

UNITED INTERNET AG

**Fiscal year 2022
and outlook 2023**

Montabaur,

March 30, 2023



AGENDA

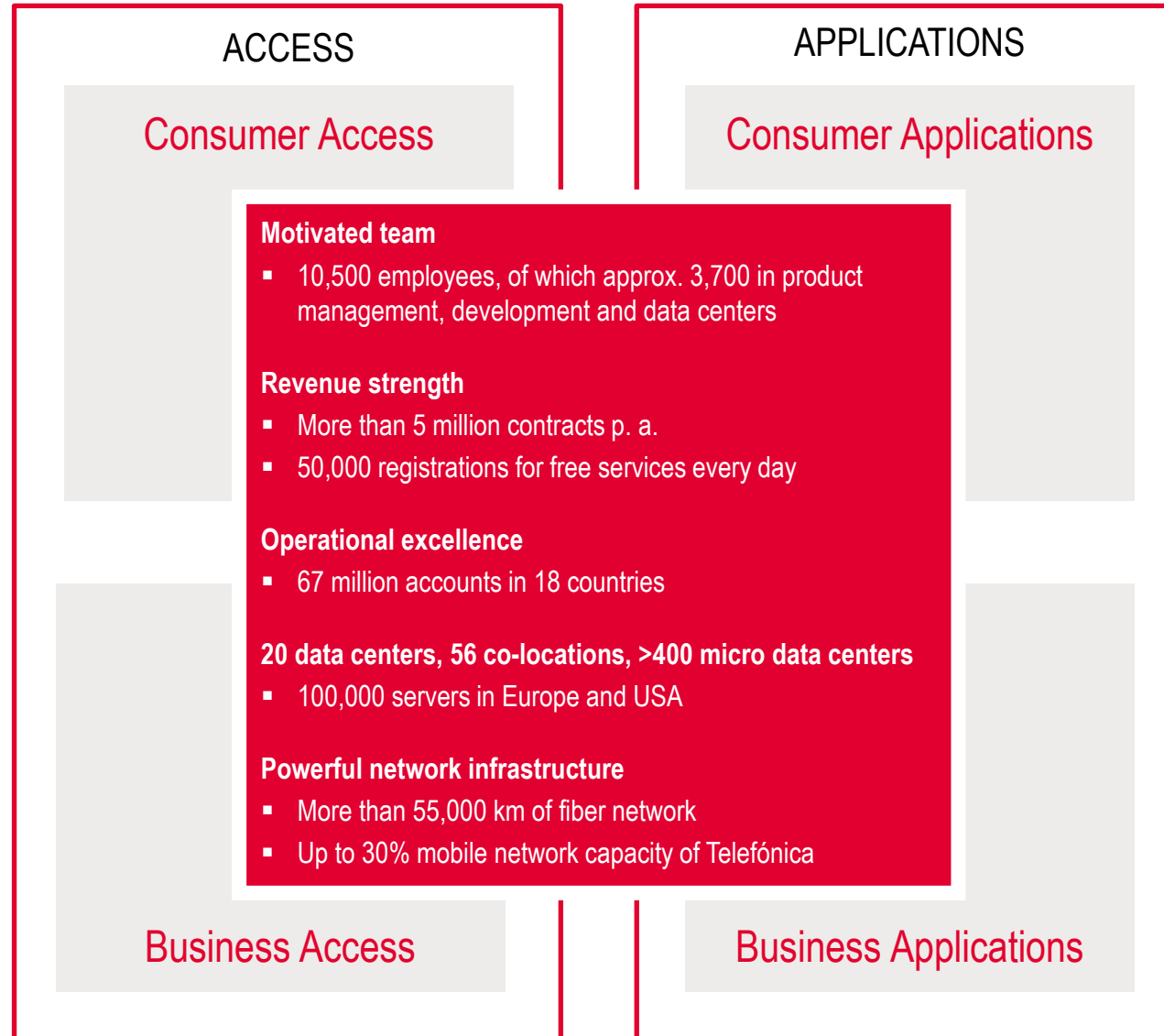
Ralph Dommermuth Company development

Outlook 2023

Martin Mildner FY 2022 results

COMPANY DEVELOPMENT

2 BUSINESS AREAS: ACCESS & APPLICATIONS



BUSINESS AREAS & INVESTMENTS

(as of: December 31, 2022)



