



Financial Results FY 2023

CONFERENCE CALL
April 25th 2024



FP Management Board

New Team



Friedrich G. Conzen



CEO
since March 2024



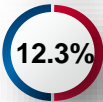



Ralf Spielberger



CFO
since October 2022

FY 2023 Financial Performance*



€ m	FY 2022** as reported	FY 2023 as reported	FY 2023 at constant currency	Guidance 2023
Revenue	251.0	241.8 	245.9	245 - 255 
EBITDA	27.6	31.0 	33.4	28 - 31 
EBITDA Margin	11.0%	12.8% 	13.6 %	11.4 – 12.2 % 
Depreciation/ Amortisation	21.0	18.0		
Consolidated Profit	8.0	10.5		
EPS <i>(basic/diluted Euro)</i>	0.50	0.67		

* Unaudited figures for 2023. Publication of the audited financial statements and audited consolidated financial statements will be delayed until April 30, 2024, due to the transfer to the ESEF.

** FY 2022 figures adjusted, relating to the measurement of tax-effects from intra-group relationships. The correction led to a reduced tax expense of EUR 2.5 million in 2022.

FY 2023 financial performance*



€ m	FY 2022** as reported	FY 2023 as reported	FY 2023 at constant currency
Revenue	251.0	241.8	245.9
EBITDA	27.6	31.0	33.4
EBITDA Margin	11.0%	12.8%	13.6 %

Revenue

- **MSO** decline of 1.1% from € m 148.4 to 146.8, PY with positive one-offs
- **DBS** growth in SaaS-business, overall decline of 3.1% from € m 28.8 to 27.9 due to output management
- **Mail Services** decline of 9.0% from € m 73.4 to 66.8 as expected
- Negative FX-effect of € m 4.1

EBITDA

- Investing in **One ERP** (€ m 3.9) expensed as incurred
- Negative FX-effect of € m 2.4
- Previous year positive effect from rate change (€ m 2.6)
- + Release of provisions of € m 4.8

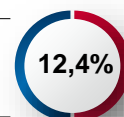
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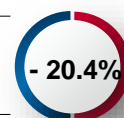
Free Cash Flow and Net Debt 2023

Improving Free Cash Flow and Net Debt

Free Cash Flow € m	FY 2022	FY 2023
Cash Flow from operating activities	22.4	23.6
Free Cash Flow	8.1	9.1



Net Debt € m	31.12.2022	31.12.2023
Financial Debt (incl. Leasing)	41.0	33.5
Cash (without postage held)	22.8	19.2
Net Debt	18.1	14.4

