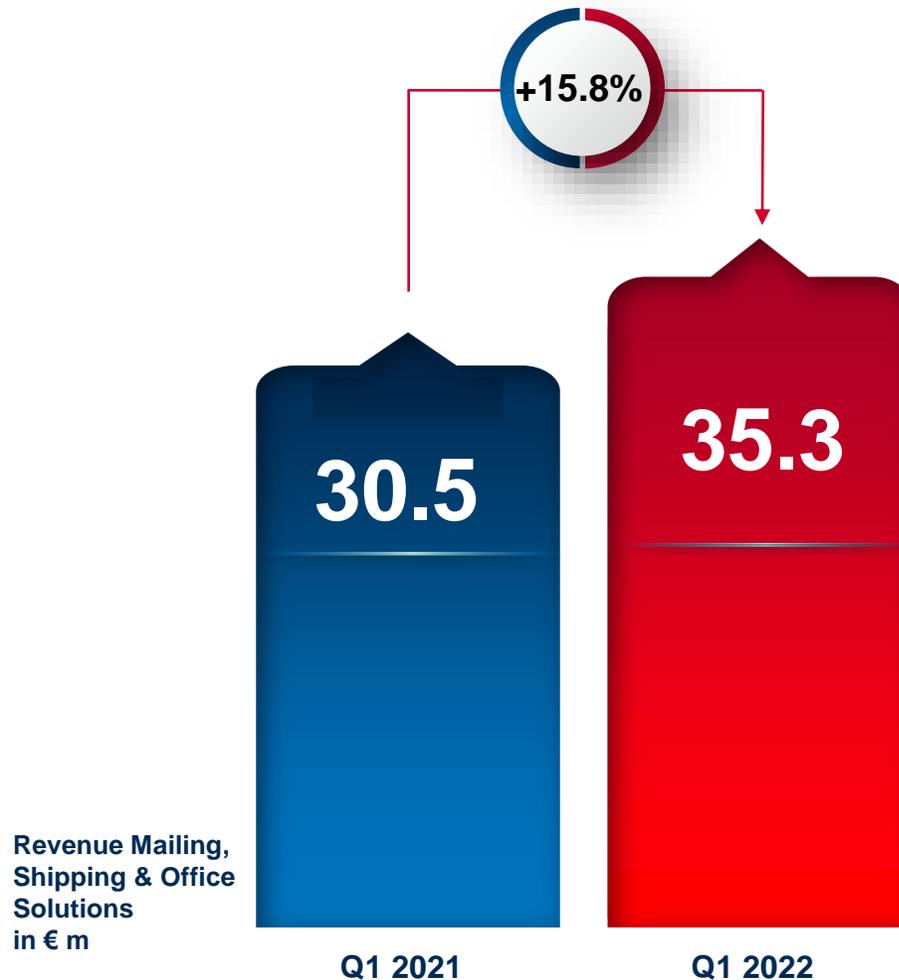
| Free Cash Flow € m                  | Q1 2021 | Q1 2022 |
|-------------------------------------|---------|---------|
| Cash flow from operating activities | 6.5     | 8.2     |
| Free cash flow                      | 4.5     | 2.0     |

| Net Debt € m                   | 31.12.2021 | 31.03.2022 |
|--------------------------------|------------|------------|
| Financial Debt (incl. Leasing) | 40.2       | 42.7       |
| Cash (without postage held)    | 19.7       | 23.7       |
| Net Debt                       | 20.5       | 19.0       |

- **Improved Cash flow from operating activities** due to increased **EBITDA**
  - **Free cash flow** at € m 2.0 for Q1 2022 impacted by **acquisition** (€ m 4.1)
  - **Acquisition of Azolver** financed out of free cash flow
- 
- **Net debt reduced by € m 1.5** despite reduced free cash flow (due to Azolver acquisition)
  - **Financial covenants are met** in Q1 2022, – active communication with lenders continued

