

UNITED INTERNET AG

6-Month 2023

Frankfurt/Main,

August 3, 2023



AGENDA

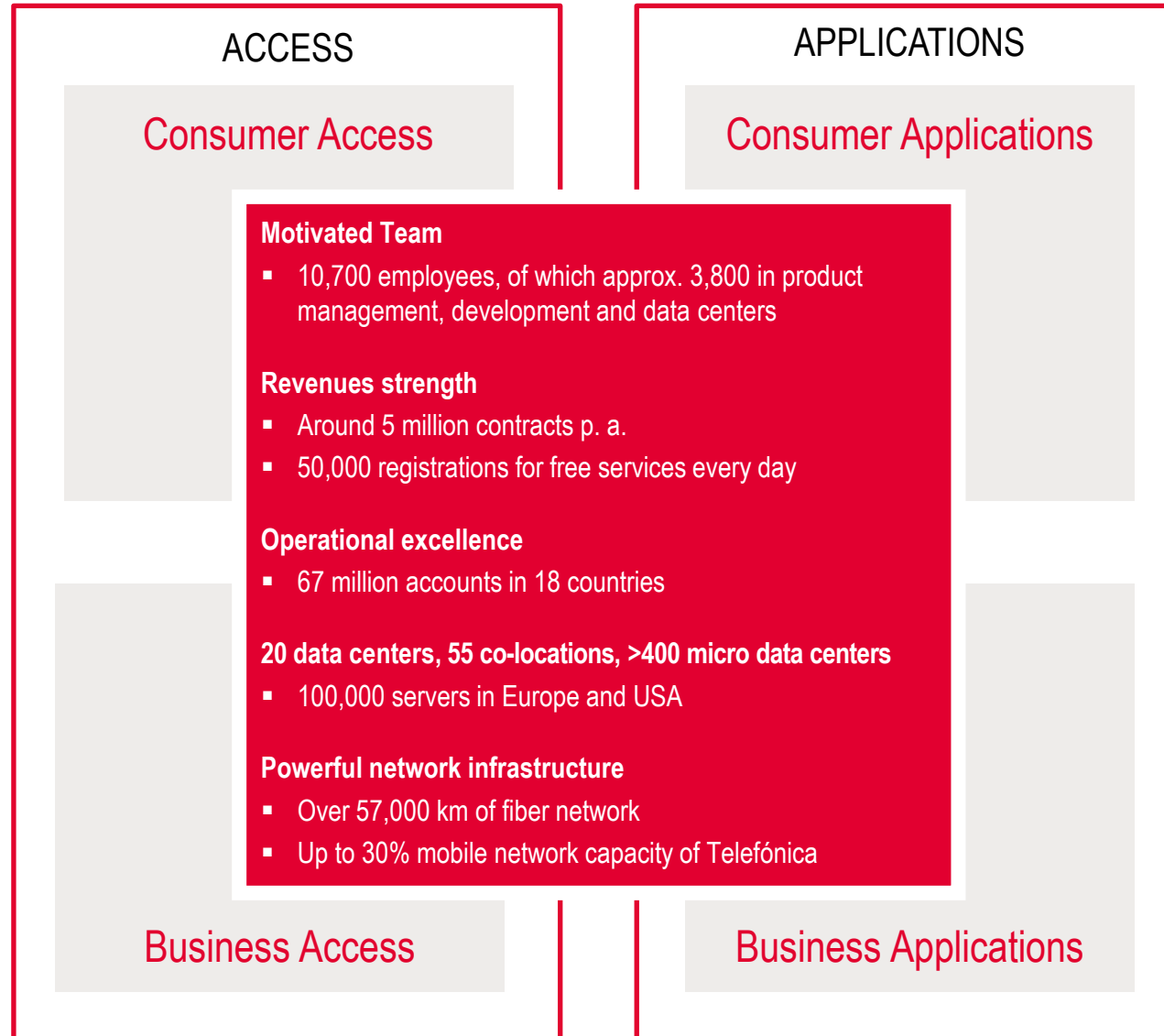
Ralph Dommermuth Company development

Outlook 2023

Ralf Hartings Results H1 2023

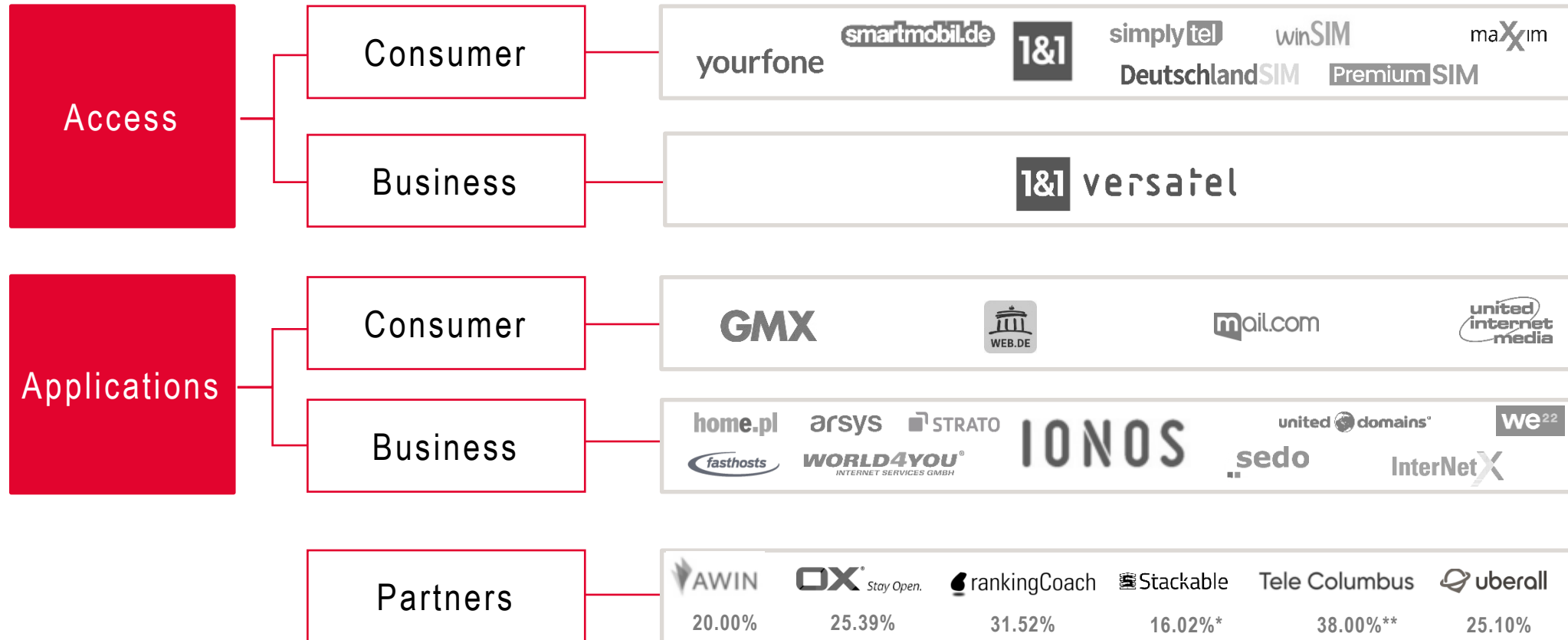
COMPANY DEVELOPMENT

2 BUSINESS AREAS: ACCESS & APPLICATIONS



BRANDS & INVESTMENTS

(as of June 30, 2023)



* Held indirectly via the 63.84% interest in IONOS Group SE

** Held indirectly via the 40% shareholding in Kublai GmbH

“ACCESS” IN H1 2023

- CONSUMER ACCESS
- BUSINESS ACCESS

- CONSUMER APPLICATIONS
- BUSINESS APPLICATIONS

“CONSUMER ACCESS”: FIXED-LINE BUSINESS

Fixed-line

- 1&1 as largest alternative DSL provider with 4.05 million broadband connections
- VDSL and FTTH complete packages including voice and IP-TV via 1&1 Versatel, with last mile via Deutsche Telekom and City Carrier