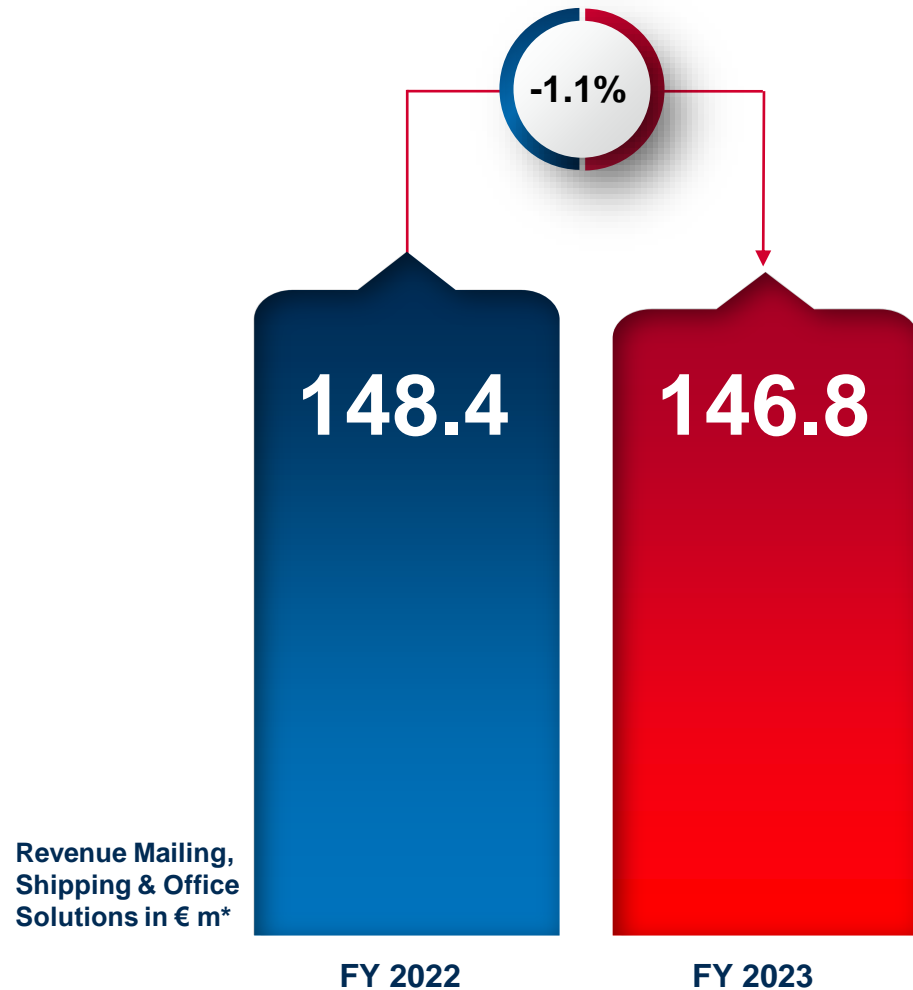


- **Higher cash flow from operating activities**
 - Higher consolidated profit
 - Lower depreciation, inventories and trade receivables
- **Higher free cash flow**
 - Despite slightly increased invests in
 - Fixed assets: PostBase Vision, techn. equipment, renewal of hardware DBS (€ m 11.5 vs. 8.6 in FY 2022)
 - Capitalization of development costs: PostBase Vision and DBS (€ m 2.7 vs. 1.1 in FY 2022)
- Repayment of the current portion of the syndicated loan (€ m 7.5) was made out of free cash flow
