



NFON

Die Cloud-Telefonanlage

THE NEW FREEDOM OF BUSINESS COMMUNICATION

Financial Report Q1 2018

17 May 2018



We want to dominate the European Cloud telephony market by delivering freedom of business communication.



Growth Excellence
Leadership Award 2017

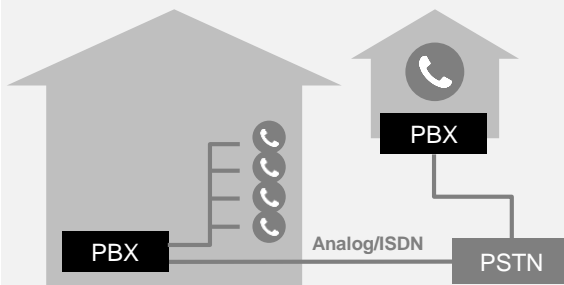
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Introduction

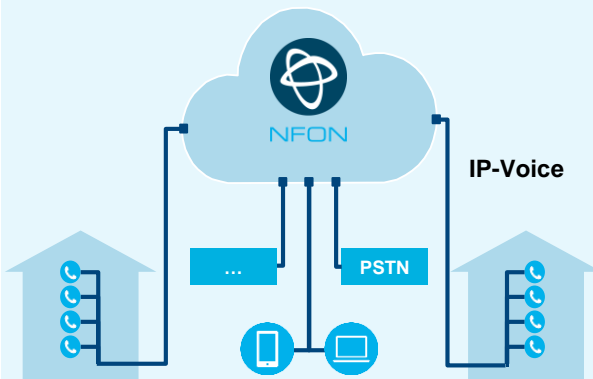


NFON – The only true Pan-European Cloud PBX company

Classic on-premise PBX



Cloud PBX



Advantages of cloud telephony

Increased functionality



Device agnostic



Flexibility



Lower total cost of ownership



Minimal support required



