



Platow Euro Finance – Small Cap Konferenz

NFON provider of voice-centric business communication

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NFON at a Glance

A market full of opportunities for NFON

Flexible working is seen as the new normality

75%

of employees worldwide consider flexible working to be normal⁴



Proliferation of SaaS delivery models

Increase in mobile work and remote work

54%



of companies in Germany want to implement remote working on a permanent basis²

4%

of respondents employees want to go back³

Telephony is still the most frequently used communication channel

84%

of medium size companies use telephony to contact their customers¹



The importance of communication and collaboration tools

70%



of large organisations use advanced collaboration and UC, e.g. document sharing, audio conferencing, team collaboration, but smaller ones are even less likely to use these methods internally than with customers⁵

The way we work keeps changing



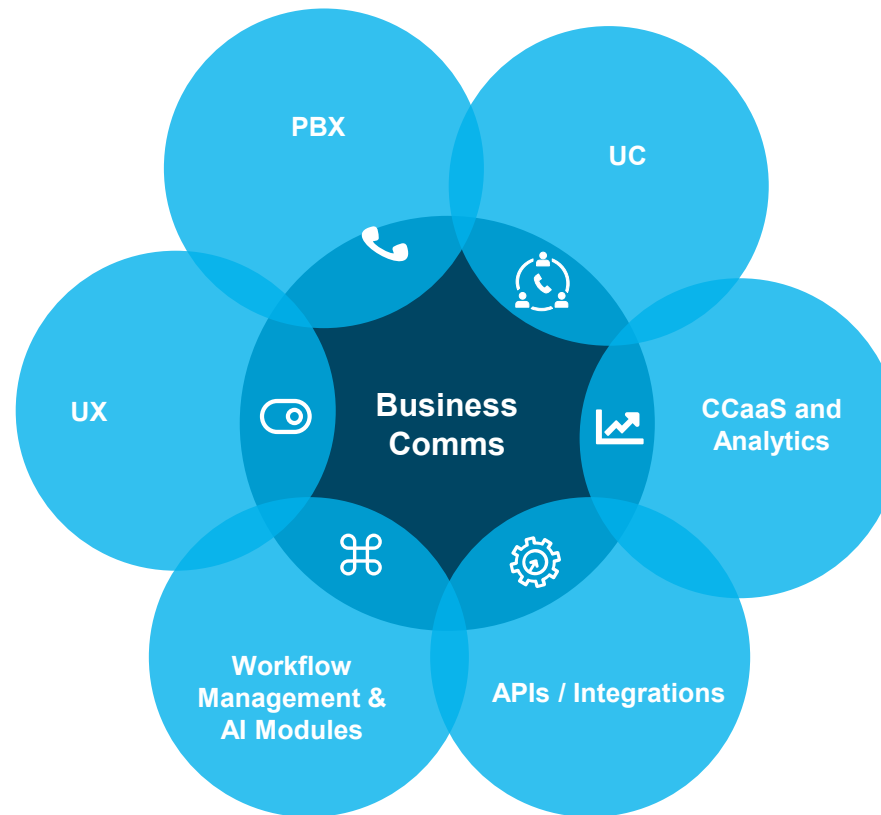
Carriers are moving from ISDN to All IP

References can be found in appendix



Growing intersection of Business Communications

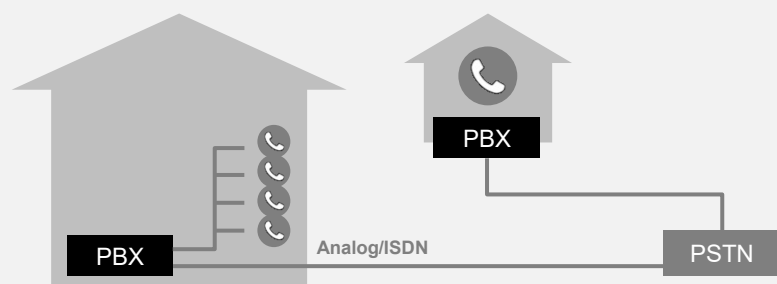
The cloud PBX market is growing together with adjacent markets such as customer service and Unified Communications to one large “Business Communications / Workflows” market



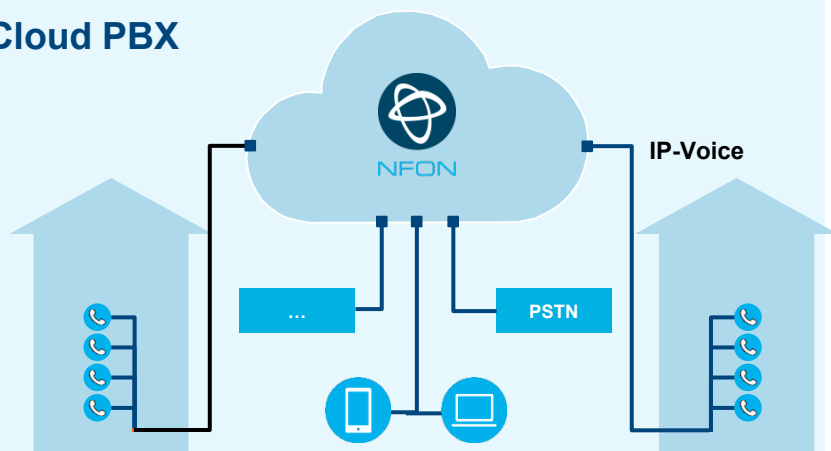
Cloud PBX solutions tailored to the needs of today's business communication