- **Net debt decreased € m 3.7 (-20.4%)**

FP Mailing, Shipping & Office Solutions



Revenue in line with expectations in a challenging market environment



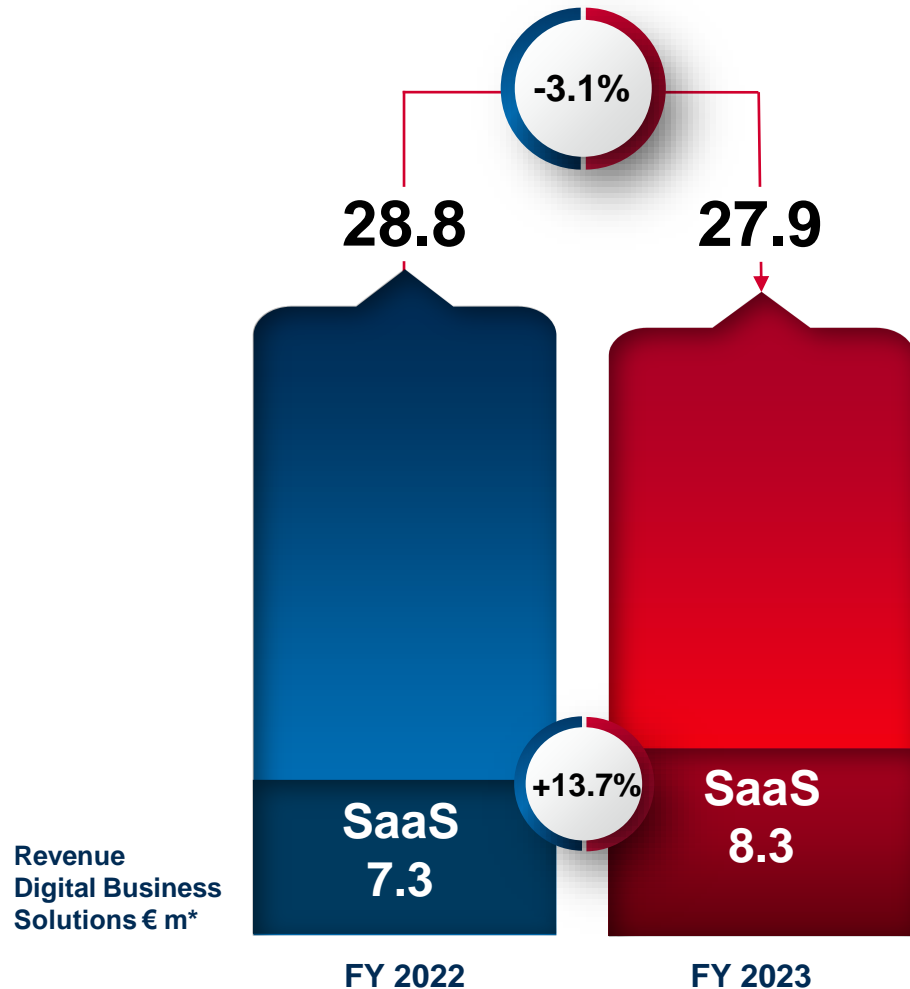
- Revenue at constant currency (€ m 150.4) **increased by 1.3%**
- **Previous year positive effect** from rate change (€ m 2.9)
- **Two product launches** in 2023
 - PostBase Vision A120 in April 2023
 - PostBase Vision M2 in December 2023
- Ongoing **switch of Azolver** customers to **FP franking machines**