Automatic updates



Location independence



Scalability



Founded **2007**
HQ in Munich,
Germany

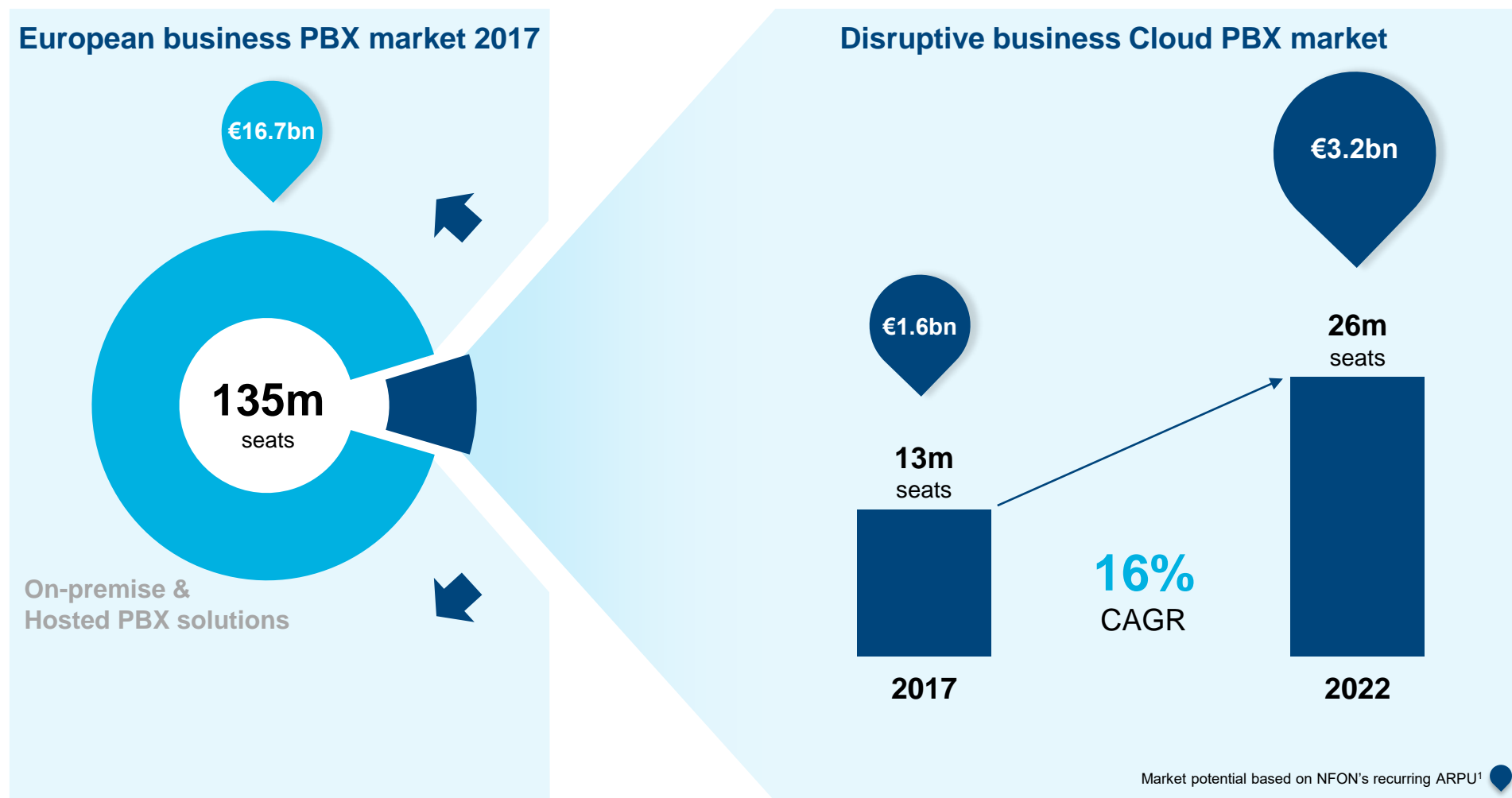


Active in
13
European
countries



200+
employees

Shift to cloud communication creates unique opportunity



¹calculated as respective number of total extensions/installed base based on MZA estimates multiplied with NFON's 2017 ARPU of €10.32 per seat per month
Note: Cloud business telephony seats including public multi-tenant, public multi-instance and public single-instance technology

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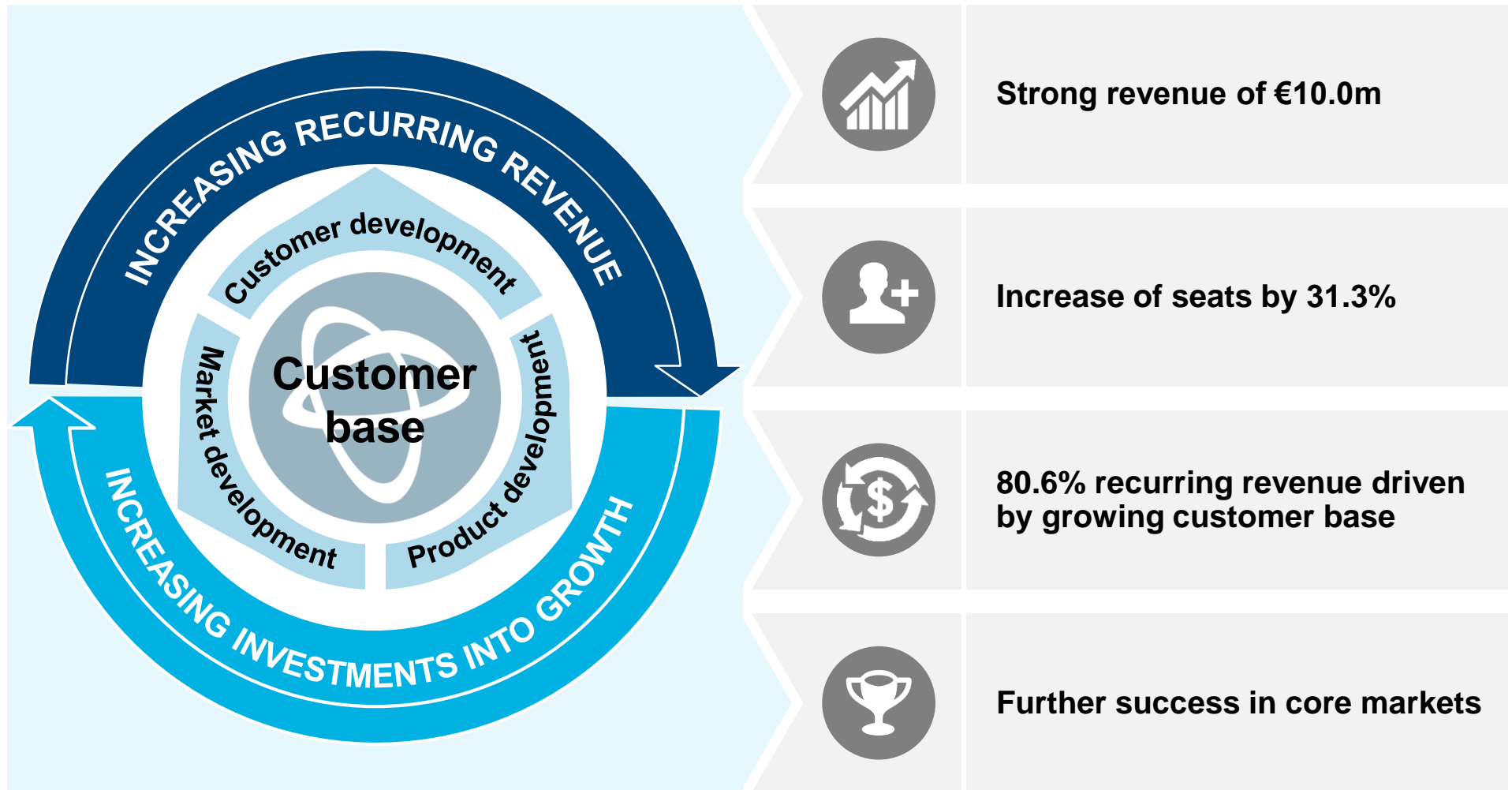
Business Highlights



