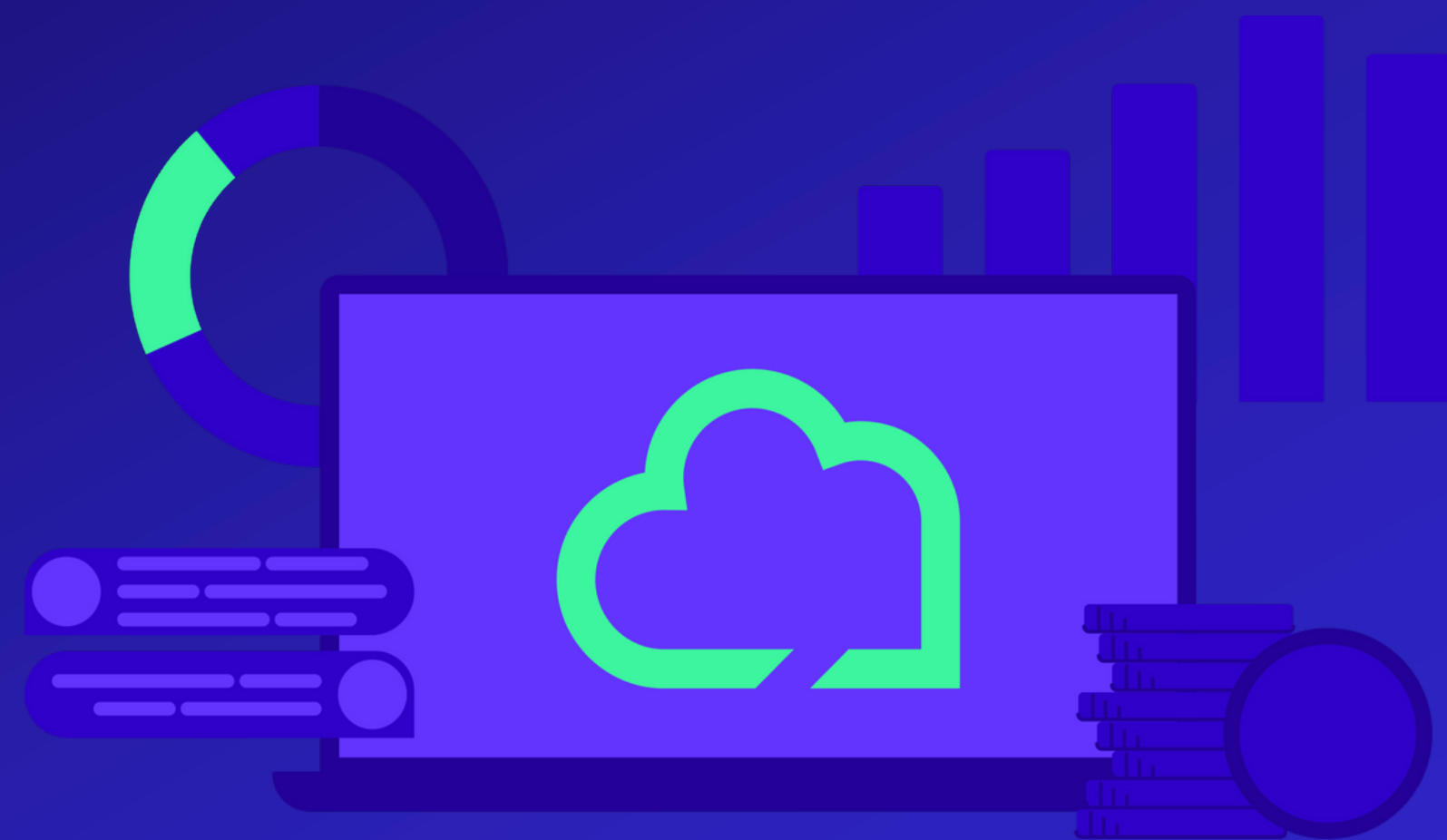


Earnings Call, 22 May 2025, online

Q1 2025 results



WHO YOU HAVE ON THE CALL TODAY

Presenting today's speaker



PATRIK HEIDER

CEO/CFO



Presentation chapters

1. Business highlights

2. Financials

3. Guidance

4. Q&A

5. Appendix



Executing growth – empowered by AI

AI Sales Organisation

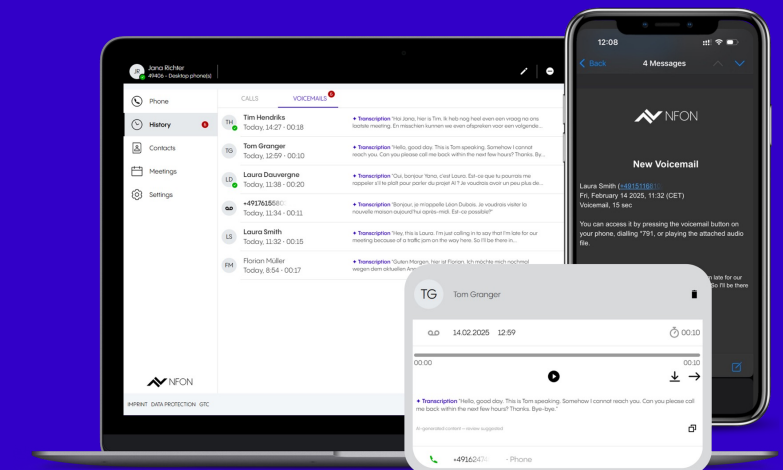
- ✓ Launched a dedicated **AI Sales team** to accelerate customer acquisition and sales effectiveness.
- ✓ Successfully developed **AI-driven sales materials and strategies**, focusing on **partner enablement and sales readiness**.
- ✓ First positive outcomes demonstrated through **early sales wins** and **increasing engagement rates**.



