



The new independent force in  
the German telecommunications market

ISIN: DE000A1X3WF3

PHILION  N **DEINHANDY.** FEXXCOM®

# TEAM OF INDUSTRY EXPERTS HAVE A VISION



**MICHAEL ROHBECK**

- Managing director
- Former managing director Versatel Germany
- 21 years of industry experience



**RENÉ SCHUSTER**

- Chairman of the board
- Former CEO Telefonica Deutschland & managing the IPO
- 14 years of industry experience



**FRANK DEMMLER**

- Board member
- Founder and managing director Fexcom
- 20 years of industry experience



**REINHARD KRAUSE**

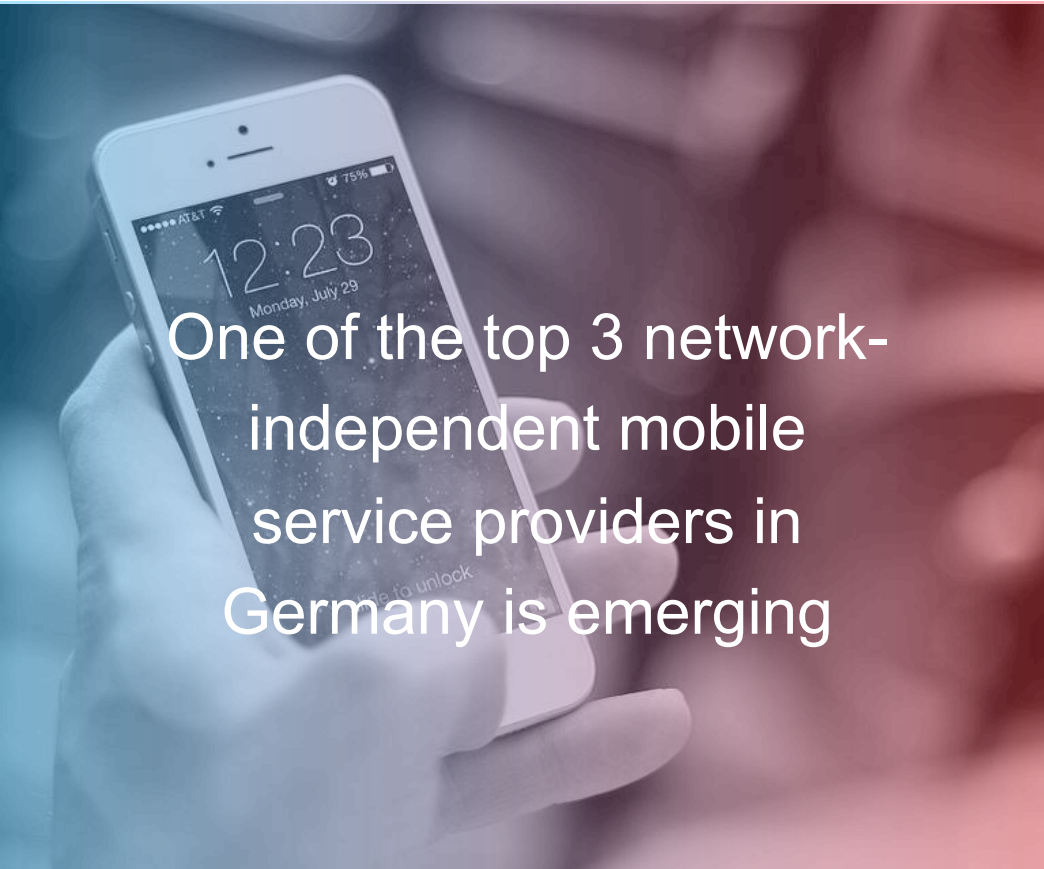
- Board member (deputy chairman)
- Former board member Debitel
- 15 years of industry experience

STARTED WITH A VISION AT THE END OF 2017

PHILION 

As a one-stop-shop  
we want to simplify  
the life of our customers  
for all the needs of the digital world.