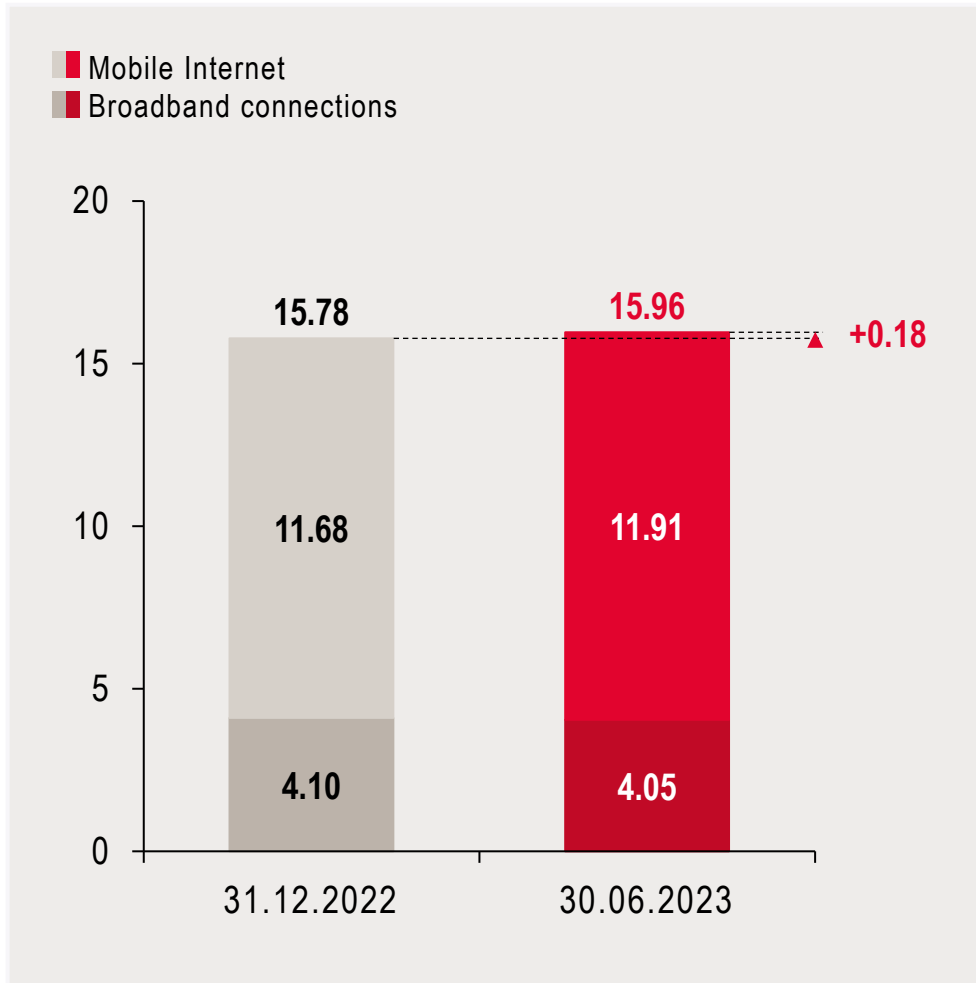
Mobilfunk

- 1&1 as leading MVNO with 11.91 million mobile contracts
- Establishing a high-performance 5G network; MVNO pre-services with Telefónica and Vodafone until network launch
- Broad market coverage – target group-specific addressing of relevant segments via main brand 1&1 and discount brands such as yourfone and smartmobil.de as well as co-branding with GMX and WEB.DE



“CONSUMER ACCESS”: CUSTOMER CONTRACTS

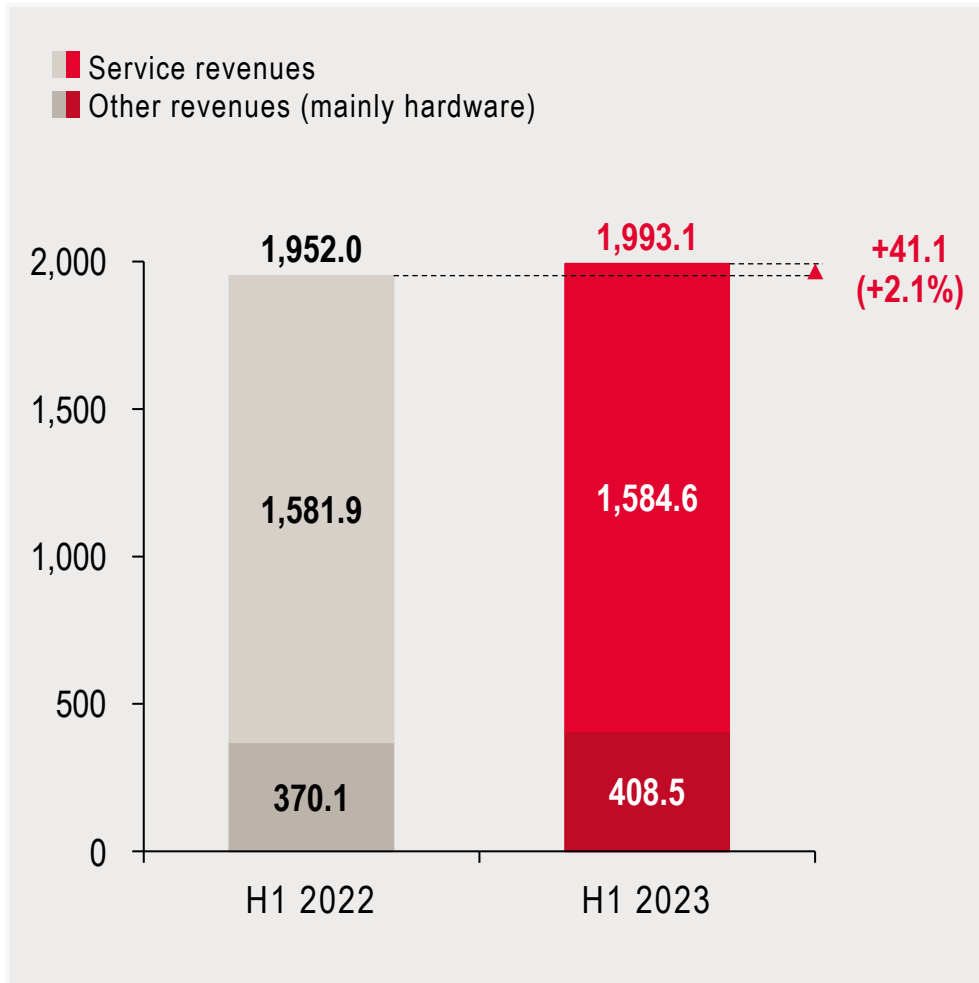
(in millions)



- 15.96 million customer contracts (+180,000)
 - 11.68 million mobile Internet contracts (+230,000)
 - 4.10 million ADSL / VDSL / FTTH broadband lines (-50,000)
- Good progress in the migration from ADSL to VDSL, which has been ongoing since Q1/2023 – customer base to be stabilized in Q4