Classic on-premise PBX

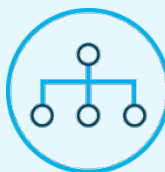


Cloud PBX



Advantages of cloud telephony

Increased functionality



Flexibility



Minimal support required



Location independence



Device agnostic



Lower total cost of ownership



Automatic updates



Scalability



Founded **2007**
HQ in Munich,
Germany



Active in **15**
European countries,
40,000+
customers

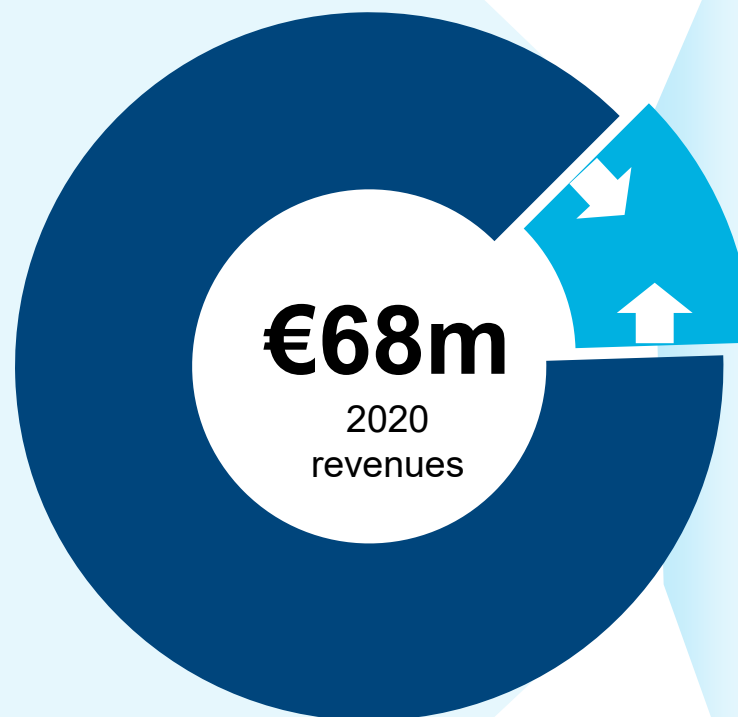
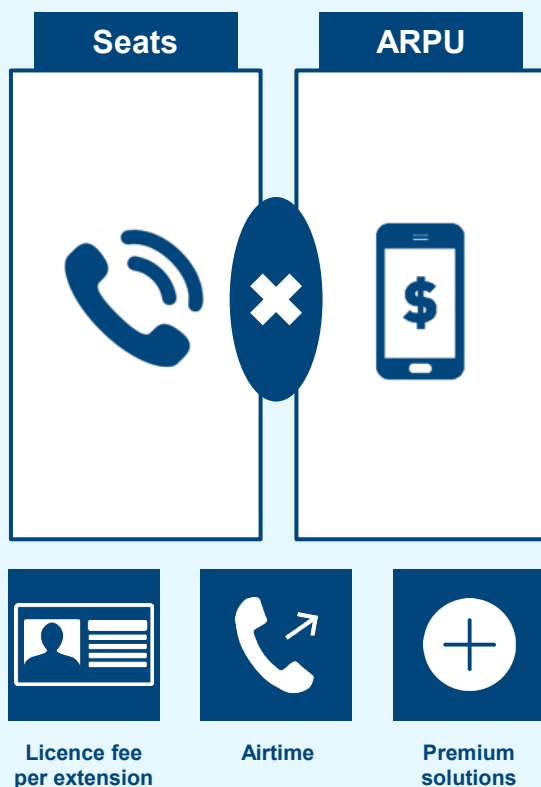


430+
employees

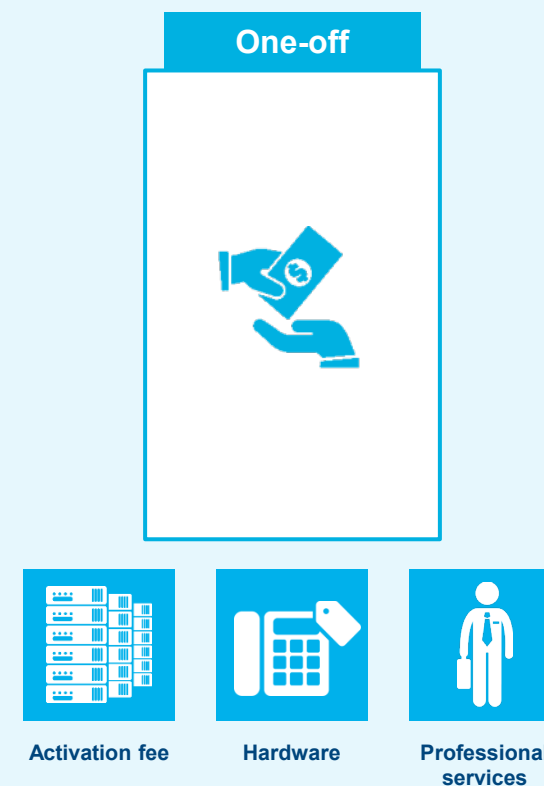


Strong business model resulting in unique combination of massive growth and sustainable recurring revenue