AI & Innovation Organisation

Introduction of AI-powered products to enhance customer experience and operational efficiency.

Voicemail transcription:
Automated transcription of voicemails, enabling quicker response times and seamless documentation.



Hi, I'm Nia.
How can I help
you today?

NIA (NFON Intelligent Assistant):
AI-powered virtual assistant designed to streamline customer interactions and provide 24/7 support.

Financials



Solid start to 2025

Result Q1 2025

Total revenue



Revenue up by 4.0% to **EUR 22.1 million** in Q1 2025 compared to Q1 2024.

Adjusted EBITDA



Slightly reduced adjusted EBITDA of **EUR 2.6 million**, 6.9% below Q1 2024.

Continuation of solid growth path

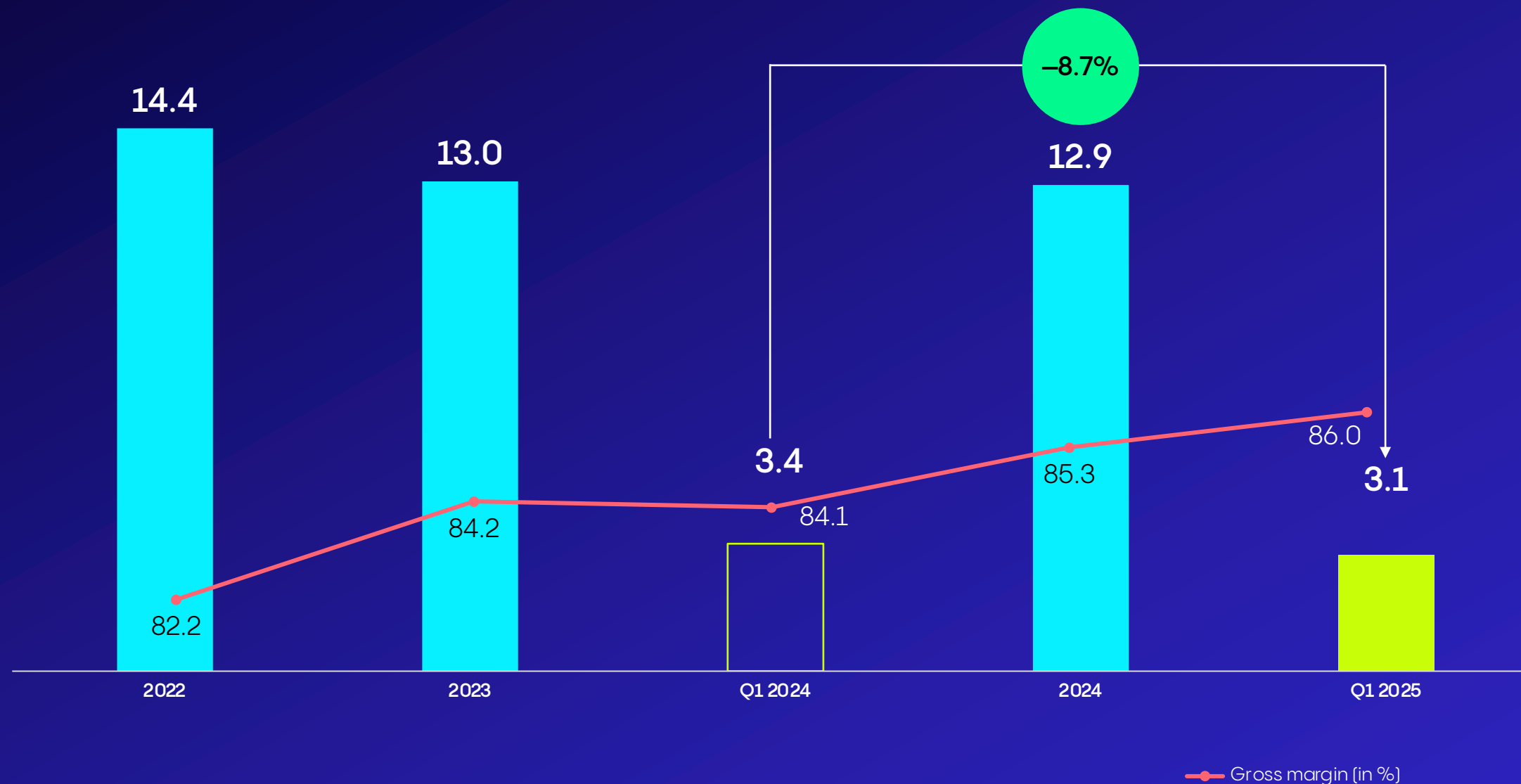


Comments

- Total revenue grew by 4.0%, compared to the previous year's period.
- botario contributed EUR 0.8 million to revenue and therefore accounted for more than 90% of total revenue growth, underlining the revenue potential of AI-based solutions.
- Strengthening of recurring revenues (+4.3%), which continue to account for 93.9% of total revenue (3M 2024: 93.6%). The increase is based on price adjustments, the broader roll-out of Premium Solutions and a slightly higher blended ARPU.