“CONSUMER ACCESS”: REVENUES

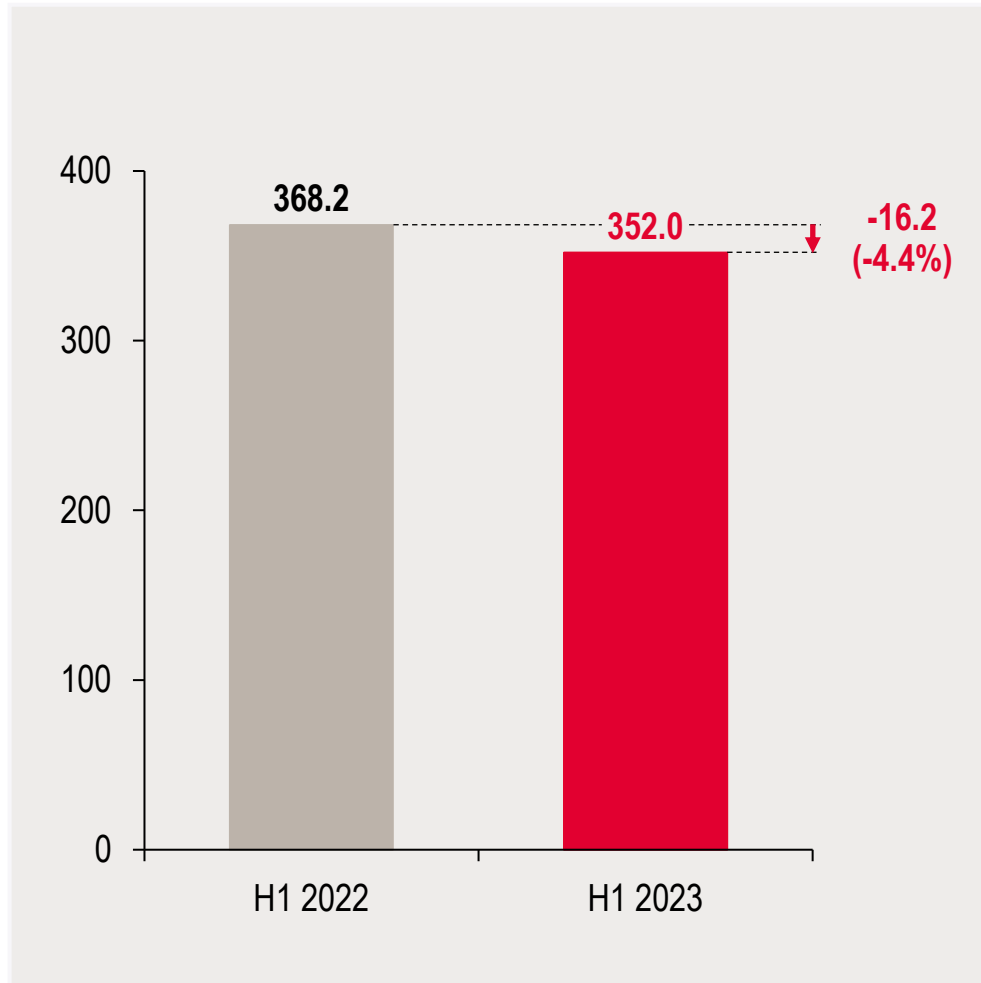
(acc. to IFRS in € millions)



- +2.1% revenues to € 1.993 billion
 - +0.2% service revenues to € 1.585 billion
 - +10.4% other revenues (especially smartphones) to € 408.5 million
- ➔ Approx. 4% growth in service revenues expected in the second half of the year

“CONSUMER ACCESS” (I): TOTAL EBITDA

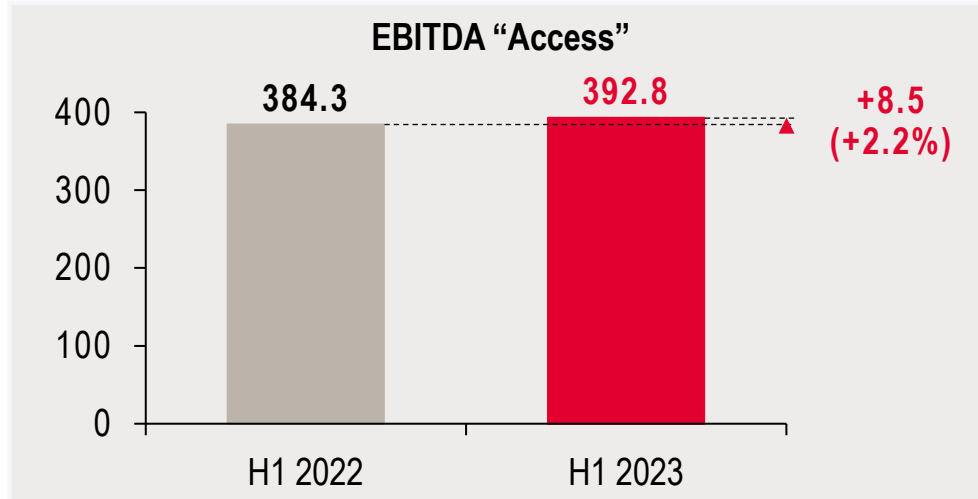
(acc. to IFRS in € millions)



- -4.4% EBITDA to € 352.0 million, including
 - € -40.8 million from expenses for the roll-out of the 1&1 mobile network (prior year: € -16.1 million).
- 17.7% EBITDA margin (prior year: 18.9%)

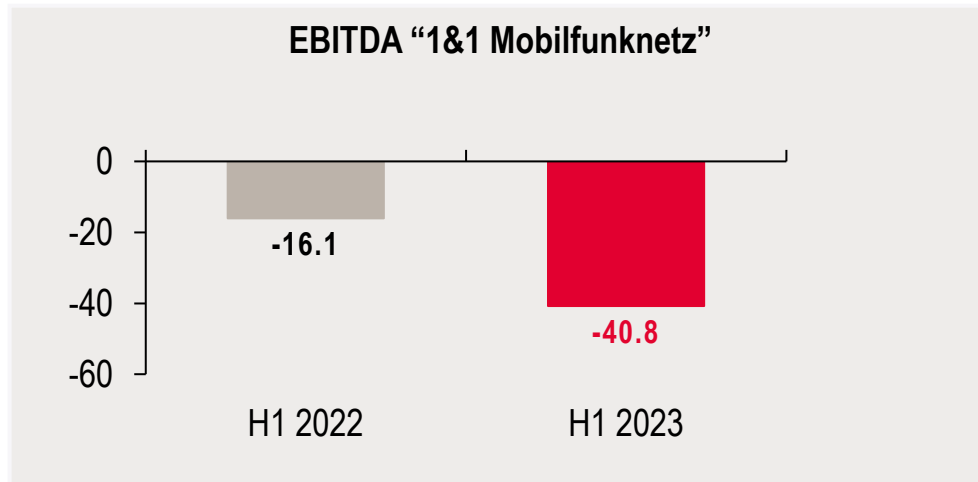
“CONSUMER ACCESS” (II): EBITDA SUBSEGMENTS

(acc. to IFRS in € million)



“Access”

- +2.2% EBITDA to € 392.8 million
- 19.7% EBITDA margin (prior year: 19.7%)



“1&1 Mobilfunknetz”

- € -40.8 million EBITDA from expenses for the roll-out of the 1&1 mobile network

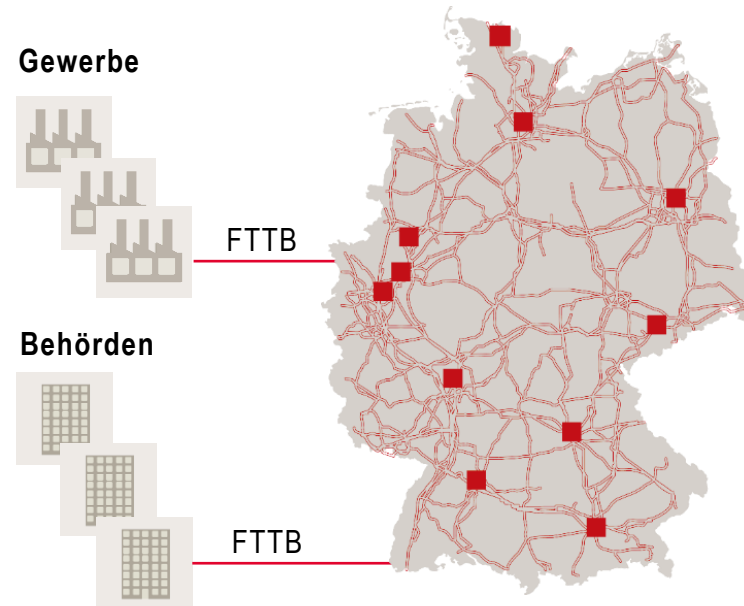
“BUSINESS ACCESS”

- 1&1 Versatel operates one of the largest German fiber optic networks
- Project business and plug-and-play solutions for medium-sized companies