Successful IPO - NFON has started operating as a listed Company in May 2018

Final offer price	> €12.00
Listing	> Frankfurt Stock Exchange (Prime Standard) on 11 May 2018
First price	> €13.00
Total Offer Size	> €80.5m total offer size, thereof €50m gross proceeds from capital increase
Major Shareholders	> Milestone Venture Capital (30.1%), Earlybird Venture Capital (14.9%)
Management participation in IPO	> Hans Szymanski (CEO/ CFO) 12,500 shares, Jan-Peter Koopmann (CTO) 9,166 shares, César Flores Rodríguez (CSO) 10,416 shares
Lock-up	> 12 months for the Company, Management Board and pre-IPO shareholders

Strong Q1 2018 – in line with expectations

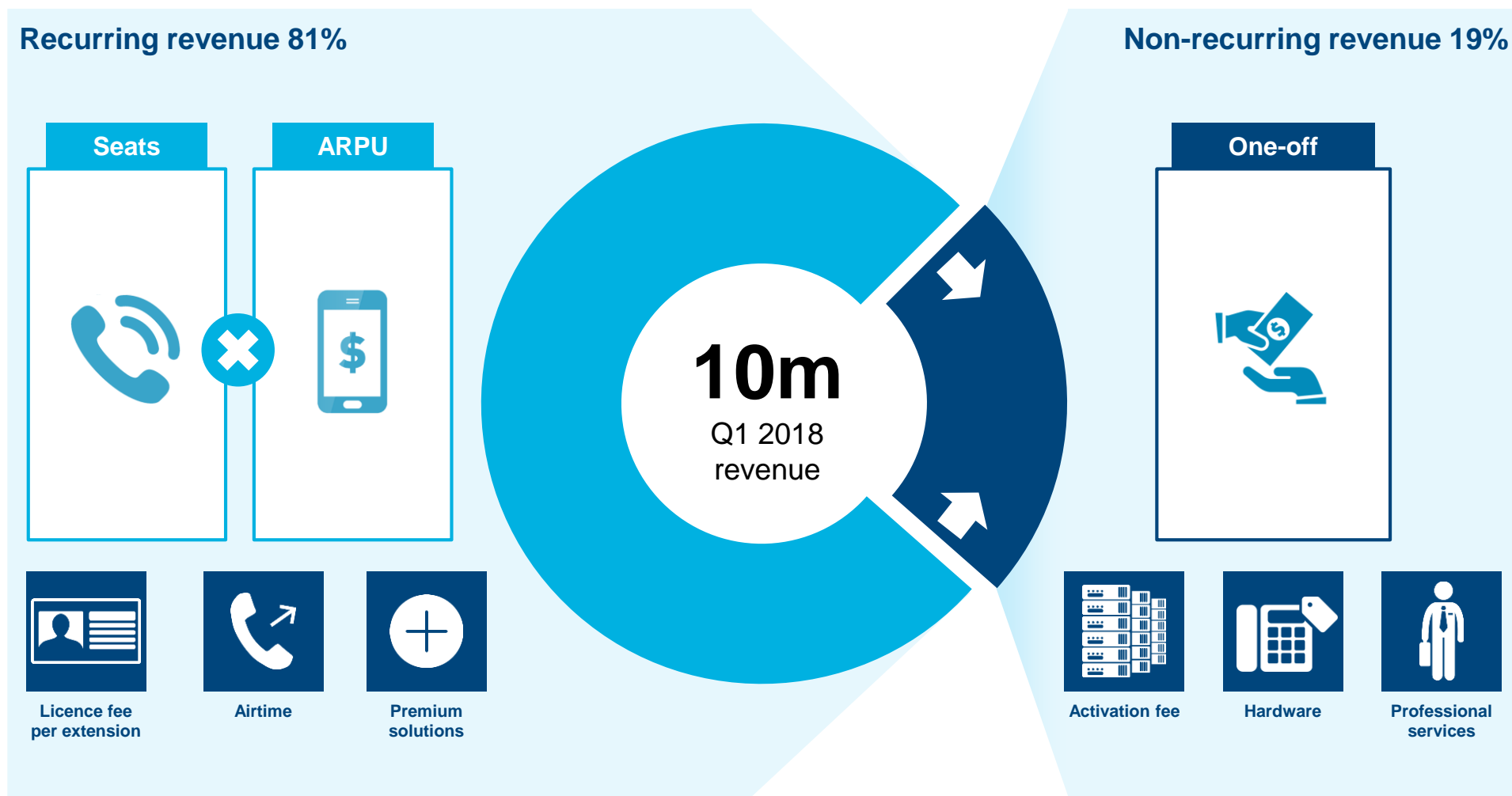


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Business Model & Financial Overview



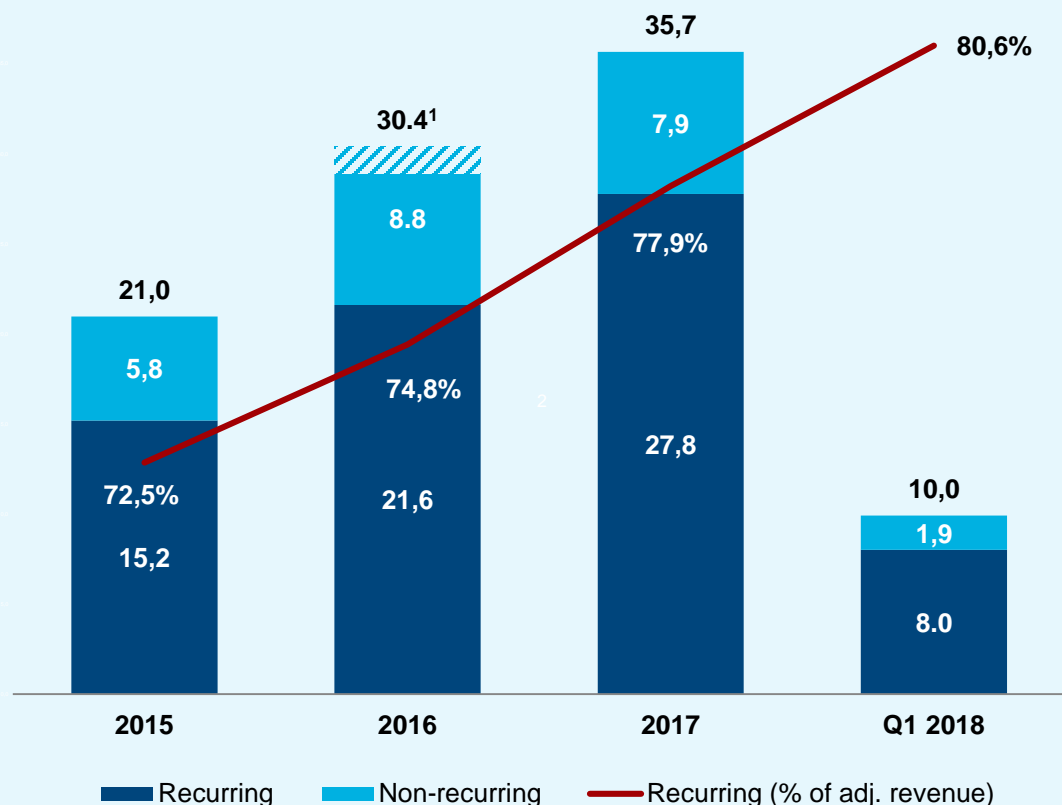
NFON's top line mechanics are centred around recurring revenue



