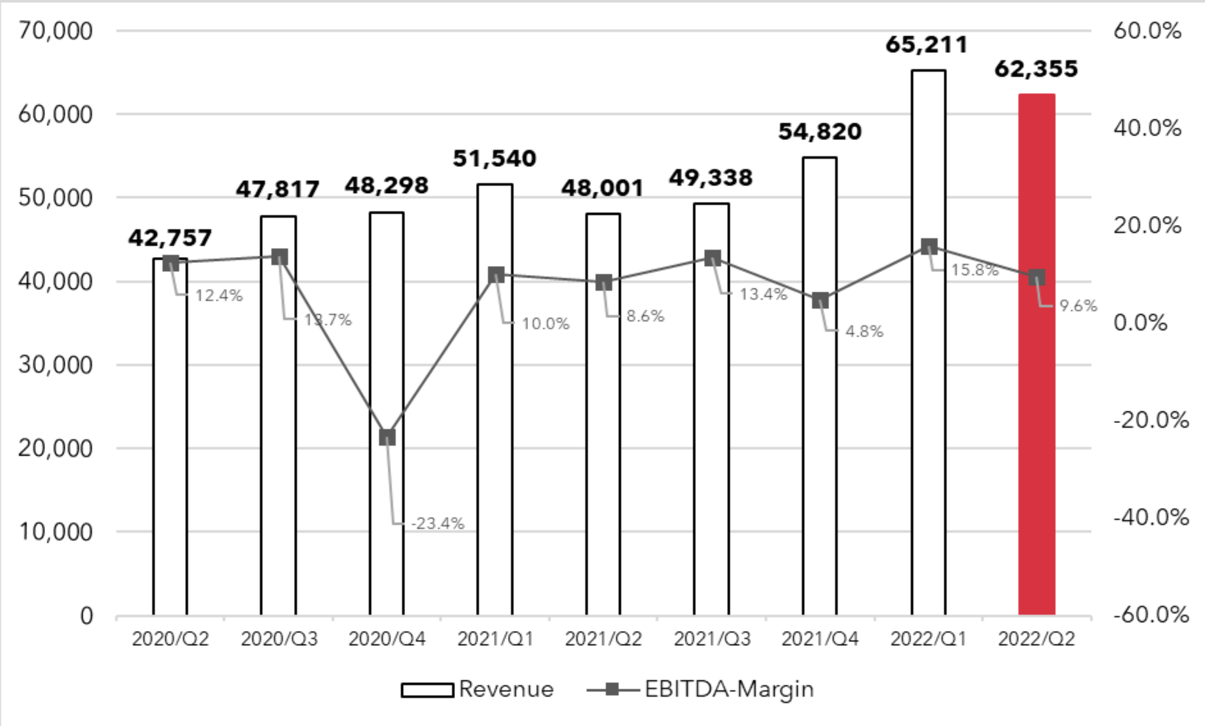
H1/2022
Interim Financial Report

Key figures

REVENUE BY QUARTER (IN EUR THOUSAND)



GROUP KEY FIGURES (IN EUR THOUSAND)

	2021/Q2	2021/Q3	2021/Q4	2022/Q1	2022/Q2
Revenue	48,001	49,338	54,820	65,211	**62,355**
EBITDA	4,104	6,588	2,630	10,333	**5,964**
as percentage of revenue	8,6	13,4	4,8	15,8	**9,6**
Consolidated profit/loss	-272	1,554	-1,766	5,310	**-123**
as percentage of revenue	NA	3,2	NA	8,1	**NA**
Equity	14,120	16,214	15,741	21,343	**22,234**
as percentage of balance sheet total	8,5	9,7	9,4	11,3	**11,9**
Net debt	19,785	21,397	20,457	18,951	**15,966**
as percentage of equity	140	132	130	89	**72**
Share price end of period (EUR)	3.21	3.03	3.07	2.70	**3.23**
Earnings per share (basic in EUR)	-0.02	0.10	-0.11	0.33	**-0.01**
Earnings per share (diluted in EUR)	-0.02	0.10	-0.11	0.33	**-0.01**

FP continues growth path in revenue and profit in the first half of 2022

Total revenue in the first six months of 2022 increases by 28.2% to EUR 127.6 million compared to EUR 99.5 million in the same period of the previous year

Revenue in the Digital Business Solutions grows by 24,8% to EUR 12.5 million, focus on delivering solutions with a clear customer value proposition is paying off

Revenue in the Mailing, Shipping & Office Solutions improved by 23,8% to EUR 75.1 million; FP benefits from recurring revenue and rate change in Germany as well as strong USD

Revenue in the Mail Services business segment rises by 38.5% to EUR 40.0 million in the first six months; consolidation of business mail progresses successfully

EBITDA increases by 76.5% to EUR 16.3 million after EUR 9.2 million in the same period of the previous year; EBITDA margin reaches 12.8%

Forecast for 2022 confirmed at the upper end: Revenue of EUR 229 to 237 million and EBITDA of EUR 24 to 28 million expected (EBITDA margin of 10.5 % to 11.8 %)

Dear shareholders and business partners!

On the following pages, we will inform you about FP's business performance in the first half of 2022. The figures show that we have set the right course for the future of the FP Group with the FUTURE@FP transformation program. In the course of the first six months of 2022, revenue increased from EUR 99.5 million in the prior-year period to EUR 127.6 million. This corresponds to growth of 28.1 million euros or 28.2 percent. The positive development of the first quarter, which is traditionally particularly strong at FP, thus continued.

All three business units made their contribution to this.

Revenue in the Digital Business Solutions segment increased by 24.8% to EUR 12.5 million. Here, FP is benefiting not only from last year’s successful sales activities , but also from an expansion of the product range through the acquisition of the operating companies of Azolver Group. Revenue in the Mailing, Shipping & Office Solutions business unit, including the unit's digital revenue, increased by 23.8%. In addition to organic growth, extraordinary effects also influenced this dynamic business performance. For example, the acquisition of the of the operating companies of Azolver Group was consolidated for the first time for the second quarter and contributed revenue of EUR 7.4 million to the Mailing, Shipping & Office Solutions business unit. FP also benefited from the postage rate change in Germany at the beginning of the year, which contributed a special effect of EUR 2.9 million. Last but not least, exchange rates developed favorably, resulting in a positive effect of EUR 2.8 million. Organic growth excluding non-recurring effects amounted to 2.3%

And the Mail Services business unit also contributed to the performance in the first half of 2022 with 38.5% growth to EUR 40.0 million. Growth was driven not only by the increase in postage costs, but also by pandemic-relatedstaff shortages at customers and special mailings from customers.

Many of these individual effects will not be repeated in the second half of the year. In addition, the macroeconomic and geopolitical environment has deteriorated significantly in recent weeks and months. We have therefore decided not to raise our guidance for the full year. However, it is likely that we will reach our guidance at the upper end of the range. Taking into account the positive currency effects, the expected revenue level is therefore in excess of EUR 240 million.

The positive business performance is also reflected in profitability. After EUR 9.2 million in the same period of the previous year, EBITDA now reached EUR 16.3 million. This corresponds to an EBITDA margin of 12.8 %. In addition to the planned adjustments to the cost base, extraordinary effects were also recorded at this level, which will not be repeated in this way in the second half of the year. For this reason, the original planning range between EUR 24 million and EUR 28 million remains the target.

In the second half of 2022, we will continue on our chosen path and drive forward the transformation of FP. Even headwinds from the economic slowdown will not change this. The integration of the operating companies of Azolver Group is progressing at various levels to ensure that the operating companies of Azolver Group contributes value to the FP Group in the future. This does not just mean successively converting the customer base to FP franking machines. Azolver's digital business areas around Parcel Shipping and Asset Tracking are intended to strengthen FP's digital business. And the technology and service center in Estonia is intended to simplify and accelerate our project for nearshoring of administrative activities and software development. The corresponding measures have been defined and are largely already being implemented.

And we are also on the home stretch with another major project. For the introduction of the new ERP/CRM system, we have opted for a risk-minimizing approach. Not all units will be converted on a single date, but rather the individual Group units will be implemented sequentially. This will ensure that subsequent implementations can benefit from the experience gained in other companies.

In the future, we will continue to work on developing FP into an international technology company. The initial successes are visible, and we would be pleased if you would continue to accompany us constructively on the way forward.

Carsten Lind	Martin Geisel
CEO	CFO

INTERIM GROUP MANAGEMENT REPORT

of Francotyp-Postalia Holding AG

for the period from 1 January to 30 June 2022

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Please note that there may be rounding differences compared to exact mathematical figures (monetary units, percentages, etc.).

Non-binding convenience translation from German

1. Group principles

Francotyp-Postalia Holding AG, headquartered in Berlin (hereinafter also referred to as "FP Holding", "the company" or "the parent company"), is entered in the commercial register of the Charlottenburg Local Court in Berlin (registration number: HRB 169096 B). The registered office of Francotyp-Postalia Holding AG is Berlin; the registered office address is Prenzlauer Promenade 28, 13089 Berlin, Germany.

Francotyp-Postalia Holding AG is the parent company of direct and indirect subsidiaries (hereinafter referred to as "the FP Group", "FP" or "Francotyp-Postalia").

Francotyp-Postalia Holding AG's shares are admitted to trading in the Prime Standard (regulated market segment with additional post-admission obligations) of the Frankfurt Stock Exchange.

This interim management report should be read in context together with the condensed consolidated interim financial statements, including the notes to the condensed consolidated interim financial statements. The condensed consolidated interim financial statements are based on a number of assumptions and accounting policies, which are described in more detail in the notes to the consolidated financial statements for the year ended 31 December 2021. The new or revised IFRS standards and interpretations that must be applied as of 30 June 2022 have no material impact on the FP Group's reporting.

The interim management report contains statements relating to the future about business, financial performance and income. These statements are based on assumptions and forecasts, which in turn are based on information available at present and current estimates. They are subject to a number of uncertainties and risks. Actual performance may thus differ significantly from expected performance. Beyond legal requirements, Francotyp-Postalia Holding AG is not obliged to update statements relating to the future.

The interim management report for the period 1 January to 30 June 2022 is prepared in euro (EUR), the functional currency of Francotyp-Postalia Holding AG. Unless stated otherwise, all figures are rounded to euro millions (EUR million) to one decimal place. This may result in rounding differences and the percentages shown may not be exactly comparable to the figures to which they relate. The interim management report has been prepared for the reporting period from 1 January to 30 June 2022 (H1 2022). Unless stated otherwise, the comparative figures of the statement of financial position refer to 31 December 2021 and the comparative figures of the statement of comprehensive income and the cash flow statement to the period from 1 January to 30 June 2021 (H1 2021). For the statement of comprehensive income, the quarterly figures for the period from 1 April to 30 June 2022 (Q2 2022) and the corresponding comparative figures for the period from 1 April to 30 June 2021 (Q2 2021) are also stated.

The basic statements made in the combined management report for the fiscal year 2021 regarding operating activities, the Group structure (excluding the acquisition of the operating companies of Azolver Group), the Group's strategy, the management system, and research and development continue to apply largely unchanged.

The changes in the consolidated group in the first half of 2022 are described in note 3 to the condensed consolidated interim financial statements.

2. Economic conditions

The global economy has developed differently in the first half of 2022. The gross domestic product (GDP) of the Eurozone increased by 0.7% between April and June compared to the previous quarter. The German economy stopped growing in the spring. In the second quarter, GDP remained unchanged compared to the first quarter. The US economy is even in slowdown. Annualised GDP declined by 0.9% in the second quarter. In the first quarter, economic output had already fallen by 1.6%.

In July, the International Monetary Fund (IMF) lowered again its global growth forecast for 2022. The experts now expect global growth of only 3.2%. This is 0.4 percentage points less than the forecast in April.

The exchange rate of the Euro to the US dollar plays an important role for the FP Group's exports to the US, as well as to other markets. In the first half of

2022, the Euro was subject to a significant depreciation against the US Dollar; the average exchange rate was around 1.094 US Dollars, which was below the previous year's level of 1.205 US Dollars (-9.4%). This change had a significant positive effect on the Group's income statement. In the case of the British pound, there was only a minor change in the first half of 2022 compared with the prior-year period in terms of the average exchange rate. At £0.842, the average exchange rate was below the prior-year level of £0.868 (-3.0%). The Euro average exchange rate also showed a significant change against the Canadian Dollar in a half-year comparison (-7.7%). Against the Swedish krona, the Euro increased slightly (+3.4%). A weaker Euro exchange rate has a positive impact on the FP Group's revenue and earnings development, insofar as parts of the revenue are generated in these currencies and translated into Euros at Group level.

The FP Group is engaged in the processing of mail in foreign and domestic markets. According to the statistics of the Universal Postal Union, around 260 billion letters are still sent worldwide each year, with a downward trend (2020; global figures for 2021 are not yet available). It is still not possible to quantify exactly how much the decline in letter volumes will be affected by the SARS-CoV-2 pandemic in the medium term. However, it is expected that the decline in mail volumes may intensify. On the one hand, a significant surge in digitization can be expected in the wake of the crisis. On the other hand, possible negative economic developments could also have a negative impact on mail volumes. A stronger increase is still expected for the parcel market, at least temporarily.