Further improvement in gross margin through scaling effects



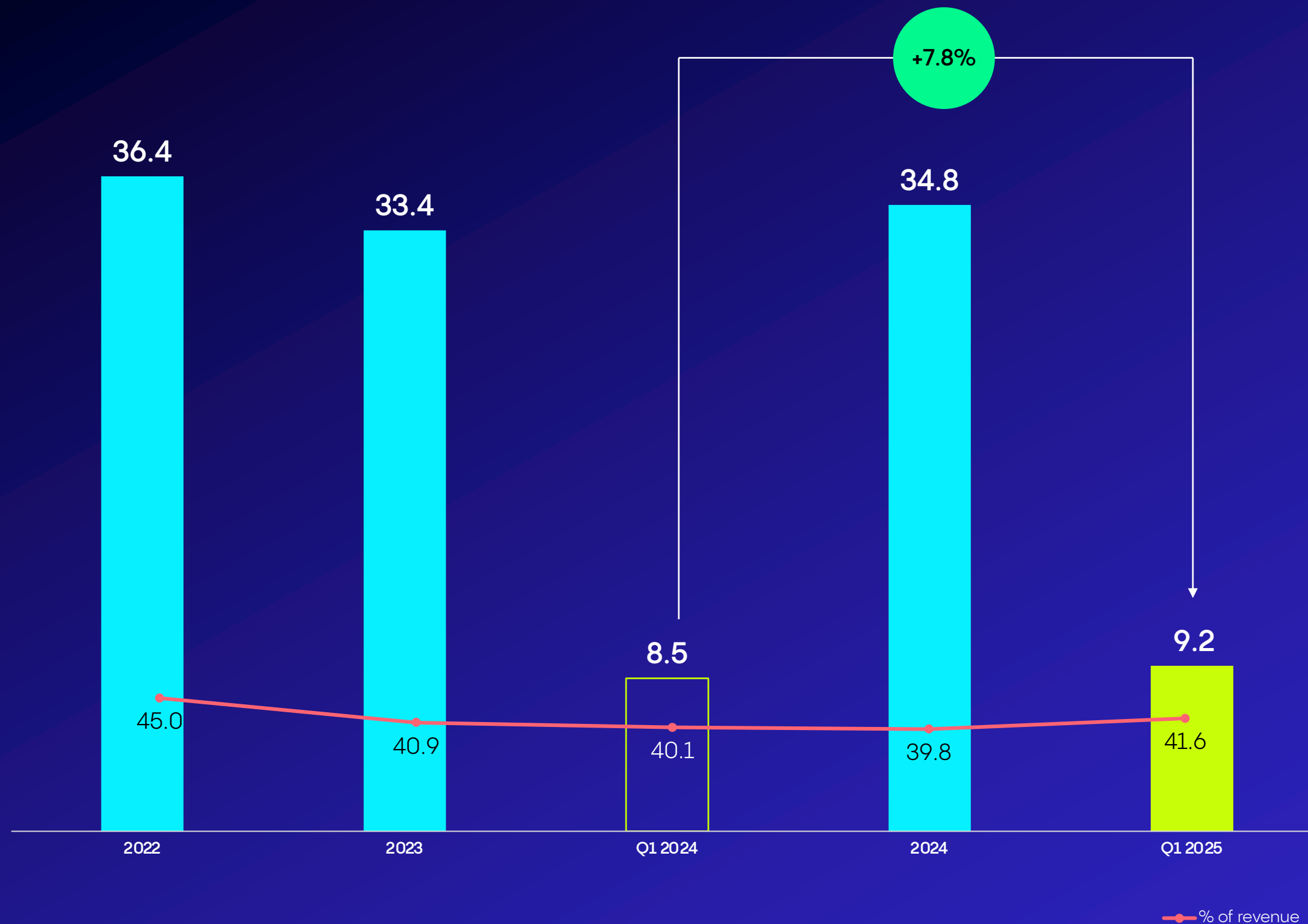
Comments

- Gross profit grew disproportionately to revenue, driven by high-margin recurring revenues, lower hardware sales and botario's project business.
- Gross margin increased to 86.0% (3M 2024: 84.1%).
- Cost of materials slightly decreased to EUR 3.1 million (3M 2024: EUR 3.4 million).
- Material cost ratio reduced to 14.0% (3M 2024: 15.9%), reflecting scaling effects despite revenue growth.
- Cost of materials is largely variable and mainly comprises hardware sold, airtime costs and data centre housing.
- botario contributed with low material usage due to reliance on internal resources.