Recurring revenues 88%



Non-recurring revenues 12%



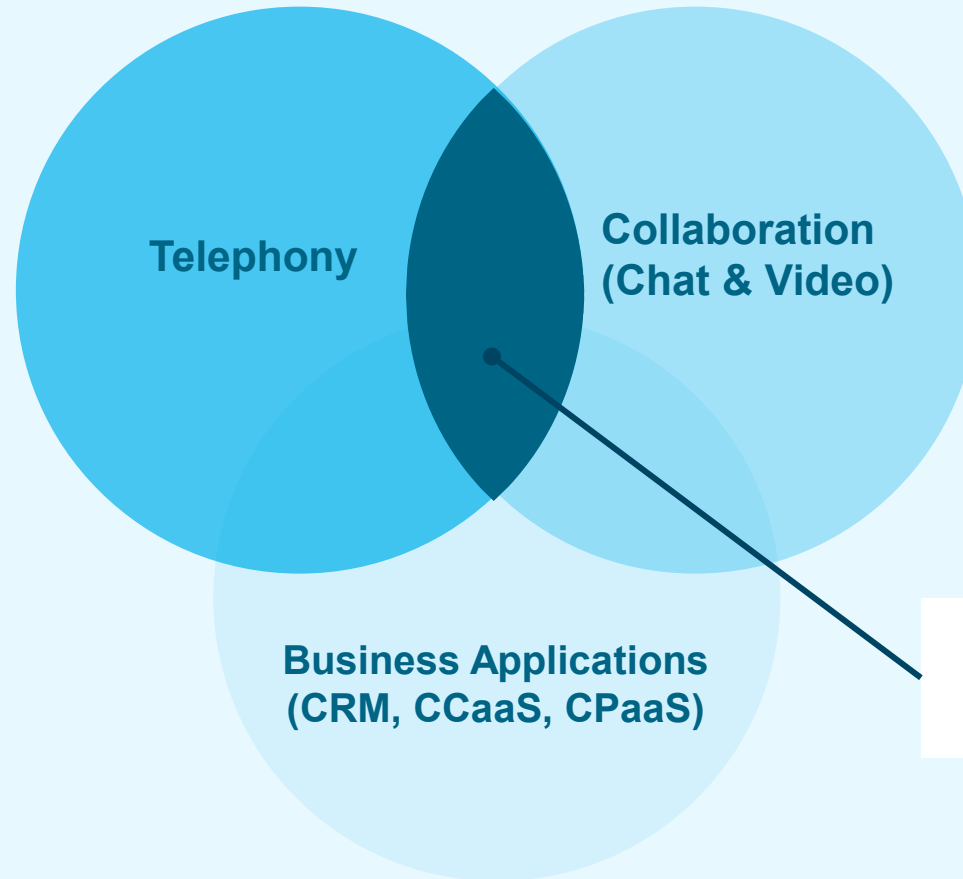


NFON Growth Strategy 2024

Our Mission

NFON aims to be the leading provider of voice-centric business communications in Europe

Competitive Environment: Business Communications



Competition is addressing customers' business communications needs from various angles

**Integrated
Business Communications**

Our Differentiators

Focus on key differentiators to stand out against competition in the market



Integrated Business Communications (UCaaS and beyond)

NFON will offer a full UCaaS suite (PBX, video, chat, presence) complemented by open APIs and further omni-channel customer engagement/workflow solutions.



Outstanding UX and UI

NFON will differentiate through an outstanding user experience and app design that simplifies business communications and workflows, with a special focus on mobile/remote/hybrid working and usage scenarios.



Leading Channel Provider

NFON will continue to expand its strong partner network in Europe. With a best-in-class partner experience / management and the partner at the core of all business processes, NFON targets to be the number one channel provider in Europe.

Our Path to Growth 2024

NFON will enhance its portfolio to serve customers' business communications demands even better and will further grow its partner network in Europe

Target



Targeting clear differentiators
NFON will optimize its product portfolio approach and go-to-market accordingly. This model will allow NFON to execute and scale more effectively

Enhance



Continue to enhance the NFON offering towards "smarter workflow" voice-centric communication with UCaaS, CCaaS, iPaaS as growth drivers

Scale



Building on more than 2,700 partners in 15 European markets, NFON will massively invest to grow that network with the aim of being THE channel provider for voice-centric business services



Target. Enhance. Scale.