# FP Mailing, Shipping & Office Solutions\*

Positive development partly impacted by non-recurrings



Revenue Mailing,  
Shipping & Office  
Solutions  
in € m

Q1 2021

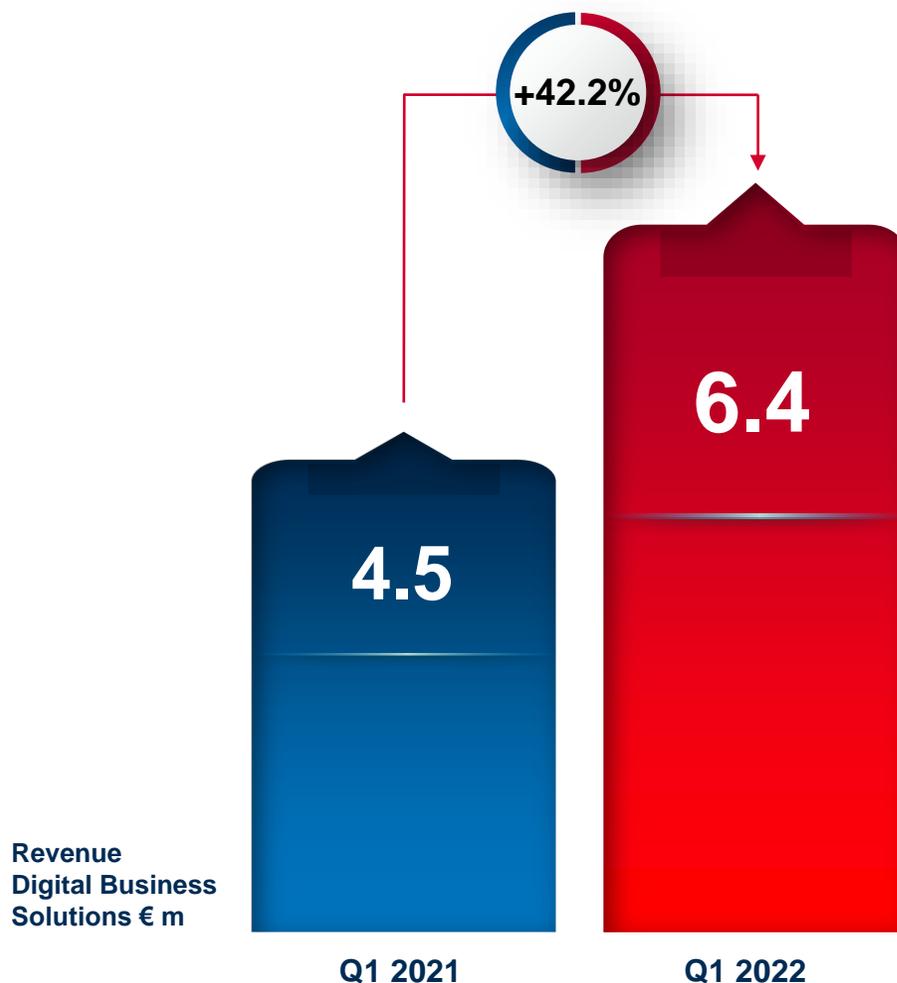
Q1 2022

\*Excluding FP Parcel Shipping & others – shown within DBS

- Positive development both in equipment sales and consumables partly due to lower impact from **pandemic situation** compared to Q1 2021
- Positive effect from **rate change** in Germany of € m 2.9
- Positive **currency impact** of € m 1.1
- Benefit from recurring revenues also in Q1 2022
- Overall market trend for FY 2022 with continuous pandemic situation, global economic and supply-chain issues still remains somewhat unclear

