



FUTURE@FP

CONFERENCE CALL

**Financial Results
First Quarter 2021**

27th May 2021

Impact from pandemic situation mitigated due to recurring revenue and FUTURE@FP measures



€ m	Q1 2020	Q1 2021
Revenue	57.0	51.5
EBITDA	8.0	4.9
EBITDA Margin	14.0 %	9.6 %
Depreciation/ Amortization	5.4	4.5
Consolidated Profit	1.9	0.9
EPS (basic, Euro)	0.12	0.05

Revenue declining (€ m 5.5 or 9.5 %)

- Negative impact on revenue from **pandemic situation**
- Decline in accordance with expectations
- Increase in **Software & BPA / IoT** (€ m 0.3)
- Benefit from **recurring revenues** also in Q1 2021
- Q1 2020 “pre-pandemic situation”

EBITDA comparatively strong and in line with expectations

- Negative impact on EBITDA from **reduced gross margin** (€ m 3.0) mainly due to revenue decline (€ m 5.5), **lower own work capitalized** (€ m 1.6) and **non-recurring expenses for next wave** of restructuring measures (€ m 0.5)
- **Positive impact from first wave of started restructuring measures** (€ m 2.3)

Depreciation/Amortization

- Decrease by 17% mainly due to reduced investment level and clean-up actions in Q4 2020

Consolidated Profit/EPS

- Due to the above, Consolidated Profit/EPS for Q1 2021 is positive – but behind Q1 2020

Free Cash flow

Strongly improved free cash flow generated in pandemic situation



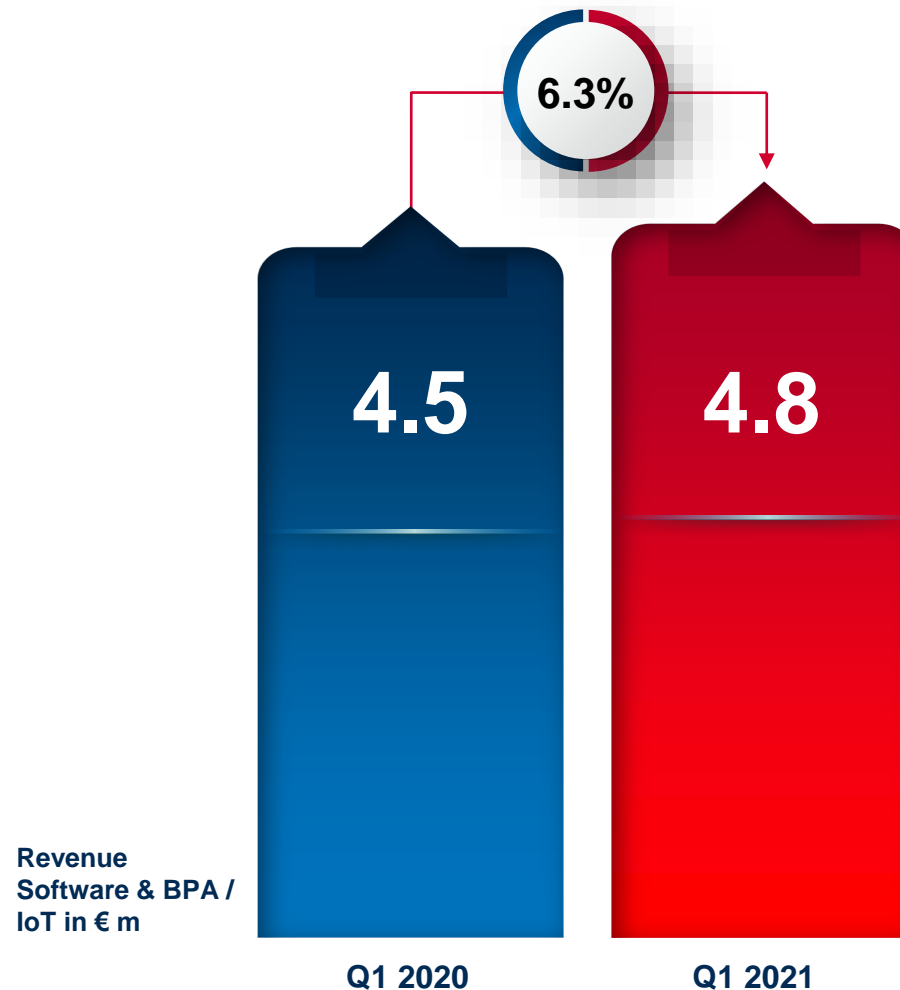
€ m	Q1 2020	Q1 2021
Cash flow from operating activities	4.7	6.3
Cash flow from investing activities	-4.8	-1.8
Free cash flow	0.0	4.5
Cash flow from financing activities	3.9	-7.7
Cash	22.3	20.5