* Held indirectly through a 40% stake in Kublai GmbH

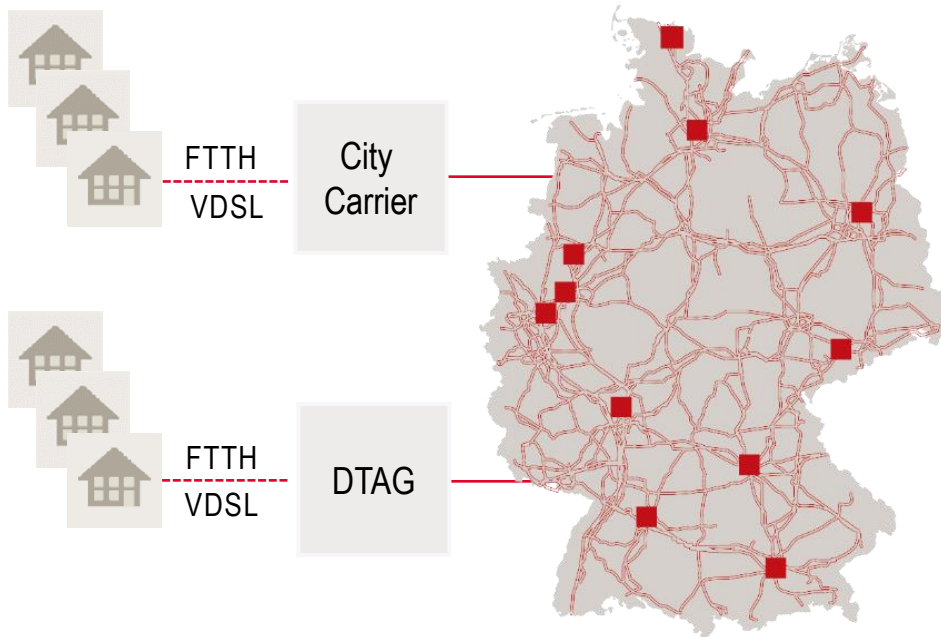
ACCESS IN FISCAL YEAR 2022

- CONSUMER ACCESS
- BUSINESS ACCESS

- CONSUMER APPLICATIONS
- BUSINESS APPLICATIONS

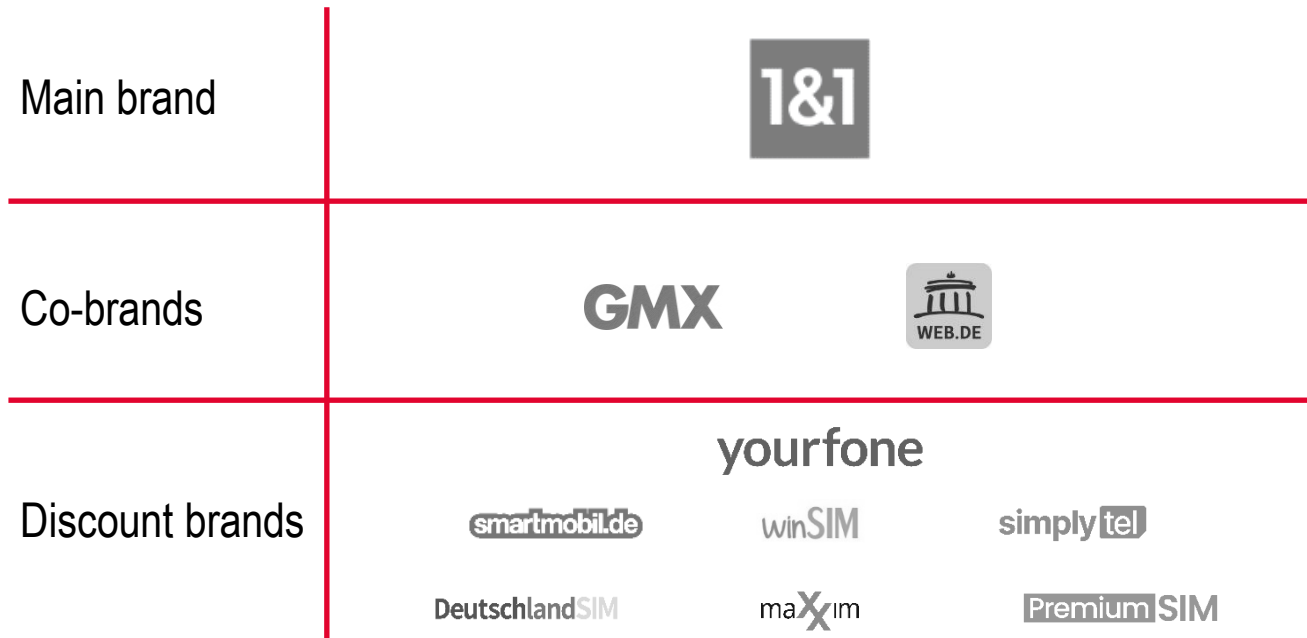
CONSUMER ACCESS: FIXED-LINE BUSINESS

- 1&1 as largest alternative German DSL provider with 4.10 million broadband connections
- VDSL and FTTH complete packages incl. voice and IP-TV via 1&1 Versatel, with the last mile via Deutsche Telekom and City Carrier
- Regular awards in the connect fixed network test: 2020, 2017 and 2015 (#2 in 2022, 2021, 2018 and 2016)