# MARKET POSITIONING



freenet 

Offline

**DEINHANDY.**

Online and offline

**1&1**

Online

# GERMAN TELECOMMUNICATIONS MARKET

## Network operators



### Direct distribution

#### Own stores / Franchise

- Telekom
- Vodafone
- O2

#### Online

Own brands+ Blau, Otelo, Congstar

~ 3,900 POS

### Indirect distribution

#### Retail

Distributors

- **einsAmobile**
- Komsa
- brodos

Retail

- **Fexcom**
- Ibuy
- Ashop

~ 3,500 POS

#### CM spaces

- expert
- MEDIMAX
- EURONICS
- MediaMarkt/  
Saturn

#### Online

- **DEINHANDY**
- Sparhandy
- handyflash
- modeo
- verivox
- CHECK24

## Service provider

freenet 

**1&1**

### Offline

~ 570 POS

### Online

# IMPORTANT MILESTONES REACHED TO DATE

## Operative


## On the capital market



Takeover  
FEXCOM  
>160 stores



Share in  
DEINHANDY  
Strongly growing online  
business



Preparation of  
securities prospectus  
(conversion to IFRS &  
group)



Change to  
regulated market



Development  
store concept



Cooperation  
mobile zone



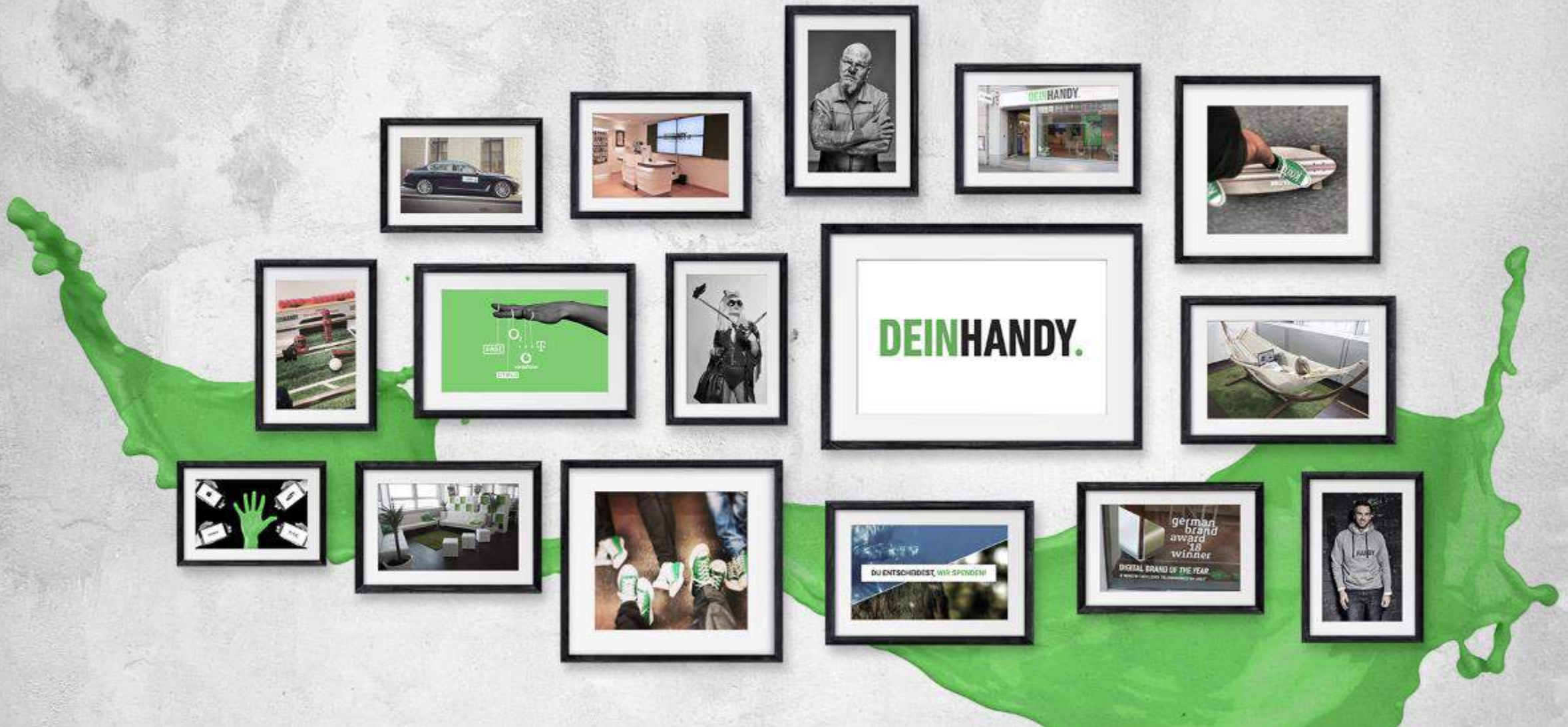
Research



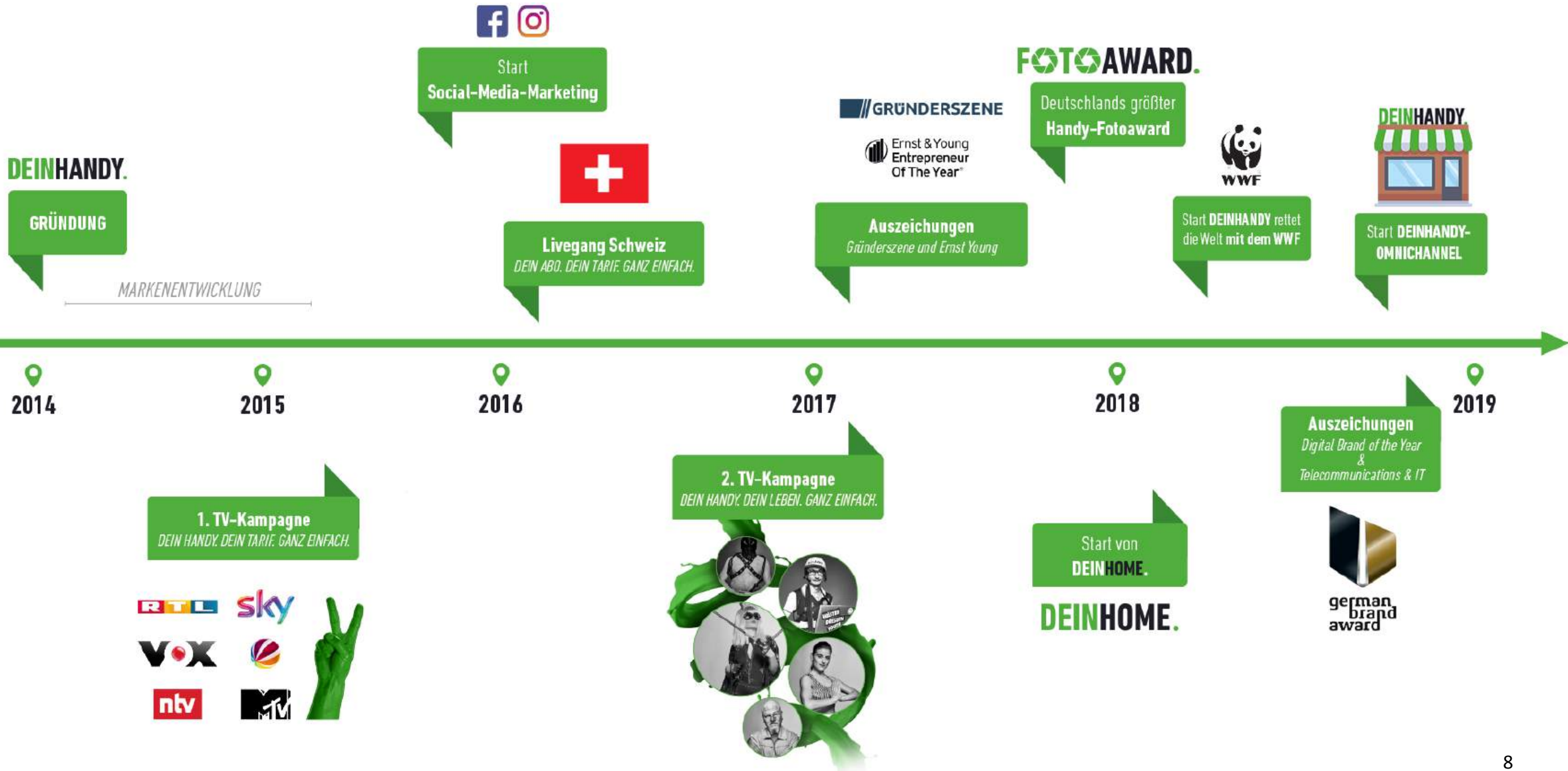
Xetra trading &  
secondary listing  
Frankfurt

Foundation laid for growth. DEINHANDY becomes the face to the outside.