Strong top line results in Q1 2018 to be further accelerated, driven by cumulative effects

Development total recurring vs. non-recurring revenue

€m



Comments

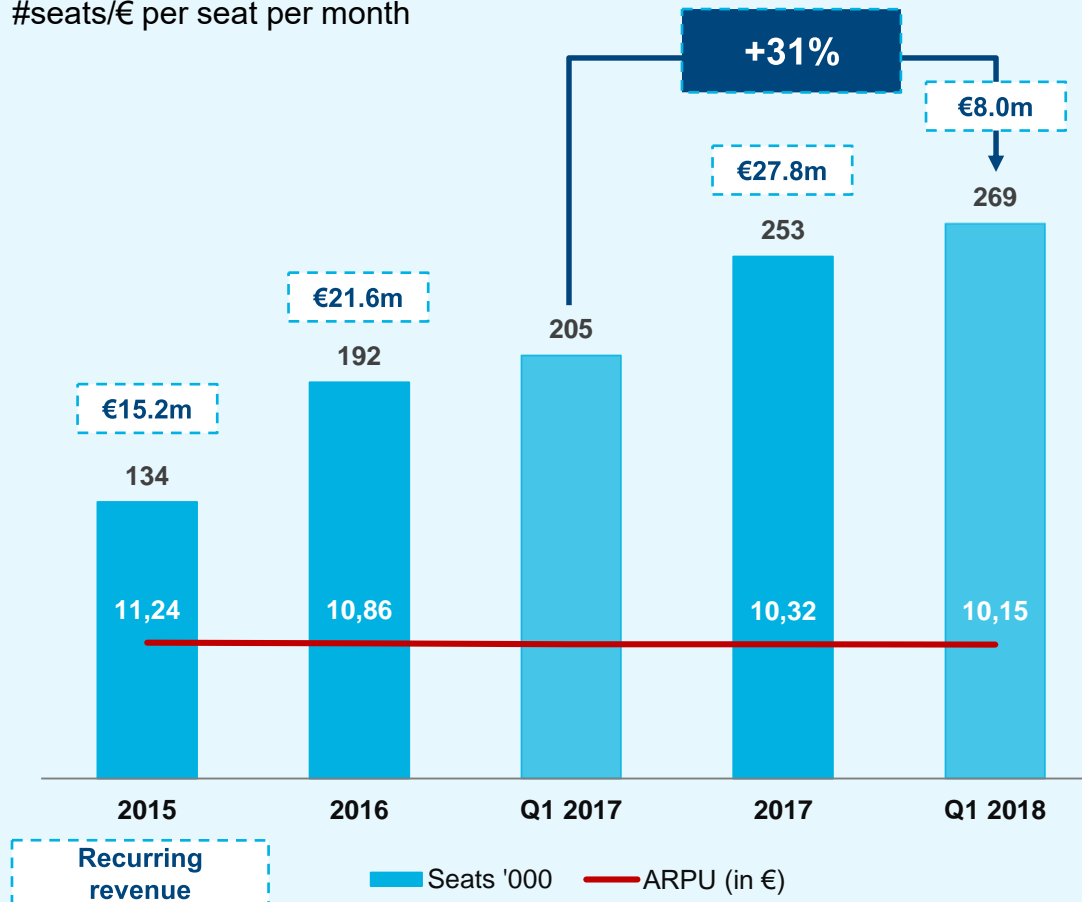
- > Based on the nature of NFON's business, revenue growth rates in the earlier quarters of the year tend to be lower than expected full year growth rates as a result of the cumulative effect of new seat wins
- > Considering Q1 2018 as a pre-IPO quarter, the following quarters will be influenced by the use of IPO proceeds
- > We will start to invest in the multi-vector growth strategy
- > In Q1 2018, NFON achieved EBITDA of €0.1m adjusted for €0.5m of IPO costs in line with expectations