**GLASFASER
DIREKT**

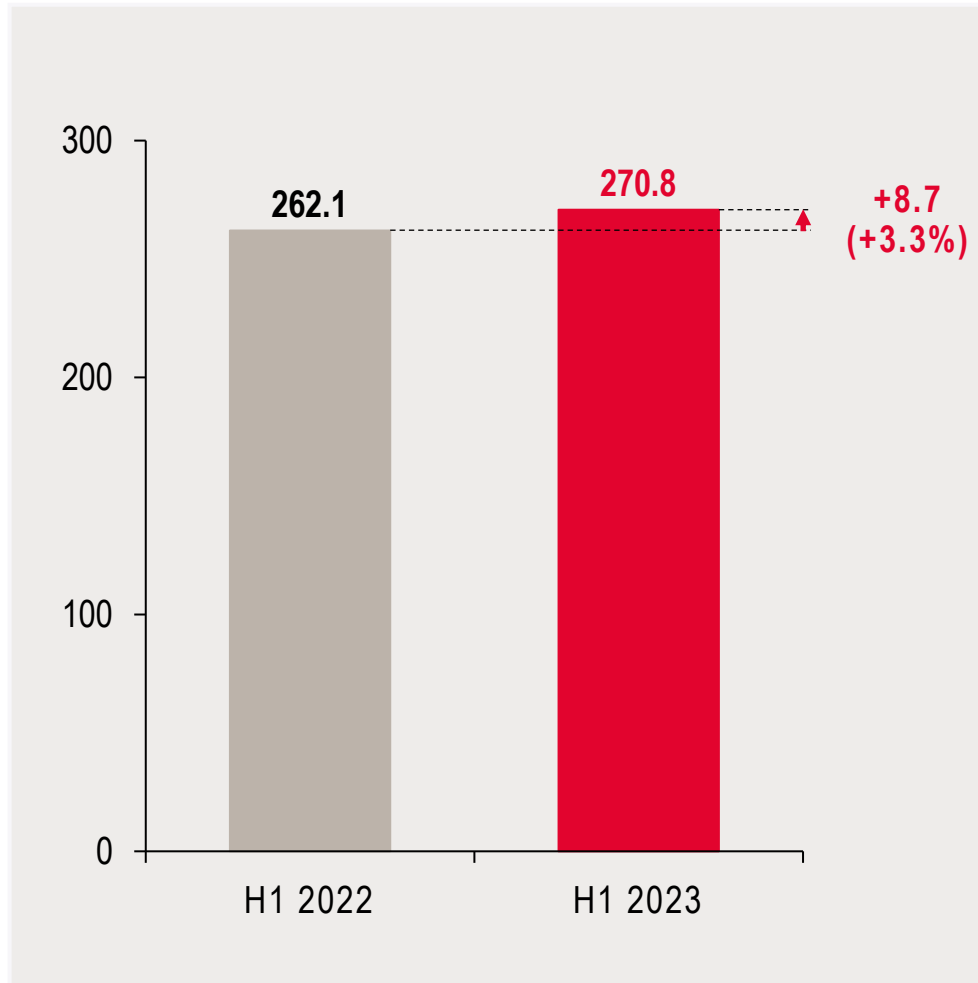
✓ Glasfaser-Anschluss für Firmen!
✓ Garantierte Gigabit-Bandbreite!
✓ Keine Baukosten bis zum Gebäude!



- 57,113 km of fiber optic network
- In more than 350 German cities, including the 25 largest cities
- 24,526 directly connected sites

“BUSINESS ACCESS”: REVENUES

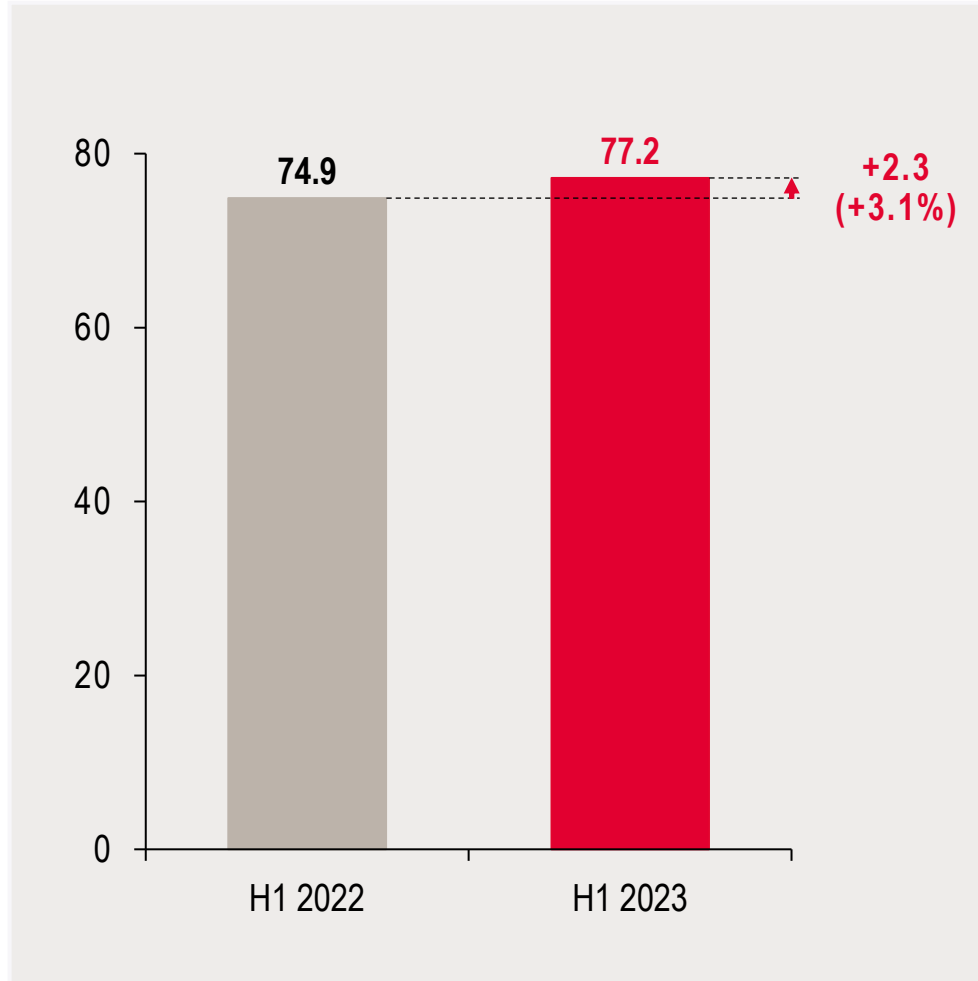
(acc. to IFRS in € millions)



■ +3.3% revenues to € 270.8 million

“BUSINESS ACCESS”: EBITDA

(acc. to IFRS in € millions)



- +3.1% EBITDA to € 77.2 million
- 28.5% EBITDA margin (prior year: 28.6%)