# READY FOR GROWTH WITH A STRONG BRAND



# TIMELINE

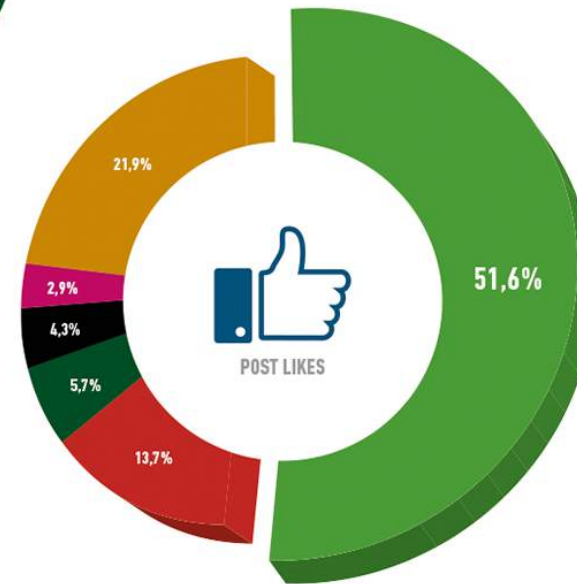
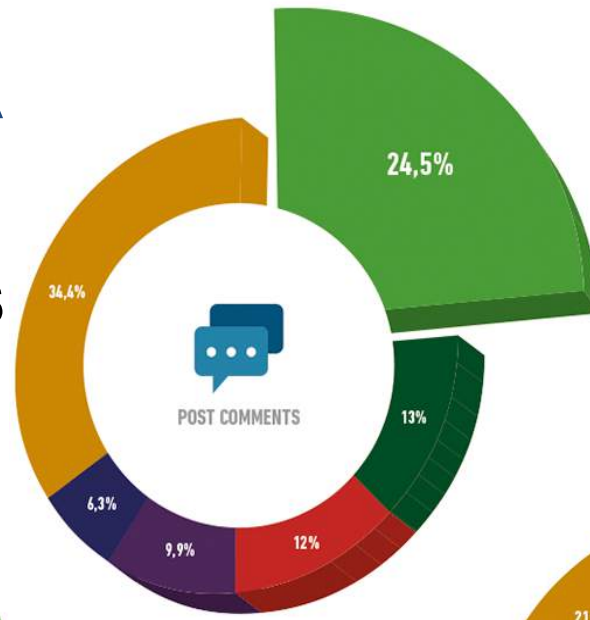
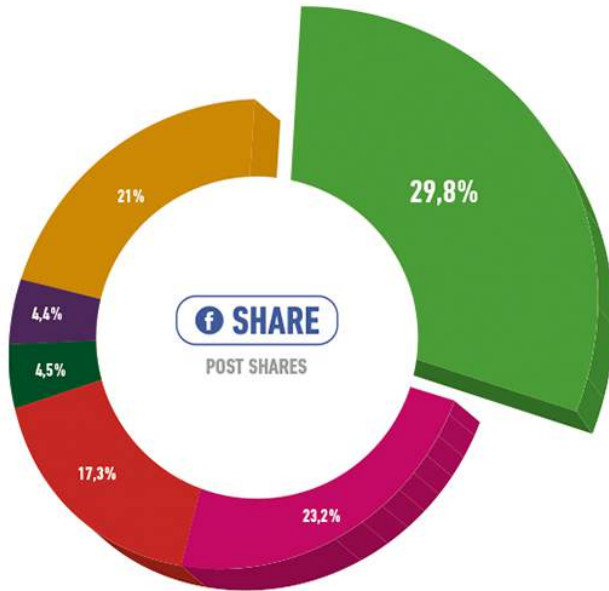




# SOCIAL MEDIA

## DEINHANDY MARKET SHARES

Efficient social marketing transfers reach!