*Excluding all digital stand-alone software solution revenues sold by MSO; previous year figures have been adjusted with reclassification of services

FP Digital Business Solutions



Continuous investment and growth in SaaS-based solutions



Revenue
Digital Business
Solutions € m*

Input & Outputmanagement

- Investment in hardware and software to increase efficiency and offer more data-driven services
- Output management affected by business decline of a customer and lower activity of existing customers due to mail volume decline

FP Sign

- Major release in September including new enterprise functionalities
- Growth in annual recurring revenue and customer acquisition

e-Justice / De-Mail

- Continuous customer onboarding of e-justice solution for business and organisations after launch of eBO in June 2023

FP Parcel Shipping

- launched in Norway (Q1), Netherlands (Q2) and UK (Q4)

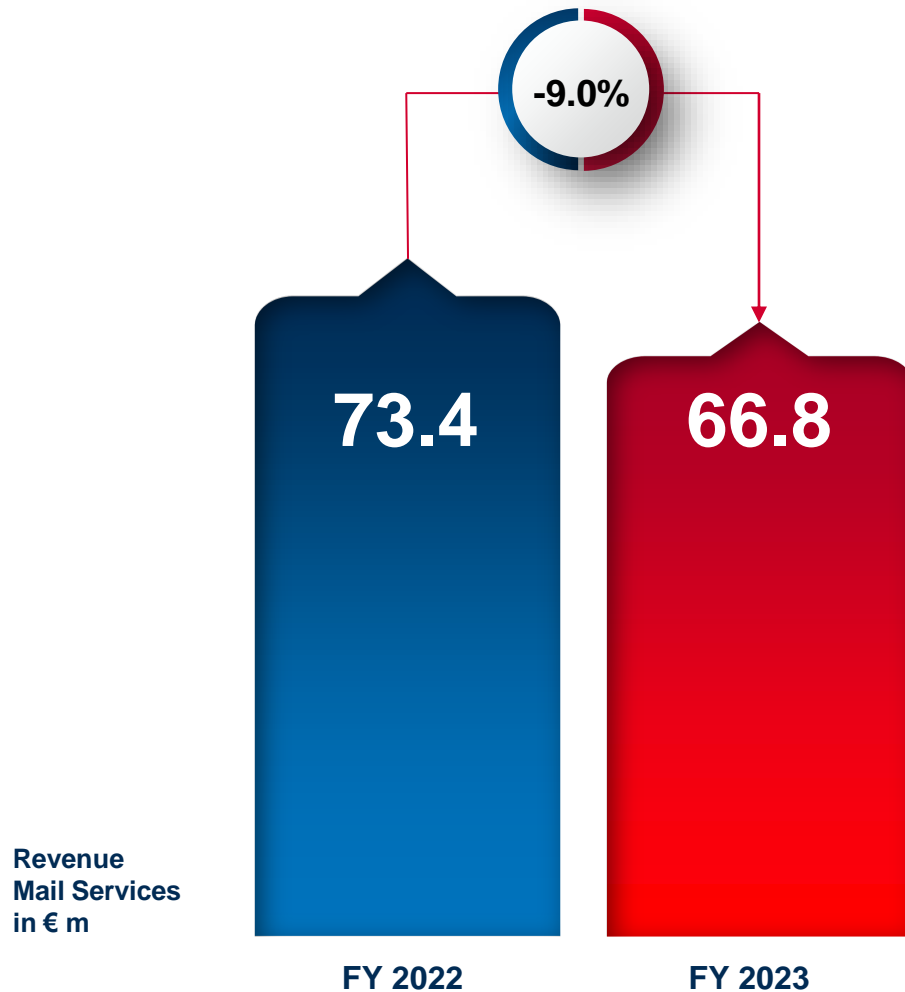
FP TRAXsuite

- New features and functionalities, e.g. for easy self-customization
- Continuous customer onboarding

*Including all digital stand-alone software solution revenues sold by MSO;
previous year figures have been adjusted: DBS consolidation profits have been reallocated from Mail Services to DBS

FP Mail Services

Revenue in line with expectations



- **Revenue in line with expectations**

- FY 2022 was impacted by **pandemic-related one-off effects** of € m 10 (higher volumes and higher share of franked mail)
- After positive experience in the pandemic, customer continue outsourcing the franking service, resulting in **higher franking volumes in FY 2023**
- Despite lower volumes, planned turnover was achieved under the new discount scheme from January 2023
- Consistent cost management, including logistics cost savings has **improved margins**

Summary FY 2023



Revenue largely in line with expectations

- Robust MSO business with 1.3% growth at constant currency
- Challenging Mail Services and output management business due to declining mail volume
- Continuous growth in SaaS-business (FP Sign, FP Parcel Shipping, FP TRAXSuite)