CONSUMER ACCESS: MOBILE BUSINESS

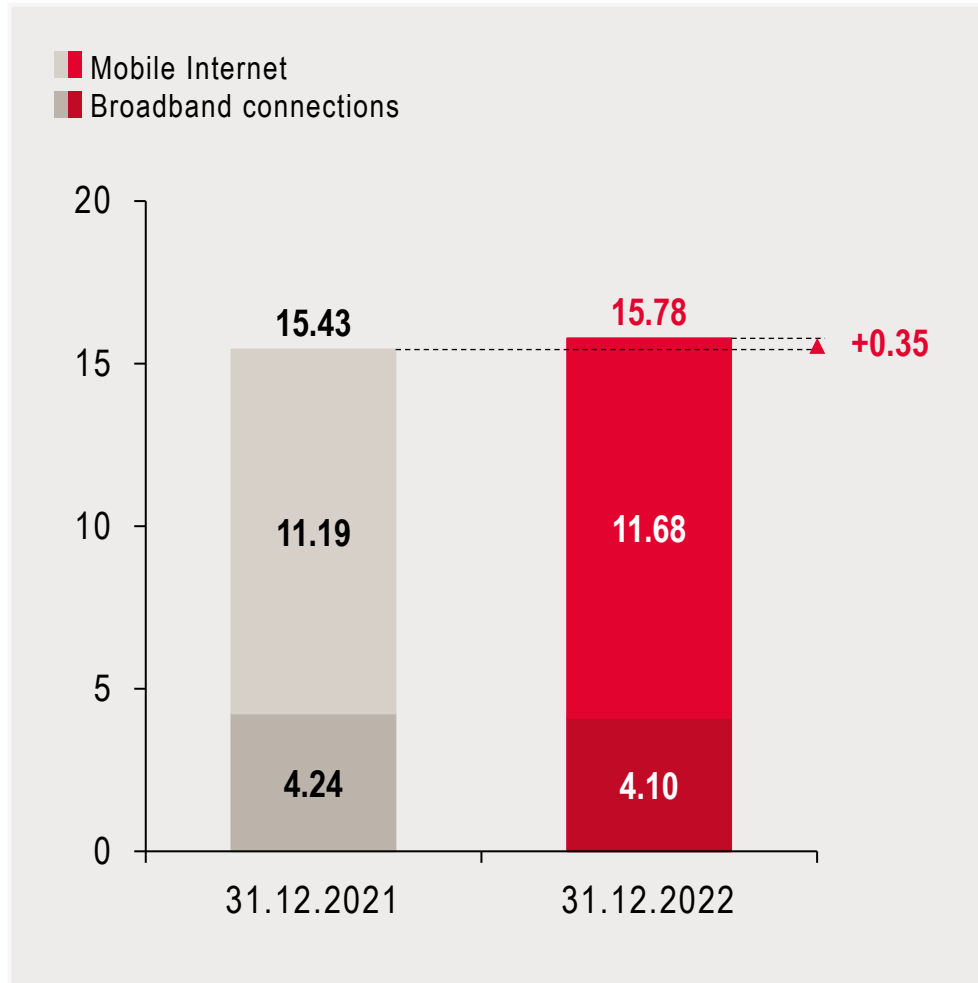
- 1&1 is Germany's leading MVNO with 11.68 million mobile internet contracts
- Broad market coverage - target group-specific addressing of all market segments
- Regular awards in customer satisfaction studies



- Development of a powerful 5G network
- MBA MVNO contract with Telefónica and Vodafone until network launch

CONSUMER ACCESS: CUSTOMER CONTRACTS

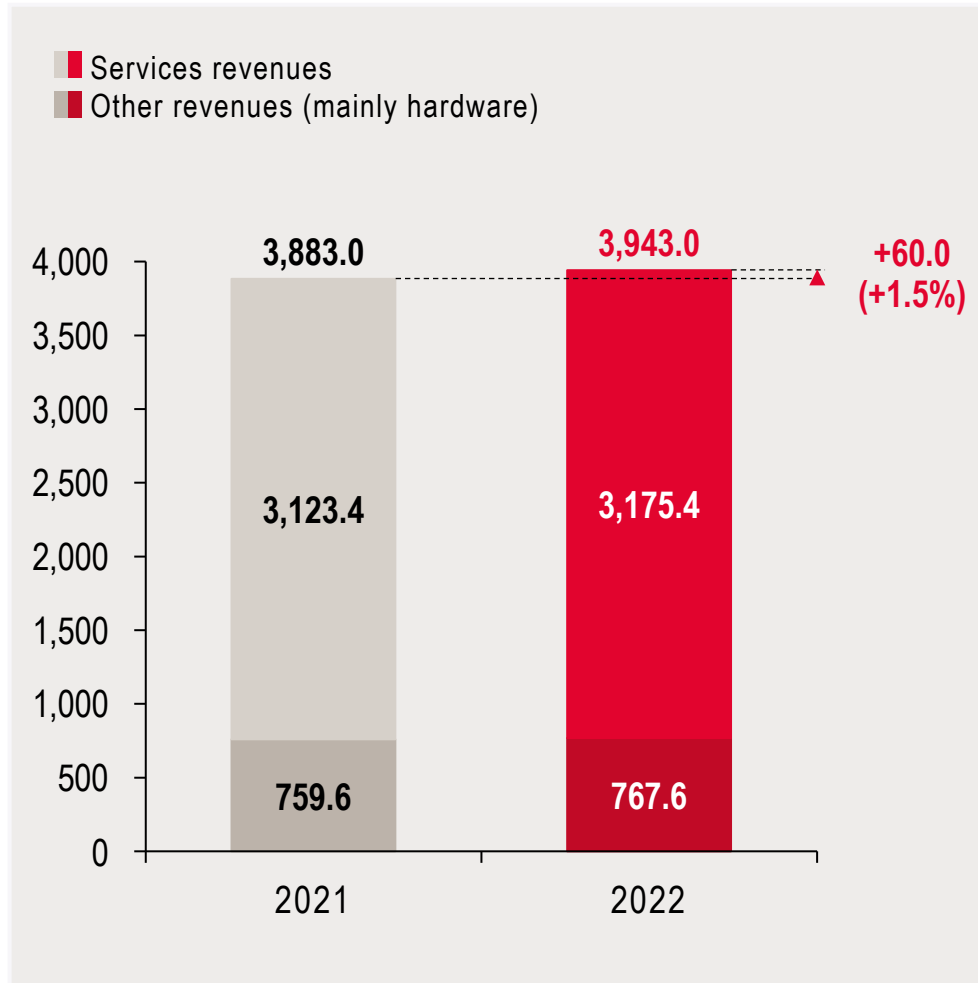
(in million)



- 15.78 million customer contracts (+ 350,000)
 - 11.68 million mobile internet contracts (+ 490,000 contracts, thereof + 650,000 operational as well as - 160.000 TKG effect)
 - 4.10 million broadband connections ADSL / VDSL / FTTH (- 140,000 contracts, thereof - 50,000 operational and - 90,000 TKG effect)