- ✓ Best-in-market marketing transfers existing **reach of 50 million monthly** into concrete target projects.
- ✓ DEINHANDY initiates **more social interactions than the rest of the mobile phone market together!**
- ✓ **High trust factor of the brand by 450,000+ fans** also on other channels and the website itself.
- ✓ Ability to control targeted campaigns to specific target groups - irreplaceable for **on-demand distribution of specific offers.**

# IMPLEMENTATION OF THE VISION HAS BEGUN

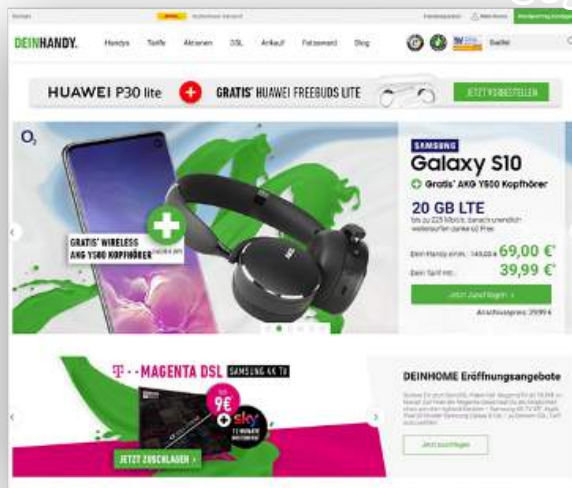
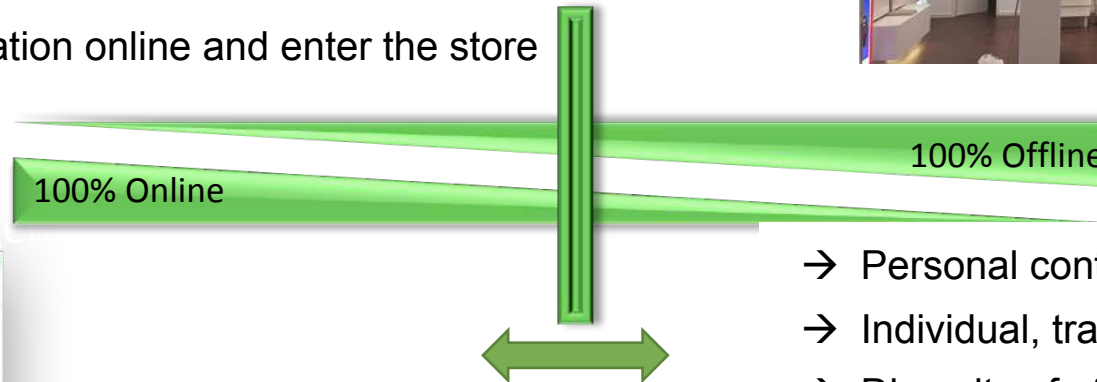
Online and offline as an option for feeding customers into the cycle

In this consequence the German market does not exist yet!