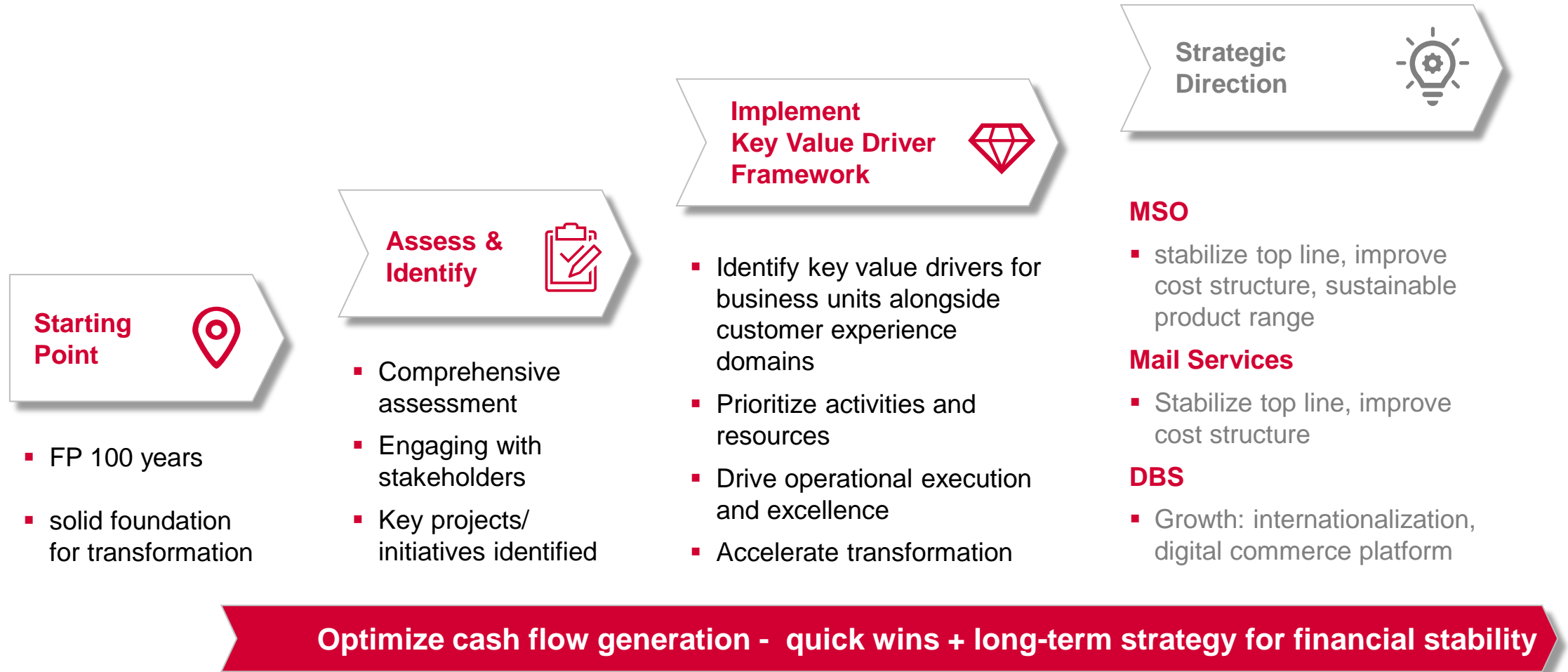
EBITDA above full year guidance

- Transformation initiatives improved operational profitability
- Increased EBITDA at constant currency without release of provisions

FP Assessment and Actions in Not Yet 100 Days



1st focus on operational excellence and execution



Guidance FY 2024

At constant currency



Revenue

Constant to slightly below previous year

EBITDA

Constant to slightly below previous year

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 2023

Q&A Session



Appendix



Revenue by Product and Service FY 2023*



Recurring Revenue Base

€ m	FY 2022	FY 2023
Equipment sales & others	36.1	35.7
Consumables	29.0	26.6
Service	33.0	31.1
Teleporto	8.9	9.2
Mail Services	73.4	66.8
Software / Digital	30.1	28.4
Revenue acc. to IFRS 15	210.4	147.9
Operate Lease	28.4	29.7
Finance Lease	12.8	14.8
Revenue acc. to IFRS 16	41.2	44.5
Currency Effects	-0.6	-0.3
Revenue Total	251.0	241.8
Non-recurring Revenue	32%	33%
Recurring Revenue	68%	67%