Key Measures



To implement the Nfon growth strategy, dedicated key measures will be implemented



Significant ramp-up of technical resources (FTE>50%yoy) until end of 2021



Increased marketing invest (>50%yoy, focus on channel)



Growing into Enterprise (250 – 5,000 extensions)



Intensified activities in CEE region



Technology Partnerships

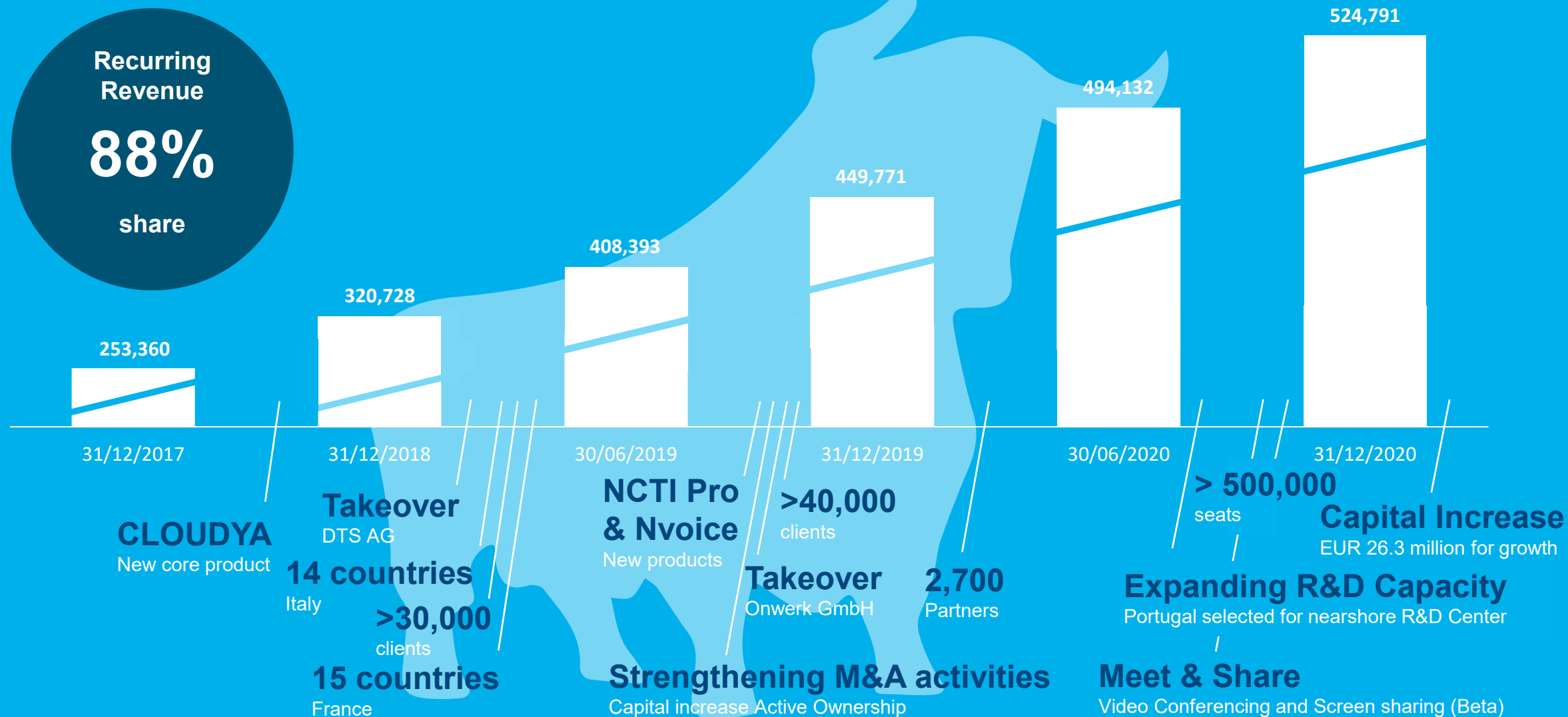


Business Highlights

The base for future growth – Milesstones 2020



Recurring Revenue
88%
share



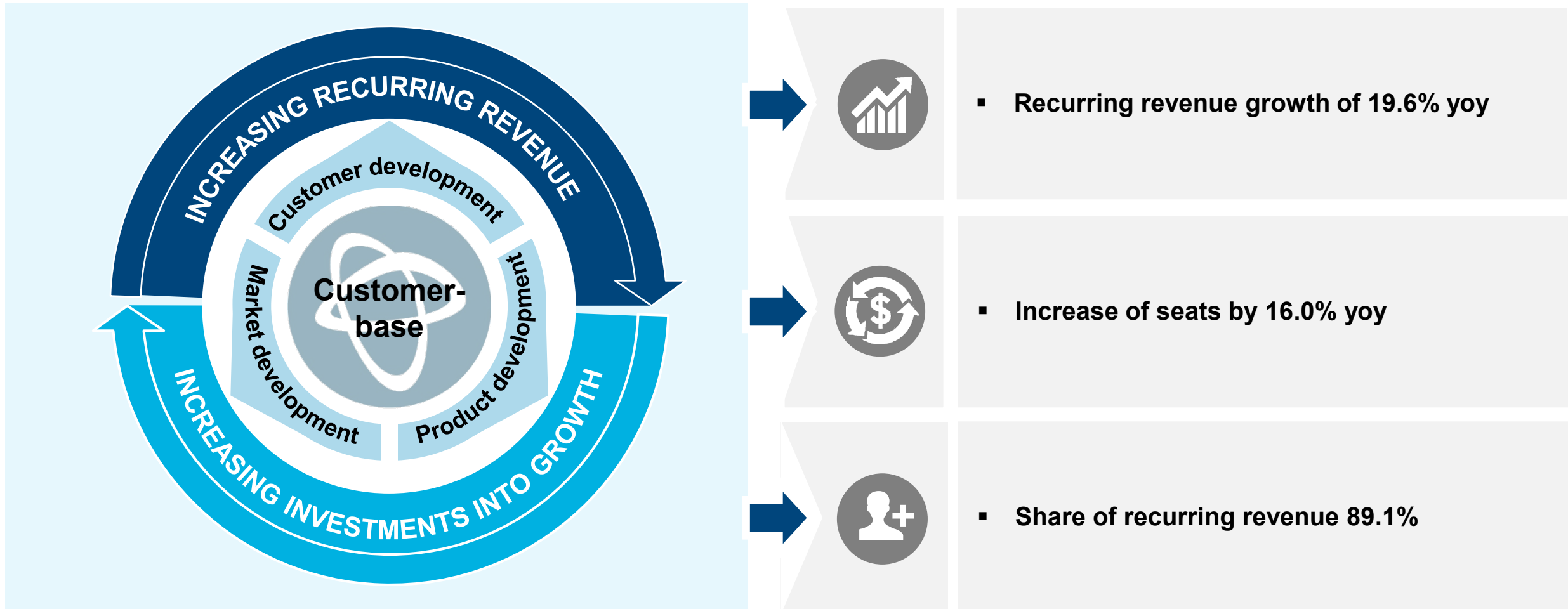
Total number of seats on the balance sheet date



Financial Statements

Q1 2021

First quarter development in line with expectations



Strong improvement in EBITDA demonstrates that NFON can be profitable in the short term



Detailed reconciliation of one-off items

Reconciliation from EBITDA to adjusted EBITDA	Q1 2021	Q1 2020
€m		
EBITDA	1.6	-0.1
Stock Options/ESOP/ Retention bonus/ M&A	0.2	0.1
Total EBITDA adjustments	0.2	0.3
Adjusted EBITDA	1.8	0.2

Comments

- › EBITDA of €1.6m reflects still lower investments
- › Adjustments leads to further improvements of EBITDA
- › **Adjusted EBITDA of €1.8m**
- › This development has a temporary character
- › NFON aims to significantly increase the investment ratio again in 2021.

NFON guidance takes Corona effects into account



		2019	2020	2021
	Number of seats	40%*	17%	We expect a growth rate of our customer base between 15% and 17%
	Recurring revenues growth	39%*	24%*	We expect the recurring revenue growth between 14% and 16% not taking into account any further acquisitions
	Recurring revenues share	84%*	88%*	We expect the resulting recurring revenue ratio to be >85%
	In line with our mission to lead the European market for cloud telephony, we will continue to invest significantly in gaining market share. Therefore, assuming a stable overall economic development and a cloud communications market in Europe that is expanding rapidly as expected, NFON expects a continuation of its dynamic revenue growth with possible additional impulses from further M&A activities. The EBITDA breakeven point could be reached in the medium term if the current investment intensity is maintained. This does not include investments to take advantage of additional growth opportunities that arise in the short term.			

* Including M&A effects due to the acquisition of DTS



Key investment highlights



- 1** Huge addressable market being disrupted by structural shift to integrated business communications driven by cloud technology
- 2** Strong business model resulting in attractive combination of massive growth, low churn rate and sustainable recurring revenue
- 3** State-of-the-art “German Engineering” business communications solution on own tech stack tailored to European customer needs
- 4** Proven growth strategy leveraging multi-dimensional layers of growth
- 5** Leading European channel partner network as basis for scalable growth