CONSUMER ACCESS: REVENUES

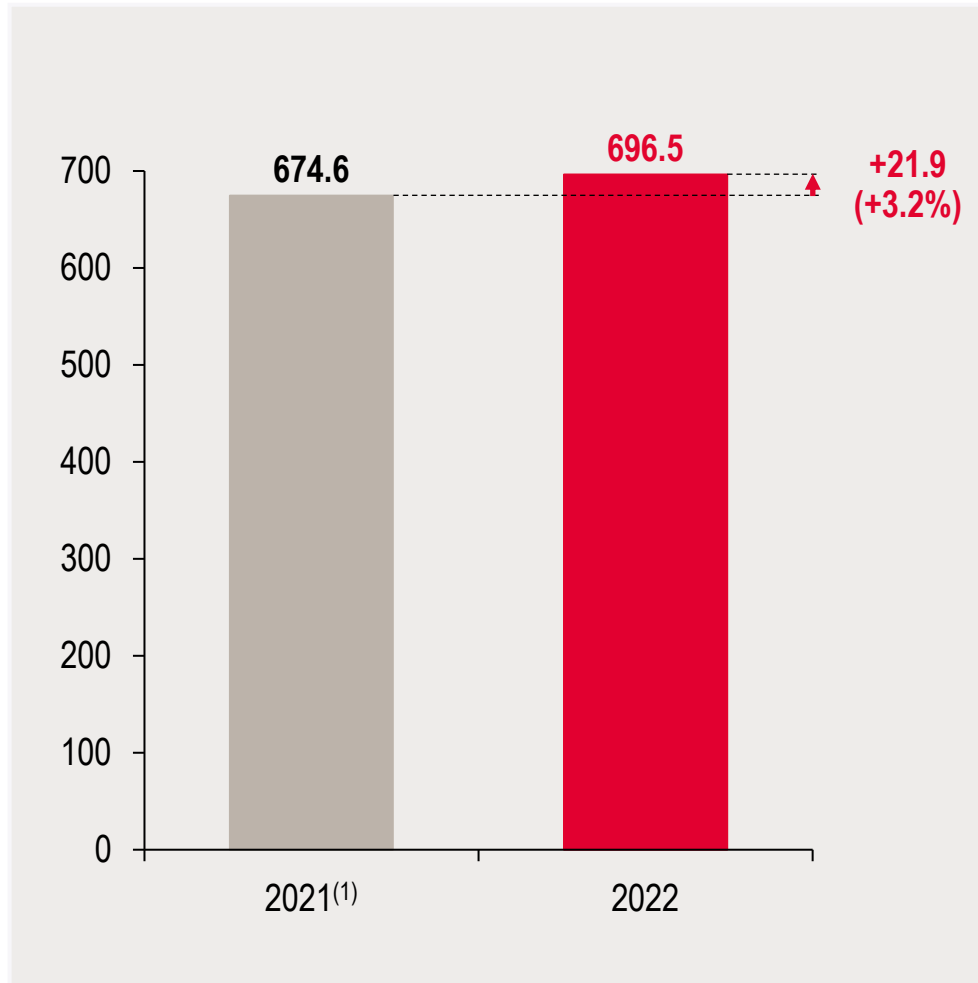
(acc. to IFRS in € million)



- + 1.5% revenues to € 3.943 billion
 - + 1.7% service revenues to € 3.175 billion
 - + 1.1% other revenues (in particular smartphones) to € 767.6 million

CONSUMER ACCESS (I): TOTAL EBITDA

(acc. to IFRS in € million)

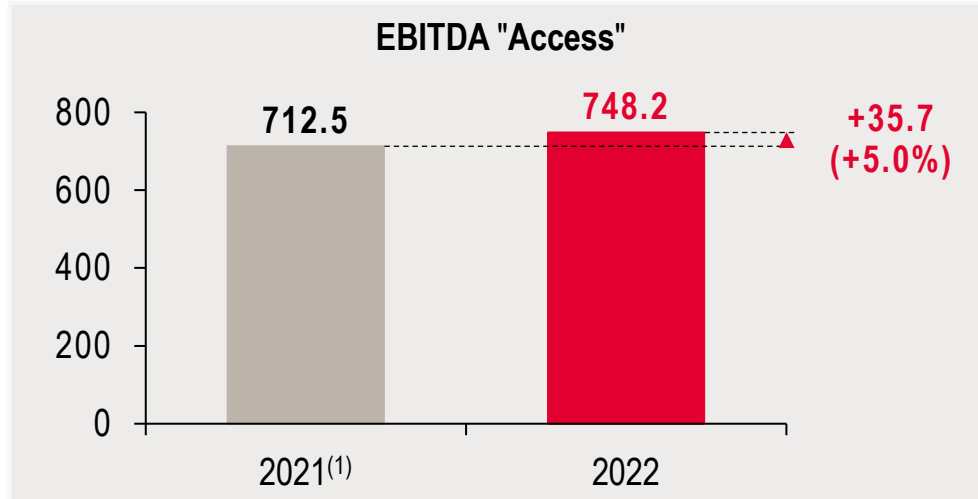


- + 3.2% EBITDA to € 696.5 million, including
 - - € 0.9 million higher electricity costs
- 17.7% EBITDA margin (prior year: 17.4%)