3. Business development

The FP Group recorded in the first half of 2022 a business performance better than expected. In the first six months of 2022, the company fortunately achieved strong revenue of EUR 127.6 million, compared with EUR 99.5 million in the same period of the previous year. Overall, FP thus reported a 28.2% increase in revenue for the first six months of 2022. All three business units contributed to this. Revenue in the Mailing, Shipping & Office Solutions business unit recorded double-digit growth. Here, FP benefited from higher revenue from machines and consumables as well as additional revenue from the postage changeover in Germany (rate change) and the first contributions of the operating companies of Azolver Group, which was acquired at the end of March 2022. The Digital Business Solutions unit also showed very positive development and continues to grow at a double-digit rate. In the Mail Services business unit, revenue increased at a disproportionately high rate. The unit benefited from the postage increase at the beginning of 2022 and one-off mailings for customers in the first half of the year.

EBITDA reached EUR 16.3 million, compared with EUR 9.2 million in the same period last year. Free cash flow reached EUR 7.4 million – including the operating companies of Azolver Group - compared with EUR 4.0 million in the first half of 2021 meaning that FP saw positive development compared with the same period of the previous year, thus demonstrating the robust business model of the FP Group. In addition, the company has sufficient liquidity as well as financial flexibility and reserves based on the existing syndicated loan agreement. Due to the good business development in the first half of 2022 and the increased uncertainties in the geopolitical environment for the second half of 2022, FP confirms the forecast for fiscal year 2022 at the upper end.

In the first half of 2022, the company continued to work on the FUTURE@FP transformation program, which the Management Board presented in April 2021. The aim is to transform the company into a sustainably profitable, international technology group in the long term. The cornerstones of the FUTURE@FP transformation program are a simultaneous alignment of the cost base with revenue, the introduction of a new uniform ERP/CRM system, focused market development by business units and a realignment of FP's digital offerings.

On June 15, 2022, Francotyp-Postalia announced changes to the Management Board. CFO Martin Geisel will not renew his contract, which is due to expire by rotation. Effective October 1, 2022, the Supervisory Board appointed Ralf Spielberger as a member of the Management Board and the new CFO. Mr. Spielberger is not only a proven financial expert, but also brings extensive experience in digital transformation processes. Mr. Spielberger also held various positions in Finance & Operations at Pitney Bowes for almost ten years.

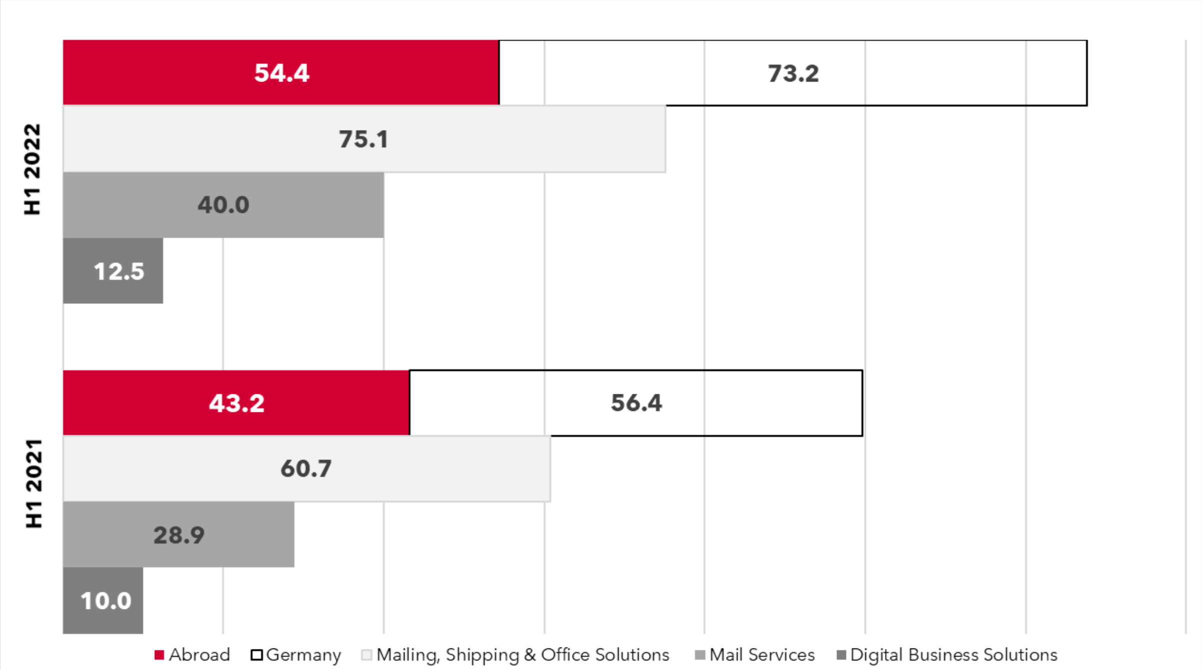
4. Position of the Group

4.1 Earnings position of the Group

The development in the significant positions in the consolidated statement of comprehensive income was as follows:

in EUR million	H1 2022	H1 2021	Q2 2022	Q2 2021
Revenue	**127.6**	**99.5**	**62.4**	**48.0**
Change in inventories	**0.5**	1.8	**-0.2**	1.1
Own work capitalised	**3.2**	3.0	**1.4**	1.4
Overall performance	**131.3**	**104.3**	**63.6**	**50.5**
Other operating income	**0.9**	0.7	**0.6**	0.2
Cost of materials	**64.6**	49.8	**30.7**	24.0
Employee benefit expenses	**31.0**	29.5	**16.8**	14.1
Expenses from impairment losses and income from reversals of impairment losses on trade receivables	**1.2**	0.5	**0.2**	0.1
Other operating expenses	**19.1**	15.9	**10.5**	8.3
EBITDA	**16.3**	**9.2**	**6.0**	**4.1**
Amortisation, depreciation and impairment	**9.9**	9.4	**4.9**	4.7
Net interest income	**0.8**	0.5	**0.4**	0.2
Other financial result	**1.0**	0.5	**0.7**	-0.1
Share of profit/loss of companies accounted for using the equity method	**0.0**	0.1	**0.0**	0.1
Income taxes	**-3.0**	-0.3	**-2.2**	0.2
Consolidated profit/loss	**5.2**	**0.6**	**-0.1**	**-0.3**

4.1.1 Development of consolidated revenue



The first half of 2022 was characterized by challenging economic conditions. Nevertheless, FP was able to perform well in this market environment and report strong revenue growth, including rate change in Germany overall, which demonstrates the robustness of the business model

Revenue in the largest business unit, Mailing, Shipping & Office Solutions, increased by 23.8% to EUR 75.1 million in the first six months of 2022 (previous year: EUR 60.5 million). Positive currency effects amounting to EUR 2.8 million were recorded. The basis in this business unit is the PostBase product family. The development of sales reflects the positive effects of the transformation program. The Mailing, Shipping & Office Solutions - North America (NAM) segment recorded growth of 17 %.

The revenue growth in the Mailing, Shipping & Office Solutions - Europe segment also included the first-time contribution of EUR 7.4 million from the newly acquired operating companies of Azolver Group.

Based on the existing product range, which is geared to the small mail volume sector, and the high proportion of recurring revenue, the company continues to have a robust business model and is comparatively well positioned for the future in this business unit. Nevertheless, the global market trend in the franking machine business is declining. It is therefore even more remarkable that FP was also able to achieve organic growth in the first half of 2022.

Revenue in the Mail Services business unit increased by 38,5% compared to the same period last year. The Mail Services business relating to the collection, franking and consolidation of business mail developed very positively. In addition to the effects of the postage increase at the beginning of 2022, revenue was higher than usual in the first half of the year as a result of a higher proportion of franking due to Corona-related staff shortages at customers and one-time mailings. In the first half of 2022, revenue increased to EUR 40.0 million, compared with EUR 28.9 million in the prior-year period.

Revenue in the Digital Business Solutions business unit recorded a significant year-on-year increase of 24.8% to EUR 12.5 million in the reporting period. In the Output Management area, there was higher customer activity in the first half of the year. Another revenue driver is the FP Sign signature solution, which is benefiting both from last year's sales performance with recurring revenue and increased new customer acquisition. As a result of the change in working conditions due to the pandemic, this innovative digital solution can demonstrate a significant improvement in revenue and order pipeline. The partnership concluded in April 2021 with DATEV eG, the third-largest provider of business software in Germany and one of the major European IT service providers for tax consultants, auditors and lawyers, is also having an effect. As such, the focus continues to be on a few target industries that are being worked on with a customer-centric focused marketing and sales approach - like the tax advisor industry. In the area of De-Mail/electronic legal transactions, in addition to an overall increase in customer demand, the exit of a competitor from the De-Mail market is having a positive impact.

REVENUE BY PRODUCT AND SERVICE

in EUR million	H1 2022	H1 2021	Change in %	Q2 2022	Q2 2021
Product sales (Franking and Inserting)	**17.9**	14.2	25.6	**9.4**	7.5
Service/customer service	**16.5**	10.0	64.5	**8.5**	4.5
Consumables	**12.8**	11.8	8.2	**5.8**	5.7
Teleporto	**4.7**	3.8	21.8	**2.8**	2.0
Mail Services	**40.0**	28.9	38.5	**16.4**	12.3
Software/Digital	**14.3**	10.8	31.9	**7.7**	6.1
Revenue in accordance with IFRS 15	**106.1**	**79.6**	**33.3**	**50.7**	**38.0**
Finance lease	**5.8**	5.2	11.0	**3.2**	3.2
Operating lease	**15.9**	14.8	7.1	**8.5**	7.0
Revenue in accordance with IFRS 16	**21.6**	**20.0**	**8.1**	**11.8**	**10.1**
Reduction in sales due to currency effects from hedge accounting	**-0.2**	-0.1	95.9	**-0.1**	-0.1
Revenue total	**127.6**	**99.5**	**28.2**	**62.4**	**48.0**
Non-recurring revenue	**32%**	35%		**36%**	38%
Recurring revenue	**68%**	65%		**64%**	63%

The service business increased by 64.5% compared to the same period of the previous year. Revenue from product sales in the franking & inserting category increased by 25.6%. Revenue from leasing business developed slightly above the previous year's level in the first six months of 2022. Mail Services and Software/Digital achieved a significant growth of 38.5% and 31.9%, on a comparable basis.

4.1.2 Own work capitalised

In the first half of 2022, own work capitalised increased slightly to EUR 3.2 million (+9.7% compared to the same period of the previous year) and is mainly attributable to leased products.

4.1.3 Other operating income

The increase of EUR 0.2 million to EUR 0.9 million in other operating income in the first half of 2022 is mainly due to the acquisition of the operating companies of Azolver Group.

4.1.4 Cost of materials

In the first half of 2022, the FP Group's cost of materials increased by 29.7% to EUR 64.6 million compared to EUR 49.8 million in the same period of the previous year. This was due to increased activities in the Mail Services segment, the acquisition of the operating companies of Azolver Group and the product mix in the reporting period. The cost of raw materials and supplies increased to EUR 21.7 million in the reporting period compared to EUR 18.8 million in the same period of the previous year. The temporary increase in costs for microchips for franking machines also made a contribution of EUR 0.5 million. The cost of purchased services of EUR 42.9 million increased significantly compared to the previous year's period (EUR 31.0 million), primarily due to the increase in sales in the Mail Service business. The cost of materials ratio, namely the cost of materials in relation to sales, increased only slightly to 50.6% in the reporting period (previous year: 50.0%).

4.1.5 Employee benefit expenses

Employee benefit expenses increased by 5.1% to EUR 31.0 million in the first half of 2022 (previous year: EUR 29.5 million). The increase mainly results from the acquisition of the operating companies of Azolver Group. The employee benefit expenses ratio, namely personnel expenses in relation to turnover, decreased significantly from 29.7% to 24.3%.

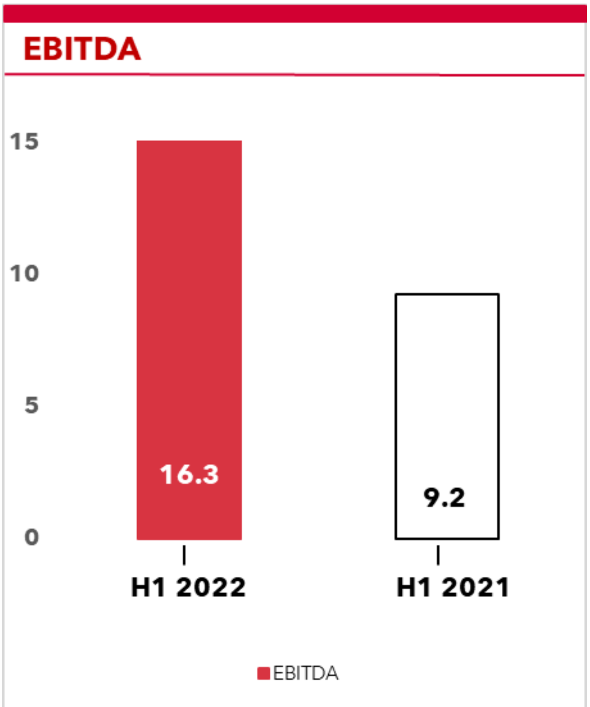
4.1.6 Expenses from impairment losses less income from reversals of impairment losses on trade receivables

Expenses from impairments less income from reversals of impairments on trade receivables are EUR 0.5 million above the previous year's level, due to increased risks in some European countries and the acquisition of the operating companies of Azolver Group.