ADJUSTED¹ PERSONNEL EXPENSES IN EUR MILLION

Personnel expenses in line with strategic focus

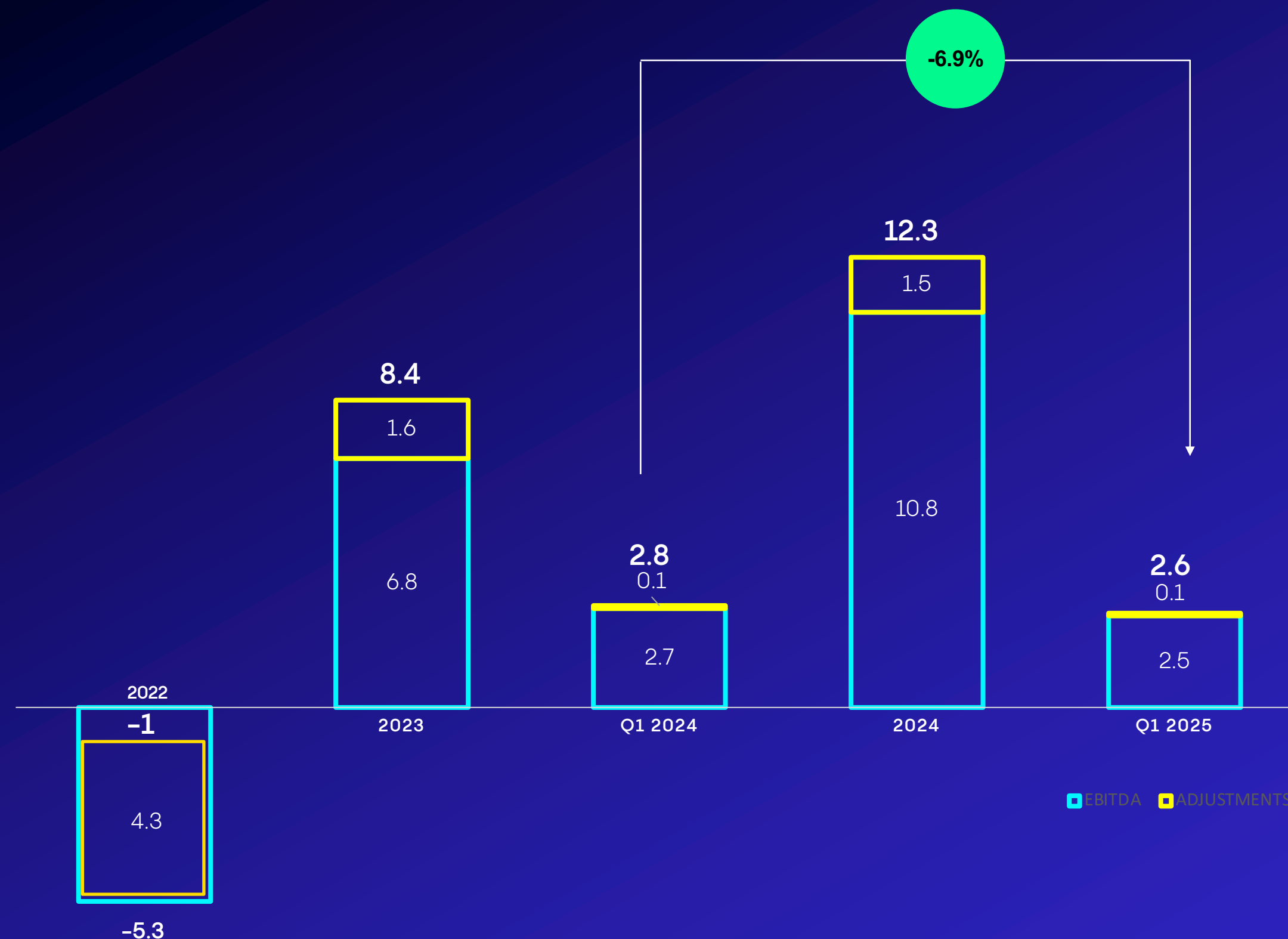


Comments

- Average number of employees increased by 1.4% to 425 (3M 2024: 419).
- Wages and salaries (gross) increased to EUR 7.2 million (3M 2024 : EUR 6.8 million), mainly reflecting the acquisition and integration of botario.
- Total personnel expenses increased slightly to EUR 9.3 million (3M 2024 : EUR 8.6 million).
 - One-off effects:
 - EUR 0.04 million for employee stock option programme.
 - EUR 0.03 million in harmonisation of system landscape.
- Adjusted personnel expenses totalled EUR 9.2 million (3M 2024 : EUR 8.5 million), resulting in an adjusted personnel expense ratio of 41.6% (3M 2024 : 40.1%).