⁽¹⁾ Excluding income relating to other periods of € 39.4 million

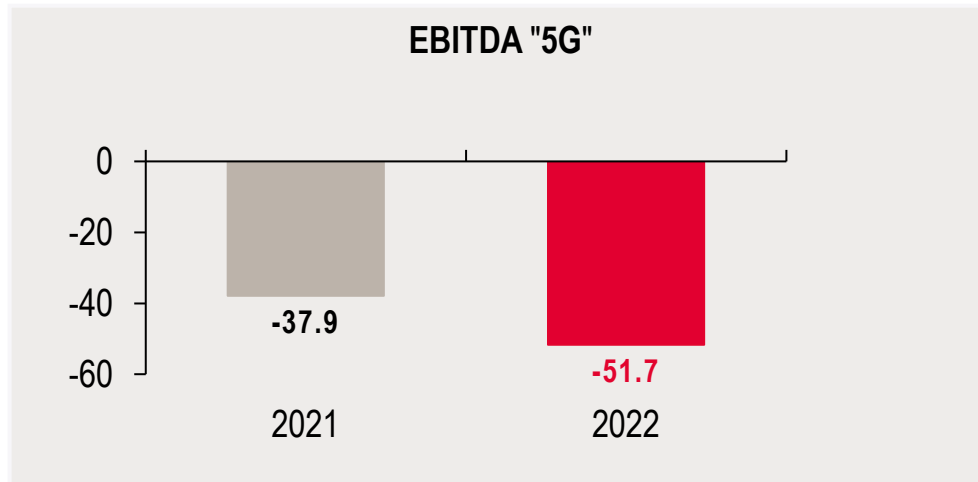
CONSUMER ACCESS (II): EBITDA BY SUB-SEGMENTS

(acc. to IFRS in € million)



„Access“

- + 5.0% EBITDA to € 748,2 million
- 19.0% EBITDA margin (prior year: 18.3%)



„5G“

- - € 51.7 million EBITDA from initial 5G network rollout costs

⁽¹⁾ Excluding income relating to other periods of € 39.4 million.

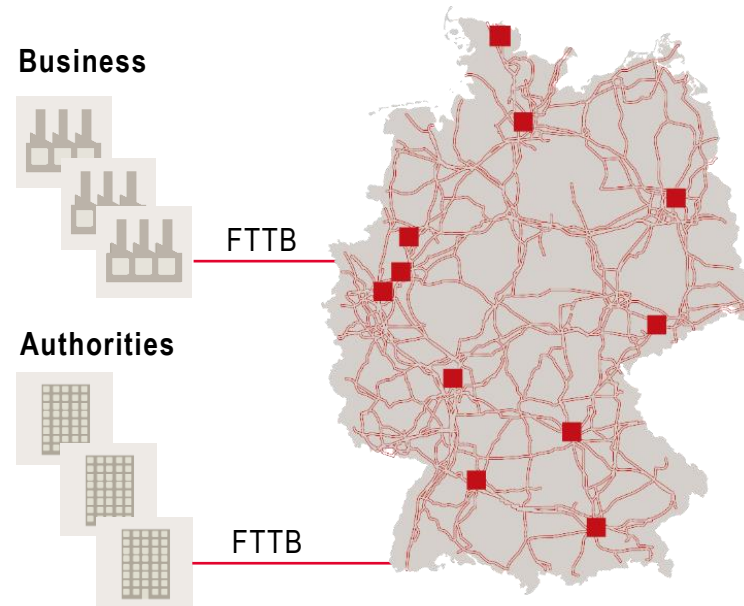
BUSINESS ACCESS

- 1&1 Versatel operates one of the largest German fiber optic networks
- Project business and plug-and-play solutions for SMB's



**GLASFASER
DIREKT**

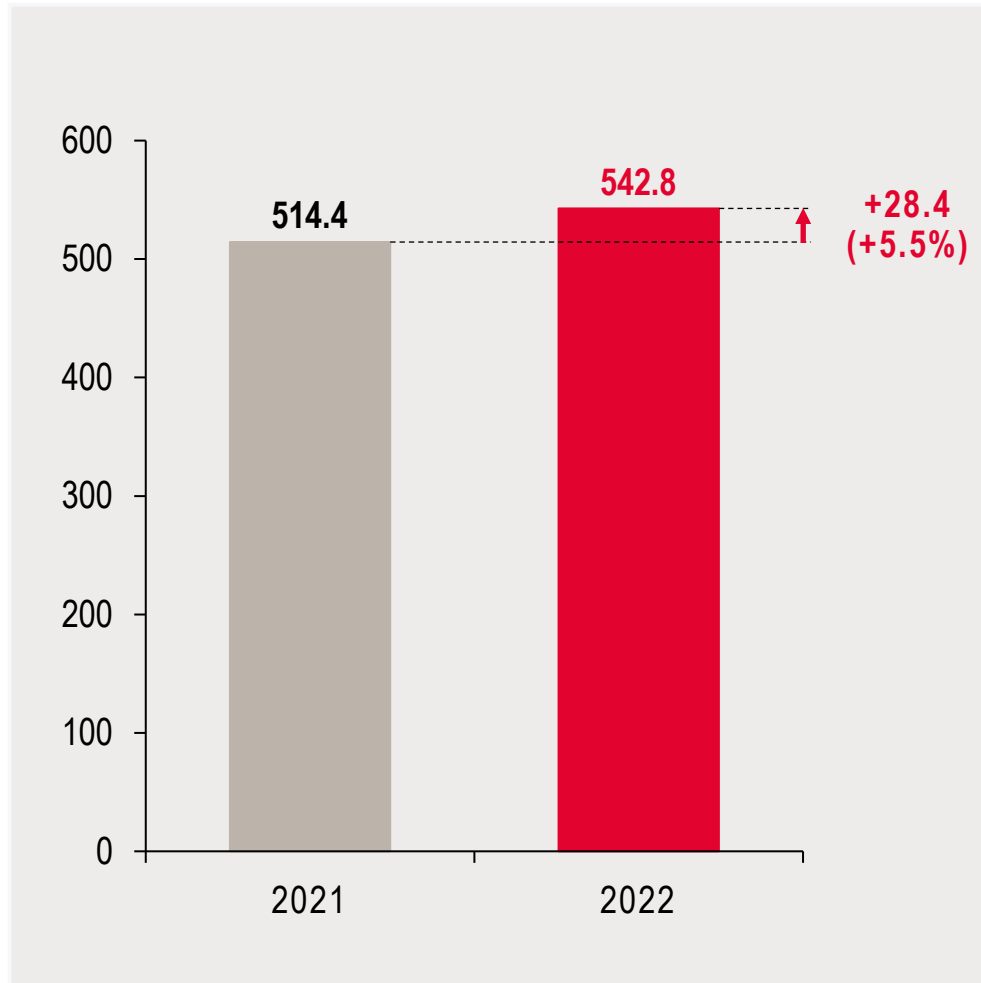
✓ Glasfaser-Anschluss für Firmen!
✓ Garantierte Gigabit-Bandbreite!
✓ Keine Baukosten bis zum Gebäude!