4.1.7 Other operating expenses

In the first half of 2022, other operating expenses increased by EUR 3.1 million from EUR 15.9 million to EUR 19.1 million compared to the same period of the previous year. This was caused by the inclusion of the operating companies of Azolver Group, including due diligence costs, and planned higher expenses for the implementation of the new ERP. The costs for freight and packaging rose by EUR 0.9 million, the costs for rents and lease payments by EUR 0.5 million and travel expenses by EUR 0.3 million, while staff-related costs fell by EUR 0.7 million.

4.1.8 EBITDA



In the first half of 2022, the FP Group improved EBITDA to EUR 16.3 million (+76.5 % compared to the same period of the previous year). The EBITDA margin of the FP Group improved to 12.8% after 9.3% in the same period of the previous year.

EBITDA was positively influenced primarily by the increased revenue, a simultaneously reduced cost base, the effects of the rate change and the foreign exchange gains. The positive development is partly due to one-off effects in revenue as well as in EBITDA. Without these one-off effects, normalised EBITDA improved from EUR 10.2 million to EUR 14.8 million.

Revenue was normalised as follows:

NORMALISED REVENUE

in EUR m	H1 2022	H1 2021
Revenue (as reported)	**127.6**	**99.5**
Mail Services (mainly postage)	-10.0	0.0
Rate Change (Germany)	-2.9	0.0
Currency effects compared to previous year	-2.8	0.0
normalised revenue	**111.9**	**99.5**

EBITDA has been normalised as follows:

NORMALISED EBITDA

in EUR m	H1 2022	H1 2021
EBITDA (as reported)	**16.3**	**9.2**
Rate Change (Germany)	-2.6	0.0
Currency effects compared to previous year	-2.1	0.0
FUTURE@FP	0.0	1.0
One ERP	2.2	0.0
Cost of material (micro chips)	0.5	0.0
M&A expenses	0.5	0.0
Normalised EBITDA	**14.8**	**10.2**
Normalised revenue	**111.9**	**99.5**
Normalised EBITDA margin	**13.2%**	**10.3%**

4.1.9 Amortisation, depreciation and impairment

In the first half of 2022, depreciation, amortisation and impairments increased by 4.8% year-on-year from EUR 9.4 million to EUR 9.9 million. This is primarily the result of the first-time inclusion of the operating companies of Azolver Group as well as recognised impairments on capitalised development costs of IoT projects in the amount of EUR 0.4 million.

4.1.10 Interest result

Net interest income increased slightly by EUR 0.3 million to EUR 0.8 million in the first half of 2022. This resulted from lower interest expenses to banks and higher interest income.

4.1.11 Other financial result

The FP Group generated other financial income of EUR 1.0 million in the first half of 2022 (previous year: EUR 0.5 million). The development in the other financial result is mainly due to exchange rate effects in the balance sheet valuation as of the reporting date.

4.1.12 Share of profit and loss of companies accounted for at equity

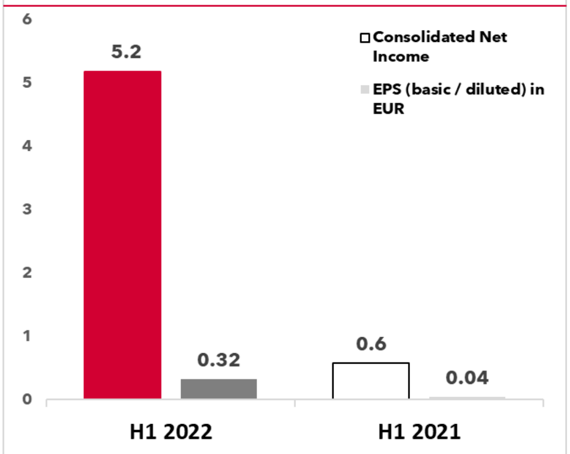
In the same period of the previous year, the company had a gain of EUR 0.1 million from the investment in Juconn GmbH accounted for at equity in the consolidated financial statements, which resulted from the sale of the investment in Juconn GmbH in April 2021.

4.1.13 Income taxes

Income tax expense in the first half of 2022 amounted to EUR 3.0 million (previous year: EUR 0.3 million). This corresponds to a tax rate of 36.9% (previous year: 35.7%).

4.1.14 Consolidated profit

Consolidated Net Income (in EUR million and EPS (basic/diluted) in EUR)



Consolidated net income increased significantly to EUR 5.2 million in the first half of 2022, compared with EUR 0.6 million in the first half of 2021, mainly as a result of the increase in EBITDA. The FP Group achieved earnings per share (EPS) of EUR 0.32 (basic/diluted) in the first half of 2022, compared with EUR 0.04 (basic/diluted) in the first half of 2021.

4.1.15 Summary of results per segment

The segments report in accordance with local accounting standards. For further information, please refer to Section II Segment reporting in the notes to the condensed interim consolidated financial statements. The following table shows the revenue and EBITDA of the segments.

SUMMARY OF RESULTS PER SEGMENT

	Revenue			EBITDA		
in EUR million	**H1 2022**	**H1 2021**	**Change in %**	**H1 2022**	**H1 2021**	**Change in %**
Mailing, Shipping & Office Solutions – Europe [1]	**43.9**	34.3	28.0	**10.5**	6.6	59.6
Mailing, Shipping & Office Solutions – North America [1]	**31.6**	27.0	17.2	**9.4**	9.0	4.7
Mail Services[1]	**40.0**	28.9	38.5	**1.4**	0.9	51.2
Digital Business Solutions - Business Process Management and Automation [1]	**2.1**	1.2	75.1	**-0.4**	-0.6	-40.8
Digital Business Solutions - Document workflow management [1]	**10.1**	8.7	17.3	**0.5**	0.3	41.2
Other[1]	**0.1**	0.0	n/a	**-0.6**	-0.8	-26.0
Not allocated to any segment	**0.4**	0.2	74.2	**-6.3**	-5.9	6.2
Group reconciliation	**-0.6**	-0.7	-7.6	**1.7**	-0.3	n/a
Group	**127.6**	99.5	28.2	**16.3**	9.2	76.5

	Revenue			EBITDA		
in EUR million	**Q2 2022**	**Q2 2021**	**Change in %**	**Q2 2022**	**Q2 2021**	**Change in %**
Mailing, Shipping & Office Solutions – Europe [1]	**23.5**	16.4	43.4	**3.3**	2.5	32.7
Mailing, Shipping & Office Solutions – North America [1]	**16.4**	13.8	18.7	**4.8**	4.4	8.5
Mail Services[1]	**17.5**	13.2	33.1	**0.4**	0.4	15.2
Digital Business Solutions - Business Process Management and Automation [1]	**0.7**	0.4	69.6	**-0.4**	-0.4	1.2
Digital Business Solutions - Document workflow management [1]	**4.4**	4.1	5.9	**-0.2**	0.2	-177.8
Other[1]	**0.0**	0.0	n/a	**-0.3**	-0.8	-56.1
Not allocated to any segment	**0.2**	0.2	60.6	**-3.9**	-2.2	72.7
Group reconciliation	**-0.4**	-0.1	481.6	**2.2**	0.0	n/a
Group	**62.4**	48.0	29.9	**6.0**	4.1	45.3

[1] Revenue with third parties and EBITDA, according to local accounting standards.

4.2 Financial position of the Group

4.2.1 Principles and objectives of financial management

The central objective of financial management is to avoid financial risks and ensure the FP Group's financial flexibility. The Company achieves this goal through the use of various financing instruments. Their selection takes into account flexibility, the type of loan covenants, the existing maturity profile and the cost of financing. The longer-term liquidity forecast is based on operational planning. In principle, a significant portion of the FP Group's liquidity comes from the operating activities of the segments with the resulting cash inflow. In addition, the Company uses loans from financial institutions and finance leases.

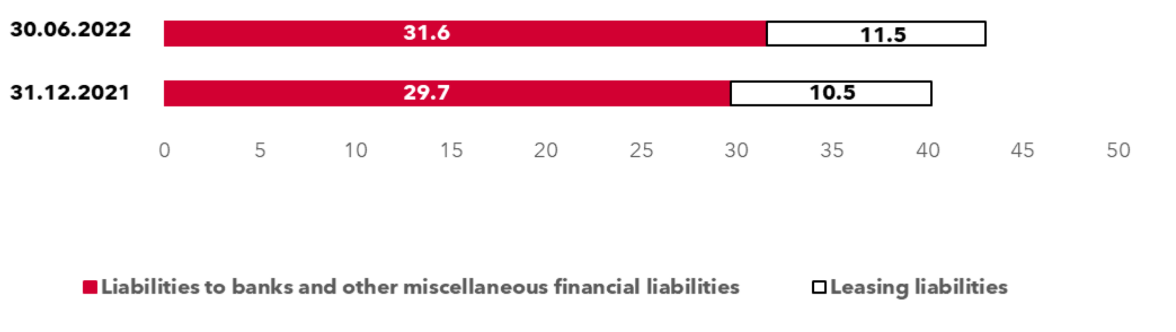
4.2.2 Unappropriated profit and dividend

The FP Group's dividend policy remains in place despite the implementation of the current transformation program. The aim is to allow shareholders to participate in the positive development of the Company as a matter of principle. Due to the current transformation and in view of the recent acquisition, the Management Board had proposed to the Supervisory Board that no dividend be paid again for fiscal year 2021 and that the retained earnings of Francotyp-Postalia Holding AG be carried forward. The Supervisory Board had endorsed this proposal and the Shareholder Meeting has approved.

4.2.3 Financing analysis

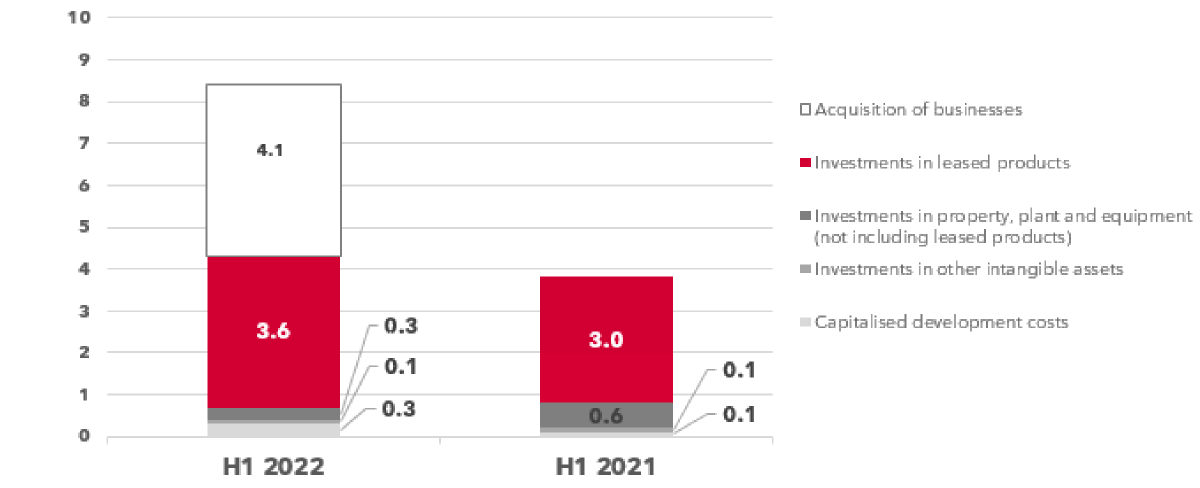
For financing purposes, the FP Group primarily uses cash flow from operating activities as well as existing credit agreements with financial institutions and finance lease agreements.

FINANCIAL LIABILITIES (in EUR million)



4.2.4 Investment analysis

INVESTMENTS (in EUR million)



The FP Group continued to invest in future growth in the first half of 2022. At EUR 8.2 million, investments in the first half of 2022 were significantly higher than the previous year's level of EUR 3.6 million. This was due in particular to the acquisition of the operating companies of Azolver Group on March 23, 2022.

Investments in leased products, mainly in the USA, the UK, Canada and the Netherlands, increased to EUR 3.6 million in the first half of 2022 (previous year: EUR 3.0 million). Investments in capitalized development costs totaled EUR 0.3 million in the first half of 2022 (previous year: EUR 0.1 million).

4.2.5 Liquidity analysis

LIQUIDITY ANALYSIS (IN EUR MILLION)

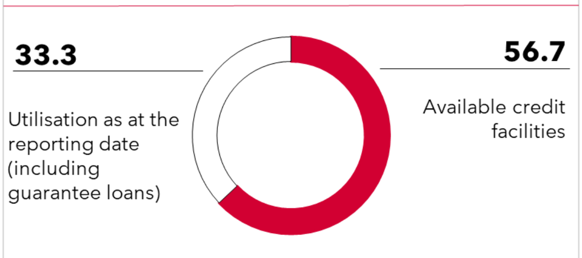
	H1 2022	H1 2021
Cash flow from operating activities	15.6	7.6
Cash flow from investing activities	-8.2	-3.6
Free cash flow	***7.4***	***4.0***
Cash flow from financing activities	-0.2	-8.9
Change in cash	**7.2**	**-5.0**
Change in cash due to currency translation	0.2	0.5
Cash at the beginning of the period	19.7	23.2
Cash at the end of the period	**27.1**	**18.7**

The operating cash flow of EUR 15.6 million after six months of 2022 was significantly above the previous year's level of EUR 7.6 million. This was mainly due to the increase in revenue and EBITDA. The FP Group has continuously and successfully focused on cost control and liquidity management.