♥ **Thanks**

@NFONcom
#cloud #telephony #allip



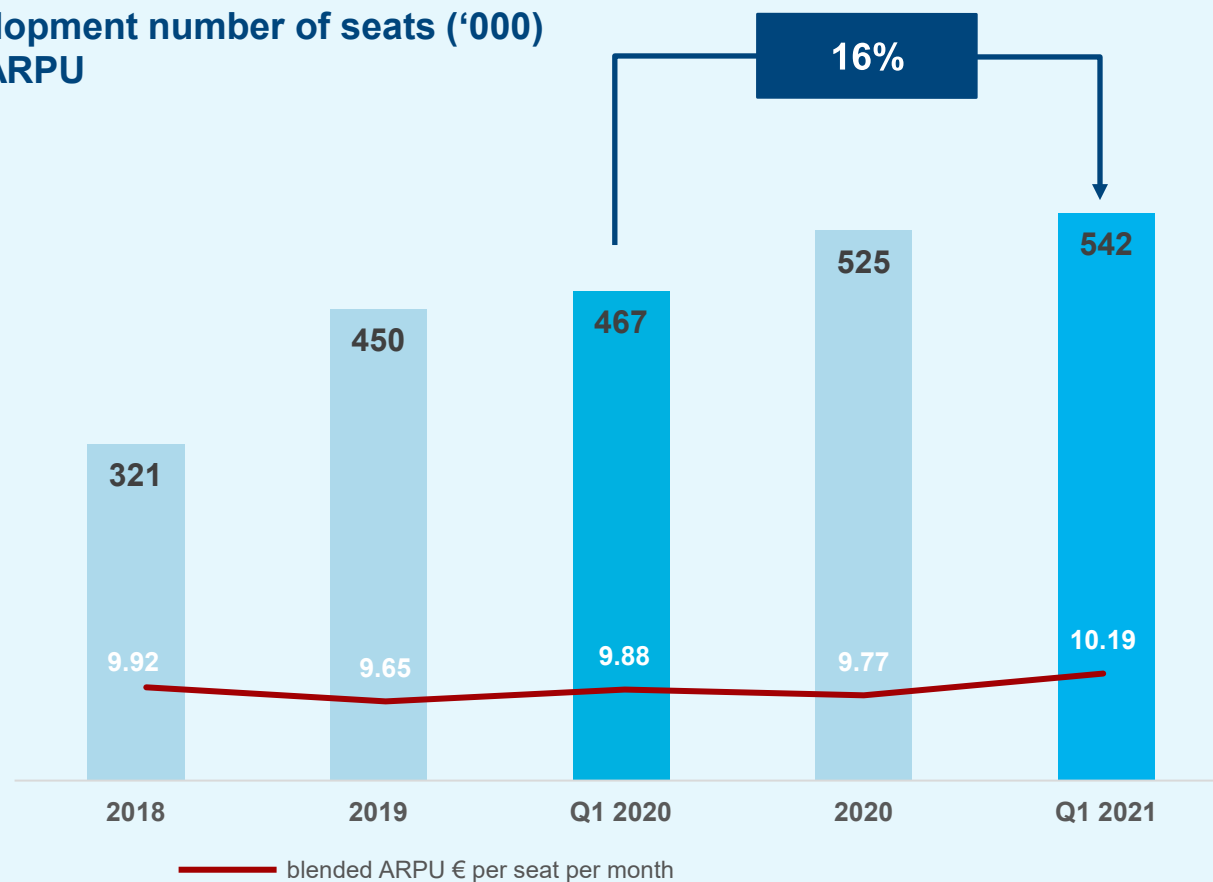
Appendix

Further information about NFON

Continuing growth of seat base



Development number of seats ('000) and ARPU



Comments

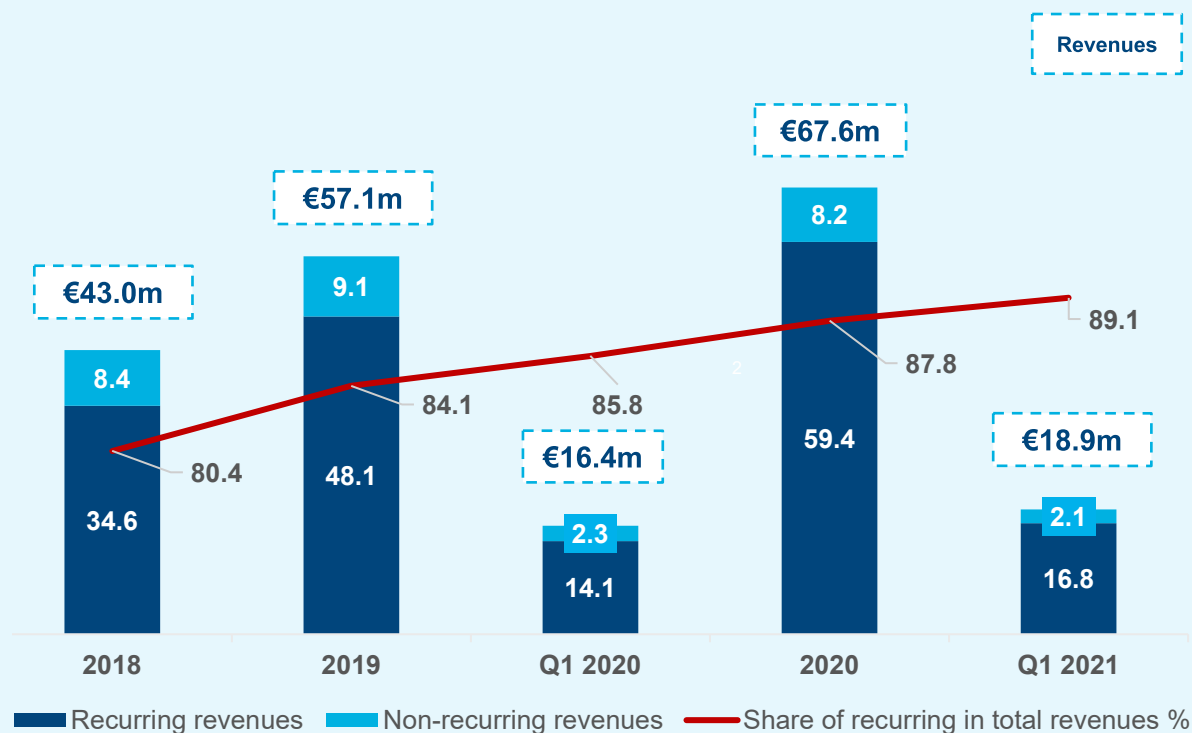
- > Increase of total number of seats by 16%
- > Various influencing factors for ARPU development
 - > Still high usage of air time
 - > Positive development of DTS
 - > At the same time increasing development of business with wholesale partners selling their own airtime
- > Low gross churn rate of ~0.5% per month underlines quality of product and service and guarantees continuous recurring revenues