- Fiber-optic network with 55,459 km
- In 350 German cities, including 20 of the 25 largest cities
- 23,464 directly connected locations

BUSINESS ACCESS: REVENUES

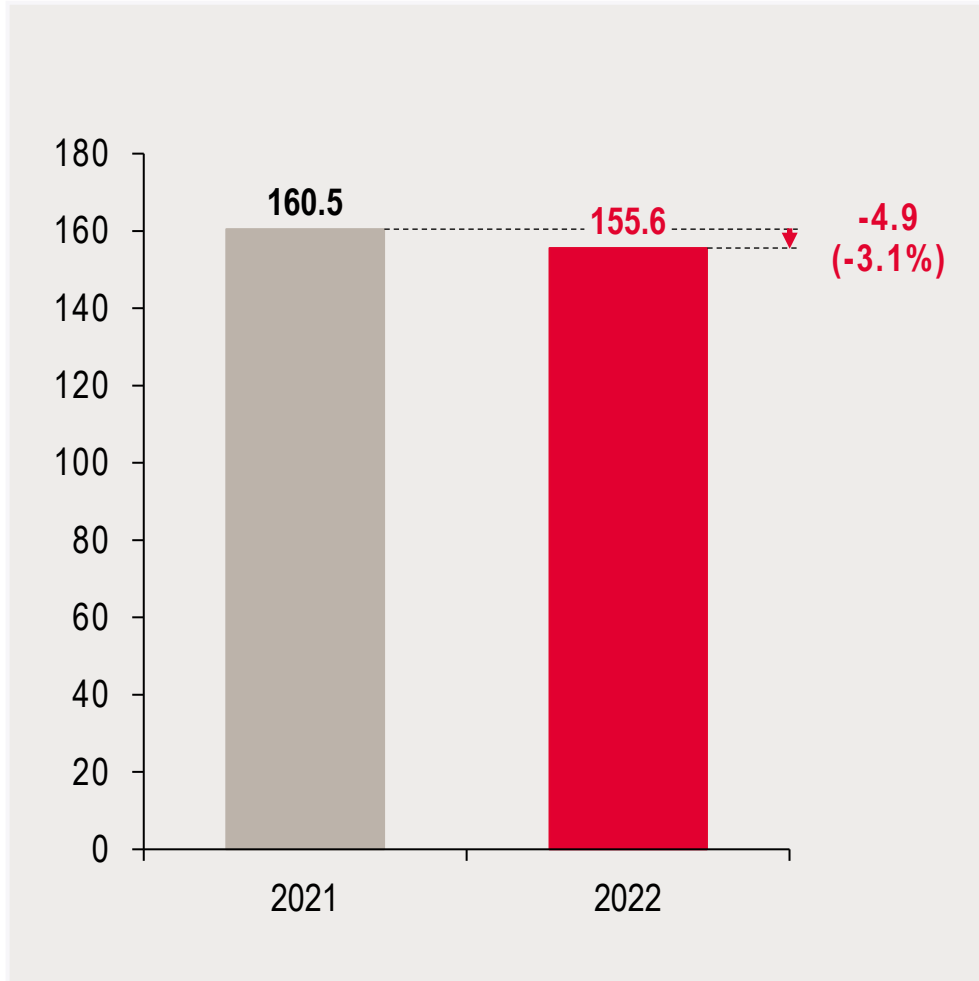
(acc. to IFRS in € million)



- + 5.5% revenues to € 514,4 million, including
 - - € 6.1 million negative regulatory effects
 - ➔ + 6.7% comparable revenues

BUSINESS ACCESS: EBITDA

(acc. to IFRS in € million)



- - 3.1% EBITDA to € 155.6 million, including
 - - € 8.0 million start-up costs for the construction of the infrastructure for the 1&1 mobile network
 - - € 2.3 million one-off SDH Migration
 - - € 2.1 million higher electricity costs
 - ➔ + 4.7% comparable EBITDA
- 28.7% EBITDA margin (prior year: 31.2%)

APPLICATIONS IN FISCAL YEAR 2022

- CONSUMER ACCESS
- BUSINESS ACCESS

- CONSUMER APPLICATIONS
- BUSINESS APPLICATIONS

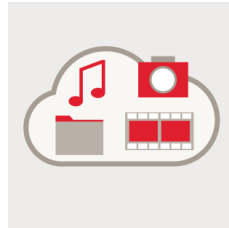
CONSUMER APPLICATIONS: FROM E-MAIL SERVICE TO COMMAND CENTER FOR COMMUNICATION, INFORMATION AND IDENTITY MANAGEMENT



Communication and organization
E-mail, calendar, contacts, SMS, fax



Online office
texts, spreadsheets, presentations








Cloud storage
for photos, videos, music and documents



De-Mail
legally secure communication and identity management

CONSUMER APPLICATIONS: ASSETS

- One of the leading providers of consumer applications with GMX, WEB.DE and mail.com
- 35.2 million active accounts in Germany alone - over 50% market share for private e-mails