Investing for growth – short-term EBITDA impact

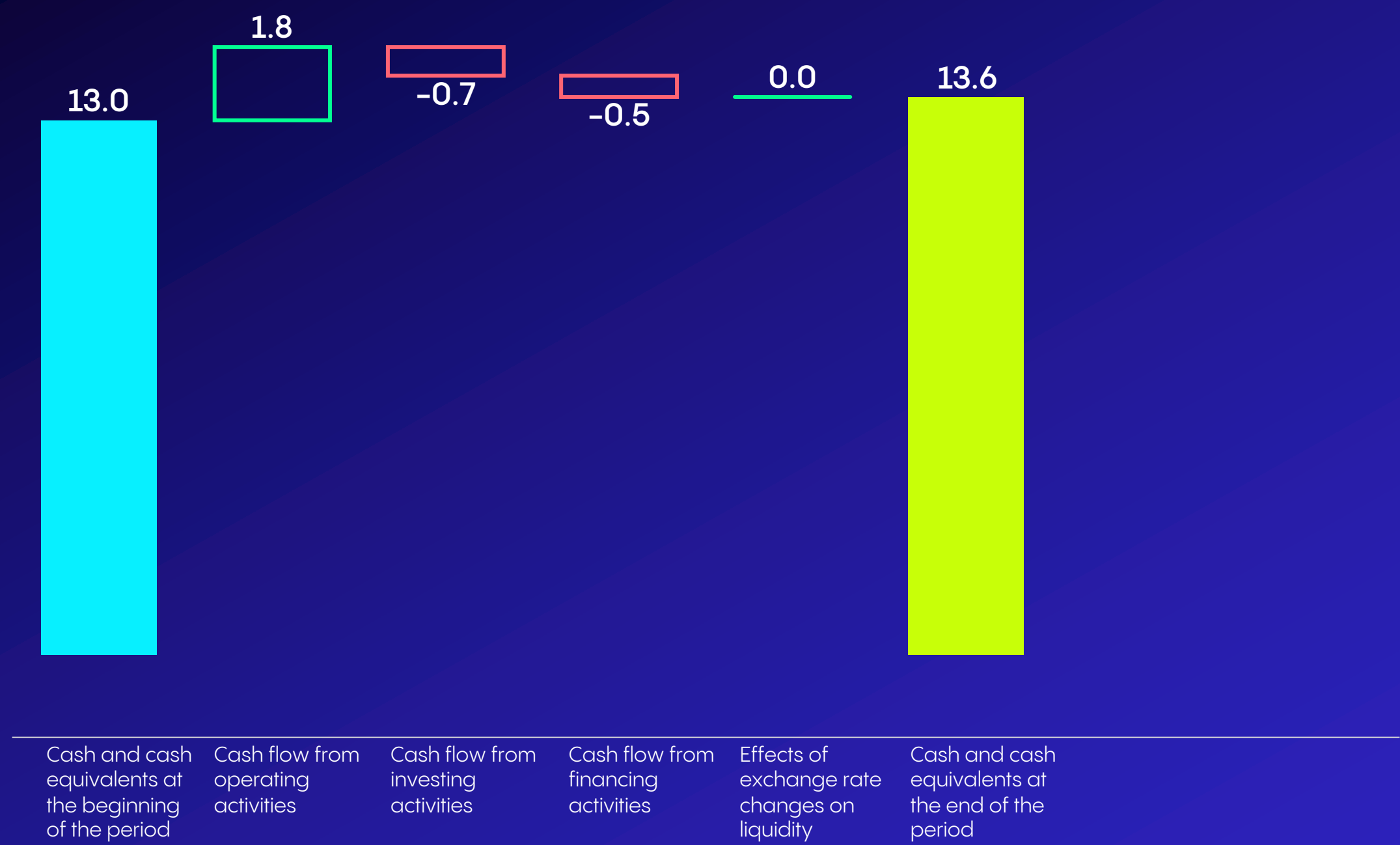


Comments

- EBITDA decreased to EUR 2.5 million (3M 2024: EUR 2.7 million), impacted by planned investments in personnel and operating expenses related to AI initiatives.
- Adjusted EBITDA stood at EUR 2.6 million (3M 2024: EUR 2.8 million), reflecting one-off effects of EUR 0.1 million for stock options and system harmonisation.
- EBIT declined to EUR 0.5 million (3M 2024: EUR 0.7 million), driven by increased OpEx for strategic AI projects.
- Consolidated net result decreased to EUR 0.2 million (3M 2024: EUR 0.5 million), mainly due to above-mentioned higher operational costs and higher interest expenses (EUR 0.1 million) due to the acquisition loan for botario.



Continued stable improvements in cash flow



Comments

- Operating cash flow increased to EUR 1.8 million (3M 2024: EUR 0.9 million), supported by changes in trade payables and receivables.
 - Free cash flow¹ rose to EUR 1.1 million (3M 2024: EUR 0.1 million), reflecting strong operational performance.
- Investments remained stable at EUR 0.7 million, focused on new products and features.
- Financing cash flow increased slightly to EUR 0.5 million (3M 2024: EUR 0.4 million).

¹ Free cash flow is calculated by deducting capital expenditure on property, plant and equipment and intangible assets, excluding cash flows for M&A activities.



Guidance



2025: accelerating further growth and profitability

	Result 2024	Outlook 2025	Midterm 2027e
Total revenue	EUR 87.3 million	We expect total revenue to grow in the 8 to 10% range .	We expect total revenue to grow double-digit % rate .
Adjusted EBITDA	EUR 12.3 million	We expect adjusted EBITDA in the range of EUR 13.5 to 15.5 million .	We expect an adjusted EBITDA margin >15% .

Q&A





THANK YOU

for your time and attention.