Cash flow from investing activities amounted to Euro -8.2 million in the first half of 2022 and was significantly negative compared to the same period of the previous year (EUR -3.6 million) due to the Azolver acquisition. For further details, please refer to section 4.2.4 Investment analysis. Due to the strong operating cash flow, also under the conditions of increased investments in the first half of 2022, free cash flow developed very positively at EUR 7.4 million (previous year EUR 4.0 million).

The change in cash flow from financing activities in the first half of 2022 is mainly attributable due to an increase in a short-term loan of EUR 2.8 million for the acquisition of the operating companies of Azolver Group in the first quarter. The bank loan was already partially repaid (EUR 1.0 million) in the second quarter (previous year: EUR 6.9 million). Payments for lease liabilities remained almost at the level of the previous year.

Committed but not fully utilised credit facilities as at 30.06.2022 (in EUR million)



Under the terms of the syndicated loan agreement, the FP Group is obliged to comply with two defined financial covenants:

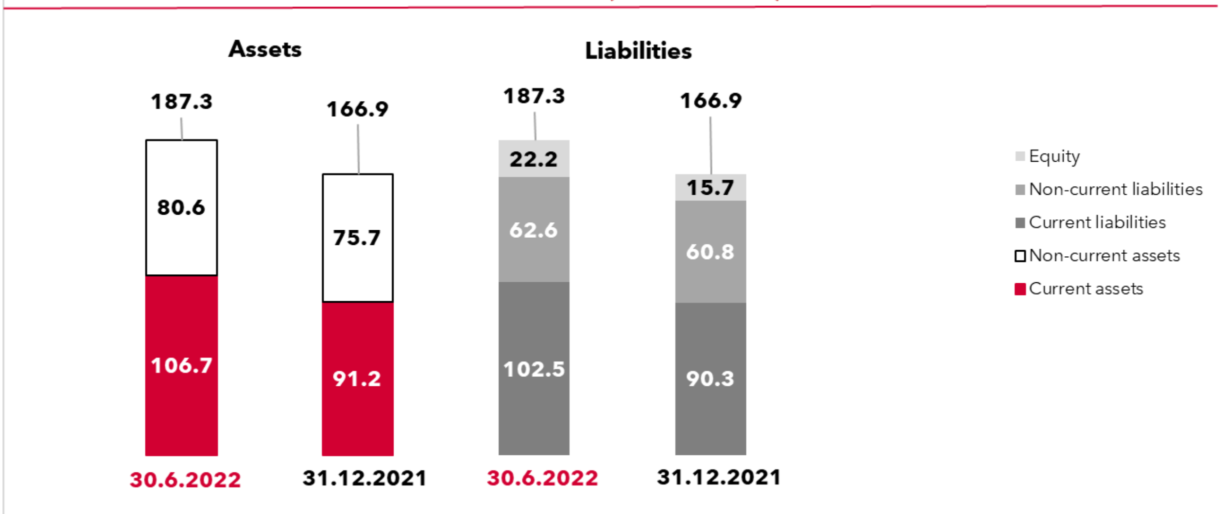
$$\text{Leverage} = \frac{\text{Total net debt}}{\begin{array}{c}\text{Adjusted EBITDA}\\ \text{(if required, adjusted for non-recurring effects)}\end{array}} \leq 3{,}0\times$$

$$\text{Interest Cover} = \frac{\begin{array}{c}\text{Adjusted EBITDA}\\ \text{(if required, adjusted for non-recurring effects)}\end{array}}{\begin{array}{c}\text{Net interest income}\\ \text{(adjusted for IAS 23 Borrowing Costs)}\end{array}} \geq 5{,}0\times$$

As agreed, one-time effects are (partially) adjusted for the calculation of covenants according to a simplified calculation scheme. All credit covenants were consistently complied with in the first half of 2022 and 2021. The FP Group was able to meet its payment obligations at all times in the first half of 2022 and 2021.

4.3 Asset position of the Group

STATEMENT OF FINANCIAL POSITION STRUCTURE (in EUR million)



The FP Group's statement of financial position as at June, 30 2022 was impacted by the acquisition of the operating companies of Azolver Group, the implementation of the FUTURE@FP transformation program and by stronger operating business development in the first half of 2022.

4.3.1 Non-current and current assets

NON-CURRENT AND CURRENT ASSETS

in EUR million	30.06.2022	31.12.2021
Intangible assets	22.2	19.7
Property, plant and equipment	27.0	25.9
Right of use assets	11.3	10.4
Non-current financial assets	17.0	16.8
Non-current non-financial assets	1.4	1.8
Deferred tax assets	1.7	1.1
Non-current assets	**80.6**	**75.7**
Inventories	19.7	16.5
Trade receivables	23.0	19.5
Other current financial assets	13.1	12.4
Other current non-financial assets	12.7	9.5
Cash and cash equivalents	38.2	33.3
Current assets	**106.7**	**91.2**

Non-current assets increased to EUR 80.6 million in the first half of 2022 compared to EUR 75.7 million at the end of 2021.

The increase in intangible assets by EUR 2.5 million is mainly due to the acquisition of the operating companies of Azolver Group and the related goodwill.

The increase in property, plant and equipment by EUR 1.1 million is mainly due to the increase in leased products (EUR 1.9 million).

Current assets increased in the first half of 2022 by EUR 15.4 million from EUR 91.2 million to EUR 106.7 million. This was mainly due to the increase in cash and cash equivalents by EUR 4.9 million, trade receivables by EUR 3.5 million, inventories by EUR 3.2 million and other current non-financial assets by EUR 3.3 million.

The increase in non-current and current assets is mainly due to the acquisition of the operating companies of Azolver Group.

4.3.2 Equity

As of June 30, 2022, the share capital of Francotyp-Postalia Holding AG amounted to EUR 16.3 million, divided into 16,301,456 no-par value bearer shares (previous year: 16,301,456).

As of June 30, 2022, the company held 257,393 treasury shares (previous year 257,393). This corresponds to 1.6% of the capital stock. The notional value of treasury shares is openly deducted from equity. The difference to the purchase price is offset against additional paid-in capital.

The Group's equity increased by EUR 6.5 million from EUR 15.7 (as of December 31, 2022) million to EUR 22.2 million (as of June 30, 2022). The increase is mainly due to the positive overall result of EUR 6.5 million.

4.3.3 Non-current and current liabilities

NON-CURRENT AND CURRENT LIABILITIES

in EUR million	30.06.2022	31.12.2021
Provisions for pensions and similar obligations	18.8	19.0
Other provisions	1.4	1.4
Financing liabilities	37.4	36.7
Other financial liabilities	0.4	0.3
Other non-financial liabilities	1.3	0.8
Deferred tax liabilities	3.3	2.7
Non-current liabilities	**62.6**	**60.8**
Tax liabilities	8.0	5.1
Other provisions	14.3	16.5
Financing liabilities	5.6	3.5
Trade payables	14.7	12.9
Other financial liabilities	35.1	35.4
Other non-financial liabilities	24.8	16.9
Current liabilities	**102.5**	**90.3**

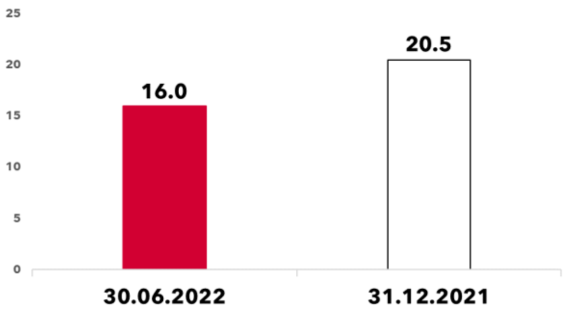
The change in the amount and structure of debt is also attributable to the inclusion of the operating companies of Azolver Group in the FP Group.

Non-current liabilities increased by EUR 1.8 million from EUR 60.8 million to EUR 62.6 million. This is mainly due to the slight increase in lease liabilities of EUR 0.7 million as well as the increase in deferred tax liabilities and non-financial liabilities.

Current liabilities increased significantly from EUR 90.3 million to EUR 102.3 million. This is due to an increase in other non-financial liabilities of EUR 7.8 million, mainly as a result of the acquisition of the operating companies of the Azolver Group, and an increase in tax liabilities of EUR 2.9 million due to the stronger business in the first six months of 2022.

An additional indicator of the FP Group's capital structure is the net debt ratio. This is calculated as the ratio of net debt to equity and is reviewed on an ongoing basis.

DEVELOPMENT OF NET DEBT (in EUR million)



Net debt is calculated as financial liabilities less cash and cash equivalents. Financial liabilities include liabilities to banks and lease liabilities. Cash and cash equivalents less restricted cash (postage credit balances managed by the FP Group) are included in cash and cash equivalents. This presentation applies both with regard to the determination of the net debt ratio as a control parameter for the capital structure of the FP Group and with regard to the disclosure in the cash flow statement.

in EUR million	30.06.2022	31.12.2021
Financing liabilities	43,0	40,2
Cash (Cash and cash equivalents less restricted funds)	27,1	19,7
Net debt	**16,0**	**20,5**
Equity	22,2	15,7
Net debt ratio	**72%**	**130%**

As a result of the cost control and liquidity management measures on the one hand and the inclusion of the operating companies of Azolver Group on the other, the FP Group's net debt decreased significantly from EUR 20.5 million to EUR 16.0 million in the first half of 2022.

4.3.4 FP as lessor

As a lessor, the FP Group practices both operating leases and finance leases. These business models influence the company's balance sheet and income statement. As of June 30, 2022, assets with a carrying amount of EUR 20.2 million (previous year: EUR 18.2 million), which are leased to customers under operating lease agreements, are recognised in non-current assets under the item "Leased products". Finance lease agreements with customers are included under "Receivables from finance leases" and totaled EUR 23.8 million (previous year: EUR 23.6 million) in the non-current and current categories at the balance sheet date.

4.4 Overall statement regarding the earnings, financial and asset position of the Group

The first half of 2022 was significantly better than the prior-year period and positive overall for FP. At EUR 127.6 million, revenue was significantly above the previous year's level. EBITDA reached EUR 16.3 million in the first six months. In addition to the good revenue performance, further effects of the cost savings became visible. Moreover, some positive one-off effects (rate change in Germany, increased postage in Germany, and the stronger USD) contributed to growth. The acquisition of the operating companies of Azolver Group, completed at the end of March, also contributed to growth in the second quarter of 2022. Despite the continuing challenging market environment in the franking business, FP showed very robust business development in the first six months of 2022 while working on the FUTURE@FP transformation program, which the Management Board presented in April 2021. The aim is to transform the company into a sustainably profitable, international technology group in the long term.

The transformation program continues to show positive effects, as FP significantly improved its cost structures. However, mainly due to the positive USD effect and the increase in postage in Germany, the company is, also performing better than expected in terms of revenue.

The Management Board assesses the course of business development in the first half of 2022 as very satisfactory overall.

5. Risk and opportunity report

Risks and opportunities are influencing factors or events that may result in the management's targets for short-term or medium-term Group performance being exceeded or missed. The aim of opportunity management is to identify these opportunities at an early stage and pursue them. In turn, risk management is intended to ensure that risks are not only identified in time, but that countermeasures are taken promptly to control and, where necessary, minimise the impact on the company and the Group.

The FP Group's risks, including with regard to the impact of SARS-CoV-2 pandemic, and opportunities are discussed in detail in the consolidated financial statements for the year ended 31 December 2021. The 2021 annual report is available online at https://www.fp-francotyp.com. In the reporting period, the following significant changes have occurred compared to the opportunities and risks described in the consolidated financial statements for the 2021 financial year:

As a result of the Russian war against Ukraine, the macroeconomic and geopolitical environment has deteriorated. Due to the sharp rise in energy prices and the scarcity and/or increase in the price of some raw materials, the originally positive outlook for economic growth has been drastically reduced in recent months. A future energy embargo could further aggravate the situation. An unfavorable economic environment could also have a negative impact on FP's business performance. Developments are analyzed on an ongoing basis in order to take measures, if necessary, to minimize the impact on business performance. At present, the impact of these risks is still of minor significance, but they cannot yet be quantified conclusively and reliably.

FP acquired the operating companies of Azolver Group as of March 23, 2022. Acquisitions of this type have also the potential to strengthen the market position and accelerate future growth. However, such transactions can be risky. If an acquired company does not achieve the expected results or cannot be successfully integrated into the existing business, this could adversely affect the net assets, financial position and results of operations.

The further development of the Corona pandemic is subject to increased uncertainties both in terms of its duration and its effects, which could also have a negative impact on the net assets, financial position and results of operations of the FP Group in fiscal year 2022 and beyond.

6. Forecast report

The forecast for macroeconomic conditions, which takes account of the SARS-CoV-2 pandemic, is based on information provided by the International Monetary Fund (IMF) and the German Council of Economic Experts (GCEE).

The company points out that statements relating to the future are based on assumptions and estimates. Actual future developments and results may vary substantially from these assumptions and estimates.