- Continuous positive effects from **Franking & Office Solutions** and **strict cost/working capital management**
- Reduced investments in ERP/CRM and rental equipment - **back to normal** level
- **Improved liquidity level:** cash and cash equivalents of **€ m 33.6** (vs € m 36.1) **and long-term bank borrowings of € m 29.5** (vs € m 36.4) due to installments made on banking facilities (€ m 6.9)
- Active lender dialogue continued, **financial covenants are met** in Q1 2021, too

FP Software & BPA / IoT



Important progress made in pandemic situation



Input- & Outputmanagement

- Lower/postponed customer activity in output management projects due to the **pandemic situation**
- Strengthening of sales activities **ongoing**

FP Sign

- Sales & marketing activities **strengthened**
- Opportunities from pandemic situation have now started **being converted into revenues** – and order back-log has improved

IoT

- Further delay in customer order placing due to pandemic situation
- Comprehensive and redesigned IoT product portfolio required to address focused verticals **making progress** – still to impact revenue

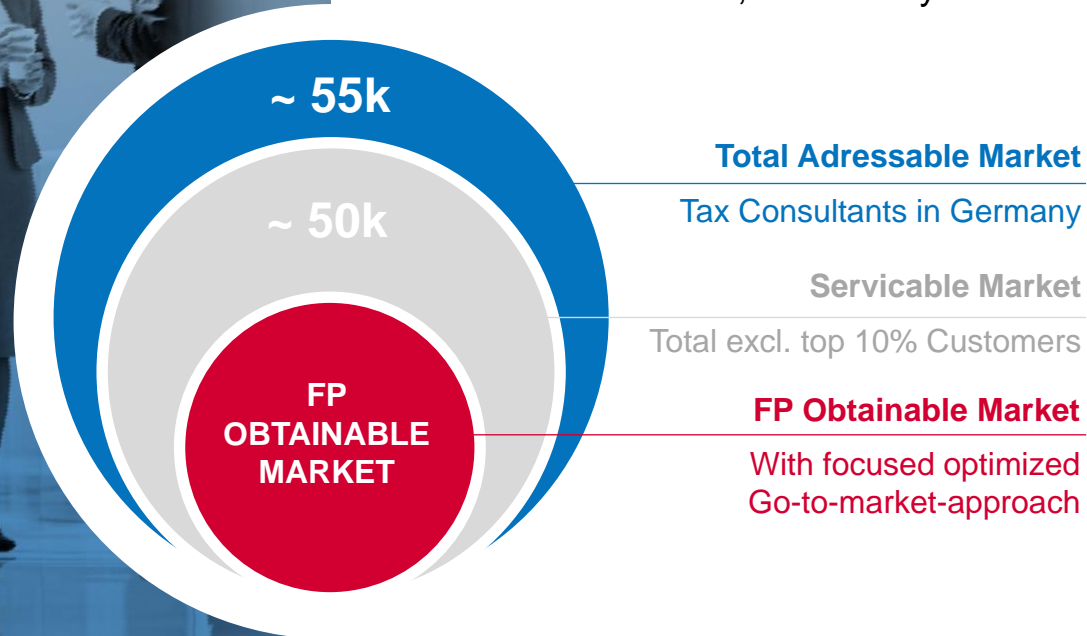
FP Software & BPA

FP Sign – example for tailored vertical/niche approach: tax consultants



Tax consultant – digitally signed annual statements and tax returns

- Increase speed and efficiency in client communication by substituting paper-based processes
- Sign and send from existing programs – with a few clicks – any time – anywhere
- Legally compliant solution for all kinds of documents
- German Cloud, certified by German Federal Office for Information Security



