

Unifiedpost continues with strong European expansion

November 19, 2021

Press release

La Hulpe, Belgium – November 19, 2021, 7.00 a.m. CET, Unifiedpost Group (Euronext: UPG) (Unifiedpost, the Group or the Company) is pleased to announce its third-quarter results for the period up to September 30, 2021.

Highlights

- Group revenue for 9M 2021 grew 137.9% to €119.5 million, largely driven by acquisitions earlier this year
- 9M 2021 and Q3 digital processing revenue grew 51.5% and 54.5% y-o-y, respectively
- Organic digital processing revenue grew 12.1% and 13.3% for 9M 2021 and Q3 respectively, in line with management expectations
- Good progress on acquisition integration and the continued Banqup roll-out
- By permission granted by NBB the road to operate local payment accounts through branches in 16 additional countries is wide open
- Reiterate FY 2021 organic digital processing revenue growth guidance of at least 15%, following the expected successful go-live of two major corporate outsourcing deals

Commenting on the results, Hans Leybaert, CEO and Founder stated: "I am pleased to see the continued growth and strength of our pan-European platform. It's over a year now since our IPO and I am delighted to report that for every quarter since, we have grown our customer base, our revenues and indeed our revenue per customer. As we approach the end of the 'construction year', I want to thank everyone for their hard work in rolling out our pan-European platform and executing according to plan, which as a result, we are on track to achieve our guidance for 2021. Our focus now is on completing the integration of our acquisitions, the roll out of Banqup, and our expanded payments and value-added services within our one-stop platform which will drive further organic growth in the years to come. There has been an accelerated adoption of mandatory e-invoicing by governments, and we believe that Unifiedpost is well positioned to capture market share in this growing market. We are increasingly recognised as the preferred partner for SMEs across Europe, and whilst we see new growth opportunities serving large and mid-sized companies, SMEs remain at our core."

Key figures Q3 2021

(EUR million)	Q3 2021	Q3 2020	Change (%)
Digital processing revenue – organic	19.0	16.7	+13.3%
Digital processing revenue – acquired business	6.8	-	-
Postage & parcel optimisation revenue	13.0	-	-
Group revenue	38.8	16.7	+131.9%

Key figures 9M 2021

(EUR million)	9M 2021	9M 2020	Change (%)
Digital processing revenue – organic	56.3	50.2	+12.1%
Digital processing revenue – acquired business	19.8	-	-
Postage & parcel optimisation revenue	43.4	-	-
Group revenue	119.5	50.2	+137.9%

Key figures Q3 & 9M 2021

	End Q3 2021	End Q2 2021	End Q1 2021	End Q4 2020
Billtoibox customers	30,527	27,858	24,928	19,512

Revenue acceleration driven by organic growth and acquisitions

Consolidated Group revenue in the first three quarters of 2021 increased 137.9% (Q3: +131.9%) to €119.5 million (Q3: €38.8million), largely driven by the acquisitions completed earlier this year. Of this, digital processing revenue, the core business of Unifiedpost, accounted for €76.1 million (Q3: €25.8million), an increase of 51.5% y-o-y (Q3: +54.5%) in 9M 2021. Organic digital revenue in Q3 grew by 13.3% (9M 2021: +12.1%), as a result of an expanded customer base and an increase in cross-selling of services. Recurring organic revenue growth increased over the quarter, despite some short-term slow down over the European summer holiday period. Recurring revenue for 9M 2021 remained at 94.5% of total revenue.

Continuing to build a pan-European 'one-stop-shop'

Unifiedpost Group continues to roll out Banqup, its premium one-stop-shop platform for SMEs, across Europe. The first wave earlier this year included 13 countries, and this is now extended to 21 in total. The roll out is progressing well, despite some minor delays as a result of a technical adjustment to one global cloud instance. The rationale for the change was driven by the rapid adoption of mandatory B2G and B2B digital invoicing across Europe. Banqup will be available in all the major European markets where Unifiedpost operates.