# GOAL IS INTERACTION OF ONLINE AND OFFLINE

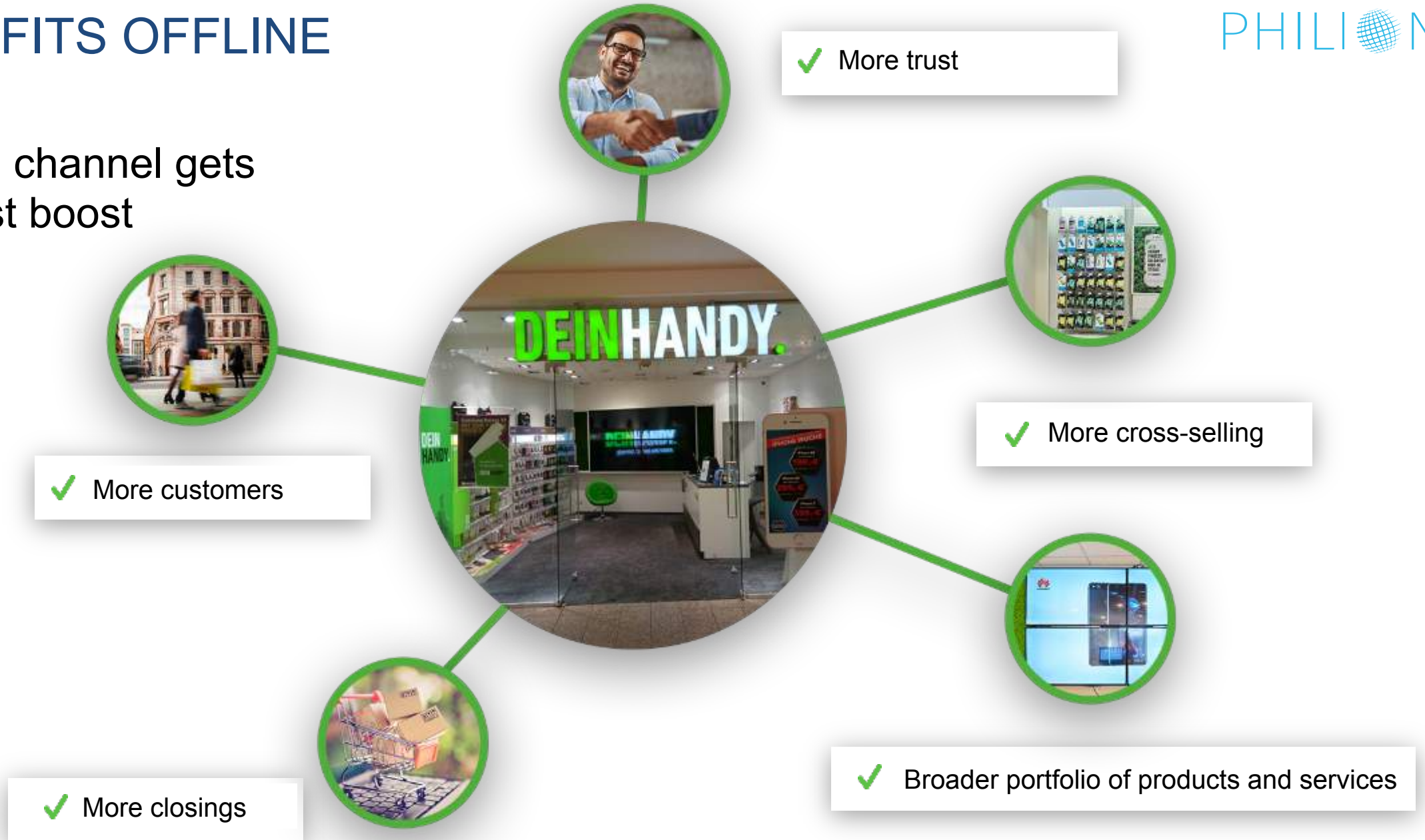
- Transparency of information on offers and household potential
- Digital consultant for customer needs
- Traffic surge towards offline store for consulting-intensive customers, for value-added services, integration into the vision cycle
- Customer can do everything online from information to completion by himself
- Customers can obtain information online and enter the store



- Personal contact person for all concerns
- Individual, transparent, personal advice
- Diversity of offerings greater than previous portfolio
- Trust generation and online support
- Customer can receive his new product directly at the POS
- The customer can inform himself at the POS and make the haptic experience, as well as be personally advised and then carry out the purchase online

# BENEFITS OFFLINE

Offline channel gets biggest boost



# BENEFITS ONLINE



Opening up new customer groups & brand reinforcement



More trust and size  
→ image enhancement



Conversion rate increase through more trust and perceived security



- Smartphone contract
- DSL contract
- Mobile phone insurance



More customer loyalty

# WHERE WE STAND TODAY

- ✓ Third party digital advertising only
- ✓ Digital signage and lighting allows many options for partial branding and actions
- ✓ Customer service offline and online
- ✓ Active special campaigns can be launched regionally
- ✓ Lifting stores into the digital age via regional online presence
- ✓ 11 Stores, quickly and easily rebranded
- ✓ Training of the first employees at the headquarters in Berlin
- ✓ Try out different customer groups and segments through targeted location selection