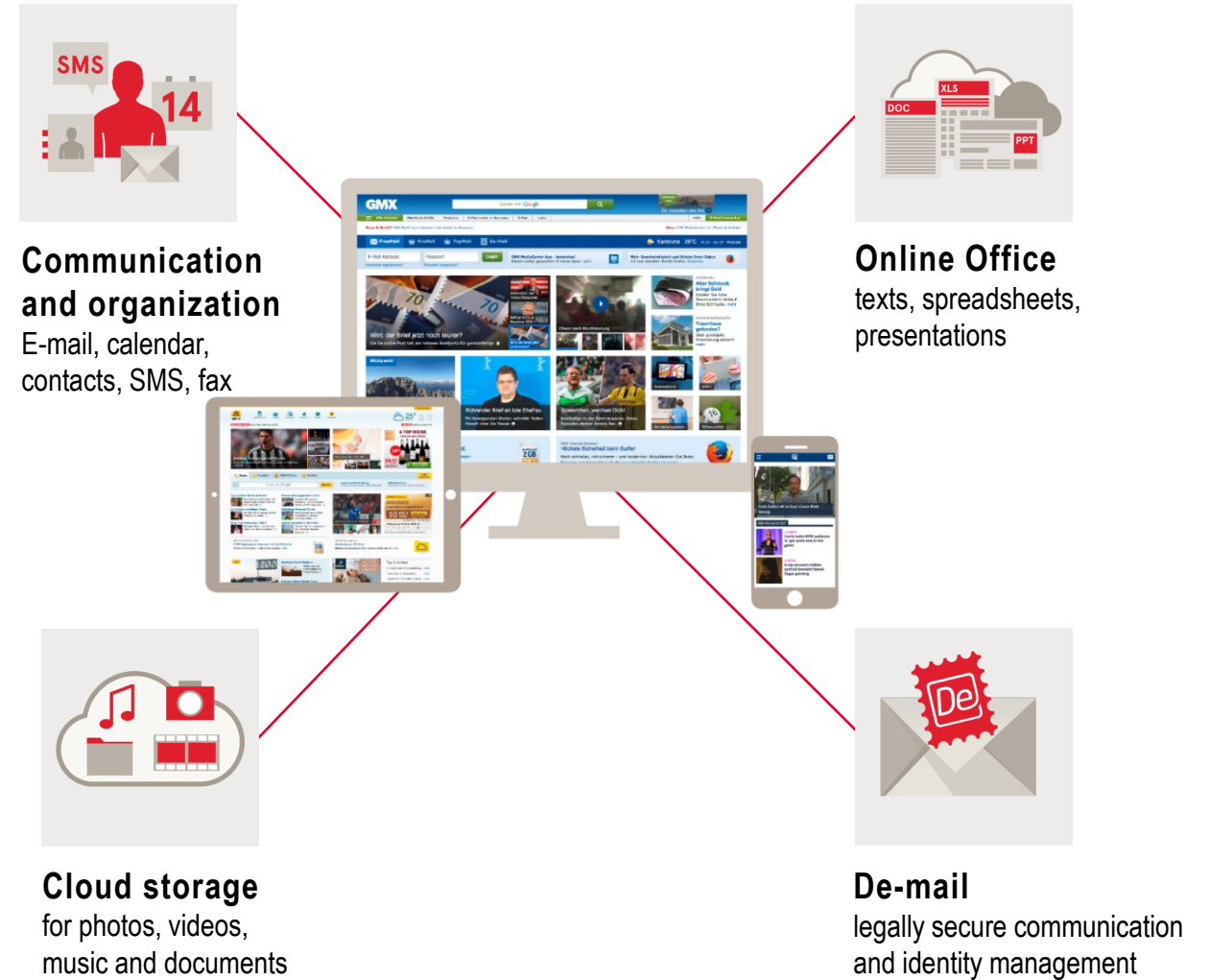
“APPLICATIONS” IN H1 2023

- CONSUMER ACCESS
- BUSINESS ACCESS

- CONSUMER APPLICATIONS
- BUSINESS APPLICATIONS

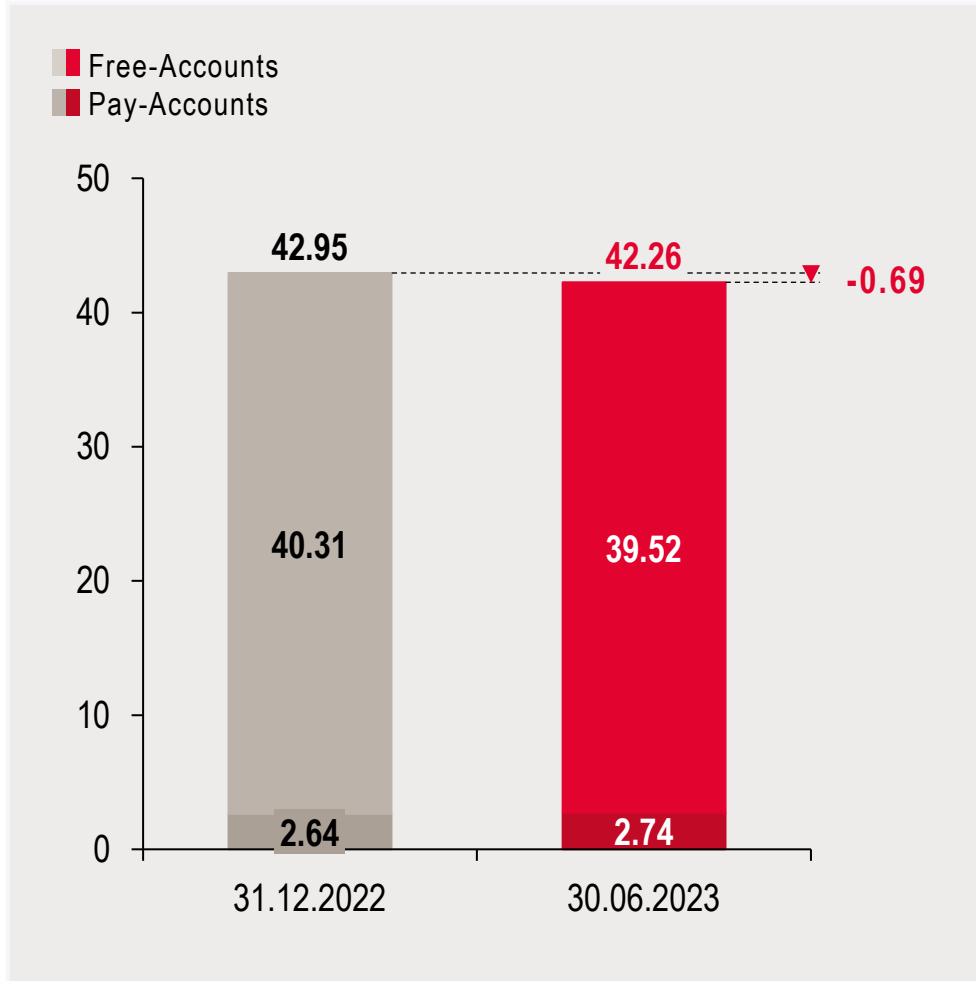
“CONSUMER APPLICATIONS”

- With GMX, WEB.DE and mail.com, one of the leading providers of consumer applications
- Broad product portfolio for private customers: Personal Information Management (e-mail, tasks, appointments, addresses), cloud storage and office applications
- Differentiation through data protection & data security
- Advertising marketing via United Internet Media



“CONSUMER APPLICATIONS”: ACCOUNTS

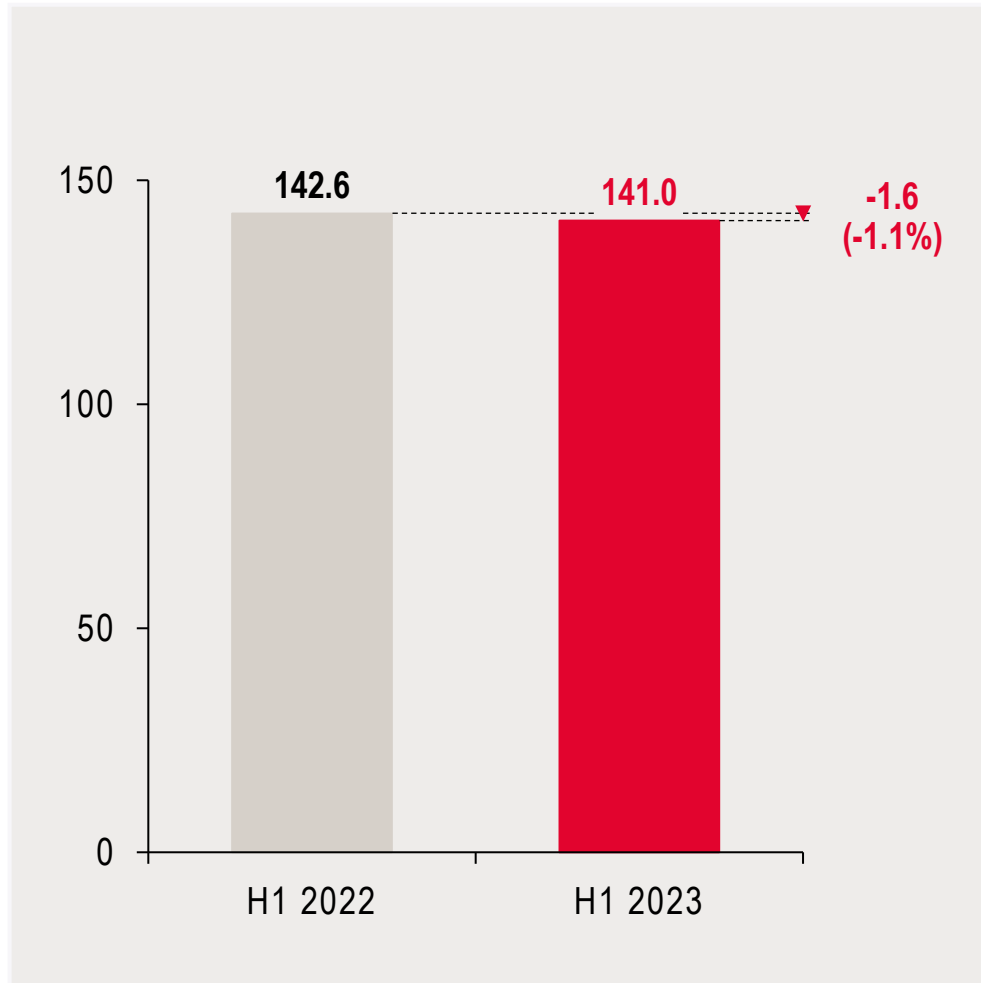
(in millions)