6.1 Expected development of performance indicators

	Forecast 2022
Revenue	EUR 229 -237 million
EBITDA	EUR 24 - 28 million
EBITDA MARGIN	10,5% - 11,8%
Quality indicator – Germany and International	slight improvement
Improvement indicator	stable development

On one hand, the business performance in 2022 is benefiting from the increasingly positive effects of the transformation program. On the other hand, there is uncertainty about the further economic framework conditions in view of the Ukraine war, inflation and rising raw material and energy prices, as well as about the development of the Corona pandemic and its possible influence on the business development in the current financial year 2022. Above all, the increased geopolitical risks and the associated increased volatility for the markets, including significantly rising material costs, will lead to increased expenses in the second half of 2022.

2022, the FP Group will continue to drive forward the transformation. The current development confirms to the company that the FUTURE@FP program is heading in the right direction. Particularly with the acquisition of the operating companies of the Azolver Group at the end of March 2022, the company expects Group revenue to develop significantly positively in fiscal year 2022. The Management Board expects a range of EUR 229 to 237 million, compared with EUR 203.7 million in the previous year. This includes organic revenue growth of 3-6% and growth from the acquisition of the operating companies of the Azolver Group. The measures to sustainably improve profitability will almost take full effect in fiscal 2022. Depending on the development of revenue, the Management Board therefore expects EBITDA of between EUR 24 million and EUR 28 million, corresponding to an EBITDA margin of between 10.5% and 11.8%. As before, this forecast does not take into account any exchange rate effects.

In terms of revenue, the Management Board expects to reach the upper end of the range. Taking into account the positive currency effects (already EUR 2.8 million in the first half of the year), the expected revenue level is therefore above EUR 240 million. As the first and second quarters were better than planned, mainly due to special effects, the Management Board expects business to normalize in the second half of 2022. This applies in particular to revenue development as a result of the postage rate change in the first quarter and in the Mail Services business unit. For this reason, the Management Board has not raised the forecast for the full year. In addition, the macroeconomic and geopolitical environment has recently deteriorated and the originally positive outlook for economic growth has in some cases been significantly reduced in recent months. In particular, sharp increases in energy and raw material prices are weighing on the economy in general, and thus also to some extent on FP's profitability. An unfavorable economic environment may also have a negative impact on FP's future business performance.

The expected development of the financial key performance indicators for the 2022 financial year is generally based on the assumption of constant exchange rates.

In terms of non-financial performance indicators, the PQI - Germany and the PQI - international are expected to improve slightly, as product quality will continue to be improved through improvement projects resulting from the quality circles.

For the 2022 financial year, a similar value of the non-financial IQ is expected, since the measures from the regular quality circles will take effect, but also warranty notifications from the previous year could arrive later.

Berlin, 1 September 2022

The Management Board of Francotyp-Postalia Holding AG

Carsten Lind	Martin Geisel
CEO	CFO

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

of Francotyp-Postalia Holding AG

for the Period from 1 January to 30 June 2022

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Please note that there may be rounding differences compared to exact mathematical figures (monetary units, percentages, etc.)

Non-binding convenience translation from German

Consolidated Statement of Comprehensive Income for the Period from 1 January to 30 June 2022

in EUR thousand	H1 2022	H1 2021	Q2 2022	Q2 2021
		adjusted[1)]		adjusted[1)]
Revenue	127,566	99,540	62,355	48,001
Changes in inventory	502	1,778	-176	1,105
Own work capitalised	3,247	2,959	1,412	1,437
Other operating income	871	679	561	182
Cost of materials	64,606	49,796	30,691	24,018
a) Expenses for raw materials, consumables and supplies	21,702	18,795	11,710	9,745
b) Cost of purchased services	42,904	31,001	18,981	14,273
Employee benefit expenses	31,036	29,520	16,839	14,136
a) Wages and salaries	26,104	24,807	14,018	11,838
b) Social security contributions	4,483	4,304	2,497	2,090
c) Expenses for pensions and other benefits	450	409	325	209
Expenses from impairment losses less income from reversals of impairment losses on trade receivables	1,180	462	194	142
Other operating expenses	19,068	15,946	10,464	8,323
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	16,297	9,234	5,964	4,104
Amortisation, depreciation and impairment	9,887	9,437	4,943	4,724
Earnings before interest and taxes (EBIT)	6,410	-203	1,020	-620
Net interest income	769	521	404	200
a) Interest and similar income	1,365	1,233	685	660
b) Interest and similar expenses	596	712	282	460
Other financial result	1,039	515	686	-95
Income taxes	-3,031	-320	-2,233	179
Consolidated profit/loss	**5,186**	**576**	**-123**	**-272**

1) The changes in the comparative period H1 2021 were made in connection with an adjustment in accordance with IAS 8.41ff. It is explained in note (6) of the condensed notes to the interim consolidated financial statements for the first half of 2022.

in EUR thousand	H1 2022	H1 2021	Q2 2022	Q2 2021
		adjusted [1]		adjusted [1]
Other comprehensive income				
Adjustment of provisions for pensions and similar liabilities	**-206**	-145	**-103**	-69
thereof taxes	**58**	44	**29**	19
Other comprehensive income not to be reclassified to profit or loss in subsequent periods	**-206**	**-145**	**-103**	**-69**
Foreign currency translation of financial statements of foreign entities	**1,951**	652	**1,489**	-247
Net investments in foreign operations	**39**	30	**19**	2
thereof taxes	**-17**	-13	**-8**	-1
Cash flow hedges – effective part of changes to fair value	**-763**	-252	**-565**	35
thereof taxes	**329**	108	**243**	-15
Cash flow hedges – hedging costs	**167**	-22	**102**	39
thereof taxes	**-72**	10	**-44**	-17
Cash flow hedges – reclassified to profit or loss	**118**	61	**72**	71
thereof taxes	**-51**	-26	**-31**	-30
Other comprehensive income to be reclassified to profit or loss in subsequent periods	**1,512**	**468**	**1,117**	**-100**
Other comprehensive income after taxes	**1,306**	**323**	**1,014**	**-169**
Total comprehensive income	**6,492**	**899**	**891**	**-441**
Consolidated profit/loss	**5,186**	576	**-123**	-272
thereof attributable to the shareholders of FP Holding	**5,186**	576	**-123**	-272
Total comprehensive income/loss	**6,492**	899	**891**	-441
thereof attributable to the shareholders of FP Holding	**6,492**	899	**891**	-441
Earnings per share (basic in EUR)	**0.32**	0.04	**-0.01**	-0.03
Earnings per share (diluted in EUR)	**0.32**	0.04	**-0.01**	-0.03

[1] The changes in the comparative period H1 2021 were made in connection with an adjustment in accordance with IAS 8.41ff. It is explained in note (6) of the condensed notes to the consolidated interim financial statements for the first half of 2022.

Consolidated Interim Statement of Financial Position as at 30 June 2022

ASSETS

in EUR thousand	30.06.2022	31.12.2021
NON-CURRENT ASSETS	**80,623**	**75,714**
Intangible assets	**22,220**	19,729
Internally generated intangible assets	**10,306**	13,086
Customer lists and other intangible assets acquired for consideration	**2,427**	2,497
Goodwill	**9,049**	3,929
Development projects in progress and advance payments	**437**	217
Property, plant and equipment	**27,046**	25,920
Land, land rights and buildings	**2,249**	2,341
Technical equipment and machinery	**1,965**	2,403
Other equipment, operating and office equipment	**2,477**	2,732
Leased products	**20,207**	18,294
Advance payments and assets under construction	**148**	150
Right of use assets	**11,299**	10,383
Non-current financial assets	**16,981**	16,780
Finance lease receivables	**16,677**	16,586
Other non-current financial assets	**304**	193
Non-current non-financial assets	**1,423**	1,774
Income taxes receivable	**0**	360
Other non-current non-financial assets	**1,423**	1,414
Deferred tax assets	**1,653**	1,130
CURRENT ASSETS	**106,674**	**91,170**
Inventories	**19,687**	16,530
Raw materials, consumables and supplies	**6,287**	5,983
Work in progress	**284**	210
Finished goods and merchandise	**13,116**	10,336
Trade receivables	**22,999**	19,478
Other current financial assets	**13,059**	12,353
Finance lease receivables	**7,140**	6,992
Derivative financial instruments	**126**	0
Other financial assets	**5,793**	5,360
Other current non-financial assets	**12,749**	9,488
Income taxes receivable	**5,972**	5,509
Other non-financial assets	**6,777**	3,979
Cash and cash equivalents[1)]	**38,180**	33,321
Assets	**187,297**	**166,884**

[1)] Cash and cash equivalents includes postage credit managed by the FP Group of EUR 11,124 thousand (previous year EUR 13,600 thousand).

EQUITY AND LIABILITIES

in EUR thousand	30.06.2022	31.12.2021
EQUITY	**22,233**	**15,741**
Share capital	**16,301**	16,301
Capital reserves	**34,296**	34,296
Stock option reserve	**1,544**	1,544
Treasury shares	**-1,066**	-1,066
Loss carried forward	**-29,221**	-29,586
Consolidated profit/loss after non-controlling interests	**5,186**	365
Other comprehensive income	**-4,806**	-6,113
NON-CURRENT LIABILITIES	**62,612**	**60,813**
Provisions for pensions and similar obligations	**18,817**	18,959
Other provisions	**1,416**	1,358
Financing liabilities	**37,446**	36,714
Other financial liabilities	**375**	250
Other non-financial liabilities	**1,266**	819
Deferred tax liabilities	**3,293**	2,713
CURRENT LIABILITIES	**102,451**	**90,330**
Tax liabilities	**8,007**	5,128
Other provisions	**14,309**	16,471
Financing liabilities	**5,577**	3,463
Trade payables	**14,726**	12,904
Other financial liabilities	**35,051**	35,425
thereof telepostage	***24,914***	*27,824*
Other non-financial liabilities	**24,779**	16,939
Equity and liabilities	**187,297**	**166,884**

Consolidated Cash Flow Statement for the Period from 1 January to 30 June 2022

in EUR thousand	H1 2022	H1 2021
		adjusted[2)]
1. Cash flow from operating activities		
Consolidated profit	**5,186**	576
Net income tax recognised in profit or loss	**3,031**	320
Net interest income recognised in profit or loss	**-769**	-521
Amortisation, depreciation and impairment on non-current assets	**9,886**	9,437
Decrease (-)/increase (+) in provisions and tax liabilities	**-3,504**	-2,960
Loss (+)/gain (–) on the disposal of non-current assets	**0**	113
Decrease (+)/increase (-) in inventories, trade receivables and other assets	**-3,424**	-1,339
Decrease (+)/increase (-) in finance lease receivables	**-207**	-720
Decrease (-)/increase (+) in trade payables and other liabilities	**3,557**	2,717
Other non-cash expenses (+)/income (-)	**576**	79
Interest received	**1,365**	1,233
Interest paid	**-513**	-669
Income taxes paid (refund (+), payment (-))	**427**	-671
Cash flow from operating activities	**15,613**	7,596
2. Cash flow from investing activities		
Payments for the capitalisation of development costs	**-283**	-77
Payments for capitalised interest on development costs	**0**	0
Proceeds/payments from disposals of items of fixed assets	**47**	36
Payments for investments in intangible assets	**-69**	-72
Payments for investments in property, plant and equipment	**-3,840**	-3,583
Proceeds and payments for investments accounted for according to the equity method	**0**	64
Payments for investments in the acquisition of operations	**-4,077**	0
Cash flow from investing activities	**-8,222**	-3,632
3. Cash flow from financing activities		
Bank loan repayments	**-960**	-6,918
Repayment of lease liabilities	**-2,026**	-2,023
Proceeds from the sale of treasury shares	**2,774**	0
Proceeds from the assumption of bank loans	**-212**	-8,940
Cash flow from financing activities		
Cash[1)]	**7,179**	-4,975
Change in cash	**156**	536
Change in cash due to currency translation	**19,721**	23,180
Cash at the beginning of the period	**27,055**	**18,740**

[1)] Postage credit balances managed by the FP Group amounting to EUR 11,124 thousand (previous year: EUR 12,884, thousand) are deducted from cash and cash equivalents and other liabilities.
[2)] The changes in the comparative period H1 2021 were made in connection with an adjustment in accordance with IAS 8.41ff. It is explained in note (6) of the condensed notes to the consolidated interim financial statements for the first half of 2022.

Consolidated Statement of Changes in Equity for the period from 1 January to 30 June 2022

in EUR thousand	Share capital	Capital reserves	Stock option reserve	Treasury shares	Consolidated profit/loss anzergebnis
Adjusted[1] as at 01.01.2021	**16,301**	**34,296**	**1,544**	**-1,066**	**-29,586**
Adjusted consolidated profit 01.01. - 30.06.2021	**0**	**0**	**0**	**0**	**576**
Foreign currency translation of financial statements of foreign entities	0	0	0	0	0
Adjustment of provisions for pensions and similar liabilities	0	0	0	0	0
Cash flow hedges	0	0	0	0	0
Adjusted other comprehensive income 01.01. - 30.06.2021	**0**	**0**	**0**	**0**	**0**
Adjusted total comprehensive income 01.01. - 30.06.2021	**0**	**0**	**0**	**0**	**576**
Adjusted as at 30.06.2021	**16,301**	**34,296**	**1,544**	**-1,066**	**-29,010**
Equity on 01.01.2022	**16,301**	**34,296**	**1,544**	**-1,066**	**-29,221**
Consolidated profit 01.01. - 30.06.2022	**0**	**0**	**0**	**0**	**5,186**
Foreign currency translation of financial statements of foreign entities	0	0	0	0	0
Adjustment of provisions for pensions and similar liabilities	0	0	0	0	0
Cash flow hedges	0	0	0	0	0
Other comprehensive income 01.01. - 30.06.2022	**0**	**0**	**0**	**0**	**0**
Total comprehensive income 01.01. - 30.06.2022	**0**	**0**	**0**	**0**	**5,186**
Equity on 30.06.2022	**16,301**	**34,296**	**1,544**	**-1,066**	**-24,035**

[1] The changes in the comparative period H1 2021 were made in connection with an adjustment in accordance with IAS 8.41ff. It is explained in note (6) of the condensed notes to the consolidated interim financial statements for the first half of 2022.