¹including extraordinary effect from R&D project amounting to €1.5m

Strong growth in recurring revenue from consistent increase in total number of seats and largely stable ARPU

Development number of seats and ARPU

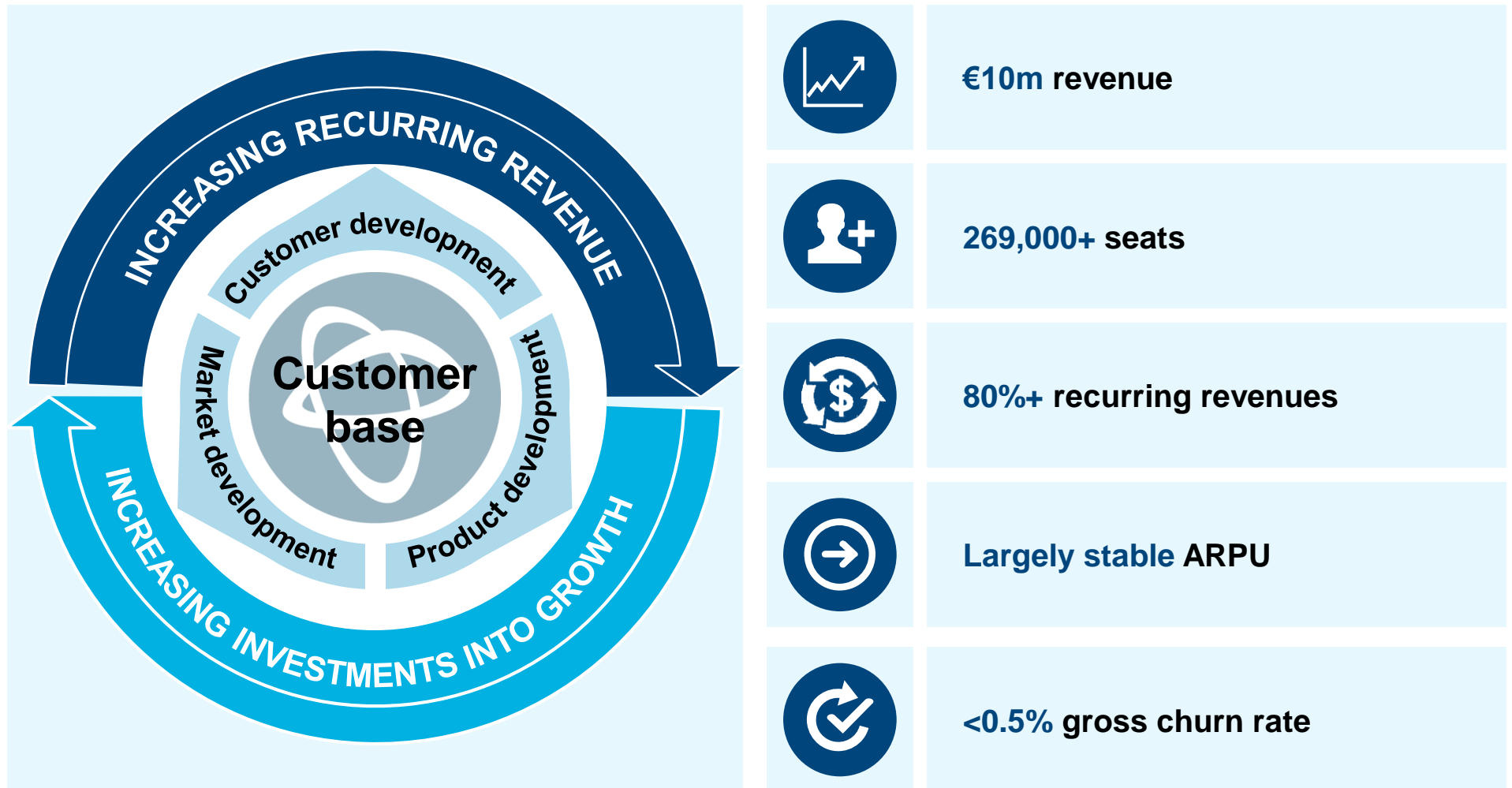
#seats/€ per seat per month



Comments

- > Historically, NFON has experienced a strong increase in the number of total seats serviced, driven by the attractiveness of our solutions and the increasing demand for cloud telephony systems in general
- > Based on largely stable ARPU levels and an increasing number of seats NFON has been able to grow its recurring revenue base significantly
- > ARPU levels have furthermore been impacted by the increasing share of sales through wholesale partners selling their own airtime
- > Additional premium solutions represent upside potential for ARPU development in the medium term