Sustained growth in recurring revenues



Development total recurring vs. non-recurring revenues

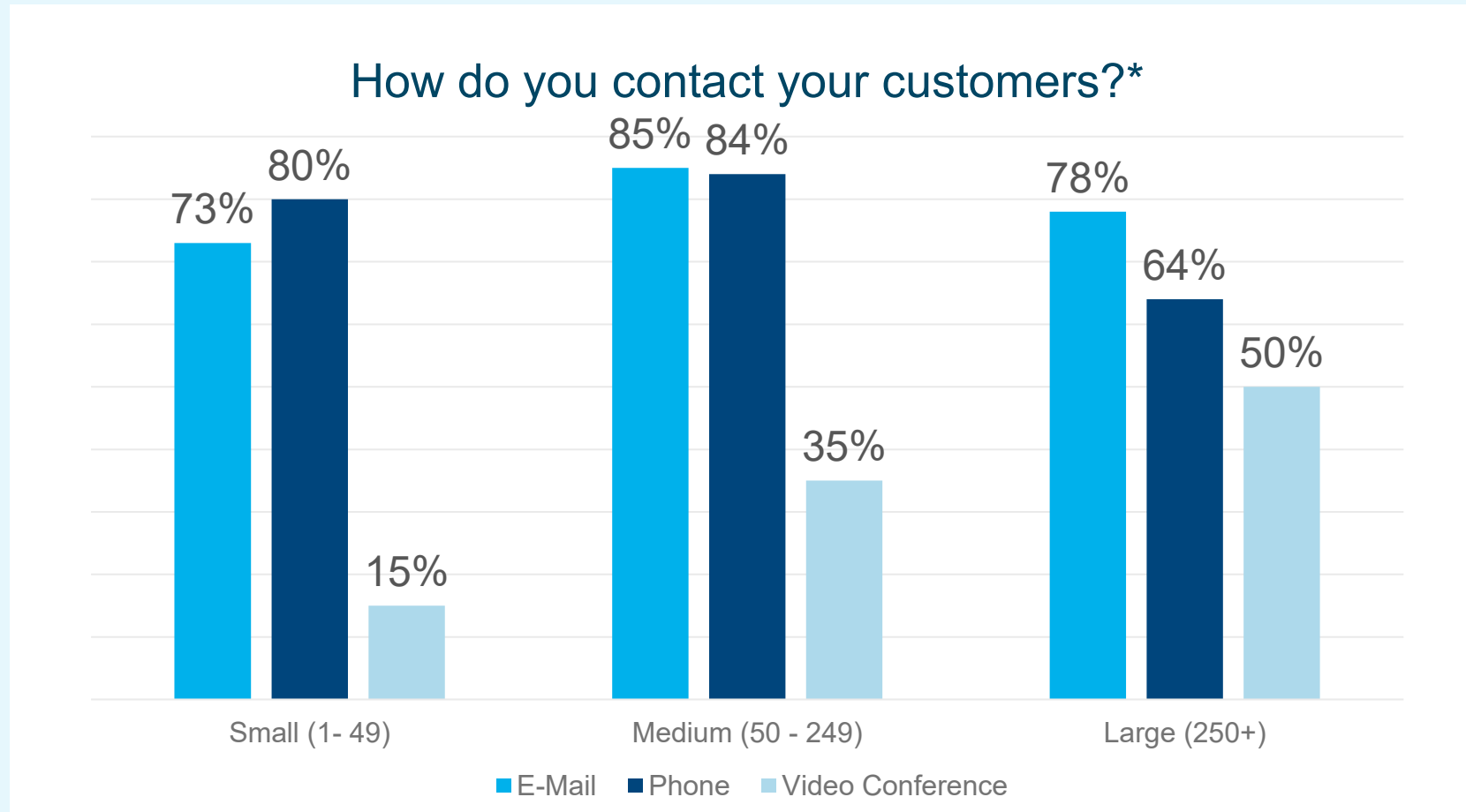
€ million



Comments

- > Total revenue growth of 15.2% in comparison to Q1 2020
- > Recurring revenue grows by 19.6% compared to first quarter 2020 due to high usage of airtime and positive seat growth
- > Non-recurring revenues on previous year's level
- > Steadily increasing share of recurring revenue in total revenue (89.1%)

E-Mail and telephony are still the main contact points



* Source: Cavell Group



Studies used for market trends

1 [Cavell Group: Enterprise Insight Report DE 2019](#)

2 <https://www.ifo.de/node/56686>

3. <https://blog.perceptyx.com/employees-become-more-productive-working-from-home>

4 <https://de.statista.com/statistik/daten/studie/1067502/umfrage/umfrage-zur-flexibilitaet-im-arbeitsleben-in-ausgewaehlten-laendern-weltweit/>