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Consolidated Statement*

Of Profit and Loss FY 2023

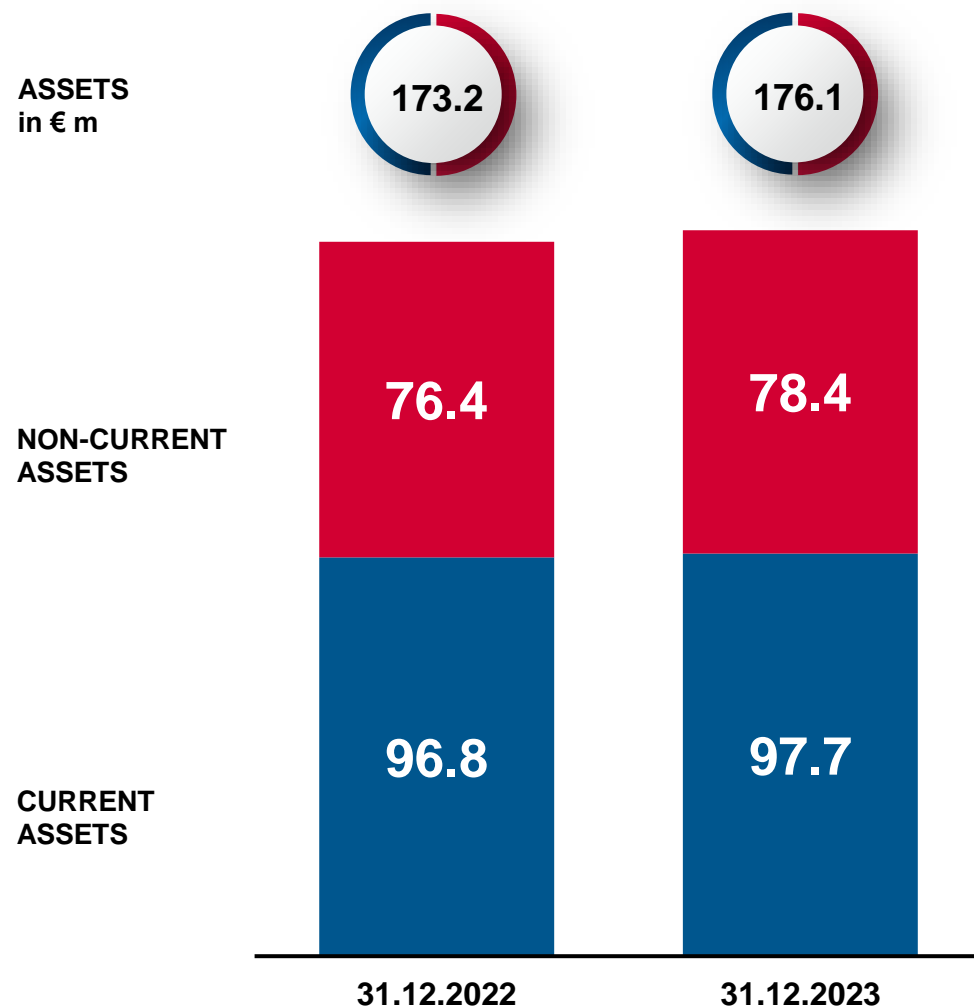


€ m	FY 2022	FY 2023
Revenue	251.0	241.8
Change in inventories	0.3	-1.3
Other own work capitalised	7.7	8.5
Total output	258.2	249.8
Cost of materials	-124.7	-112.8
Personnel expenses	-65.7	-66.2
Impairment losses and gains on trade receivables	-2.8	-2.5
Other expenses (less other income)	-38.1	-36.5
EBITDA	27.6	31.0
<i>as % of revenue</i>	<i>11.0%</i>	<i>12.8%</i>
Depreciation/Amortisation	-21.0	-18.0
Interest result	1.5	0.5
Other financial result including at-equity income	0.4	-0.6
Income taxes	-0.5	-2.4
Consolidated net income	8.0	10.5
EPS (€ basic)	0.50	0.67
EPS (€ diluted)	0.50	0.67

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Financial Situation*

Balance Sheet - Assets (31.12.2023)



Non-Current Assets

- Intangible assets decreased by € m 1.9 mainly due to depreciation (€ m 4.8). The decrease was partly offset by additions totalling to € m 2.4 of development projects in progress and advanced payments
- Increase of leased assets by € m 1.9
- Increase of non-current financial assets by € m 0.5