NFON – Q1 Financial Highlights at a Glance



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Strategy Overview and Guidance



Guidance for 2018

2017

2018



**Number
of seats**

253k

**We expect a significant growth
of our customer base by around 30%**



**Revenue
growth (%)**

17.3%

**We expect the revenue growth rate for 2018
to clearly outperform the revenue growth rate of 2017**



**Recurring
revenue
share (%)**

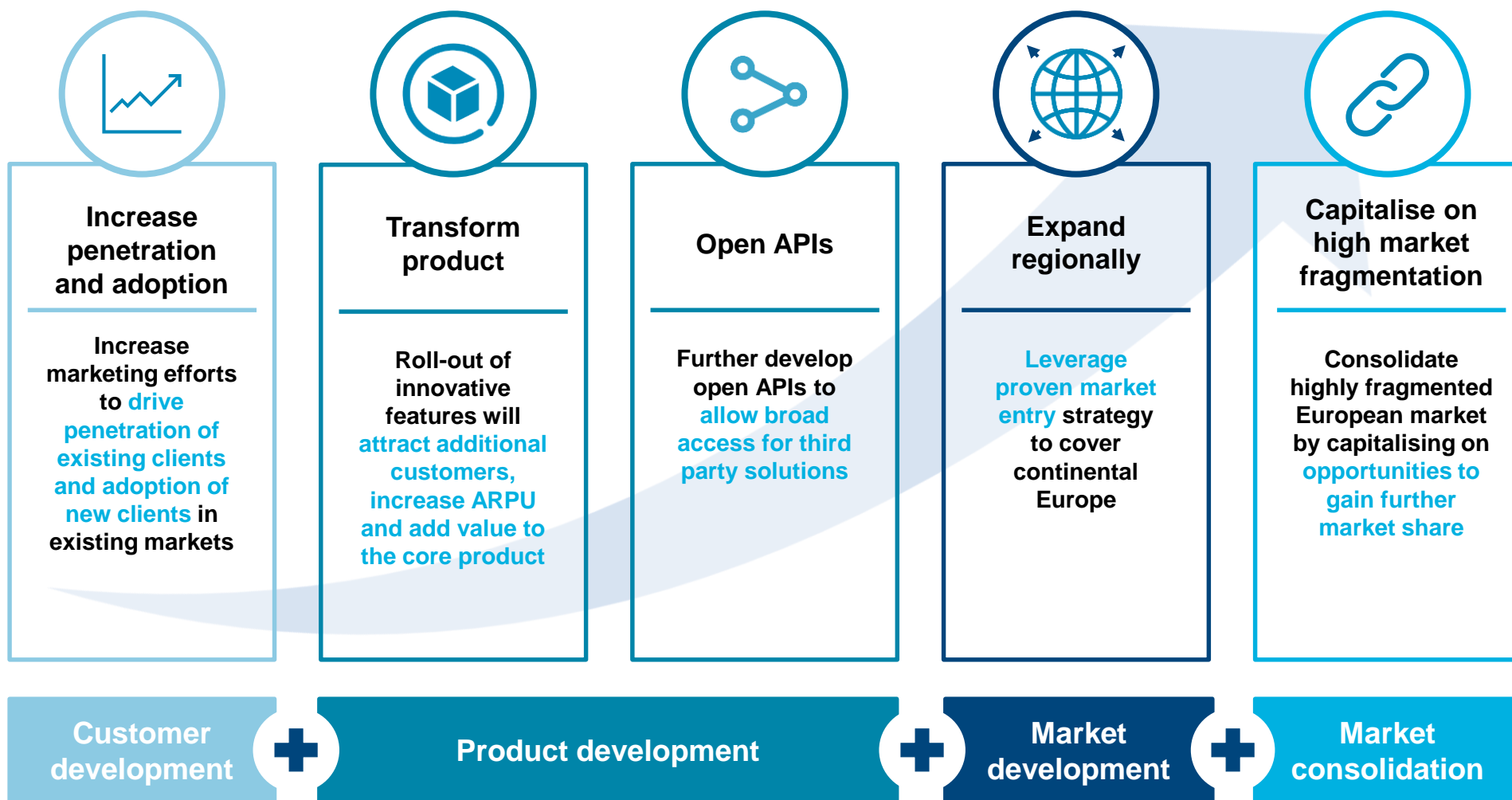
77.9%

**We expect the resulting recurring revenue in 2018
to be between 75% – 80%**



Clear focus on implementation of growth strategy

Coherent multi vector growth strategy



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Key Investment Highlights and Q&A