 Corporate.nfon.com

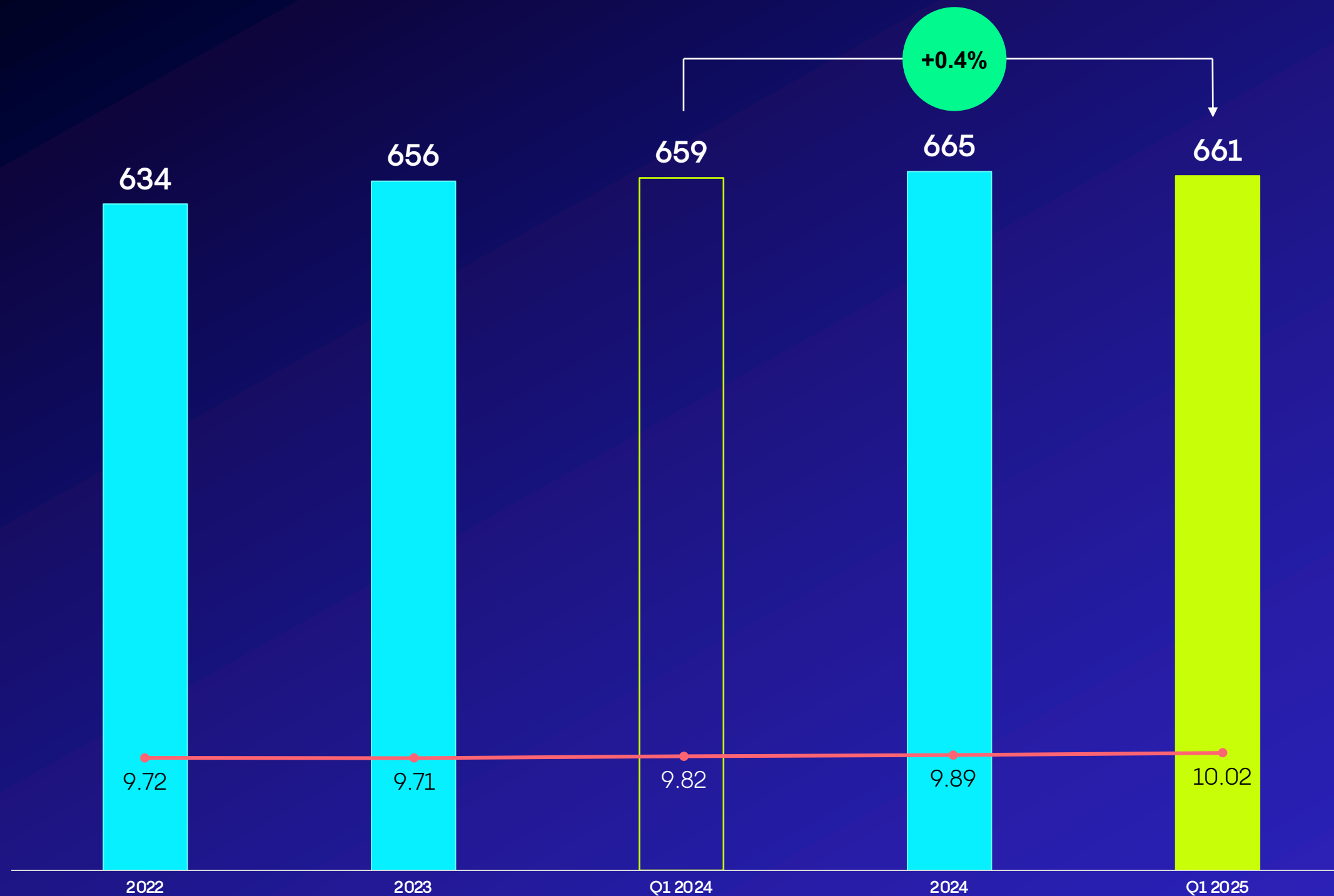
 ir-info@nfon.com



Appendix



Seat development in line with strategic focus



Comments

- Total number of seats increased yoy by 0.4% to 661,349 [3M 2024: 658.544].
 - Total seats decreased since 31 December 2024 due to lower order intake and churn.
 - Growth remained below expectations and below the previous year's level of 2.0%.
- Stable gross churn rate of ~0.5% per month confirms high product and service quality and supports recurring revenue.
- Blended ARPU, which reflects recurring revenue per seat across all services, channels and countries, rose to EUR 10.02 [3M 2024: EUR 9.82].
 - The increase was driven by targeted price adjustments, compensating for declining voice minute usage.



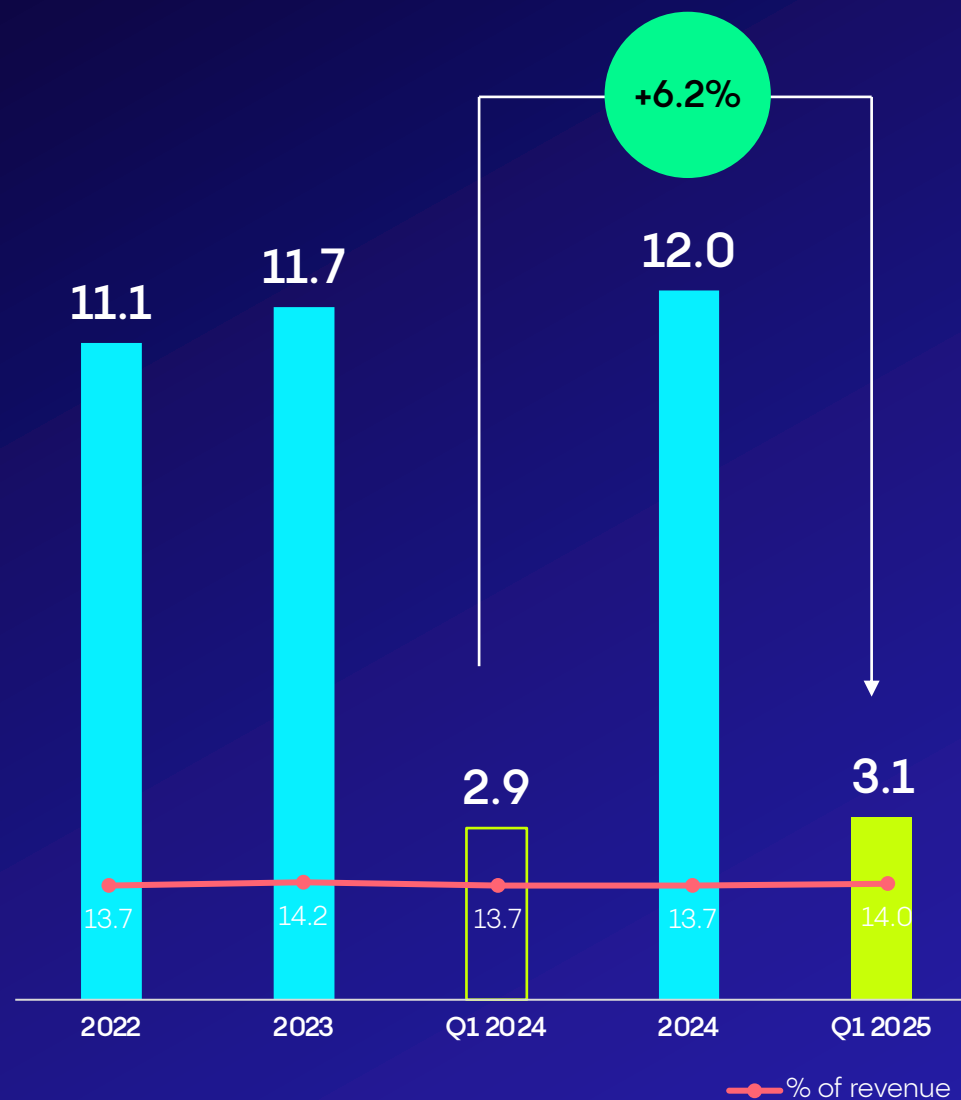
DISTRIBUTION COST AND MARKETING EXPENSES IN EUR MILLION

Stable customer acquisition costs

Comments

- Selling expenses increased by 6.2% to EUR 3.1 million (3M 2024: EUR 2.9 million), due to additional incentives tied to annual targets and a higher proportion of recurring revenue.
- No material changes in selling expenses are expected in the upcoming reporting periods.
- Marketing expenses grew by approx. 52% to EUR 1.2 million (3M 2024: EUR 0.8 million), as we launched campaigns earlier in the year to support sales, unlike the slower start in 2024.