Optimized go-to-market approach

- Definition of clear value proposition
- Evaluation of obtainable market
- Focused lead generation
- Identification of potential partners

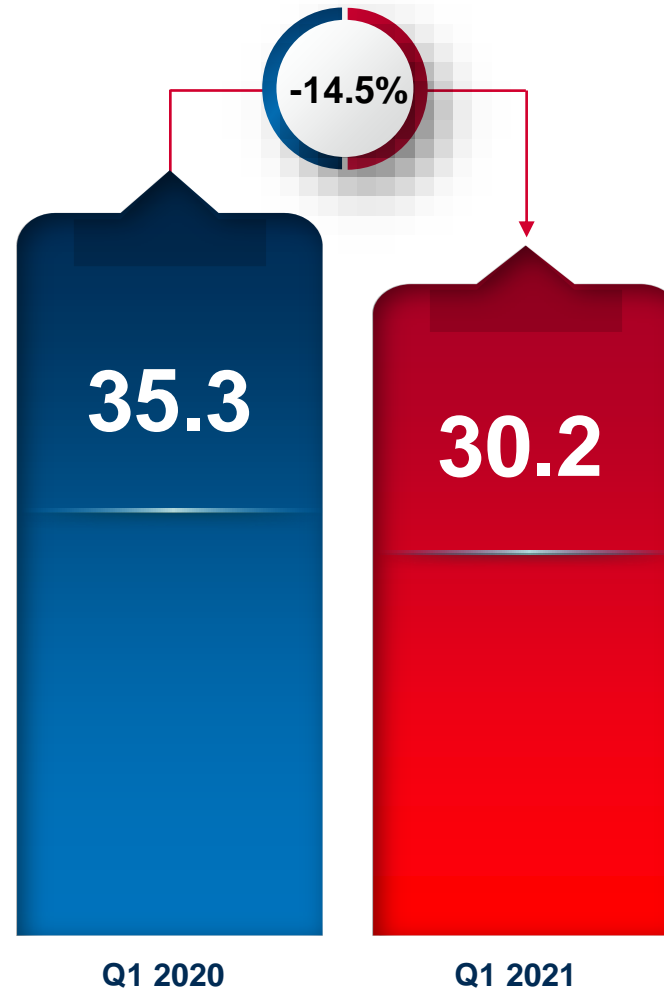
FP Franking & Office Solutions



Decline in Franking & Office Solutions related to pandemic situation



Revenue Franking
& Office Solutions
in € m



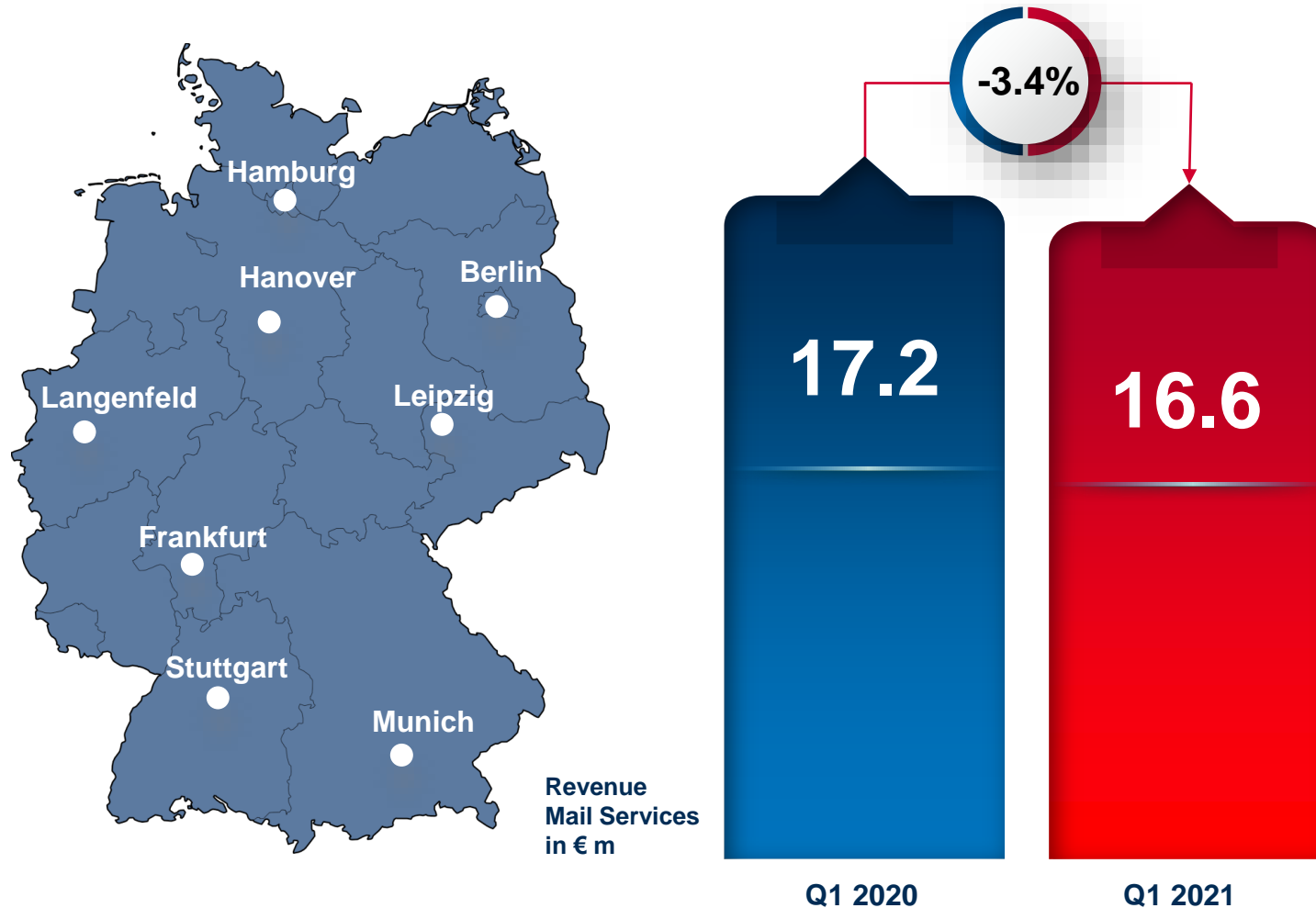
Revenues down by 14.5 %

- Negative global impact from **pandemic situation**, with different levels across regions
- Decline in accordance with expectations
- Prior year period was a “pre-pandemic situation”
- Benefit from recurring revenues also in Q1 2021
- Overall market trend after pandemic situation still unclear

FP Mail Services



Reduction from pandemic situation in challenging market environment



Main impact:

- Negative impact from **pandemic situation**
- Decline in accordance with expectations
- Continuous focus on profitable revenue

Remaining Factors:

- Overall market decline in mail volume prevails

FY 2021 Guidance

Paving the way for higher margins



	2020	2021
REVENUE	€ m 195.9	€ m 185 – € m 196
EBITDA-MARGIN	4.1 %	3 – 6 %
EBITDA	€ m 8.0	€ m 6 – 12

- 2021 will be influenced by pandemic situation and by FUTURE@FP
- Uncertainties remain – we are optimistic based on the progress made in Q1 2021 both on revenue, cost base and EBITDA



FUTURE@FP

Q&A Session

Appendix

A blue-tinted photograph of a modern office. In the foreground, a group of four people (three women and one man) are gathered around a table, smiling and looking at documents and a tablet. In the background, another person is seated at a desk, and a woman is standing near a window. The overall atmosphere is collaborative and professional.