Key investment highlights

1

Huge addressable business communication market being disrupted by structural shift to Cloud PBX solutions

2

Only true Pan-European Cloud PBX company best positioned to become the dominant European player

3

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

4

State-of-the-art “German Engineering” Cloud PBX solution tailored to European customer needs

5

Outstanding track record of scalable growth underpinned by break-even profitability at Group level

6

Proven growth strategy leveraging multi dimensional layers of growth



♥ Thanks
@NFONcom
#cloud #telephony #allip

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Appendix



Management Board of NFON AG



Hans Szymanski
CEO/CFO

- >20 years of C-Level experience
- Previous experience includes
 - CEO/CFO Francotyp-Postalia
 - President Jenoptik LOS
 - Klöckner & Co



Jan-Peter Koopmann
CTO

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



César Flores Rodríguez
CSO

- >10 years of C-Level experience
- Previous experience includes
 - Aconex
 - Co-founder conject Group
 - Mercer Management Consulting

NFON share at a glance

Facts

ISIN	DE000A0N4N52
Segment	Prime Standard/ Telecommunication
Shares	13.8 million
Designated sponsor	Baader Bank ODDO Seydler
First day of trading	11 May 2018

30.10%



14.94%

EARLYBIRD
VENTURE CAPITAL

7.74%

MAINFIRST

7.36%

MIG
Fonds

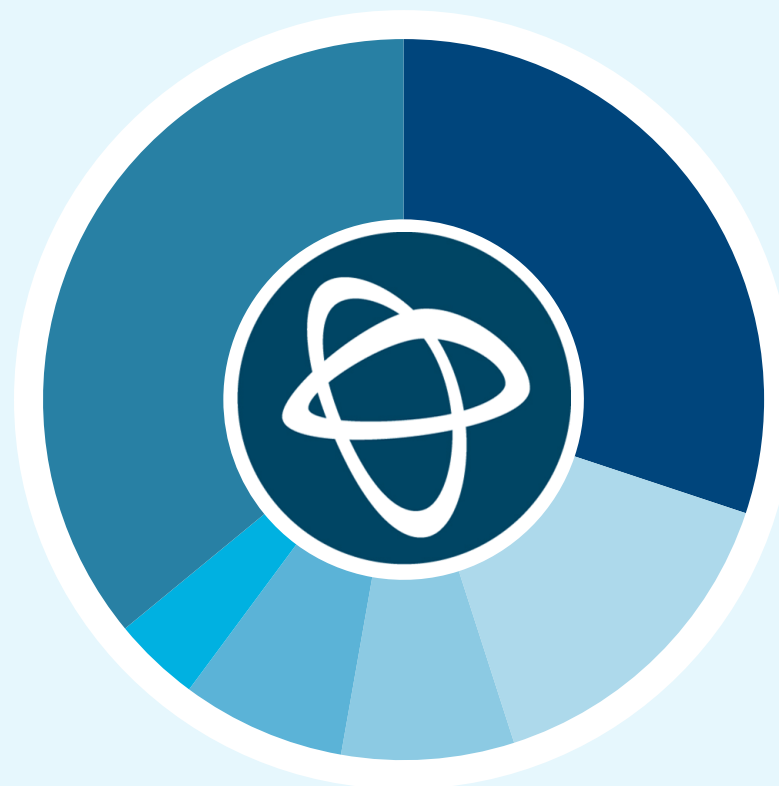
3.91%

Fidelity
INTERNATIONAL

35.95%

Others

Shareholder structure¹



¹based on notification of voting rights



Financial calendar

Date	Event
17 May 2018	Interim Report 1st Quarter 2018
	Web- and Telephone Conference
20 Sep 2018	Interim Half-year Report 2018
	Web- and Telephone Conference
22 Nov 2018	Interim Report 3rd Quarter 2018
	Web- and Telephone Conference
26 – 28 Nov 2018	German Equity Forum Frankfurt
	Analyst Presentation and 1-on-1

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