- 42.26 million Consumer accounts (-690,000), thereof
 - 36.52 million free accounts (-790,000 primarily seasonal) -240,000 compared to 30.06.2022
 - 2.74 million pay accounts (+100,000), +160,000 compared to 30.06.2022
- 27.9 million with mobile usage (-100,000), +100,000 compared to 30.06.2022
- 22.7 million with cloud storage (+300,000), +600,000 compared to 30.06.2022

“CONSUMER APPLICATIONS”: REVENUES

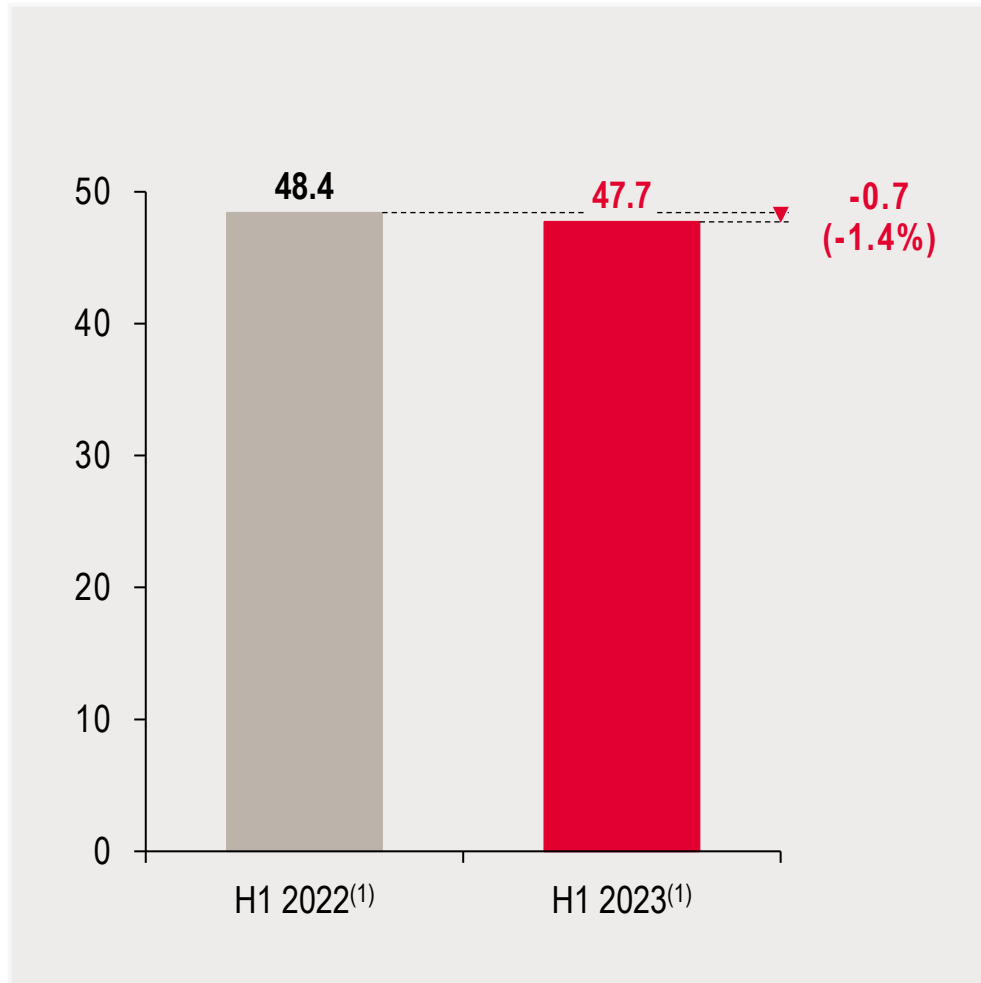
(acc. to IFRS in € millions)



- -1.1% revenues to € 141.0 million
 - Q1 yoy: -2.2% (higher advertising revenues in Q1 2022 before Ukraine war / inflation)
 - Q2 yoy: 0.0%
- ➔ Significant revenues growth expected in H2

“CONSUMER APPLICATIONS”: EBITDA

(acc. to IFRS in € millions)



⁽¹⁾ Adjusted for valuation effects from derivatives amounting to € -4.4 million (prior year: € +4.6 million).

- -1.4% EBITDA to € 47.7 million
- 33.8% EBITDA margin (prior year: 33.9%)
 - Q1 yoy: -10.3%
 - Q2 yoy: +6.2%
- ➔ Positive trend expected to continue in H2

“BUSINESS APPLICATIONS”

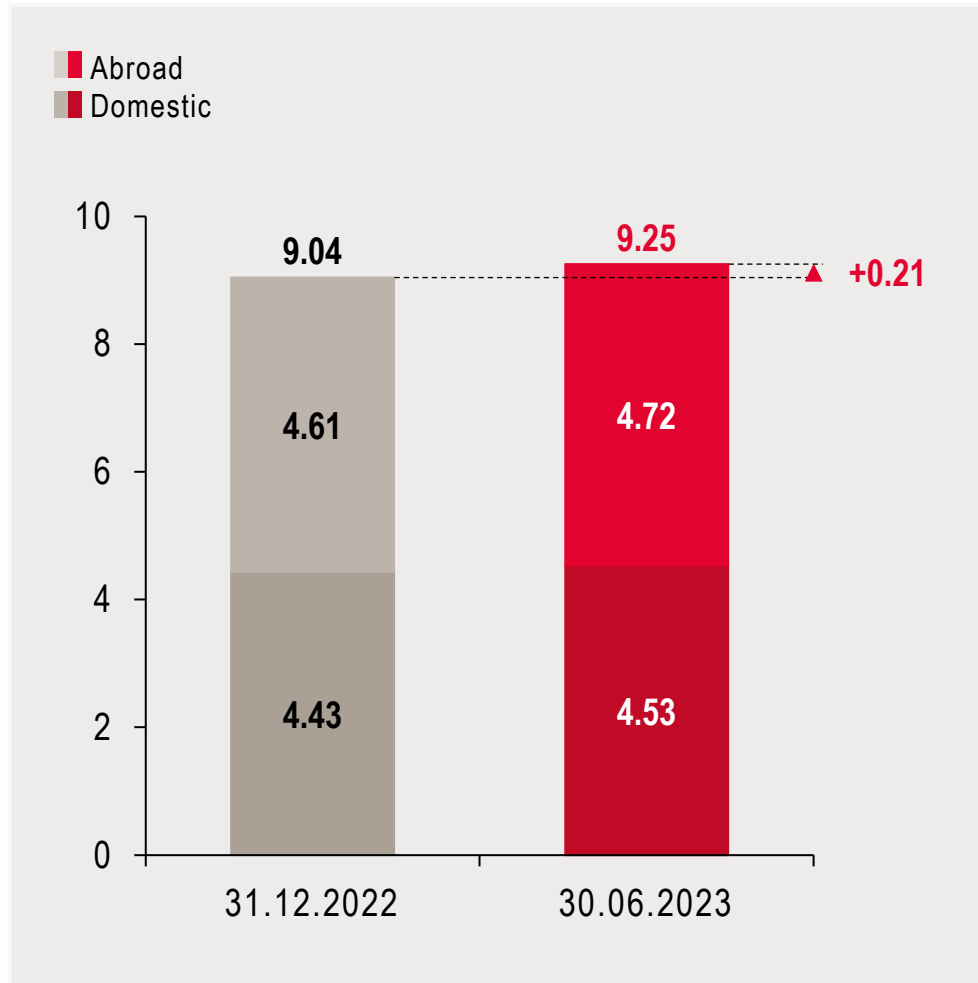
- IONOS as Europe's leading digitization partner for freelancers and small/medium-sized enterprises and reliable cloud enabler
- Active in 15 European countries: #1 in Germany, Spain, Poland and Austria, #2 in UK and France*, also in USA, Canada and Mexico
- Broad product portfolio from Web Presence & Productivity to Cloud Solutions
- Target group-specific marketing via differently positioned brands such as IONOS, Arsys, Fasthosts, home.pl, InterNetX, Strato, united-domains and World4You