Revenue by Product and Service



Continuously strong recurring revenue base

€ m	Q1 2020	Q1 2021
Equipment sales & others	8.9	6.8
Service	6.5	5.6
Consumables	7.1	6.1
Teleporto	2.1	1.9
Mail Services	17.2	16.6
Software & BPA / IoT	4.5	4.8
Revenue acc. to IFRS 15	46.2	41.7
Finance Lease	4.0	2.0
Operate Lease	6.9	7.8
Revenue acc. to IFRS 16	10.9	9.8
Revenue total	57.0	51.5

Major items in Q1 2021

- Negative impact on revenue from **pandemic situation** on Franking & Office Solutions as well as Mail Services
- Positive development in Software & BPA / IoT mainly driven by growth within **FP Sign and DE-Mail**
- Approximately **66 %** (64 % in prior year period) of recurring revenues, underlining FP's resilient business model

Consolidated Statement

of profit and loss Q1/2021



€ m	Q1 2020	Q1 2021
Revenue	57.0	51.5
Change in inventories	0.6	0.7
Other own work capitalised	3.1	1.5
Total output	60.7	53.7
Cost of materials	-28.0	-25.8
Employee benefit expenses	-16.0	-15.4
Impairment losses and gains on trade receivables	-0.4	-0.3
Other income/expenses	-8.3	-7.3
EBITDA	8.0	4.9
<i>as % of revenue</i>	<i>14.0</i>	<i>9.6</i>
Depreciation/Amortisation	-5.4	-4.5
Interest result	0.3	0.3
Other financial result	-0.2	0.6
Income taxes	-0.9	-0.5
Consolidated net income	1.9	0.9
EPS (€ basic)	0.12	0.05
EPS (€ diluted)	0.12	0.05

Financial Situation

Balance Sheet Assets (31.03.2021)



ASSETS
in € m



NON-CURRENT
ASSETS

82.2

80.3

CURRENT
ASSETS

91.8

90.7

31.12.2020

31.03.2021

Non-Current Assets

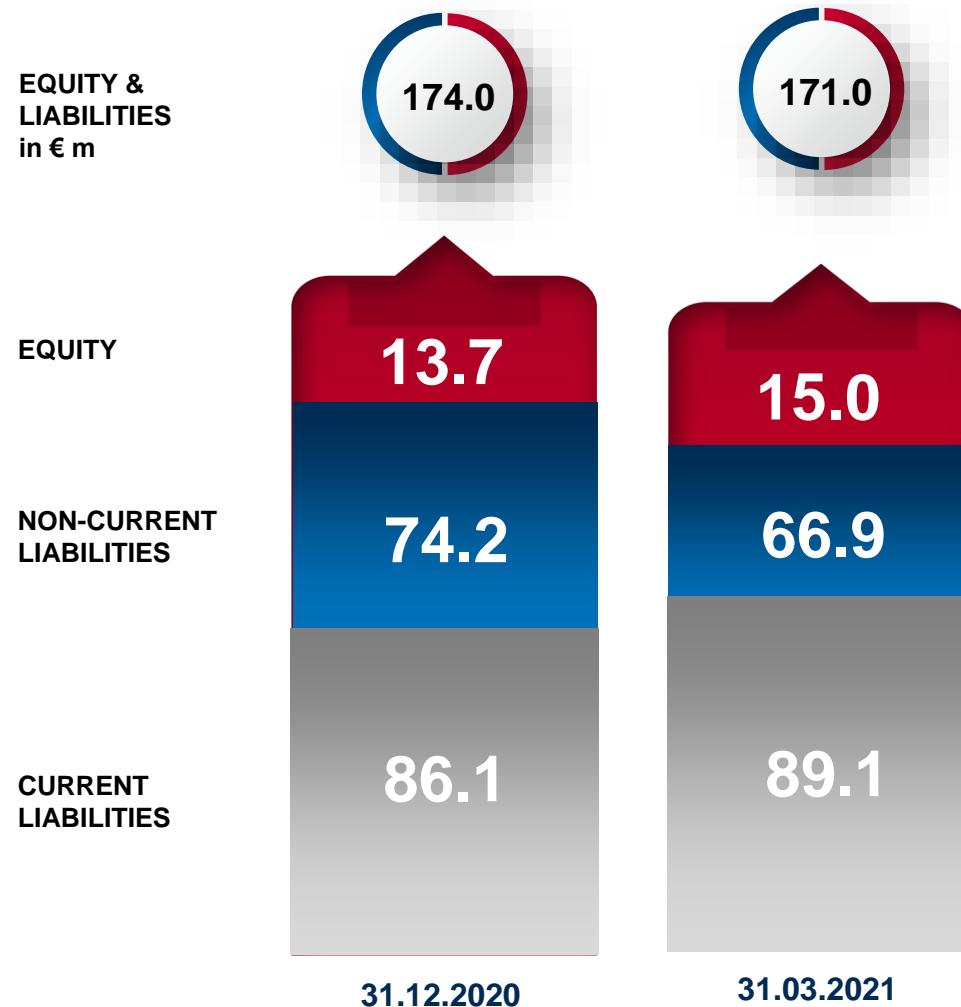
- Decrease in intangible assets mainly due to amortization