# FP Digital Business Solutions\*

Further enhancement of solutions and continuous new customer onboarding



Revenue  
Digital Business  
Solutions € m

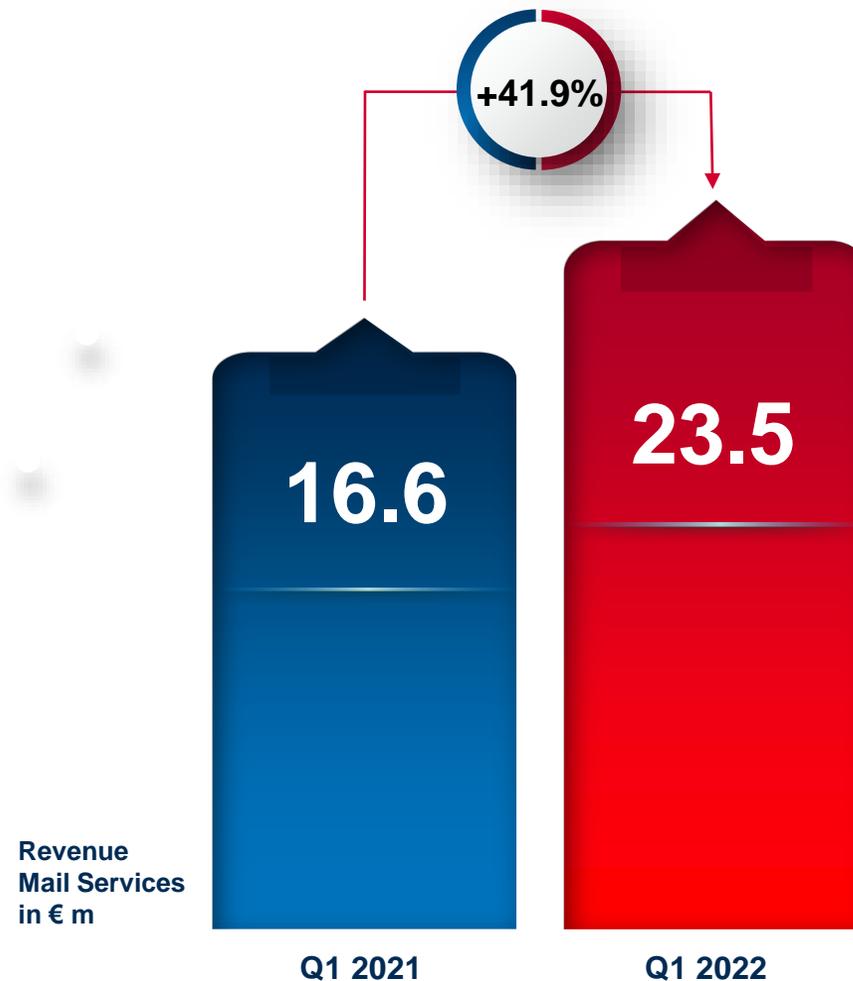
## Growth drivers in the top-line

- **FP Sign** ongoing customer onboarding with DATEV after full integration into DATEV DMS in Q4 2021
- **De-Mail / e-justice** customers growing with market adjustments (withdrawal of major De-Mail competitor, mandatory e-justice communication for courts)
- **Output management** with increasing customer activity in Q1 - nevertheless impacted by cost increases (paper, ink)
- **FP Parcel Shipping** and **Vision360**