* Based on the number of managed country domains



“BUSINESS APPLICATIONS”: CUSTOMER CONTRACTS

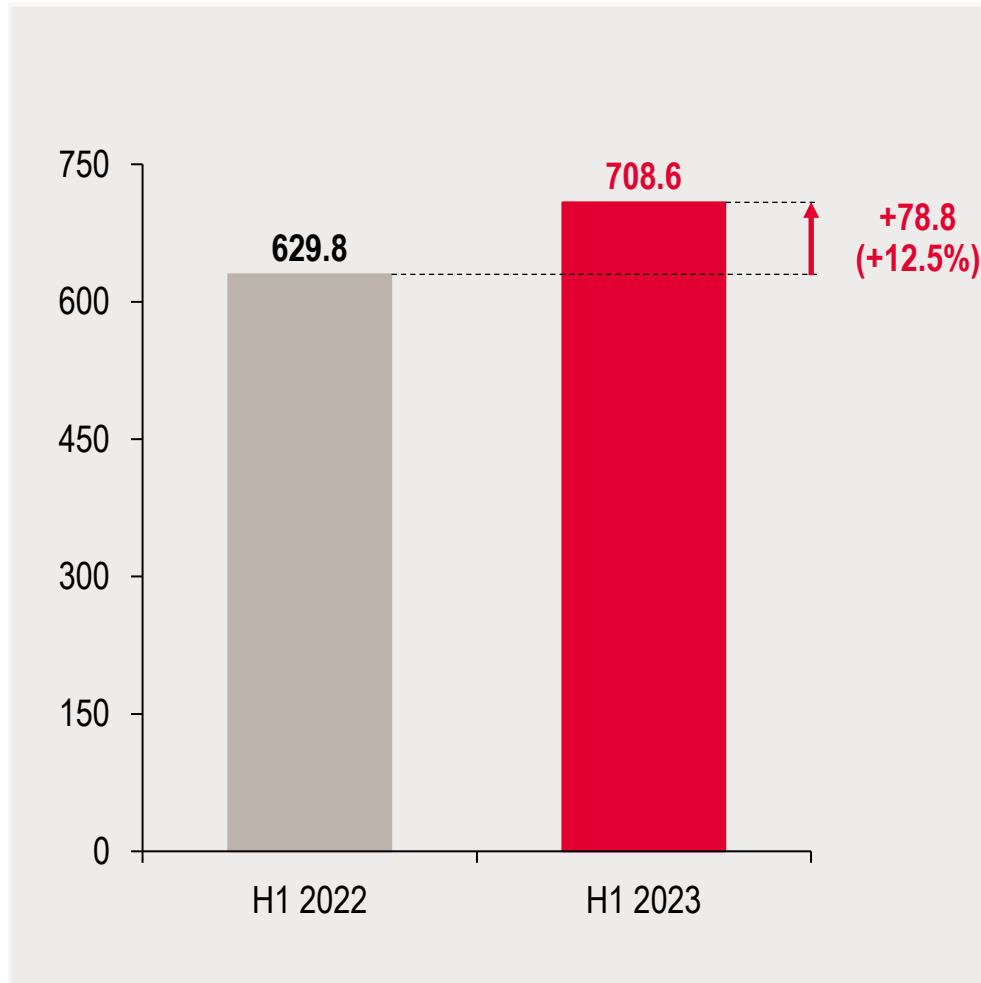
(in millions)



- 9.25 million customer contracts (+210,000)
 - 4.72 million abroad (+110,000)
 - 4.53 million in Germany (+100,000)

“BUSINESS APPLICATIONS”: REVENUES

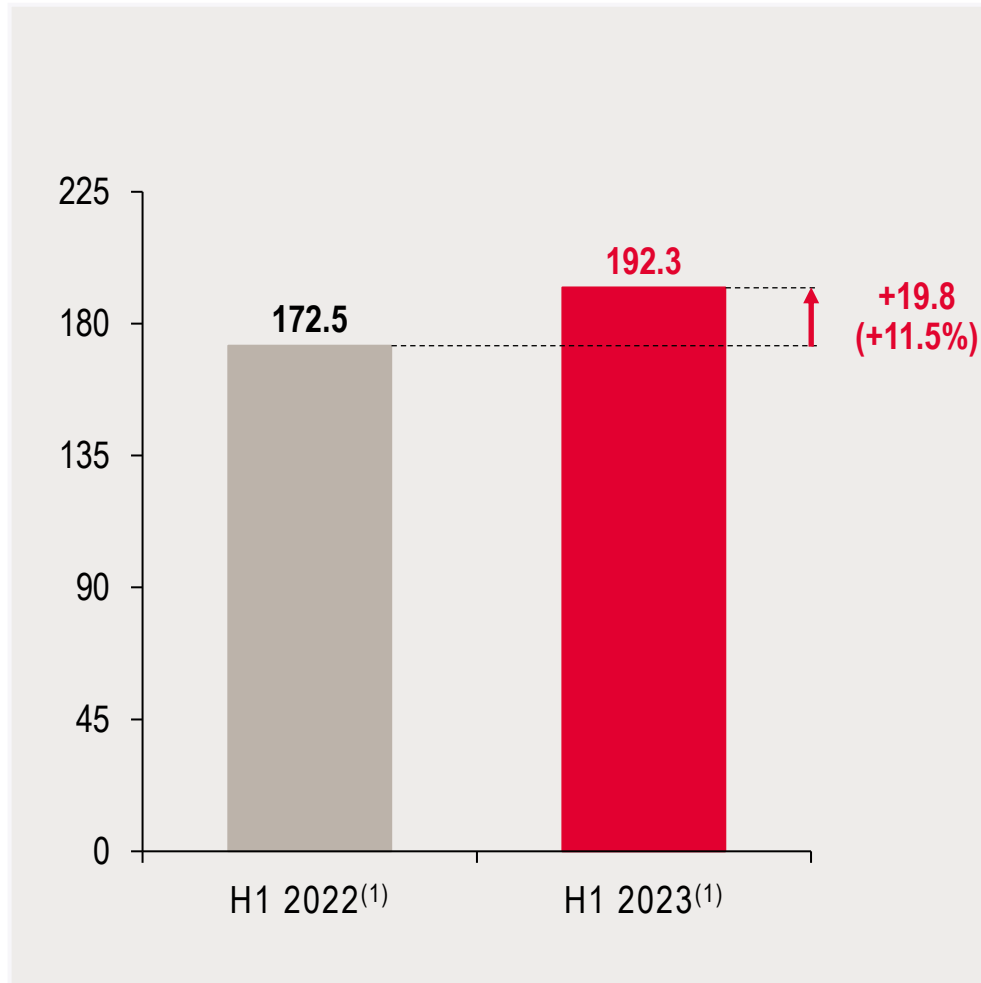
(acc. to IFRS in € millions)



- +12.5% revenues to € 708.6 million
 - Customer growth
 - Increased up- and cross-selling
 - Good growth in aftermarket business

“BUSINESS APPLICATIONS”: EBITDA

(acc. to IFRS in € millions)



- +11.5% EBITDA to € 192.3 million
- 27.1% EBITDA margin (prior year: 27.4%)

⁽¹⁾ Adjusted for IPO costs of € +11.7 million (prior year: € -2.4 million)

GROUP: KPIs H1 2023

- + 490,000 customer contracts to 27.95 million contracts

Revenues and earnings figures (in € million)	H1 2022 ⁽¹⁾	H1 2023 ⁽²⁾	Change
Revenues	2,901.1	3,028.1	+4.4%
EBITDA	657.5	670.1	+1.9%
EBIT	417.3	408.5	-2.1%
EPS (in €)	1.04	0.84	-19.2%

- Included in EBITDA H1 2023:
 - € -40.8 million from expenses for the roll-out of the 1&1 mobile network (prior year: € -16.1 million)
- Included in EBIT H1 2023:
 - € -204.7 million from D&A on investments (prior year: € -172.9 million)
- Included in EPS in H1 2023:
 - Lower EBIT (EPS effect: € -0.04), lower at-equity result (€ -0.04) and financial result affected by higher interest rates (EPS effect: € -0.12)