Current Assets

- Decrease in cash and cash equivalents (€ m 2.5), mainly due to made installments on our credit facilities made possible due to improved cash management
- Slight decrease in other assets (€ m 0.5)
- Increase in inventories (€ m 0.8) and trade receivables (€ m 1.0) due to seasonality – partly mitigated by improved working capital management

Financial Situation

Balance Sheet Equity & Liabilities (31.03.2021)



Equity ratio of 8.8 %
(31.12.2020: 7.9 %)

Non-current liabilities

- Decrease in bank liabilities mainly due to made installments (€ m 6.9)

Current liabilities

- Increase of other liabilities (€ m 4.0) due to seasonality
- Decrease in trade payables (€ m 1.3) due to seasonality

Basic Information

FP Management



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

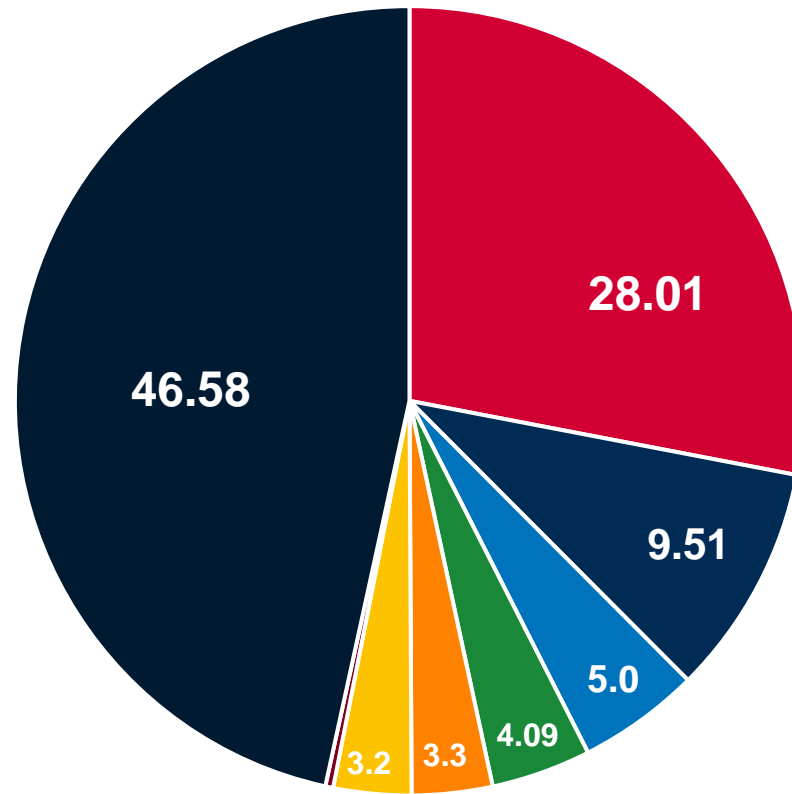
Strong & international shareholder base (in %)