\* Including FP Parcel Shipping & others and IoT

# FP Mail Services

Continuous increase in challenging market environment

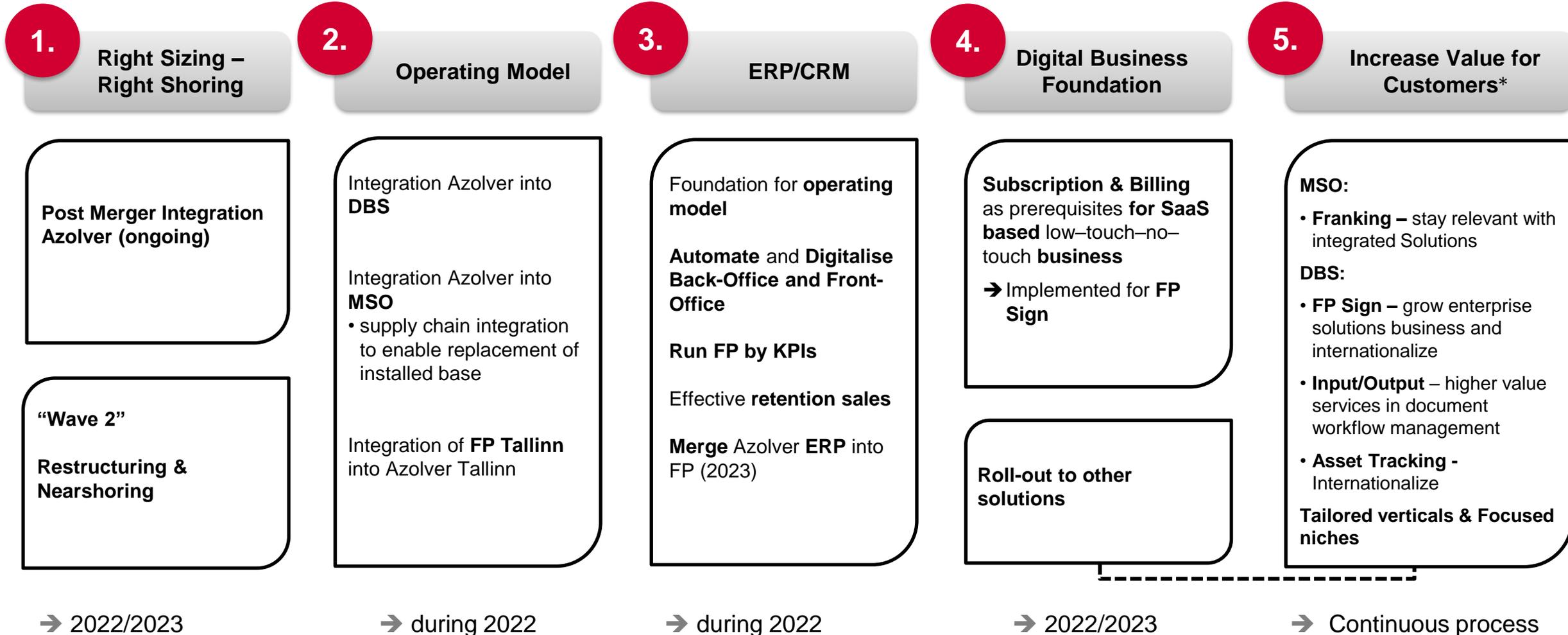


- Revenue increase above expectations – related to pandemic (partly non-recurring effects of € m 4-5)
  - higher share in franking service due to staff shortage on customer side
  - special one-time mailings
- Continuous focus on profitable revenue
- Ongoing productivity improvement by end-to-end process optimization

# FUTURE@FP – next level



## 5 key programs to continue on the profitable growth path



\* Selected samples, further initiatives in all areas

# Guidance for 2022

Improving revenue and EBITDA – organic and M&A growth

|                      | 2021      | 2022          |
|----------------------|-----------|---------------|
| <b>REVENUE</b>       | € m 203.7 | € m 229 - 237 |
| <b>EBITDA</b>        | € m 18.5  | € m 24 – 28   |
| <b>EBITDA-MARGIN</b> | 9.1 %     | 10.5 – 11.8 % |

## Guidance assumptions 2022

### ▪ Revenue

- Organic growth between 3 to 6%
- Azolver revenues included for 9 months

### ▪ EBITDA

- Neutral effect of consolidating Azolver for 2022

#### 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  
Q1 2022**

**Q&A Session**

# Appendix

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# Revenue by Product and Service Q1 2022

## Recurring revenue base

| € m                            | Q1 2021*    | Q1 2022     |
|--------------------------------|-------------|-------------|
| Equipment sales & others       | 6.8         | 8.4         |
| Consumables                    | 5.6         | 8.0         |
| Service                        | 6.1         | 7.0         |
| Teleporto                      | 1.9         | 1.9         |
| Mail Services                  | 16.6        | 23.5        |
| Software / Digital             | 4.8         | 6.6         |
| <b>Revenue acc. to IFRS 15</b> | <b>41.7</b> | <b>55.4</b> |
| Operate Lease                  | 2.0         | 2.5         |
| Finance Lease                  | 7.9         | 7.3         |
| <b>Revenue acc. to IFRS 16</b> | <b>9.9</b>  | <b>9.8</b>  |
| Currency effects               | - 0.1       | 0.0         |
| <b>Revenue total</b>           | <b>51.5</b> | <b>65.2</b> |