5 [Cavell Group: Enterprise Insight Report DE 2019](#)

Management Board



Klaus von Rottkay
CEO

- >20 years of C-Level experience in the IT industry
- Previous experience includes
 - McKinsey & Company
 - Microsoft
 - Planet Home



Jan-Peter Koopmann
CTO

- >20 years of C-Level experience in the IT/Telco industry
- Previous experience includes
 - Founder Seceidos
 - Tiscali
 - Telenor Group

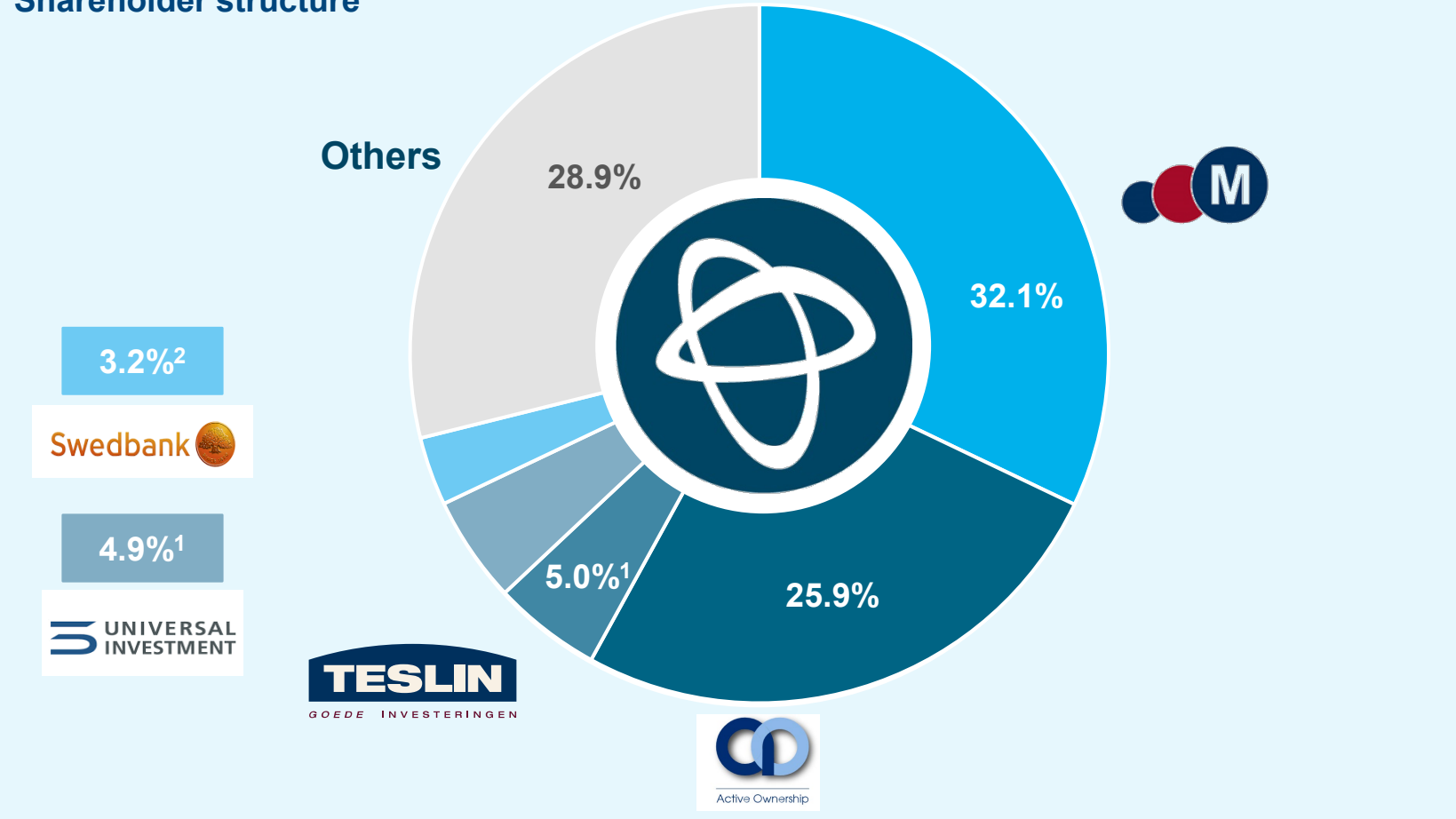
Share at a glance



Facts

ISIN	DE000A0N4N52 DE000A2TSA41
Segment	Prime Standard/ Telecommunication
Shares	16.6 million (29 March 2021)
Designated sponsor	Baader Bank ODDO Seydler
First day of trading	11 May 2018
Coverage	Berenberg Bank, Baader Bank, Hauck & Aufhäuser, Stifel

Shareholder structure



¹voting rights bases on 15.6 million shares ² voting rights based on 14.1 million shares



Financial calendar 2021



Date	Event
24 June	Annual Shareholder Meeting
Virtual Meeting	
19 Aug	Half-year Financial Results 2021
Web- and Telephone Conference	
18 Nov	Financial Results Nine Months 2021
Web- and Telephone Conference	



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