⁽¹⁾ 2022 excl. a valuation effect from derivatives (EBITDA, EBIT effect: € +4.6 million; EPS effect: € +0.02) and excl. IPO costs IONOS (EBITDA, EBIT effect: € -2.4 million; EPS effect: € -0.01)

⁽²⁾ 2023 excl. a valuation effect from derivatives (EBITDA, EBIT effect: € -4.4 million; EPS effect: € -0.02) and excl. IPO costs IONOS (EBITDA, EBIT effect: € -1.6 million; EPS effect: € -0.03)

OUTLOOK 2023

OUTLOOK 2023

We confirm our guidance:

- Revenues: approx. € 6.2 billion (2022: € 5.915 billion)
- EBITDA (excluding derivatives and IONOS IPO) at prior-year level (2022: € 1.272 billion), including
 - Approx. € 120 million (prior year: € 52 million) in start-up costs for network roll-out at 1&1
- CAPEX: approx. € 800 million (2022: € 681.4 million), in particular for
 - building of the mobile network
 - fiber-optic network expansion to supply additional expansion areas and to connect mobile communications antennas

RESULTS H1 2023

GROUP: KPIs AS OF JUNE 30, 2023

P&L ratios acc. to IFRS in € million	H1 2022 ⁽¹⁾	H1 2023 ⁽²⁾	Change
Fee-based customer contracts	27.04	27.95	▪ +910,000
Advertising financed free accounts	39.76	39.52	▪ -240,000 (pay accounts: +160,000)
Revenues	2,901.1	3,028.1	▪ +4.4%
EBITDA	657.5	670.1	▪ +1.9% despite € -24.7 million higher expenses for the roll-out of the 1&1 mobile network
EBIT	417.3	408.5	▪ -2.1% due to € -31.8 million higher depreciation and amortization in connection with network roll-out

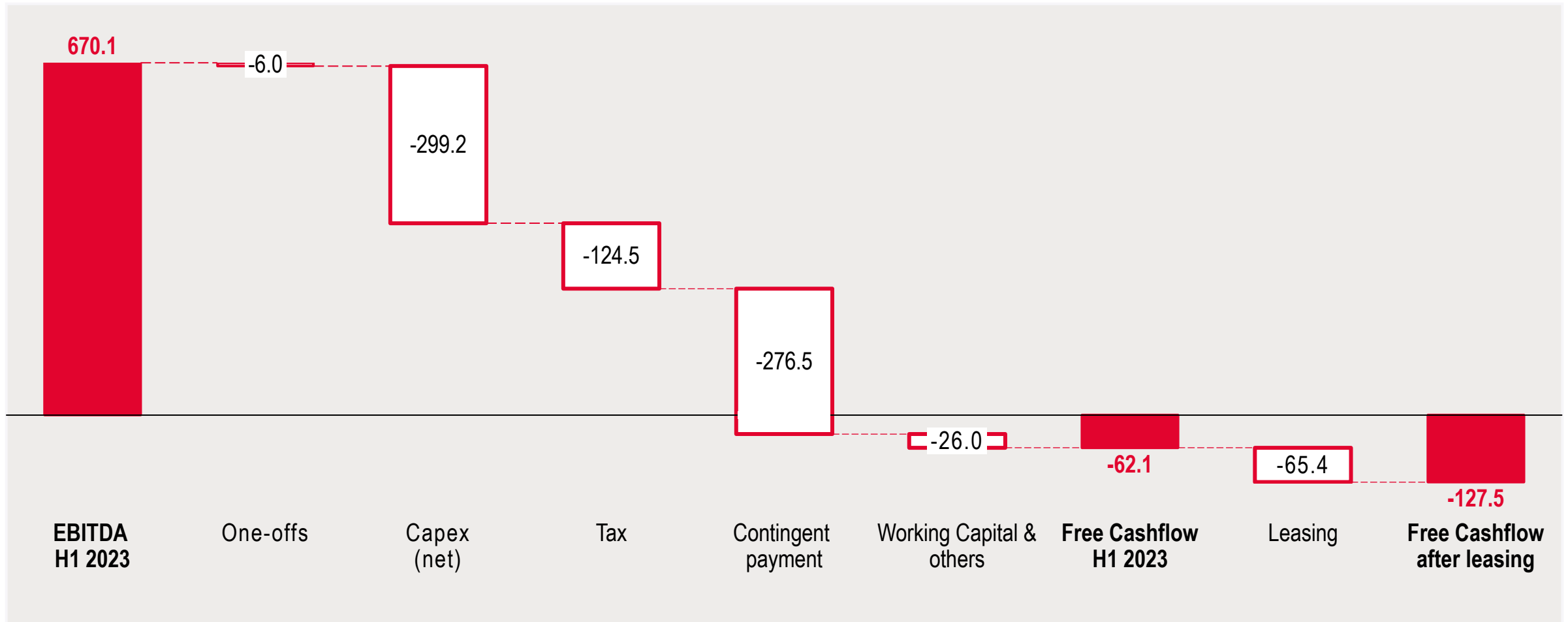
Key cash flow figures acc. to IFRS in € million	H1 2022	H1 2023	Comments
Cash flow from operating activities	522.9	512.6	▪ Decrease due to lower Group earnings
Net cash provided by operating activities	439.9*	237.2	▪ Decrease due to Telekom contingent payment (€ -276.5 million)* Prior year without phasing effects from Q4 2021 (€ -97.2 million)
Cash flow from investing activities	-197.9	-300.5	▪ Decrease due to higher Capex (€ -301.3 million; prior year € -199.2 million)
Cash flow from financing activities	-201.7	74.8	▪ Increase in particular due to borrowing (€ +239.6 million)

⁽¹⁾ 2022 excl. a valuation effect from derivatives (EBITDA, EBIT effect: € +4.6 million) and excl. IPO costs IONOS (EBITDA, EBIT effect: € -2.4 million)

⁽²⁾ 2023 excl. a valuation effect from derivatives (EBITDA, EBIT effect: € -4.4 million) and excl. IPO costs IONOS (EBITDA, EBIT effect: € -1.6 million)

GROUP: EBITDA / FREE CASH FLOW BRIDGE AS OF JUNE 30, 2023

(nach IFRS in Mio. €)



GROUP: BALANCE SHEET AS OF JUNE 30, 2023 (I)

(acc. to IFRS in € millions)

Assets	31.12.2022	30.06.2023	Comments
Property, plant and equipment / intangible assets	3,880.3	4,003.7	▪ Increase due to increased investments in fiscal year 2023 (in particular 5G mobile network)
Goodwill	3,623.4	3,628.3	▪ Mostly unchanged
Financial assets	440.0	417.8	▪ Mostly unchanged
Trade receivables	460.2	487.2	▪ Increase due to reporting date
Contract assets	865.1	867.8	▪ Update Contract Assets
Inventories and deferred expenses	831.6	1,124.8	▪ Increase due to line rentals and pre-services (contingent contract)
Income tax assets and other assets	217.4	186.2	▪ Decrease due to reporting date
Cash and cash equivalents	40.5	52.2	▪ Increase due to reporting date
Total	10,358.5	10,768.0	

GROUP: BALANCE SHEET AS OF JUNE 30, 2023 (II)

(acc. to IFRS in € millions)

Liabilities and equity	31.12.2022	30.06.2023	Comments
Equity	5,298.4	5,405.5	▪ Equity ratio: - 1.0 PP to 50.2%
Liabilities to banks	2,155.5	2,394.0	▪ Liabilities to banks (net): € 2,341.8 million (Dec. 31, 2022: € 2,115.0 million); increase in particular due to Telekom contingent payment (€ 276.5 million) and dividend payment (€ 86.4 million) and Capex (net): € 299.2 million
Trade accounts payable	565.8	542.2	▪ Decrease due to reporting date
Contract liabilities	188.4	193.9	▪ Mainly unchanged
Accrued taxes and deferred tax liabilities	362.4	366.1	▪ Increase due to reporting date
Other accrued liabilities / other liabilities	1,788.0	1,866.3	▪ Mainly unchanged
Total	10,358.5	10,768.0	

UNITED INTERNET AG

Our

success story

continues!