### Major items Q1 2022

- **Growth in Mailing, Shipping & Office Solutions** – including **rate change** in Germany and positive and **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** & others
- Approximately **71%** (67% in prior year period) of **recurring revenue**, underlining FP's resilient business model

\* Adjustment for Q1 2021 due to IAS 8 accounting of commissions restatement

# Consolidated Statement

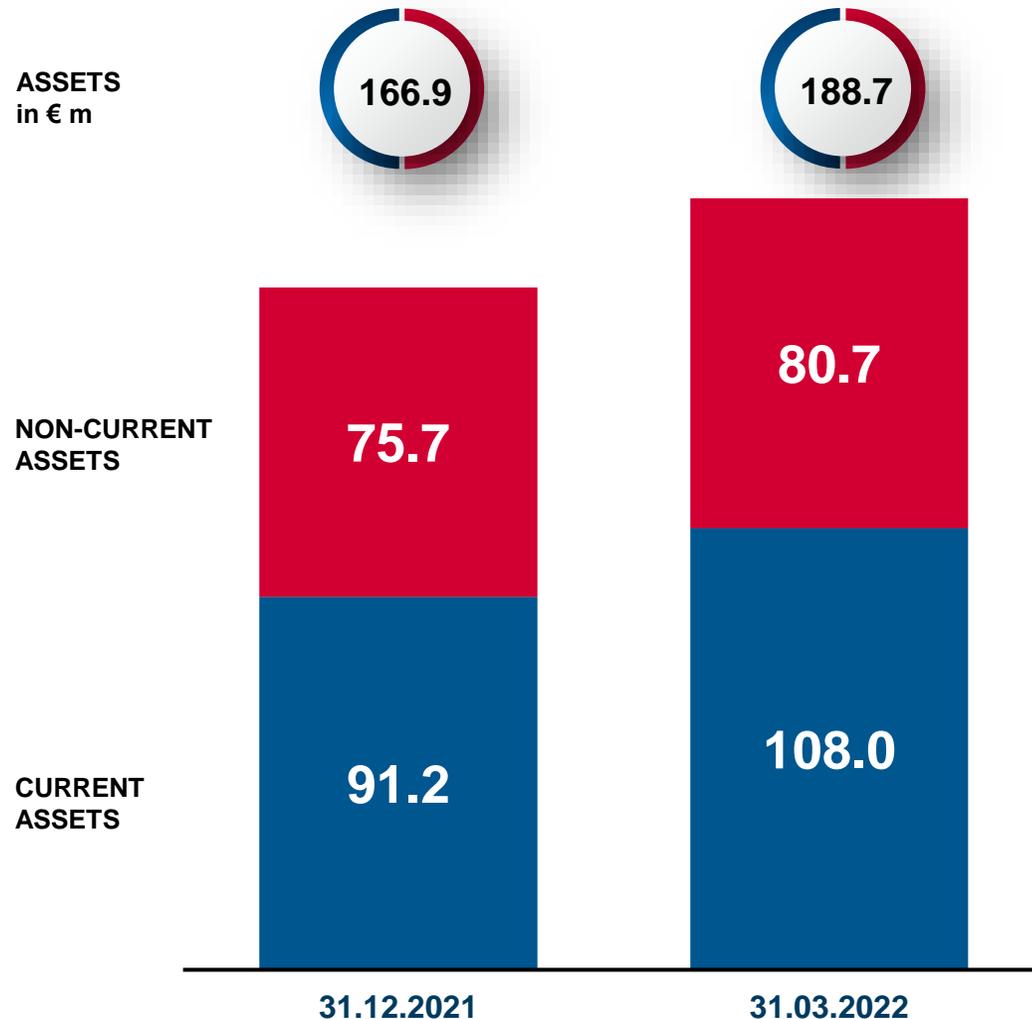
of profit and loss Q1 2022

| € m   | Q1 2021*     | Q1 2022      |
|---|--------------|--------------|
| <b>Revenue</b>                                    | <b>51.5</b>  | <b>65.2</b>  |
| Change in inventories                             | 0.7          | 0.7          |
| Other own work capitalised                        | 1.5          | 1.8          |
| <b>Total output</b>                               | <b>53.7</b>  | <b>67.7</b>  |
| Cost of materials                                 | -25.8        | -33.9        |
| Personnel expenses                                | -15.4        | -14.2        |
| Impairment losses and gains on trade receivables  | -0.3         | -1.0         |
| Other expenses (less other income)                | -7.1         | -8.3         |
| <b>EBITDA</b>                                     | <b>5.1</b>   | <b>10.3</b>  |
| <i>as % of revenue</i>                            | <i>10.0%</i> | <i>15.8%</i> |
| Depreciation/Amortisation                         | -4.7         | -4.9         |
| Interest result                                   | 0.3          | 0.4          |
| Other financial result including at-equity income | 0.6          | 0.3          |
| Income taxes                                      | -0.5         | -0.8         |
| <b>Consolidated net income</b>                    | <b>0.8</b>   | <b>5.3</b>   |
| <b>EPS (€ basic)</b>                              | <b>0.05</b>  | <b>0.33</b>  |
| <b>EPS (€ diluted)</b>                            | <b>0.05</b>  | <b>0.33</b>  |

\* Adjustment for Q1 2021 due to IAS 8 accounting of commissions restatement

# Financial Situation

## Balance Sheet - Assets (31.03.2022)



### Non-Current Assets

- Increase in goodwill due to preliminary purchase price allocation of Azolver (€ m 4.8)