	Other comprehensive income I							
	Foreign currency translation	**Net investments in foreign operations**	**Adjustment due to IAS 19**	**Difference amount from acquisition of shares of other shareholders**	**Reserve from cash flow hedge**	**Reserve from hedging transactions**	**Equity attributable to the shareholders of FP Holding**	**Total equity**
	-2,014	**-21**	**-5,836**	**-439**	**16**	**24**	**13,221**	**13,221**
	0	**0**	**0**	**0**	**0**	**0**	**576**	**576**
	652	30	0	0	0	0	681	681
	0	0	-145	0	0	0	-145	-145
	0	0	0	0	-191	-22	-213	-213
	652	**30**	**-145**	**0**	**-191**	**-22**	**323**	**323**
	652	**30**	**-145**	**0**	**-191**	**-22**	**899**	**899**
	-1,362	**10**	**-5,981**	**-439**	**-175**	**2**	**14,120**	**14,120**
	-99	**21**	**-5,358**	**-439**	**-160**	**-79**	**15,741**	**15,741**
	0	**0**	**0**	**0**	**0**	**0**	**5,186**	**5,186**
	1,951	39	0	0	0	0	1,989	**1,989**
	0	0	-206	0	0	0	-206	**-206**
	0	0	0	0	-644	167	-478	**-478**
	1,951	**39**	**-206**	**0**	**-644**	**167**	**1,306**	**1,306**
	1,951	**39**	**-206**	**0**	**-644**	**167**	**6,492**	**6,492**
	1,853	**60**	**-5,564**	**-439**	**-805**	**88**	**22,233**	**22,233**

CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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Non-binding convenience translation from German

I. General Information

(1) General Information

Francotyp-Postalia Holding AG, headquartered in Berlin (hereinafter also referred to as "FP Holding", "the company" or "the parent company"), is entered in the commercial register of the Charlottenburg Local Court under HRB 169096 B. Francotyp-Postalia Holding AG's registered office is at Prenzlauer Promenade 28, 13089 Berlin, Germany.

Francotyp-Postalia Holding AG is the parent company of direct and indirect subsidiaries and, until April 2021, held indirect shares in an associate (hereinafter referred to as "the FP Group", "FP", "FrancotypPostalia" or "the company").

Francotyp-Postalia Holding AG's shares are admitted to trading in the Prime Standard (regulated market segment with additional post-admission obligations) of the Frankfurt Stock Exchange.

The FP Group develops, produces and sells products and solutions for efficient mail processing and the consolidation of business mail. Digital solutions for companies and public authorities are also of increasing importance. The company has subsidiaries in various industrialized countries and a dense global dealer network.

(2) Accounting principles

General information

Francotyp-Postalia Holding AG acts as the parent company under which the FP Group is consolidated. The fiscal year is the calendar year for all Group companies.

The interim consolidated financial statements have been prepared for the period from January 1 to June 30, 2022 (H1 2022). Unless otherwise stated, the comparative figures in the statement of financial position relate to December 31, 2021, and the comparative figures in the statement of comprehensive income, the statement of cash flows and the statement of changes in equity relate to the period from January 1 to June 30, 2021 (H1 2021). For the statement of comprehensive income, the quarterly figures for the period from April 1 to June 30, 2022 (Q2 2022) and the corresponding comparative figures for the period from April 1 to June 30, 2021 (Q2 2021) are also provided.

The consolidated financial statements have been prepared in euros. Unless otherwise indicated, all amounts are stated in thousands of euros (EUR thousand) for the sake of clarity and comparability. Due to commercial rounding of individual items and percentages, minor arithmetic differences may occur.

The business activities of the FP Group are not affected by seasonal influences. With regard to the economic influences relevant to the business activities of the FP Group in the interim reporting period, please refer to the comments in the interim Group management report.

Statement of Compliance

The unaudited condensed consolidated interim financial statements for the period from January 1 to June 30, 2022 comply with the requirements of IAS 34 (Interim Financial Reporting) of the International Financial Reporting Standards (IFRS) applicable to interim financial reporting as adopted by the European Union (EU) at the closing date. These condensed interim consolidated financial statements should be read in conjunction with the interim Group management report.

The condensed interim consolidated financial statements do not include all the information and notes required in the annual consolidated financial statements and should therefore be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2021 (2021 consolidated financial statements). These consolidated financial statements have been prepared in accordance with IFRSs as issued by the International Accounting Standards Board (IASB) and endorsed by the EU and interpretations issued by the IFRS Interpretations Committee (IFRS IC) as endorsed by the IASB.

Accounting policies and application of new accounting standards

The accounting and valuation methods applied in the consolidated financial statements as of December 31, 2021 are basically unchanged.

The new or revised IFRS standards and IFRS interpretations that are mandatory as of June 30, 2022 have no material impact on the FP Group's reporting.

(3) Consolidated group

The consolidated financial statements comprise the financial statements of FP Holding and its directly and indirectly controlled subsidiaries.

The scope of consolidation changed as follows in the first half of 2022:

On March 23, 2022, the FP Group acquired all shares and voting rights in the following operating companies of Azolver Group:

- Azolver Denmark Aps, Herlev, Denmark,
- Azolver Sweden AS, Sollentuna, Sweden,
- Azolver Logistics AB, Sollentuna, Sweden,
- Azolver Norway AS, Oslo, Norway,
- Azolver Finland OY, Helsinki, Finnland,
- Azolver Switzerland AG, Winterthur, Switzerland,
- Azolver Italy S.r.l., Milan, Italy,
- Azolver Belgium SA, Brüssel, Belgium,
- Azolver Eesti OÜ, Tallinn, Estonia.

Azolver mainly sells mail processing hardware (franking machines) and also offers software for asset tracking and parcel shipping in Norway, Sweden, Finland, Denmark, Switzerland and Italy. FP also acquires a fully integrated technology and service center in Estonia as well as logistics facilities in Belgium and Sweden. With this acquisition, FP expands its position in the mailing, shipping & office solutions market in Europe. FP will benefit by realizing synergies in a consolidated market. Azolver's technology and service center with finance, customer support, software development and IT will support the transformation of the entire FP Group.

The purchase price of TEUR 12,200 was paid entirely in cash.

The accounting for the acquisition is still ongoing. Cash and cash equivalents with a carrying amount and fair value (preliminary) of EUR 8,123 thousand were acquired. The fair values of the other assets and liabilities are still being determined.

The following summarizes the preliminary recognized amounts of assets acquired and liabilities assumed of Azolver Group at the acquisition date.

In TEUR	
Tangible assets	**610**
Rights of use	**1,600**
Intangible assets	**564**
Deferred tax assets	**644**
Inventories	**1,035**
Trade receivables	**2,992**
Other financial assets	**511**
Other non-financial assets	**1,981**
Cash and cash equivalents	**8,123**
Deferred tax liabilities	**-125**
Provisions	**-680**
Trade payables	**-1,650**
Other financial liabilities	**-2,426**
Other non-financial liabilities	**-5,828**
Preliminary total identifiable net assets acquired	**7,351**

Costs of TEUR 418 were incurred for legal advice and due diligence in connection with the business combination. These costs are recognized in the income statement under other operating expenses.

The goodwill results primarily from synergies from the integration of the operating companies of Azolver Group into the existing business units Mailing, Shipping & Office Solutions a as well as the skills and knowledge of the employees. The goodwill is not deductible for tax purposes.

In the period since acquisition, the operating companies of Azolver Group have contributed a total of TEUR 7,367 to consolidated revenue and TEUR 446 to consolidated earnings.

Assuming Azolver had been part of the FP Group since the beginning of the financial year, consolidated revenue would have been an estimated TEUR 135,086 and consolidated profit would amount to TEUR 5,396.

The fair value (preliminary) of trade receivables is TEUR 2,992. The gross amount of these receivables is TEUR 3,687. An estimated portion of the cash flows of TEUR 696 will be non-collectible.

(4) Currency translation

The currency translation is based on the following exchange rates:

	Closing rate		Average rate	
1 EURO=	30.06.2022	31.12.2021	H1 2022	H1 2021
CAD	1.34370	1.44165	1.39086	1.50372
CHF	0.99780	n/a	1.03226	n/a
DKK	7.43910	n/a	7.44021	n/a
GBP	0.85900	0.83990	0.84229	0.86830
NOK	10.33525	n/a	9.97865	n/a
SEK	10.72225	10.25575	10.47746	10.12989
USD	1.04015	1.13185	1.09418	1.20543

(5) Judgements, estimates and assumptions

The preparation of the interim consolidated financial statements requires discretionary decisions and estimates to be made for various items with regard to the recognition, measurement and presentation of assets and liabilities as well as income and expenses. The assumptions and estimates are based on premises that reflect the current state of knowledge. In particular, the expected future business development is based on the circumstances prevailing at the time of preparation of the interim consolidated financial statements and the future development of the global and sector-specific environment, which is assumed to be realistic. Due to developments in this environment that deviate from the assumptions and are beyond management's control, the actual amounts may differ from the original estimates. If actual developments differ from those expected, the premises and, if necessary, the carrying amounts of the assets and liabilities concerned are adjusted accordingly. The use of judgments, estimates and assumptions is explained in the 2021 consolidated financial statements.

Impact oft the Corona pandemic and the Ukraine war

Due to the still unforeseeable global consequences of the Corona pandemic and the Ukraine war, estimates and discretionary decisions are currently subject to increased uncertainty. In updating the estimates and discretionary decisions, available information on the expected economic development was taken into account. This information was also included in the impairment testing of the assets..

(6) Correction of errors in accordance with IAS 8

The FP Group has retrospectively adjusted the accounting treatment of commissions paid to dealers for the brokerage of leases (lessor side). Previously, these payments were capitalized uniformly under other current non-financial assets and recognized in other operating expenses over the term of the underlying contracts.

The adjustment in accordance with IAS 8.41 et seq. takes into account the fact that the commission paid for a contract can be based on different components within the scope of IFRS 16 as well as for IFRS 15.

Accordingly, the commissions have now been allocated as follows:

- The portion of the commission attributable to lease components classified as operating leases is now capitalized as part of the underlying asset under leased products and amortized on a straight-line basis over the term of the corresponding contracts.
- The portion of the commission attributable to time-period performance obligations as defined by IFRS 15 is capitalized as contract acquisition costs under other non-current assets and recognized under other operating expenses on a straight-line basis over the term of the contract.

The allocation is based on the ratio of the individual selling prices of the respective services in the underlying contract.

The following tables summarize the effects on the financial statements as of June 30, 2021:

Consolidated statement of comprehensive income for the period from January 1, 2021 to June 30, 2021

In EUR thousand	As previously reported	Adjustments	Adjusted
Other operating expenses	16,341	-395	15,946
Amortisation, depreciation and impairment	8,966	471	9,437
Income taxes	-340	20	-320
Remaining income and expenses	24,080	0	24,080
Consolidated profit	**632**	**-56**	**576**
Foreign currency translation of financial statements of foreign entities	653	-1	652
Remaining other comprehensive loss	-151	0	-151
Other comprehensive income	**324**	**-1**	**323**
Total comprehensive income	**956**	**-57**	**899**

The effect on earnings per share (diluted and basic) for H1 2021 is as follows:

In EUR	As previously reported	Adjustments	Adjusted
Earnings per share (basic in EUR)	0.04	0.00	0.04
Earnings per share (diluted in EUR)	0.04	0.00	0.04

Consolidated cash flow statement for the period from January 1, 2021 to June 30, 2021:

In EUR thousand	As previously reported	Adjustments	Adjusted
Consolidated profit	632	-56	576
Net income tax recognised in profit or loss	340	-20	320
Amortisation, depreciation and impairment on non-current assets	8,966	471	9,437
Decrease (+) / increase (-) in inventories, trade receivables and other assets not attributable to investing or financing activities (excluding finance leases)	-1,426	87	-1,339
Other non-cash expenses (+)/income (-)	201	-122	79
Other items in cash flow from operating activities	-1,478	0	-1,478
Cash flow from operating activities	**7,236**	**361**	**7,596**
Payments for investments in property, plant and equipment	-3,222	-361	-3,583
Other items in cash flows from investing activities	-49	0	-49
Cash flow from investing activities	**-3,271**	**-361**	**-3,632**

II. Segment reporting

Based on the subdivision for internal management purposes, the FP Group is divided into the five segments Mailing, Shipping & Office Solutions - Europe, Mailing, Shipping & Office Solutions - North America, Mail Services, Digital Business Solutions - Mentana and Digital Business Solutions - IAB. For further information, please refer to section II. Segment reporting of the 2021 consolidated financial statements.