With the roll out of Banqup in all these markets, Unifiedpost is well positioned to benefit from regulatory tailwinds as governments across Europe seek to close VAT gaps. Many countries such as France, Serbia and Italy are already making digital B2B invoicing mandatory, and more countries are opting to mandate digital B2B invoicing as well. Most recently, the Belgian government announced mandatory adoption of B2B digital invoicing to close its VAT gap, and it is expected that more countries will follow. Following the integration of the data driven e-invoicing technology from Crossinx, Unifiedpost is best placed to support businesses across Europe, especially its core SME

market.

Unifiedpost is pleased to announce that on November 2, 2021, the National Bank of Belgium (NBB) granted permission to operate local payment accounts in 16 additional countries. Together with the prior approvals in Belgium and France, Unifiedpost Payments now has the right to issue domestic IBAN accounts in 18 countries and offer payment services with local payment accounts to complement its other core services.

The onboarding of new customers is progressing according to expectations with approximately 1,000 new customers added per month. The number of Billtobox customers increased to 30,527 at the end of September 2021, of which 85.6% were paying customers. In France, we are pleased that the ECMA presented JeFacture, alongside several new partnerships and new features announcements, at the annual CPA congress in October 2021. The French government has postponed the introduction of mandatory digital invoicing by 12-months to allow more time for businesses to prepare. Consequently, we expect to see a more gradual pace of new customer onboarding on JeFacture in the coming period, accelerating towards the end of 2022. In all markets, we expect new customer onboarding to progress gradually, boosted by a shift that favours digital regulation in the years ahead.

The integration of the latest six acquisitions is advancing well and integration is being executed according to plan. The integration of Akti and Banqup have now been completed and the others remain on track for full integration by mid-2022 with all customers migrated to Unifiedpost's premium SME platform Banqup by this time.

Management guidance confirmed

Based on the 9M 2021 results and the Company's internal forecast for Q4, Unifiedpost reiterates its FY2021 organic digital processing revenue growth forecast of at least 15%. Q4 2021 revenues are expected to benefit from the successful go-live of two major corporate outsourcing deals at the end of Q3 / beginning of Q4 2021.

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Financial Calendar

[Investor Day](#) December 1, 2021

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About Unifiedpost Group

Unifiedpost is a leading cloud-based platform for SME business services built on Documents, Identity, Payments and associated finance services. Unifiedpost operates and develops a comprehensive 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 30 countries, with more than 400 million documents processed in 2020, reaching over 1,000,000 SMEs and more than 2,500 corporates across its platform today.

Noteworthy facts and figures:

- Established in 2001
- Revenue of €146 million (pro-forma 2020)
- 1,300+ employees
- 400+ million documents processed in 2020
- Diverse portfolio of clients across a wide variety of industries, including banking, leasing, utilities, media, telecommunications, travel, social security service providers, public organisations, ranging from SMEs to large corporates.
- Unifiedpost Payments, a fully owned subsidiary, is recognised as a payment institution by the National Bank of Belgium
- Certified SWIFT partner
- M&A track record of 17 acquisitions in last 9 years
- Quoted on the regulated market of Euronext Brussels, symbol: UPG

Warning about future statements: The statements contained herein may contain forecasts, future expectations, opinions and other future-oriented statements concerning the expected further performance of Unifiedpost on the markets in which it is active. Such future-oriented statements are based on the current insights and assumptions of management concerning future events. They naturally include known and unknown risks, uncertainties and other factors, which seem justified at the time that the statements are made but may possibly turn out to be inaccurate. The actual results, performance or events may differ essentially from the results, performance or events which are expressed or implied in such future-oriented statements. Except where required by the applicable legislation, Unifiedpost shall assume no obligation to update, elucidate or improve future-oriented statements in this press release in the light of new information, future events or other elements and shall not be held liable on that account. The reader is warned not to rely unduly on future-oriented statements.