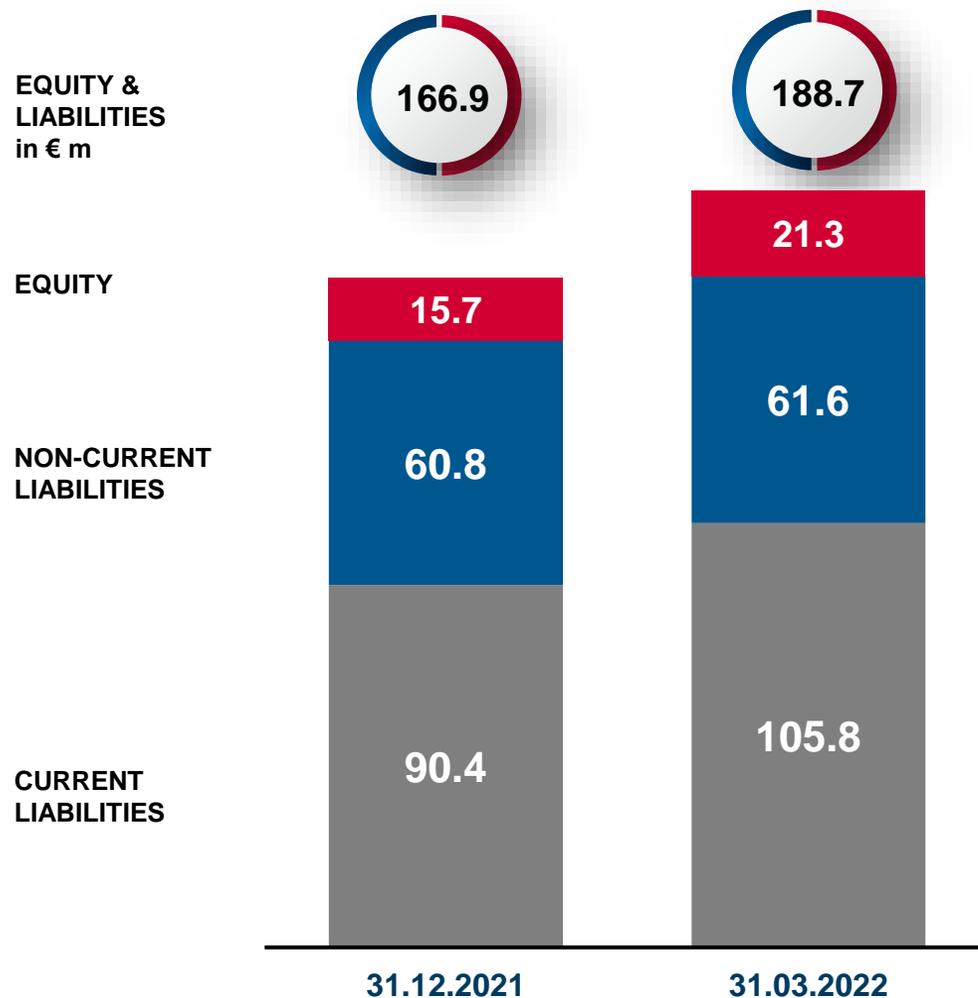
### Current Assets

- Increase in inventories (€ m 1.5) in order to avoid supply chain risks for planned growth in NAM and due to Azolver acquisition
- Increase in trade receivables (€ m 5.7) due to increased revenues and due to Azolver acquisition – partly mitigated by improved working capital management
- Increase in cash and cash equivalents (€ m 4.1), mainly due to strong operations
- Increase in other assets (€ m 4.5) mainly due to Azolver acquisition

\* Adjustment for FY 2020 due to IAS 8 accounting of commissions restatement

# Financial Situation

## Balance Sheet - Equity & Liabilities (31.03.2022)



**Equity ratio of 11.3 %**  
(31.12.2021: 9.4 %)

### Non-current liabilities

- Increase in other liabilities and deferred taxes (€ m 0.7)