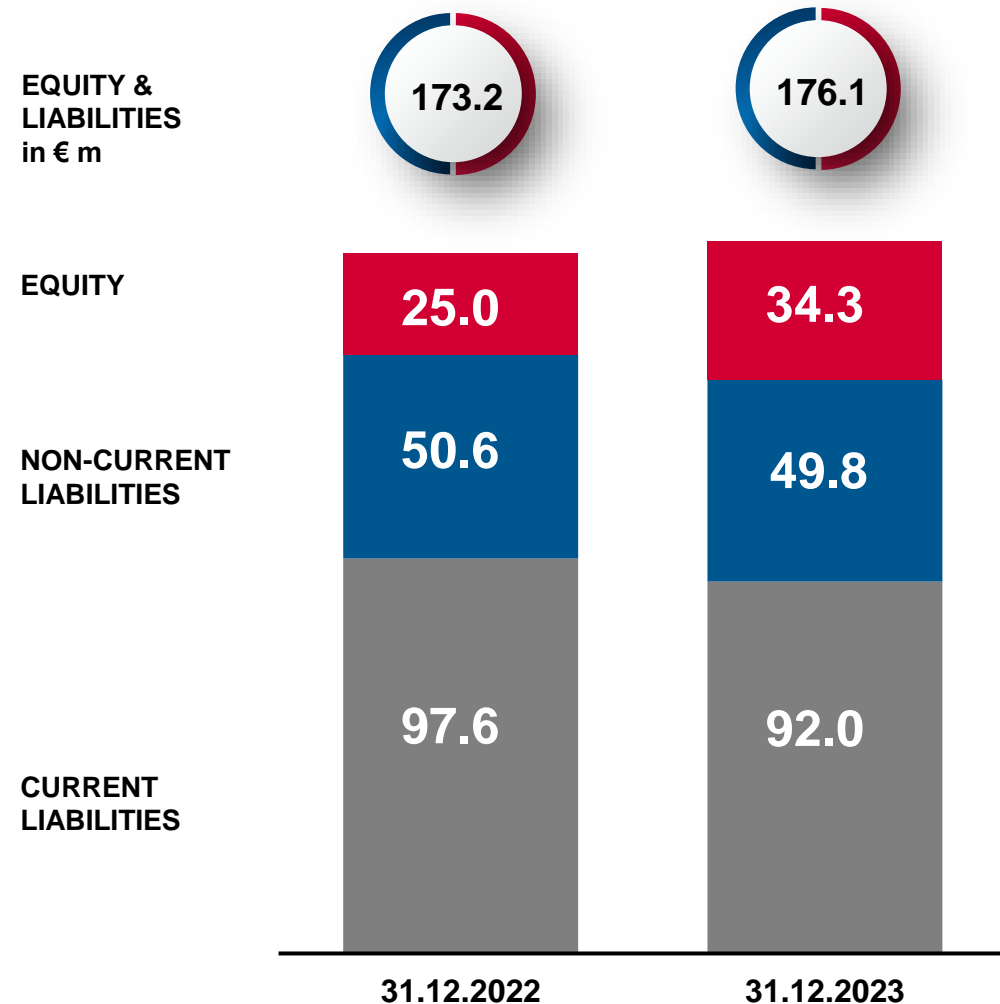
Current Assets

- Decrease of inventories by € m 1.6
- Increase in cash and cash equivalents by € m 4.1, thereof in postage credit balances managed by the FP Group by € m 7.8

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Financial Situation*

Balance Sheet - Equity & Liabilities (31.12.2023)



Equity ratio of 19.5%
(31.12.2022: 14.4%)

Non-current liabilities

- Decrease by € m 0.8 impacted by
 - decrease in deferred tax liabilities of € m 0.9
 - decrease provision of € m 0.8
 - Increase in financial liabilities of € m 0.7

Current liabilities

- Decrease by € m 5.6, impacted by
 - Release of provisions for restructuring of € m 4.8
 - Increase in tax liabilities of € m 1.7

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A blue-tinted photograph of a diverse group of business professionals in an office setting. They are gathered around a table, looking at documents and smiling. The scene is bright and professional.