Distribution cost



Marketing expenses



Momentum — innovation — value

Investment highlights

Attractive market environment

We operate in a high-growth market with strong momentum – especially in Germany, where digitalisation is accelerating.

Leading market position in Europe

We combine strong market positioning with a resilient business model that remains stable amid geopolitical volatility.

Scalable business model

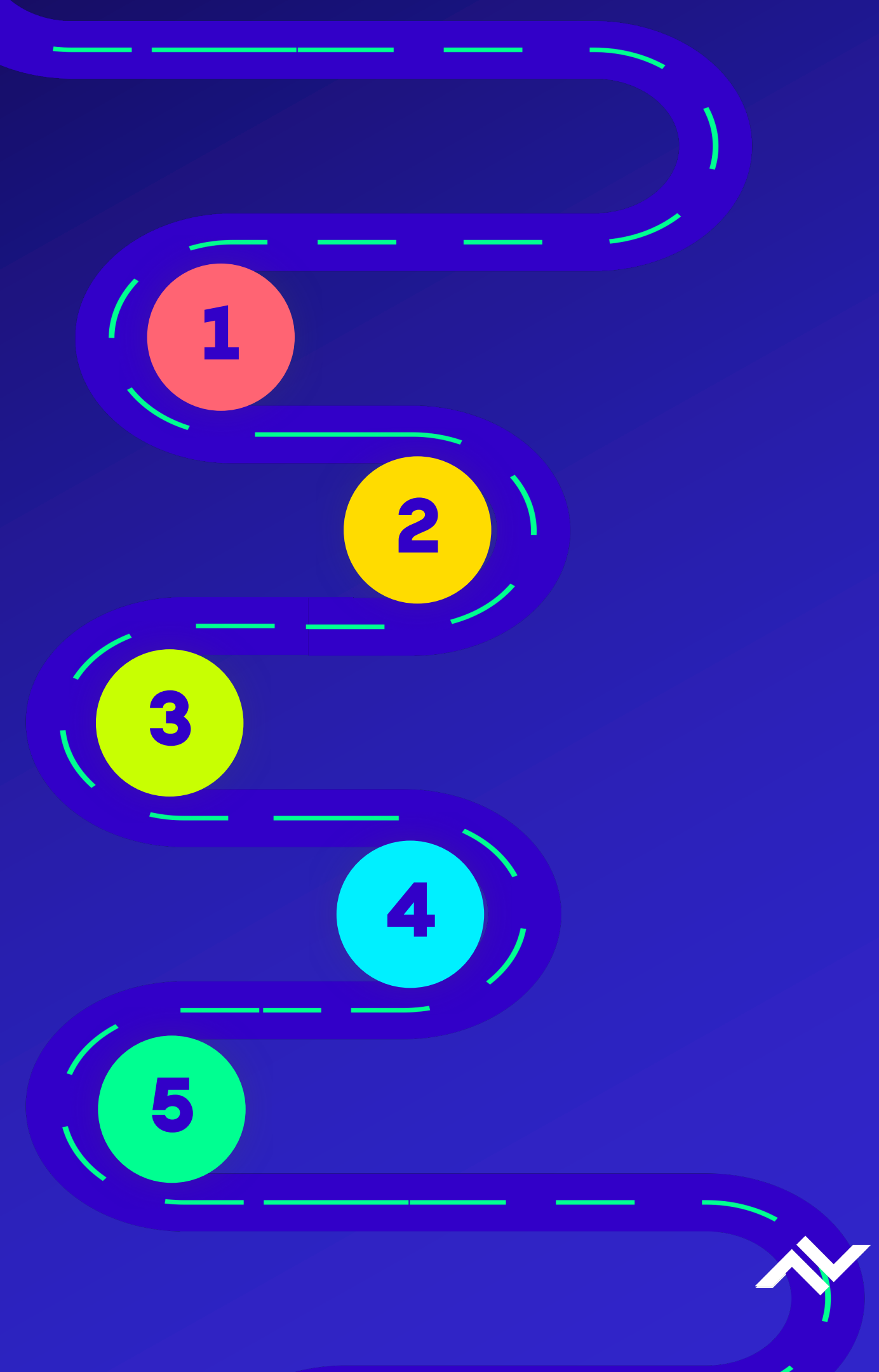
Our solutions are designed for growth – with a high share of recurring revenues (> 90%) and strong customer loyalty across Europe. By focusing on our core markets and strengthening our go-to-market execution, we target double-digit revenue growth.

Growth acceleration through AI

Advanced AI features integrated into our core solutions enhance user experience, automate communication flows and increase productivity – AI is not just a feature, it drives scalable growth and unlocks new business value for customers and partners.

Sustainable value creation

We are aiming for an EBITDA margin above 15% by 2027, driven by operational excellence and > 90% recurring revenues – improving efficiency, automation and internal processes, which are the backbone of our margin expansion. We pay close attention to stringent cash flow management and to shareholder-oriented IR communications.