### Current liabilities

- Increase of bank liabilities (€ m 2.6) as well as taxes (€ m 1.0) mainly due to Azolver acquisition
- Increase of other liabilities (€ m 9.2) due to increased activities and the Azolver acquisition
- Increase of Accounts Payables (€ m 1.2) due to increased activities and the Azolver acquisition

\* Adjustment for FY 2020 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**

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- 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**

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- 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 %)

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**# shares 16,301,456**

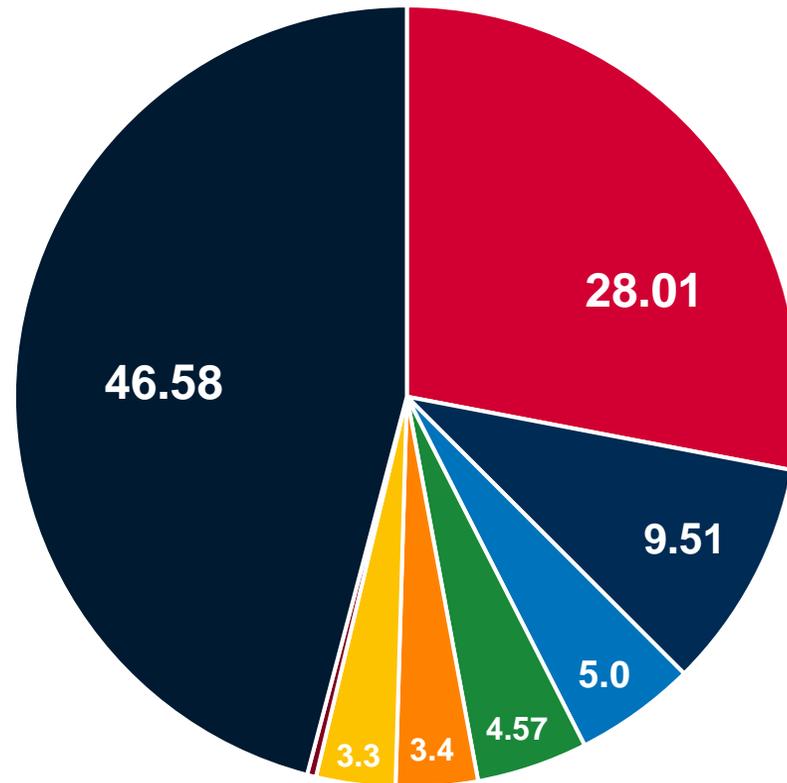
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**Market cap approx.  
€ m 49<sup>1</sup>**