The segments report in accordance with the respective local accounting standards of the Group companies belonging to the segment. Segment information for the first half of 2021 has been adjusted accordingly to ensure comparability.

The Digital Business Solutions - Mentana segment was renamed into "Digital Business Solutions - Business Process Management and Automation" and the Digital Business Solutions - IAB segment was renamed into "Digital Business Solutions - Document workflow management".

While the revenue and cost of materials of the subsidiary Francotyp-Postalia GmbH are allocated to the Mailing, Shipping & Office Solutions - Europe segment, other income and expenses of this company are not allocated to any segment.

Any intra-Group adjustments to transfer prices as well as intergroup revenue between the Digital Business Solutions - Document workflow management and Mail Services segments are not taken into account in the segment reporting.

The comparability of the segments presented in the first half of 2022 with the previous period is affected by the acquisition of the operating companies of Azolver Group on March 23, 2022. The operating companies of Azolver Group were allocated to the Mailing, Shipping & Office Solutions - Europe segment in the first half of 2022.

SEGMENT INFORMATION H1 2022

in TEUR	Mailing, Shipping & Office Solutions – Europe	Mailing, Shipping & Office Solutions – North America	Mail Services	Digital Business Solutions - Business Process Manage-ment and Auto-mation	Digital Business Solutions - Document workflow manage-ment	Other	Total
Revenue with external third parties	43,912	31,592	39,973	2,090	10,145	63	**127,775**
Intersegment revenue	0	10	0	86	108	21	**224**
Segment revenue	**43,912**	**31,602**	**39,973**	**2,176**	**10,253**	**84**	**128,000**
Other operating income	2,630	216	66	53	95	41	**3,102**
Cost of materials	13,092	10,928	35,101	322	6,933	194	**66,569**
Employee benefit expenses	12,624	5,471	1,969	1,430	1,723	396	**23,612**
Expenses from impairment losses less income from reversals of impairment losses on trade receivables	347	400	61	5	344	0	**1,156**
Other operating expenses	9,975	5,719	1,487	826	898	104	**19,009**
Segment EBITDA	**10,502**	**9,379**	**1,421**	**-353**	**451**	**-568**	**20,832**

SEGMENT INFORMATION H1 2021

in TEUR	Mailing, Shipping & Office Solutions – Europe	Mailing, Shipping & Office Solutions – North America	Mail Services	Digital Business Solutions - Business Process Manage-ment and Auto-mation	Digital Business Solutions - Document workflow manage-ment	Other	Total
Revenue with external third parties	34,306	26,957	28,870	1,194	8,652	0	**99,980**
Intersegment revenue	0	36	0	36	91	0	**163**
Segment revenue	**34,306**	**26,993**	**28,870**	**1,230**	**8,743**	**0**	**100,143**
Other operating income	940	283	160	40	76	0	**1,498**
Cost of materials	11,354	8,489	24,417	606	5,921	232	**51,019**
Employee benefit expenses	9,593	4,878	2,057	798	1,573	49	**18,949**
Expenses from impairment losses less income from reversals of impairment losses on trade receivables	296	281	26	2	3	0	**609**
Other operating expenses	7,422	4,674	1,590	459	1,002	487	**15,633**
Segment EBITDA	**6,581**	**8,955**	**940**	**-596**	**319**	**-768**	**15,431**

RECONCILIATION OF REVENUE

in TEUR	H1 2022	H1 2021
Segment revenue	128,000	100,143
Revenue of other Group companies	46,071	45,607
Effects from the adjustment of IFRS 15 and IFRS 16	-460	-595
Effect from other revenue corrections	-169	-86
Effects from consolidation	-45,876	-45,528
Group revenue	**127,566**	**99,540**

RECONCILIATION OF SEGMENT EBITDA TO GROUP EBITDA

in TEUR	H1 2022	H1 2021
Segment EBITDA	20,832	15,431
Result not allocated to a segment	-6,261	-5,895
Effects of IFRS remeasurement		
Lessee valuation in accordance with IFRS 16	2,509	2,345
Effects of the adjustment of revenue from IFRS 15/16	-460	-595
Effects from the adjustment of cost of materials in accordance with IFRS 15/16	-343	-710
Other IFRS entries	1,092	278
Effects at consolidation level (including consolidation of expenses and income, elimination of intercompany profits)	-1,072	-1,621
Group EBITDA	**16,297**	**9,234**

III. Explanatory notes

(7) Revenues

The following tables show revenue disaggregated by service type. Revenue within the scope of both IFRS 15 and IFRS 16 is presented. In addition, the tables contain the reconciliation to the revenues of the segment reporting.

H1 2022 — **IFRS revenue**

in EUR thousand	Mailing, Shipping & Office Solutions - Europe	Mailing, Shipping & Office Solutions - North America	Mail Services	Digital Business Solutions - Business Process Management and Automation	Digital Business Solutions - Document workflow management	Other	Not allocated to any segment	Total
Product sales income (Franking and Inserting)	9,922	7,746	0	0	0	0	224	**17,892**
Service/customer service	13,865	2,632	0	0	0	0	0	**16,497**
Consumables	7,753	5,028	0	0	0	0	0	**12,781**
Teleporto	4,100	573	0	0	0	0	0	**4,673**
Mail Services	0	0	39,973	0	0	0	0	**39,973**
Software/Digital	772	1,025	0	2,090	10,145	63	196	**14,292**
Revenue in accordance with IFRS 15	**36,413**	**17,004**	**39,973**	**2,090**	**10,145**	**63**	**420**	**106,109**
Finance lease	4,213	1,541	0	0	0	0	0	**5,754**
Operating lease	2,903	12,970	0	0	0	0	0	**15,873**
Revenue in accordance with IFRS 16	**7,116**	**14,511**	**0**	**0**	**0**	**0**	**0**	**21,627**
Reduction in sales due to currency effects from hedge accounting	-169	0	0	0	0	0	0	**-169**
Revenue total	**43,359**	**31,515**	**39,973**	**2,090**	**10,145**	**63**	**420**	**127,566**

	Reconciliation to segment revenue				Segment revenue						
	Mailing, Shipping & Office Solutions - Europe	Mailing, Shipping & Office Solutions - North America	Not allocated to any segment	Total	Mailing, Shipping & Office Solutions - Europe	Mailing, Shipping & Office Solutions - North America	Mail Services	Digital Business Solutions - Business Process Manage-ment and Auto-mation	Digital Business Solutions - Document workflow manage-ment	Other	Total
	-1	0	-224	**-225**	9,922	7,746	0	0	0	0	**17,668**
	-281	-791	0	**-1,072**	13,584	1,842	0	0	0	0	**15,425**
	-80	-99	0	**-179**	7,673	4,929	0	0	0	0	**12,602**
	-1	-154	0	**-155**	4,099	419	0	0	0	0	**4,518**
	0	0	0	**0**	0	0	39,973	0	0	0	**39,973**
	0	-120	-196	**-316**	772	905	0	2,090	10,145	63	**13,976**
	-363	**-1,163**	**-420**	**-1,947**	**36,049**	**15,841**	**39,973**	**2,090**	**10,145**	**63**	**104,162**
	195	-1,469	0	**-1,274**	4,408	71	0	0	0	0	**4,479**
	551	2,710	0	**3,261**	3,454	15,680	0	0	0	0	**19,134**
	746	**1,241**	**0**	**1,987**	**7,862**	**15,751**	**0**	**0**	**0**	**0**	**23,613**
	169	0	0	**169**	0	0	0	0	0	0	**0**
	552	**77**	**-420**	**209**	**43,912**	**31,592**	**39,973**	**2,090**	**10,145**	**63**	**127,775**

The revenues of the Mail Services segment mainly include postage fees charged on.

The reconciliation of IFRS revenue to segment revenue shows an increase of TEUR 209 (previous year: increase of TEUR 440). The effect mainly relates to revenue from leases and service contracts according to IFRS amounting to TEUR 460 (previous year TEUR 595) as well as currency effects from hedge accounting amounting to TEUR 169 (previous year TEUR 86).

Due to the allocation of transaction prices according to IFRS 15 and consideration according to IFRS 16 in conjunction with IFRS 15, there are transfers between the individual performance types in accordance with IFRS that are eliminated in the reconciliation with segment revenue

H1 2021								IFRS revenue
in EUR thousand	Mailing, Shipping & Office Solutions - Europe	Mailing, Shipping & Office Solutions - North America	Mail Services	Digital Business Solutions - Business Process Manage-ment and Auto-mation	Digital Business Solutions - Document workflow manage-ment	Other	Not allocated to any segment	Total
Product sales income (Franking and Inserting)	8,160	6,011	0	0	0	0	75	**14,246**
Service/customer service	8,723	1,303	0	0	0	0	0	**10,026**
Consumables	6,777	5,038	0	0	0	0	0	**11,814**
Teleporto	3,479	358	0	0	0	0	0	**3,837**
Mail Services	0	0	28,870	0	0	0	0	**28,870**
Software/Digital	426	394	0	1,194	8,652	0	166	**10,832**
Revenue in accordance with IFRS 15	**27,565**	**13,103**	**28,870**	**1,194**	**8,652**	**0**	**241**	**79,626**
Finance lease	3,974	1,210	0	0	0	0	0	**5,184**
Operating lease	2,017	12,800	0	0	0	0	0	**14,817**
Revenue in accordance with IFRS 16	**5,990**	**14,010**	**0**	**0**	**0**	**0**	**0**	**20,000**
Reduction in sales due to currency effects from hedge accounting	-32	-54	0	0	0	0	0	**-86**
Revenue total	**33,523**	**27,059**	**28,870**	**1,194**	**8,652**	**0**	**241**	**99,540**

Reconciliation to segment revenue				Segment revenue						
Mailing, Shipping & Office Solutions - Europe	Mailing, Shipping & Office Solutions - North America	Not allocated to any segment	Total	Mailing, Shipping & Office Solutions - Europe	Mailing, Shipping & Office Solution - North America	Mail Services	Digital Business Solutions - Business Process Manage-ment and Auto-mation	Digital Business Solutions - Document workflow manage-ment	Other	Total
241	0	-75	165	8,401	6,011	0	0	0	0	14,412
-145	-430	0	-575	8,578	874	0	0	0	0	9,452
-254	-47	0	-301	6,522	4,991	0	0	0	0	11,514
-9	-85	0	-94	3,470	273	0	0	0	0	3,743
0	0	0	0	0	0	28,870	0	0	0	28,870
0	-1	-166	-167	427	393	0	1,194	8,652	0	10,666
-167	**-562**	**-241**	**-970**	**27,398**	**12,541**	**28,870**	**1,194**	**8,652**	**0**	**78,656**
247	-1,192	0	-945	4,221	18	0	0	0	0	4,239
670	1,598	0	2,268	2,687	14,398	0	0	0	0	17,085
918	**406**	**0**	**1,324**	**6,908**	**14,416**	**0**	**0**	**0**	**0**	**21,324**
32	54	0	86	0	0	0	0	0	0	0
783	**-102**	**-241**	**440**	**34,306**	**26,957**	**28,870**	**1,194**	**8,652**	**0**	**99,980**

The following table shows the contract assets and contract liabilities. These are reported in the statement of financial position under other non-financial assets or other non-financial liabilities as follows.

in EUR thousand	30.06.2022	31.12.2021
Contract assets	357	349
thereof non-current	271	265
thereof current	86	84
Contract liabilities	10,969	8,522
thereof non-current	1,266	819
thereof current	9,703	7,703

(8) Taxes

In the first half of 2022, the FP Group's income tax expense amounted to TEUR 3,031 (previous year: TEUR 320) The increase in the tax rate is mainly the result of unrecognized deferred tax assets on loss carryforwards.

(9) Intangible assets

The development of intangible assets is shown in the following tables.