simple | clean | digital

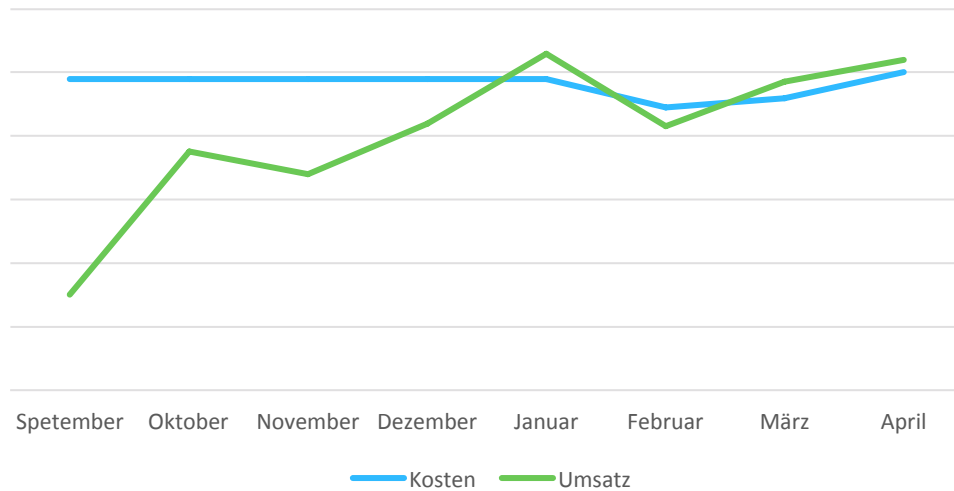


✓ Win-win-situation

✓ Stores break-even

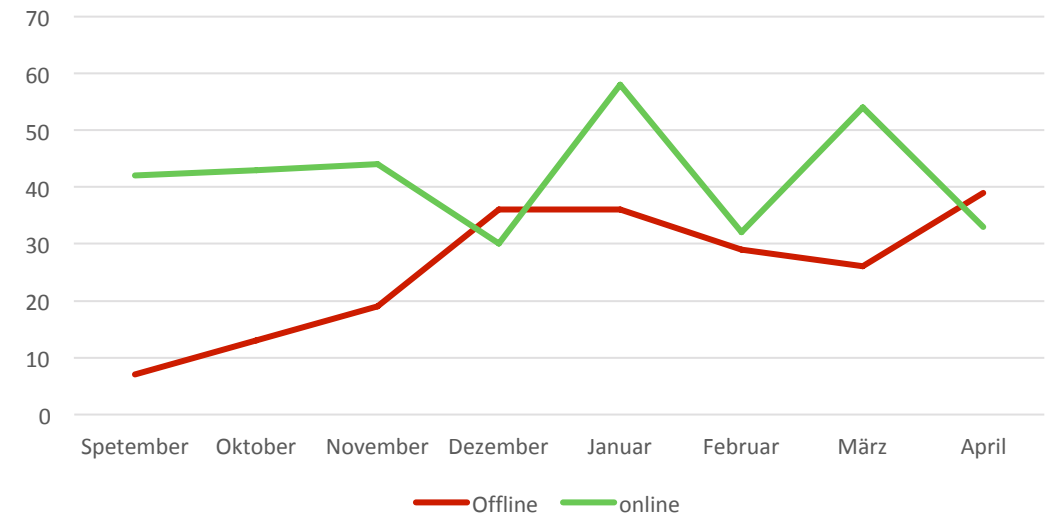
✓ Impact on offline and online

### Profitability



- Already after 5 months the stores reach their break-even point
- Online sales/traffic as kicker, offline sales as margin bringer

### Development of new online and offline contracts



- Offline sales +238% on 3-month average
- Online sales volatile depending on offer, offline profits steadily

In addition to the rollout of DEINHANDY, we intend to continue our buy-and-build strategy and increase sales and earnings significantly.





