

PRESS RELEASE - *Regulated information*

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Unifiedpost Group Q1 2021 business update

- *Global roll out of platform in 26 countries is on track*
- *YoY growth of the digital processing revenue by 43%*
- *+140.000 new customers onboarded the last 12 months (+42%)*

La Hulpe (Belgium), 27th of May 2021 – Unifiedpost Group (*Euronext: UPG*) (*Unifiedpost or Group*), a leading European fintech company, lives up to its outlined growth path by delivering strong performance for the first quarter of this year. After an intense acquisition period, Unifiedpost is now fully focused to maximise the value of its platform and the scale of its business network. While Unifiedpost has already announced FY 2021 to be a ‘construction year’, the fintech company is on track to deliver upon its future growth plans. The Group’s guidance for FY2021 is made explicit and its goals for FY 2022 and FY 2023 are reiterated.

Performance highlights

in EUR million	Q1 2021	Q1 2020	YoY growth
Digital processing revenue ¹	24.2	16.9	+43.2%
<i>Organic</i>	18.6	16.9	+10.1%(1)
<i>Acquisitions</i>	5.6	-	-
Postal & parcel optimisation revenue ²	15.6	-	-
Total statutory revenue	39.9	16.9	+136%

(1) An additional 3.5% of organic growth of Q1 is delayed to later quarters because of COVID impact in Q1.

Double digit growth

Unifiedpost Q1 2021 digital processing revenue amounted to a new quarter high of €24.2 million, a 43.2% increase compared to Q1 2020. This is a combination of an organic growth of 10.1% and the digital processing revenue resulting from the acquisitions of 21 Grams, Akti and BanqUP. Revenue from Crossinx, Digithera and Efactura is not yet included.

Management is delighted to report another quarter of double-digit growth in digital revenue, as Q1 2020 was impacted in only a limited way by the global pandemic while Q1 2021 is still affected by the (soft) lockdown of European economies, especially in Belgium, UK and Slovakia. Some projects and signed new contracts were postponed to Q2 2021.

The recurring part of the revenue continues to be very high. In the first quarter, 95% of the company’s revenue was recurring.

¹ Digital processing revenue is all revenue related to the Group’s core digital cloud-based services.

² Postal and parcel optimization revenue is related to the acquired 21 Grams business where physical post is optimized for business’s, accessing all Nordic postal operators.

Continued expansion of customer base

In Q1 2021 Unifiedpost grew the number of SMEs to +480,000 in total (excluding the recent acquisitions). With the 5 acquisitions closed in Q1 the company added another 70.000 by the end of Q1. With the acquisition of Crossinx (early Q2) the customer base expanded further to +900,000 SME's and +2,500 corporates.

The number of BilltoBox customers grew in Q1 with 28%. For JeFacture (France) near 1,000 accountants already subscribed (out of a total of 20,000). We see good onboarding of follow-through customers. The massive onboarding of SMEs is planned for the period September 2021 - December 2022 (majority at the end). This will be pushed by the French e-invoicing law which enters into force in September 2021.

Entering a new phase of the acquisition strategy

In the first quarter of 2021, five strategic acquisitions were closed: Akti, BanqUP, 21 Grams, Digithera and Efactura. The Crossinx acquisition was closed on the 9th of April (Crossinx). All acquisitions add value for Unifiedpost in terms of full functional coverage from small businesses to large corporates and extended functionality. Moreover, the Group also expanded its presence to a total of 26 countries today.

Construction year

Aligned to the earlier mapped-out strategy, management's focus will now shift more towards the integration of these acquired businesses and the realization of the budgeted synergies. During this construction year, all acquired companies and products will now be integrated into our full platform solution for SMEs and corporates.

The roll-out of the full SME platform is essential to uplift the growth of Unifiedpost in 2022 and to achieve the future profitability guidance it has given. The roll-out is done on a country-by-country approach in two major waves. The roll-out for each country consist of the following steps: (i) have local SME team operational (23/26 countries ready), (ii) have a local cloud running (15/26 ready), (iii) integrate local functionality and services in the platform (10/26 ready), and (iv) deliver full payment possibilities, including PSD2 connectivity and IBAN accounts (2/26 ready). 2 of the 26 countries have been fully launched (Belgium and France). Other countries will follow in two waves: one wave before summer (+11 countries) and one at year end (+13 countries). Wave 1 is 83% complete, wave 2 is currently 52% complete.

Outlook

After a strong first quarter and an intense acquisition trajectory, Unifiedpost's organic revenue growth is expecting to accelerate over the next three quarters. Unifiedpost expects an organic revenue growth forecast for the full year of at least 15%.

For 2022 and 2023 Unifiedpost confirms the guidance it has given on 12 April 2021 (with an accelerated growth target for 2023).

The guidance on growth:

- The management expects organic growth of 25% of its digital processing revenue for 2022; and
- An organic growth of 30% of its digital processing revenue as from 2023.

On profitability management confirms its guidance:

- The management targets a gross margin of +60% by 2023 for its digital processing revenue.
- Adjusted EBITDA³ margin is expected to exceed 25% by 2023.

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³ Adjusted EBITDA = EBITDA excluding non-recurring exceptional costs

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About Unifiedpost

Unifiedpost is a leading cloud-based platform for SME business services built on “Documents”, “Identity” and “Payments”. Unifiedpost operates and develops a 100% cloud-based platform for administrative and financial services that allows real-time and seamless connections between Unifiedpost’s customers, their suppliers, their customers, and other parties along the financial value chain. With its one-stop-shop solutions, Unifiedpost’s mission is to make administrative and financial processes simple and smart for its customers. Since its founding in 2001, Unifiedpost has grown significantly, expanding to offices in 26 countries, with more than 400 million documents processed in 2020, reaching over 900,000 SMEs and more than 2,500 Corporates across its platform today.

Noteworthy facts and figures:

- Established in 2001, with a proven track record
- Turnover of €146 million (pro forma 2020)
- 1,200+ employees
- 400+ million documents processed in 2020
- Diverse portfolio of clients across a wide variety of industries (banking, leasing, utilities, media, telecommunications, travel, social security service providers, public organizations, etc.) ranging from SMEs to large corporates.
- Unifiedpost Payments, a fully owned subsidiary, is recognized as a payment institution by the National Bank of Belgium
- Certified Swift partner
- International M&A track record
- Listed on the regulated market of Euronext Brussels, symbol: UPG

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