shares 16,301,456

**Market cap approx.
€ m 46.4¹**

Prime Standard



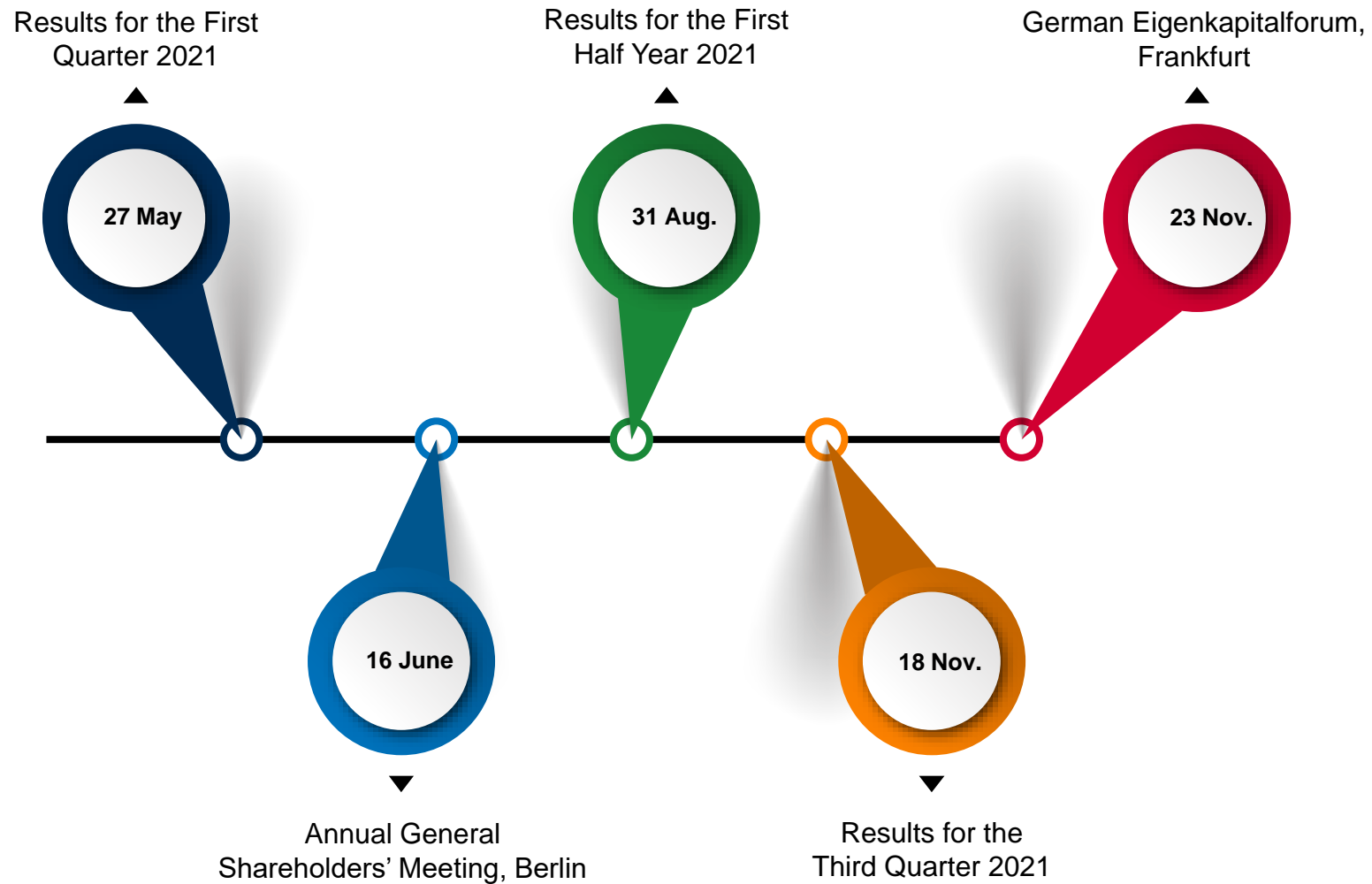
May 2021

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

¹ As of 26 May 2021, excluding 257,393 own shares.

Financial Calendar

2021



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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, and Singapore will have a corresponding impact on the development of our business.

The same applies in the event of a significant shift in current exchange rates relative to the US dollar, sterling, Canadian dollars, Singapore dollars. In addition, expected business development may vary if the assessments of value-enhancing factors and risks presented in the 2020 Annual Report develop in a way other than we are currently expecting.