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**Prime Standard**

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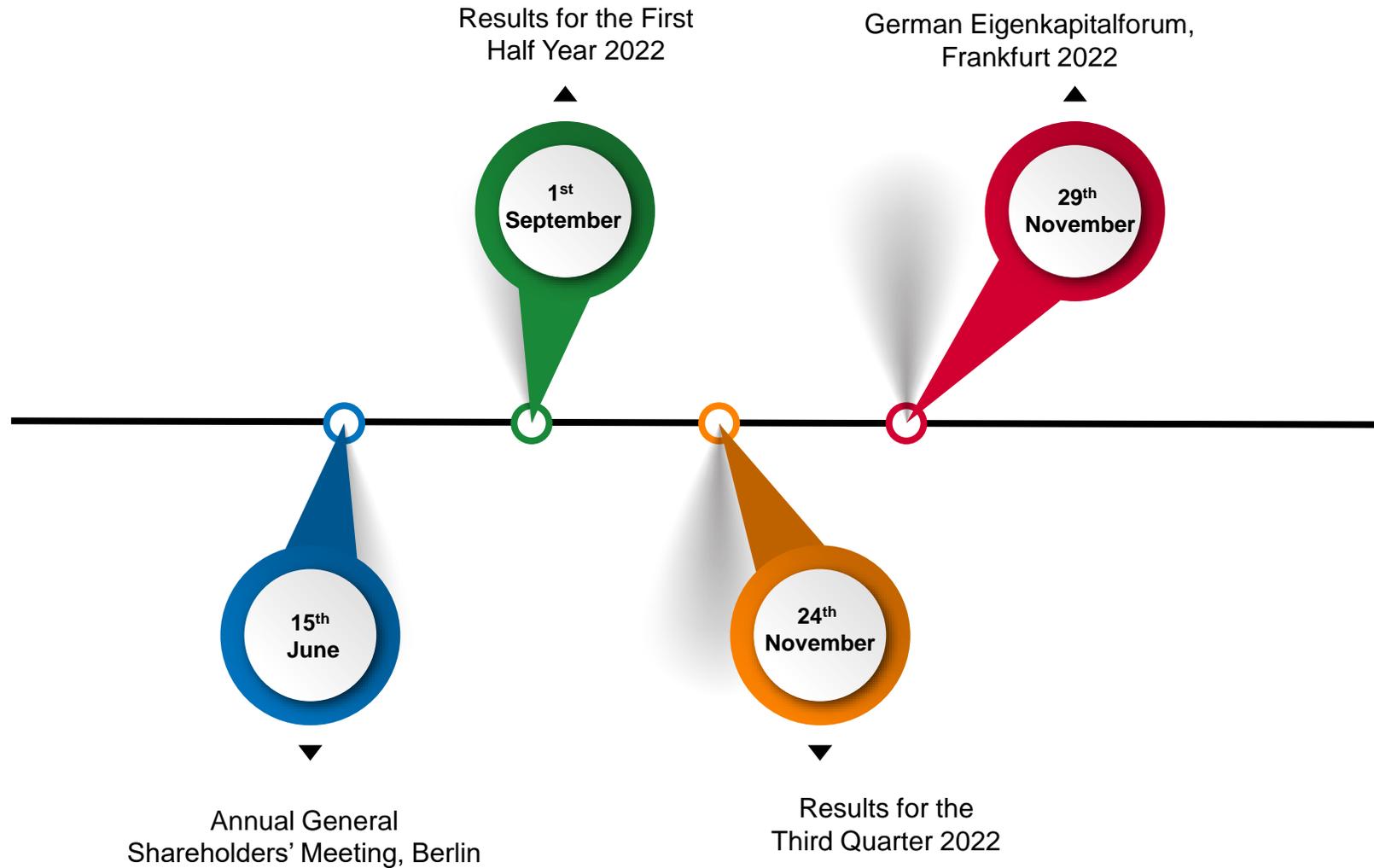
May 2022

- Obotritia Capital KGaA (GER)
- Active Ownership Fund (LUX)
- SALTARAX GmbH (GER)
- Ludic GmbH (GER)
- Universal-Investment GmbH (GER)
- Magallanes Value Investors SA (ESP)
- Management Board
- Freefloat

<sup>1</sup> As of 25<sup>th</sup> May 2022, excluding 257,393 own shares.

# Financial Calendar

2022



# Contact



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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.