**Further development of the 800,000 customers of the online platform**

- cross-selling
- contract renewals
- family offers



**Greater confidence in the online check-out process**



**Branding reaches broader mass through branch visibility**



**Increase targeted regional marketing activities (social media, guerilla)**

- customer flow in the stores
- branding
- online frequency



**Unified CRM**

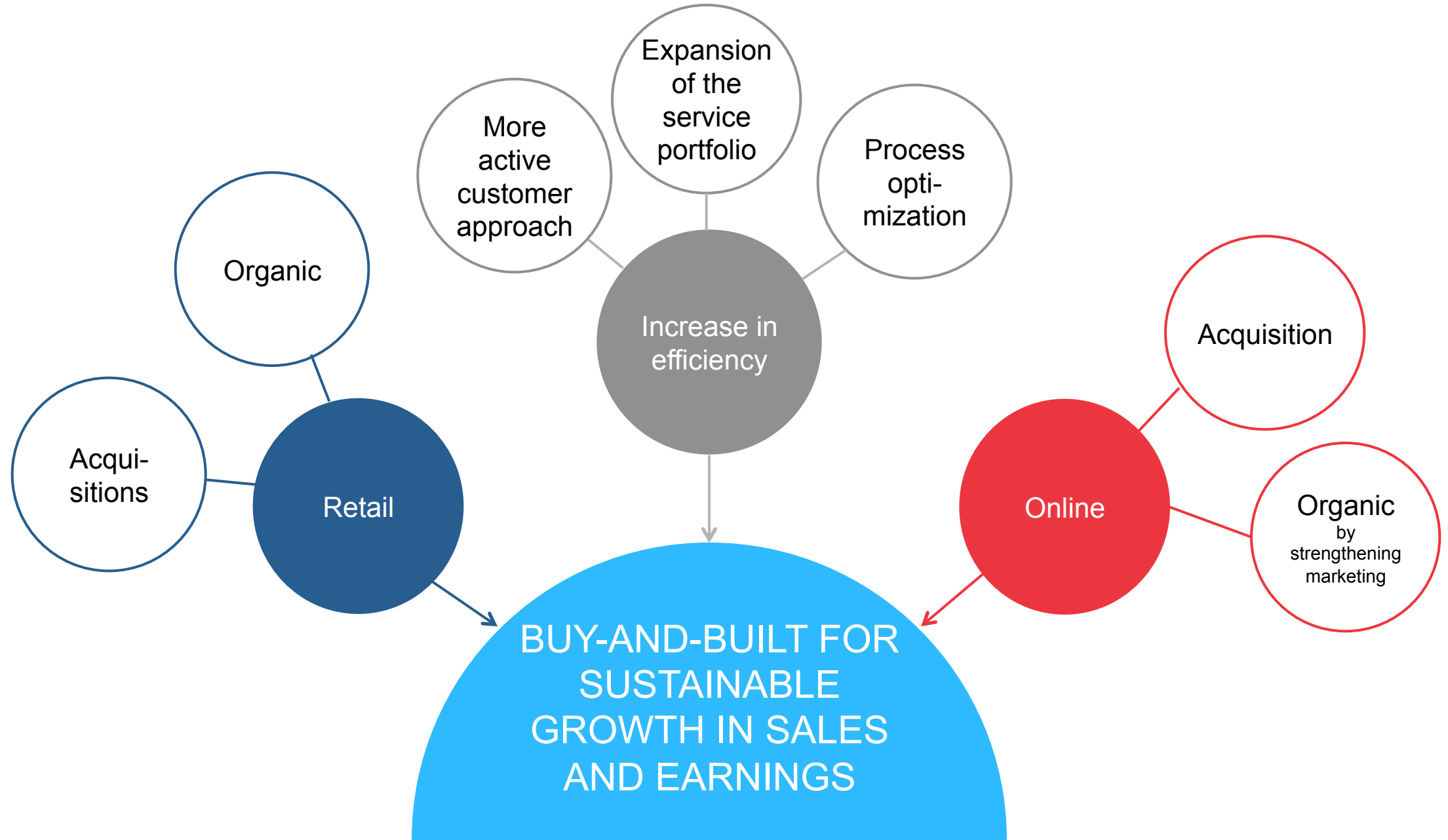
- optimization & automation of processes
- cost reduction
- scaling effects



**Extended product range (online availability in the store) possible**

- customer comes more regularly
- higher sales in the store  
->larger margin

# THIS IS HOW WE WANT TO DEVELOP





**2018** (only Fexcom)

158 stores

50 EURm sales

Net income -2,3 EURm

Equity ratio 51%

FEXCOM®



**2019** (proforma)

≈200 stores

Strong online business

≈200 EURm sales

Positive net income

DEINHANDY.

FEXCOM®



**Medium term**

>>300 stores

Omni-channel champion

>300 EURm sales

>5% EBIT margin

DEINHANDY.

To put into perspective: Market capitalization currently approx. 14 EURm



- Team of top managers are successful in the telecommunications industry for decades.
- Trends such as 5G, SmartHome, the mobile phone as the heart of digital life open up opportunities for independent providers.
- The future belongs to omni-channel business models and has not yet arrived in the German telecommunications market.
- Philion is an active player in market consolidation and well on its way to become the new, strong, independent force in the German telecommunications market.
- Omni-channel strategy has started successfully.
- In the medium term, the major part of EBITDA is to be distributed as a dividend.



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