

NFON AG continued on its transformation path in the first half of 2024, with solid revenue growth and a significant increase in profitability

- Recurring revenue increased by 4.4%, to EUR 40.1 million; its share of total revenue increased to 94.3%
- Adjusted EBITDA improved significantly by 62.3%, to EUR 5.5 million
- Further measures to ensure sustainably successful revenue and earnings development were completed in 2024
- Positioning in the field of AI-based business communication solutions strengthened through the acquisition of botario
- Management Board confirms revenue and earnings forecast for financial year 2024

Munich, 22 August 2024 – NFON, a leading European provider of integrated cloud business communications, recorded positive revenue and earnings development in the first half of 2024. Further key measures were also implemented successfully as part of NFON's transformation.

In the first half of 2024, NFON acquired new customers and significantly increased the number of seats installed at customers. Compared to the same period in the previous year (H1 2023: 640,573), the total number of installed seats increased by 3.8%, to a total of 665,022. Another reason for the revenue growth is the successful sales relating to the expanded product portfolio (Premium Solutions), among both new and existing customers. This positive development underlines the successful implementation of the growth strategy and customer satisfaction with the NFON solutions for integrated cloud business communication.

The recurring revenue, which is of key importance to NFON, thus recorded a solid increase of 4.4%, to EUR 40.1 million (H1 2023: EUR 38.4 million). Total revenue grew moderately by 3.3%, to EUR 42.5 million (H1 2023: EUR 41.2 million), with the share of high-margin recurring revenue increasing to 94.3% of total revenue. This reflects the high level of customer loyalty and forms a strong basis for future revenue planning.

By focussing on profitability, NFON was able to increase the adjusted earnings before interest, tax, depreciation and amortisation (EBITDA) significantly in the first half of 2024 by 62.3%, from EUR 3.4 million in the previous year to EUR 5.5 million. Before adjustments of EUR 0.5 million, EBITDA amounted to EUR 5.0 million (H1 2023: EUR 2.4 million).

The transformation process initiated during the previous year, with the aim of achieving sustainably profitable corporate development, was pursued consistently in 2024. The appointment of Andreas Wesselmann as Chief Technology Officer (CTO) strengthened NFON's technological innovation power, while the merger of Deutsche Telefon Standard GmbH into NFON AG was finalised in the second quarter of 2024. This step consolidated the business in the German market and has created a standardised product range that will enable NFON to leverage further synergies and harness efficiency gains in the future. Also in the second quarter of 2024, NFON combined all its revenue-related functions under a centralised management with the implementation of the position of Chief Revenue Officer (CRO). The comprehensive view of the entire customer life cycle ensures that all customer-related and partner-related measures have the aim of maximising revenue at NFON.

Patrik Heider, CEO of NFON AG, commented: "We are proud of the progress made in the first half of 2024, especially in terms of efficiency gains and operational excellence. In the second half of the year, we will focus more on the scalability and technological development of our product portfolio. An important milestone is the acquisition of botario GmbH in August 2024, which strengthens our position in the field of AI-based business communication solutions and gives additional impetus to the profitable growth course upon which we have embarked."

With the acquisition of botario, a technology company that specialises in the development and implementation of advanced AI solutions for business communication, NFON is expanding its expertise and solution portfolio in a rapidly changing market environment characterised by AI disruption. This acquisition will further drive NFON's future growth by enabling additional synergies.

In view of the business development to date and the positive outlook, the Management Board confirmed the forecast for financial year 2024, with growth in recurring revenue in the mid to upper single-digit percentage range and adjusted EBITDA of between EUR 10 million and EUR 12 million.

The full half-year report 2024 is available for download as of today from the [Investor Relations](#) section of the NFON AG website. More information about the takeover of botario is [available here](#).

Overview of results for the first half of 2024¹:

In EUR million	H1 2024	H1 2023	Change in %
Total revenue	42.5	41.2	3.3
Recurring revenue	40.1	38.4	4.4
Share of recurring revenue	94.3%	93.2%	–
Non-recurring revenue	2.4	2.8	–12.3
Share of non-recurring revenue	5.7%	6.8%	–
ARPU blended ² (in EUR)	9.9	9.7	1.8
Number of seats (total, as at 30 June)	665,022	640,573	3.8
EBITDA	5.0	2.4	–
Adjusted EBITDA	5.5	3.4	62.3%

¹ Unless stated otherwise, all values in the consolidated financial statements and the related notes are rounded. Rounding differences can therefore occur in the tables.

² Based on the average number of seats per month in the periods under review.

Investor Relations contact

NFON AG
Friederike Thyssen
Vice President for Investor Relations & Sustainability
+49 89 453 00-449
ir-info@nfon.com

Media contact

NFON AG
Thorsten Wehner
Vice President for Public Relations
+49 89 453 00-121
thorsten.wehner@nfon.com

About NFON AG

NFON AG, which is headquartered in Munich, is a leading European provider of integrated cloud business communications. The listed company (Frankfurt Stock Exchange, Prime Standard) with more than 3,000 partners in 18 European countries and eight branches counts more than 55,000 companies among its customers. The NFON portfolio comprises four

areas: Business Communications, Integration, Customer Contact and Enablement. With its core product Cloudya, the smart cloud communications platform, NFON offers hassle-free voice calls, simple video conferencing and seamless integration of CRM and collaboration tools for small and medium-sized companies.

All NFON's cloud services are operated in certified data centres in Germany, with 100% of their energy needs covered by renewable sources. NFON accompanies companies into the future of business communication by offering intuitive communication solutions.

<http://www.nfon.com/>

Disclaimer

This notification is provided for information purposes only and constitutes neither an offer to sell nor an invitation to buy or subscribe to securities of the company. The securities discussed in this notification are not and will not be registered under the US Securities Act of 1933 as amended ("US Securities Act") and are permitted to be sold or offered for purchase in the United States of America only after prior registration or on the basis of an exemption under the US Securities Act. No public offer of the securities discussed in this notification will be made in the United States of America and the information contained in this notification does not constitute an offer to buy securities. This notification is not intended for direct or indirect distribution, publication or dissemination to or within the United States of America, Australia, Canada, Japan or other countries in which the distribution of this notification is unlawful, or to US persons.