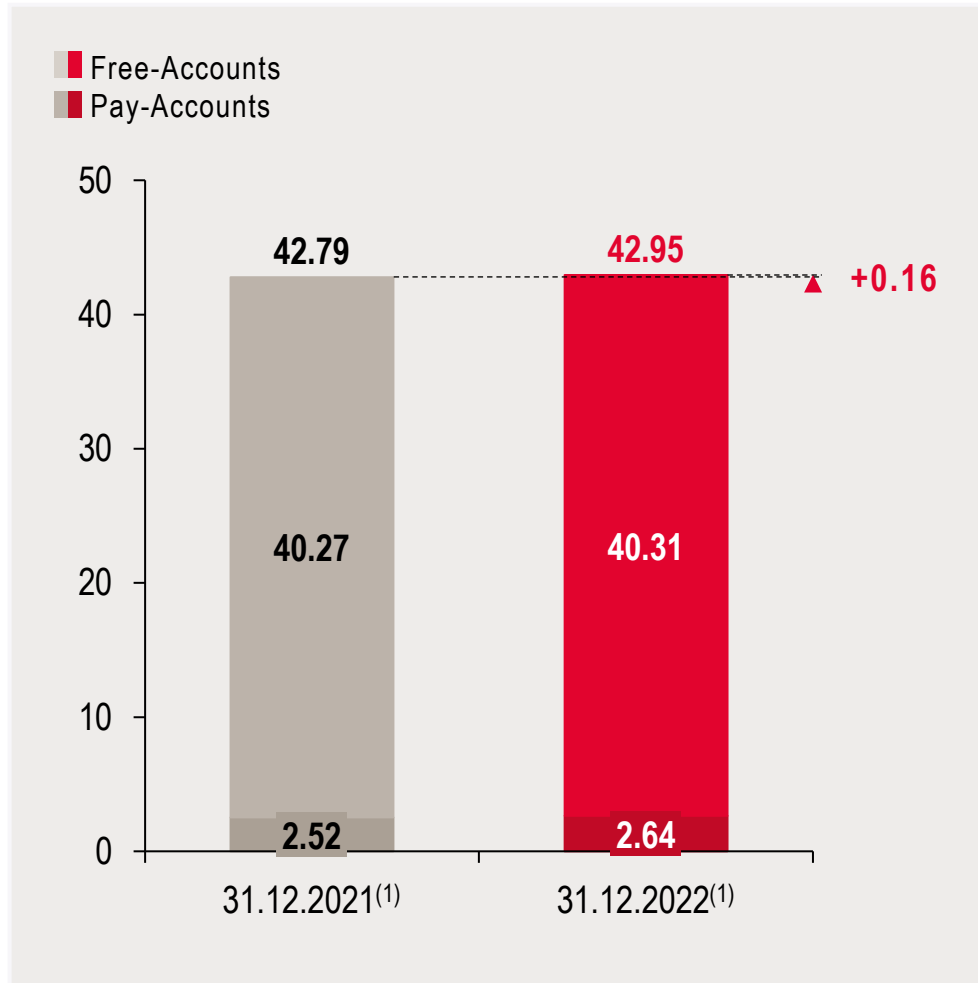
| | email* | eIDAS/ De-Mail | Cloud- Storage* | Content* | ID |
|---|--------|-------------------|--------------------|----------|------|
|  | #1 | #1 | #2 | #1 | #2 |
|  | #2 | – | #1 | – | #1 |
|  | #3 | – | #5 | #2 | n.a. |
|  | #4 | – | #7 | #3 | n.a. |
|  | n.a. | – | n.a. | n.a. | #5 |

- Differentiation through data protection and data security
- Advertising marketing via United Internet Media

* Email and cloud storage: Convios Consulting, representative survey commissioned by United Internet, 2022 (most privately used email and cloud providers in Germany)
Content: die medienanstalten, MedienVielfaltsMonitor 2022-I, market shares online media

CONSUMER APPLICATIONS: ACCOUNTS

(in million)