General Information

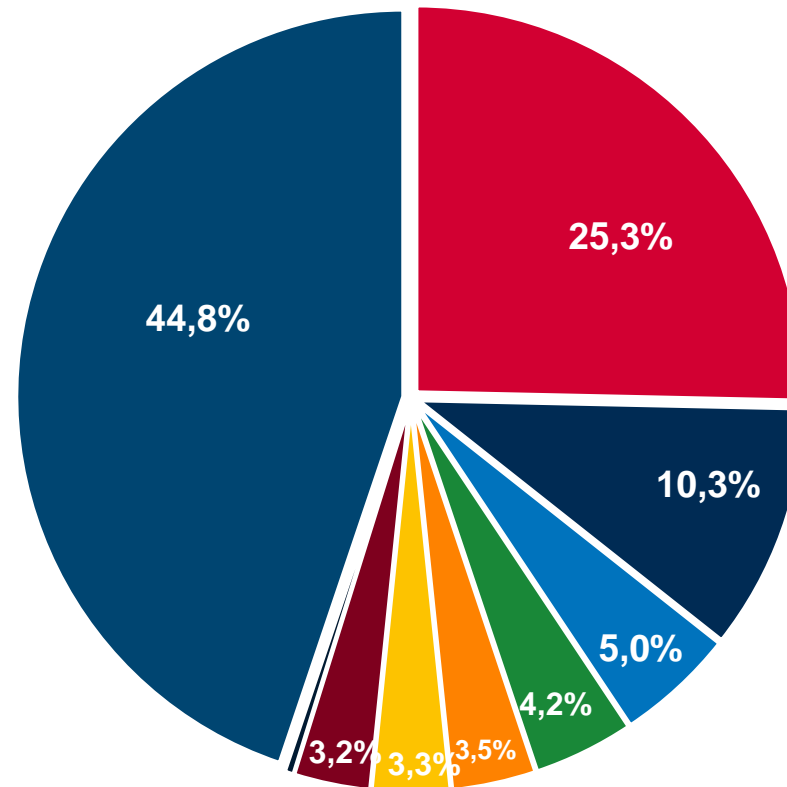
The FP Share



shares 16,301,456

Market cap approx.
€ m 41*

Prime Standard



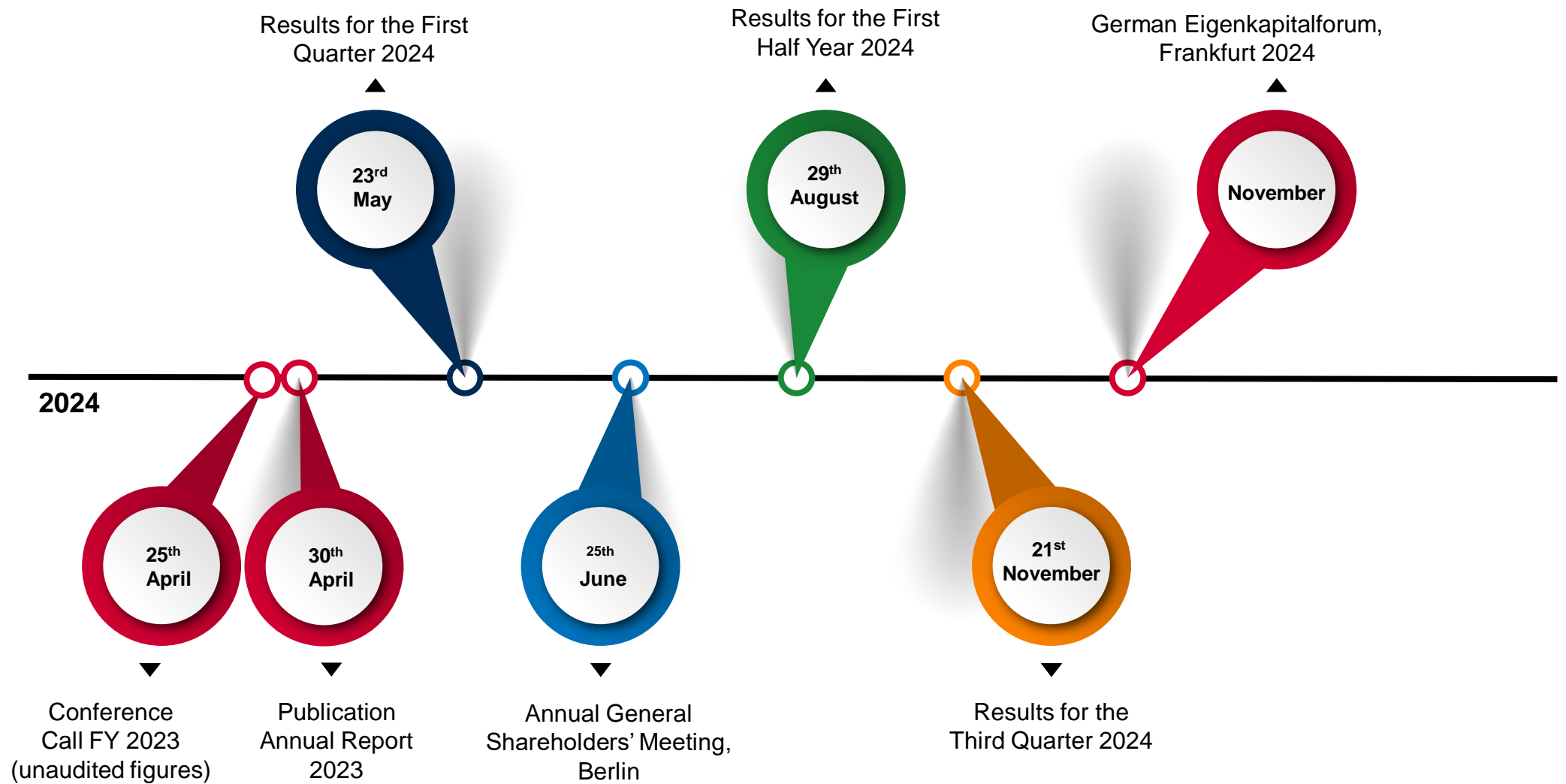
- Olive Tree Investment GmbH (GER)
- Active Ownership Fund (LU) and Active Ownership Investments Ltd (CY)
- SALTARAX GmbH (GER)
- Own shares
- Ludic GmbH (GER)
- Magallanes Value Investors SA (ESP)
- Universal-Investment GmbH (GER)
- Management Board
- Others

* April, 23 2024

April 2024

Financial Calendar

2024



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 or Canadian Dollar, Pound Sterling, Swedish or Norwegian Kroner. In addition, expected business development may vary if the assessments of value-enhancing factors and risks presented in the 2023 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.).



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