MEET THE TEAM

Our Management Board

Patrik Heider
CEO/CFO



- At NFON since 2023
- ~ 20 years of C-level experience in the IT industry
- Previous experience includes:
Nemetschek SE | Thinkproject | riskmethods

Andreas Wesselmann
CTO



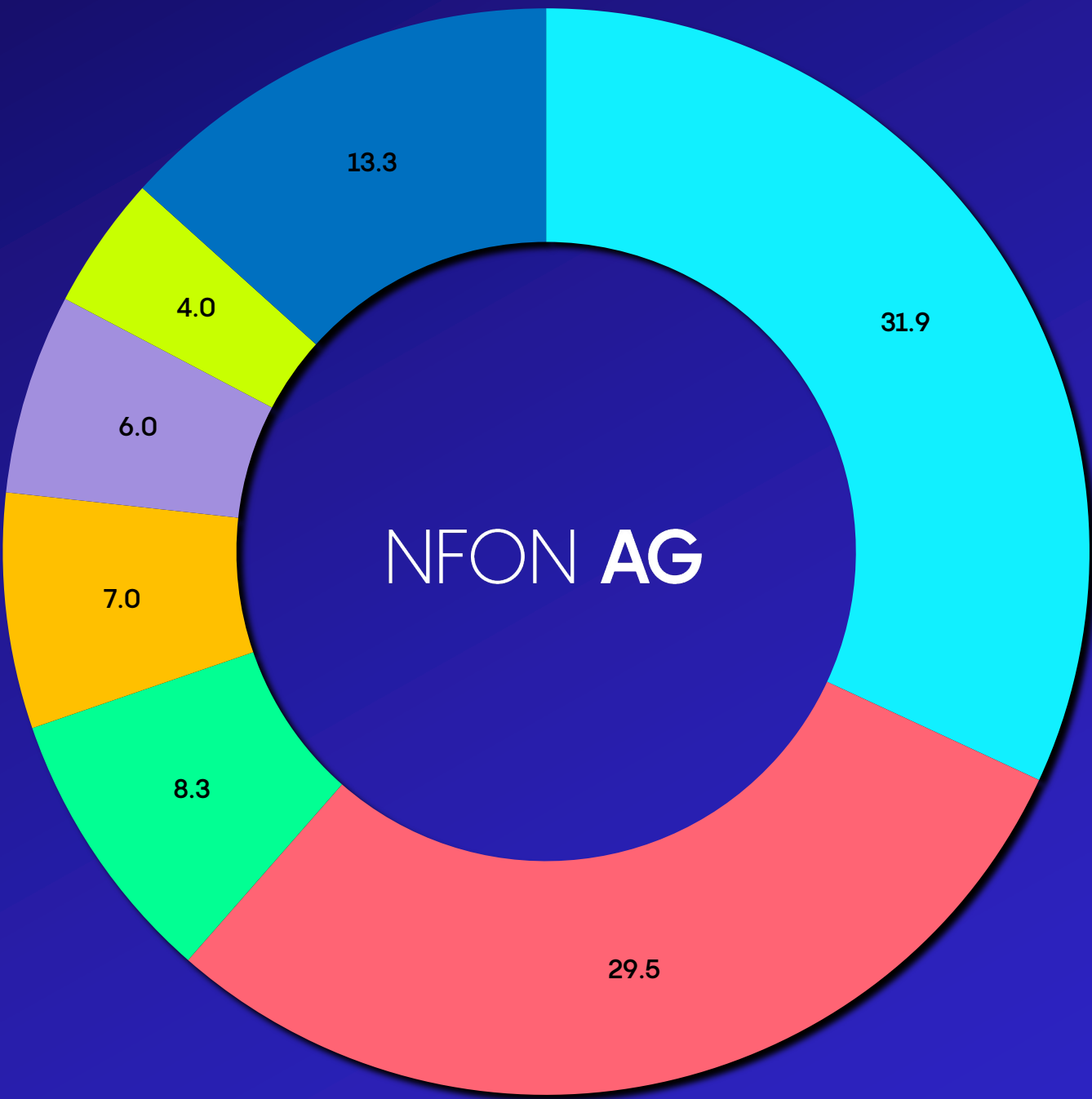
- At NFON since 2024
- > 20 years of experience in an international working environment and in senior executive positions within the software industry
- Previous experience includes SAP



Share at a glance

Share information

ISIN	DE000A0N4N52
WKN	A0N4N5
Segment	Prime Standard/Telecommunication
Shares	16.6 million (29 March 2021)
Type of shares	No-par-value bearer shares
Voting rights	Each share entitles the holder to one vote
Trading segment	Official Market/Prime Standard
Stock exchanges	Frankfurt Stock Exchange/Xetra
Stock exchange symbol	NF
Reuter symbol	NFN.DE
Bloomberg symbol	NFN.GY
Sector	Telecommunications
Designated sponsors	Baader Bank, ODDO Seydler
First day of trading	11 May 2018
Coverage	Baader Bank, Barclays, Berenberg Bank, NuWays, ODDO BHF
Paying agent	Baader Bank



Shareholder structure

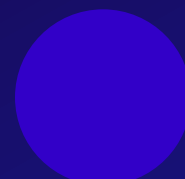
In %, as of 31 March 2025

- Milestone Venture Capital GmbH
- Active Ownership Advisors GmbH
- Universal Investment
- Teslin Capital Management BV
- Morgan Stanley
- ASC Technology AG
- Others



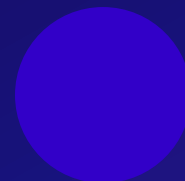
Financial calendar

2025



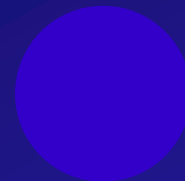
27/02

Preliminary Group financial results FY 2024



17/04

Group Annual Report FY 2024



22/05

Quarterly statement January–March 2025



26/06

Annual General Meeting 2025



21/08

Half-year financial report 2025



20/11

Quarterly statement January–September 2025



STAY IN TOUCH

INVESTOR RELATIONS CONTACT AND MORE...



- At NFON since 2023
- > 15 years of experience in investor relations, sustainability reporting and project management
- Previous experience includes: Deutsche Bahn, Kirchhoff Consult



Friederike Thyssen
VP Investor Relations &
Sustainability

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