DEVELOPMENT OF INTANGIBLE ASSETS H1 2022

in EUR thousand	Internally generated intangible assets	Customer lists and other purchased intangible assets	Goodwill	Development projects in progress and advance payments	Total
Cost or cost of manufacture					
As at 01.01.2022	**76,012**	**89,207**	**24,912**	**278**	**190,409**
Currency differences	0	-164	133	0	-32
Acquisition in a business combination	0	405	5,007	158	5,571
Additions	0	69	0	283	352
Disposals	0	-12	0	0	-12
Reclassifications	221	0	0	-221	0
As at 30.06.2022	**76,233**	**89,505**	**30,052**	**498**	**196,288**
Amortisation, depreciation and impairment					
As at 01.01.2022	**62,926**	**86,710**	**20,983**	**61**	**170,680**
Currency differences	0	-142	20	0	-122
Additions	3,001	522	0	0	3,522
Disposals	0	-12	0	0	-12
As at 30.06.2022	**65,927**	**87,077**	**21,002**	**61**	**174,068**
Carrying amount as at 01.01.2022	**13,086**	**2,497**	**3,929**	**217**	**19,729**
Carrying amount as at 30.06.2022	**10,306**	**2,427**	**9,049**	**437**	**22,220**

DEVELOPMENT OF INTANGIBLE ASSETS H1 2021

in EUR thousand	Internally generated intangible assets	Customer lists and other purchased intangible assets	Goodwill	Development projects in progress and advance payments	Total
Cost or cost of manufacture					
As at 01.01.2022	**76,106**	**88,752**	**24,765**	**3,104**	**192,727**
Currency differences	1	55	54	0	110
Additions	71	72	0	6	149
Disposals	-616	-1	0	0	-617
Reclassifications	666	40	0	-707	0
Currency differences	**76,229**	**88,919**	**24,819**	**2,403**	**192,369**
Amortisation, depreciation and impairment					
As at 01.01.2022	**58,066**	**85,343**	**20,936**	**61**	**164,406**
Currency differences	1	31	15	0	46
Additions	2,834	672	0	0	3,507
Disposals	-616	0	0	0	-616
As at 30.06.2022	**60,285**	**86,046**	**20,951**	**61**	**167,343**
Carrying amount as at 01.01.2022	**18,040**	**3,409**	**3,829**	**3,043**	**28,321**
Carrying amount as at 30.06.2022	**15,944**	**2,873**	**3,867**	**2,342**	**25,026**

Additions to internally generated intangible assets and to development projects not yet completed and advance payments totaled TEUR 283 (previous year: TEUR 77). In the first half of 2022, scheduled amortization of internally generated intangible assets was recognized in the amount of TEUR 2.599 (previous year: TEUR 2.834). In addition, an impairment loss of TEUR 402 was recognized on the capitalized development costs of completed IoT projects.

The additions to customer lists and other intangible assets acquired for consideration totaling TEUR 69 (previous year: TEUR 72) mainly include the acquisition of software and licenses. In the first half of 2022, scheduled amortization of intangible assets acquired for consideration amounting to

In the first half of 2022, scheduled amortization of purchased intangible assets amounting to TEUR 232 (previous year: TEUR 296) and customer lists amounting to TEUR 290 (previous year: TEUR 376) was recognized.

Regarding the acquisition from business combination, please refer to note (3) Consolidation group of the condensed notes to the consolidated financial statements for the first half of 2022.

(10) Property, plant and equipment

The development of property, plant and equipment is shown in the following tables.

DEVELOPMENT OF PROPERTY, PLANT AND EQUIPMENT H1 2022

in EUR thousand	Land, land rights and buildings	Technical equipment and machinery	Other equipment, operating and office equipment	Leased products	Advance payments and assets under construction	Total
Cost or cost of manufacture						
As at 01.01.2022	**4,672**	**11,686**	**29,638**	**73,682**	**150**	**119,828**
Currency differences	-11	6	302	4,972	0	5,269
Acquisition in a business combination	43	0	85	482	0	610
Additions	0	67	184	3,588	0	3,840
Disposals	0	-115	-110	-1,387	0	-1,612
Reclassifications	0	-18	20	0	-2	0
As at 30.06.2022	**4,704**	**11,626**	**30,120**	**81,337**	**148**	**127,935**
Amortisation, depreciation and impairment						
As at 01.01.2022	**2,331**	**9,283**	**26,906**	**55,388**	**0**	**93,908**
Currency differences	-11	5	275	3,912	0	4,182
Additions	135	472	572	3,110	0	4,288
Disposals	0	-99	-110	-1,280	0	-1,489
As at 30.06.2022	**2,455**	**9,661**	**27,642**	**61,130**	**0**	**100,889**
Carrying amount as at 01.01.2022	**2,341**	**2,403**	**2,733**	**18,294**	**150**	**25,920**
Carrying amount as at 30.06.2022	**2,249**	**1,965**	**2,477**	**20,207**	**148**	**27,046**

DEVELOPMENT OF PROPERTY, PLANT AND EQUIPMENT H1 2021

in EUR thousand	Land, land rights and buildings	Technical equipment and machinery	Other equipment, operating and office equipment	Leased products adjusted[1]	Advance payments and assets under construction	Total
Cost or cost of manufacture						
As at 01.01.2021	**4,593**	**11,565**	**28,645**	**65,512**	**163**	**110,479**
Currency differences	22	3	326	2,281	0	2,632
Additions	15	78	290	2,979	221	3,582
Disposals	0	-10	-7	-1,584	0	-1,601
Reclassifications	0	0	2	221	-223	0
As at 30.06.2021	**4,630**	**11,635**	**29,256**	**69,410**	**161**	**115,092**
Amortisation, depreciation and impairment						
As at 01.01.2021	**2,037**	**8,313**	**25,175**	**48,465**	**0**	**83,989**
Currency differences	22	3	307	2,306	0	2,637
Additions	130	485	756	2,697	0	4,068
Disposals	0	-10	-7	-1,436	0	-1,453
As at 30.06.2021	**2,188**	**8,790**	**26,231**	**52,033**	**0**	**89,242**
As at 01.01.2021	**2,556**	**3,252**	**3,471**	**17,047**	**163**	**26,490**
As at 30.06.2021	**2,441**	**2,845**	**3,026**	**17,377**	**161**	**25,850**

1) The change of TEUR 1,526 in the carrying amount of leased products as at 30 June 2021 was made in connection with an adjustment in accordance with IAS 8.41 et seq. It is explained in the note (9) of the consolidated financial statements for 2021 and the note (6) of the condensed notes to the consolidated interim financial statements for the first half of 2022.

The additions to leased products totaling TEUR 4,070 (previous year: TEUR 2,979) include leased franking machines and capitalized contract acquisition costs and relate mainly to the Mailing, Shipping & Office Solutions - North America and Mailing, Shipping & Office Solutions - Europe segments.

Regarding the acquisition in a business combination, please refer to note (3) Consolidated group of the condensed notes to the consolidated interim financial statements for the first half of 2022.

(11) Inventories

Impairment losses on inventories amounted to TEUR 2,398 as of June 30, 2022 (previous year: TEUR 1,870) and were recognized in the consolidated statement of comprehensive income under "Cost of materials" at the time of impairment. The consumption of inventories impacted the consolidated statement of comprehensive income in the reporting period in the amount of TEUR 21,702 (previous year: TEUR 18,795).

(12) Provisions for restructuring

From the provisions for restructuring of TEUR 9,728 recognised as at 31 December 2021, TEUR 857 were used in the first half of 2022 and TEUR 6 were utilised and reversed to profit or loss, so that the provisions for restructuring as at 30 June 2022 amount to TEUR 8,865.

(13) Financial instruments

Classes of financial instruments

The following table shows the carrying amounts of all financial instruments included in the consolidated financial statements and their measurement category according to IFRS 9.

FINANCIAL ASSETS AND LIABILITIES

in TEUR		carrying amount	
Item in statement of financial position	Measured at [1]	**30.06.2022**	31.12.2021
Finance lease receivables (non-current)	n/a[2]	**16.677**	16.586
Other non-current financial assets	AC	**304**	193
Non-current financial assets		**16.981**	**16.780**
Trade receivables	**AC**	**22.999**	**19.478**
Finance lease receivables (current)	n/a[2]	**7.140**	6.992
Derivative financial instruments with a hedging relationship (current)	FV	**21**	0
Derivative financial instruments without a hedging relationship (current)	FV	**105**	0
Other financial assets (current)	AC	**5.793**	5.360
Other current financial assets		**13.059**	**12.353**
Cash and cash equivalents	**AC**	**38.180**	**33.321**
Liabilities to banks (non-current)	AC	**29.744**	29.699
Lease liabilities (non-current)	n/a[2]	**7.702**	7.015
Non-current financing liabilities		**37.446**	**36.714**
Other financial liabilities (non-current)	AC	**375**	250
Other non-current financial liabilities		**375**	**250**
Liabilities to banks (current)	AC	**1.823**	9
Lease liabilities (current)	n/a[2]	**3.754**	3.453
Other financing liabilities (current)	AC	**1**	1
Current financing liabilities		**5.577**	**3.463**
Trade payables	**AC**	**14.726**	**12.904**
Derivative financial instruments with a hedging relationship (current)	FV	**701**	178
Derivative financial instruments without a hedging relationship (current)	FV	**1.706**	1.548
Other financial liabilities (current)	AC	**32.644**	33.700
Other current financial liabilities		**35.051**	**35.425**
Thereof, as per IFRS 9 measurement categories			
Financial assets measured at amortised cost (FAAC)		**67.275**	58.353
Financial assets at fair value through profit or loss (FVTPL)		**105**	0
Derivative financial assets in a hedging relationship		**21**	0
Financial liabilities measured at amortised cost (FLAC)		**79.314**	76.563
Financial liabilities measured at fair value through profit or loss (FLFV)		**1.706**	1.548
Derivative financial liabilities in a hedging relationship		**701**	178

1) AC - amortised cost, FV - fair value
2) Finance lease receivables and lease liabilities are covered by IFRS 16 and are thus not allocated to any of the measurement categories formed under IFRS 9.

Most of the trade receivables, other financial assets (current), cash and cash equivalents, trade payables, current financing liabilities and other financial liabilities (current) have short remaining maturities. The carrying amounts of these financial instruments thus approximate their fair values as at the end of the reporting period.

The carrying amount of non-current financial assets and liabilities and non-current financing liabilities measured at amortised cost approximate their fair value, as these bear variable interest or there have been no material changes to the applicable measurement parameters since the initial recognition of these financial instruments.

The table below contains information on measuring financial assets and liabilities at fair value through profit or loss, including their level in the fair value hierarchy.

Financial instruments	Fair value	Fair value	Measurement method	Significant unobservable inputs	Hierarchy
Figures in EUR thousand	**30.06.2022**	**31.12.2021**			
Financial assets measured at fair value					
Derivative financial instruments with positive fair values	**126**	0	Market approach: the fair values are based on brokers' price quotations	Not applicable	Level 2
Financial liabilities measured at fair value					
Derivative financial instruments with negative fair values	**2,406**	1,725	Market approach: the fair values are based on brokers' price quotations	Not applicable	Level 2

At the end of the reporting period, a review is carried out to determine whether regroupings between the valuation hierarchies need to be made. No regroupings were made in the first half of 2022 and 2021.

(14) Notes to the cash flow statement

The FP Group's cash in the cash flow statement comprises cash and cash equivalents as shown in the balance sheet less restricted cash (postage credit balances managed by the FP Group).

in EUR thousand	30.06.2022	30.06.2021
Cash and cash equivalents as shown in the balance sheet	**38,180**	31,625
less restricted cash and cash equivalents ("postage credit held")	**-11,124**	-12,884
Cash as shown in the cash flow statement	**27,055**	**18,740**

(15) Contingent assets and contingent liabilities

For information on contingent assets and contingent liabilities, please refer to the notes to the consolidated financial statements for 2021.

(16) Relationships with related companies and people

Related parties are shareholders with a significant influence on the FP Group, the associated company, non-consolidated subsidiaries and people who have a significant influence on the financial and operating policies of the Group. People with a significant influence on the financial and business policies of the Group include all persons in key positions and their close family members. Within the FP Group, this applies to the members of the Management Board and Supervisory Board of Francotyp-Postalia Holding AG.

Transactions with shareholders with significant influence

Obotritia Capital KGaA, Potsdam, is a shareholder with significant influence. On June 30, 2022, it held 28.5% of the voting rights in FP Holding, unchanged from December 31, 2021.

In the first half of 2022 and 2021, no transactions were carried out with Obotritia Capital KGaA.

Transactions with key management personnel

There were no significant new transactions with key management personnel in the first half of 2022.

(17) Significant events after the reporting date

No events of particular significance occurred after the reporting date that would have had a significant impact on the net assets, financial position or results of operations of the FP Group.

(18) Approval of the financial statements for publication

The Board of Management approved the publication of the condensed consolidated interim financial statements on September 1, 2022.

Berlin, 1 September 2022

Management Board of Francotyp-Postalia Holding AG

Carsten Lind	Martin Geisel
Vorsitzender	CFO

RESPONSIBILITY STATEMENT

of Francotyp-Postalia Holding AG

for the Period from 1 January to 30 June 2022

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the condensed consolidated interim financial statements give a true and fair view of the assets, financial position and results of the FP Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Berlin, 1 September 2022

The Management Board of Francotyp-Postalia Holding AG

Carsten Lind	Martin Geisel
CEO	CFO

Financial calendar

FINANCIAL CALENDAR	
Results fort he first quarter 2022	25. Mai 2022
Annual General Meeting, Berlin	15. Juni 2022
Interim Finacial Report 2022	1. September 2022
Results fort the third quarter 2022	24. November 2022

Further information about FP

Francotyp-Postalia Holding AG, a listed company based in Berlin, is the holding company of the globally active FP Group (FP). FP is an expert in solutions that make office and working life easier and more efficient. FP has the following business units: Digital Business Solutions, Mailing, Shipping & Office Solutions and Mail Services. In the Digital Business Solutions division, FP optimizes customers' business processes and offers solutions such as electronic signatures, hybrid mail, input/output management for physical and digital documents, and data-driven automation of complex business processes. In the Mailing, Shipping & Office Solutions business area, FP is the world's third largest provider of mailing systems and the market leader in Germany, Austria, Scandinavia and Italy. FP is represented in 15 countries by its own subsidiaries and in many other countries by its own dealer network. In the Mail Services business area, FP offers business mail consolidation and is one of the leading providers in Germany. In 2021, FP generated revenue of more than 200 million euros.

For more information, visit www.fp-francotyp.com

Imprint

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