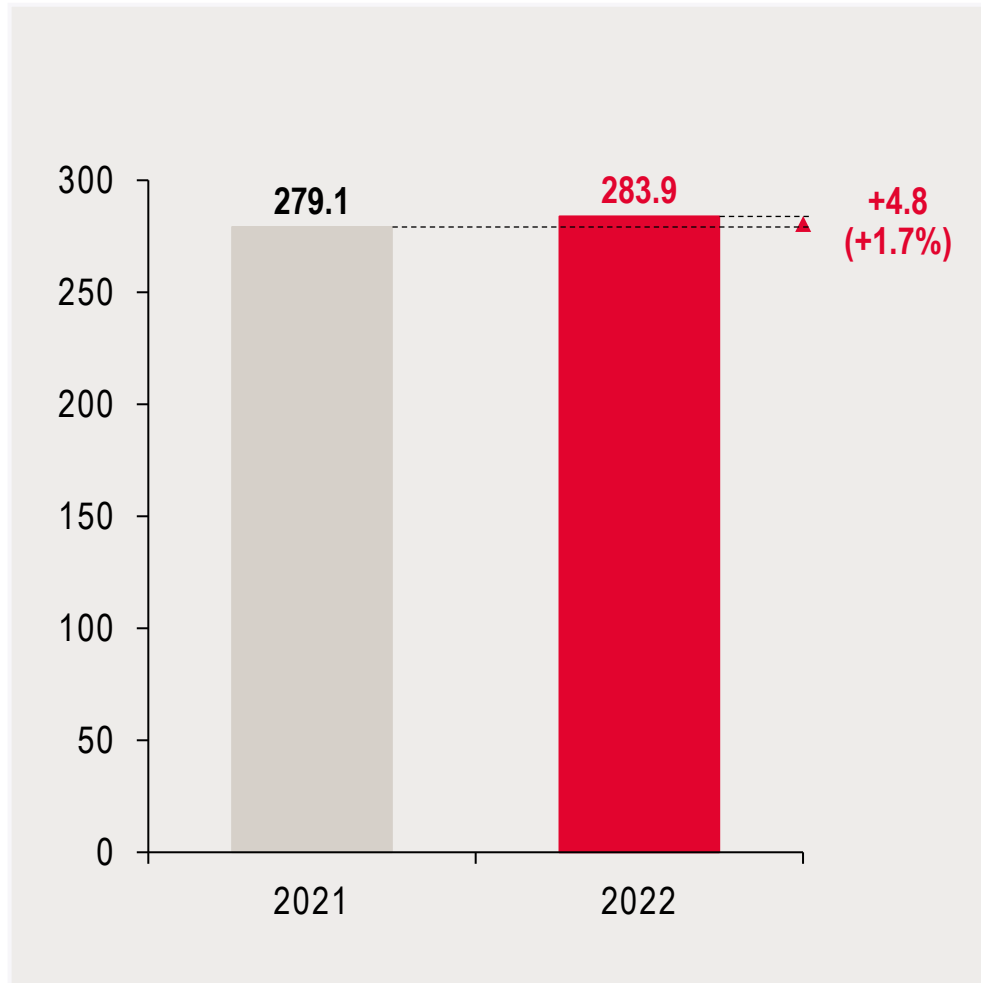


- 42.95 million consumer accounts (+ 160,000), thereof
 - 40.31 million free accounts (+ 40,000)
 - 2.64 million pay accounts (+ 120,000)
- 28.0 million with mobile usage (+ 300,000)
- 22.4 million with cloud storage (+ 600,000)

⁽¹⁾ Pay accounts incl. 0.11 million app store contracts (prior year: 0.05 million), which were previously reported under free accounts.

CONSUMER APPLICATIONS: REVENUES

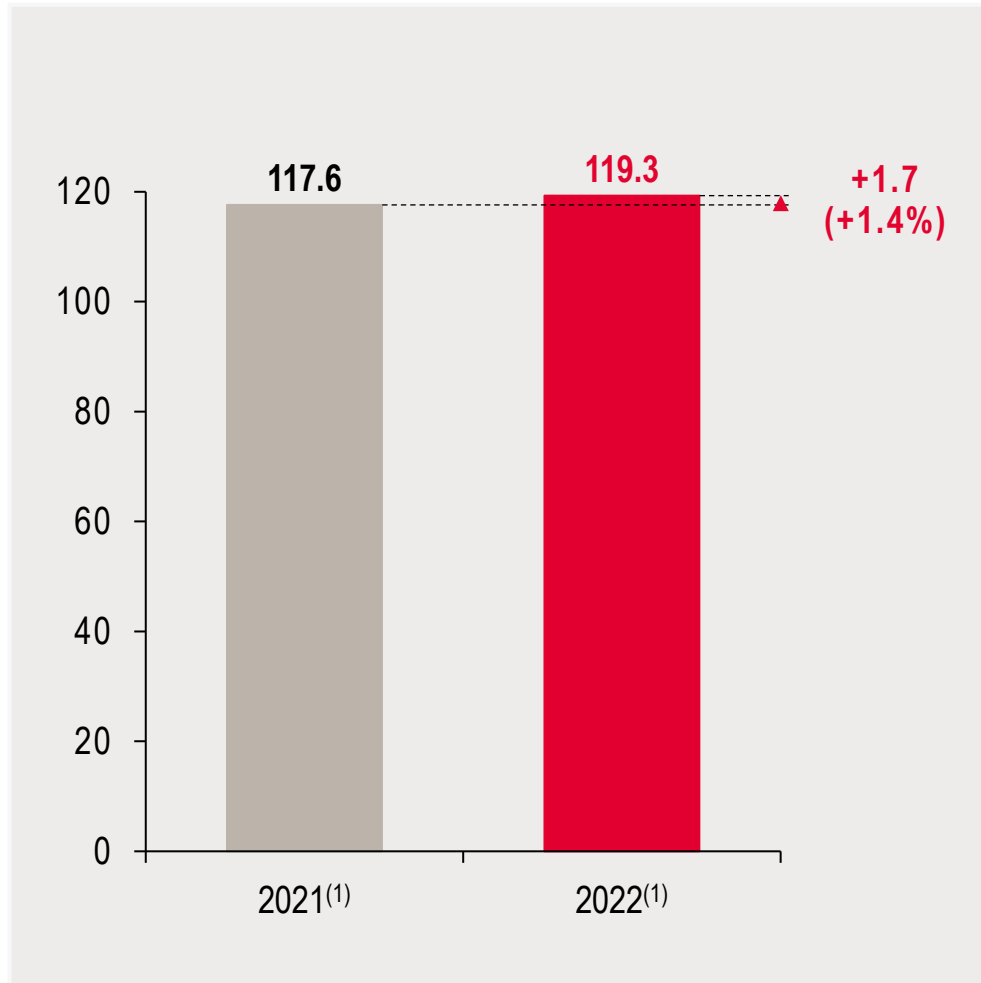
(acc. to IFRS in € million)



- + 1.7% revenues to € 283.9 million
- Revenue development during the year shows restraints among advertisers from Q2 onwards
 - + 7.5% in Q1 2022
 - + 1.5% in Q2 2022
 - + 3.0% in Q3 2022
 - - 3.9% in Q4 2022

CONSUMER APPLICATIONS: EBITDA

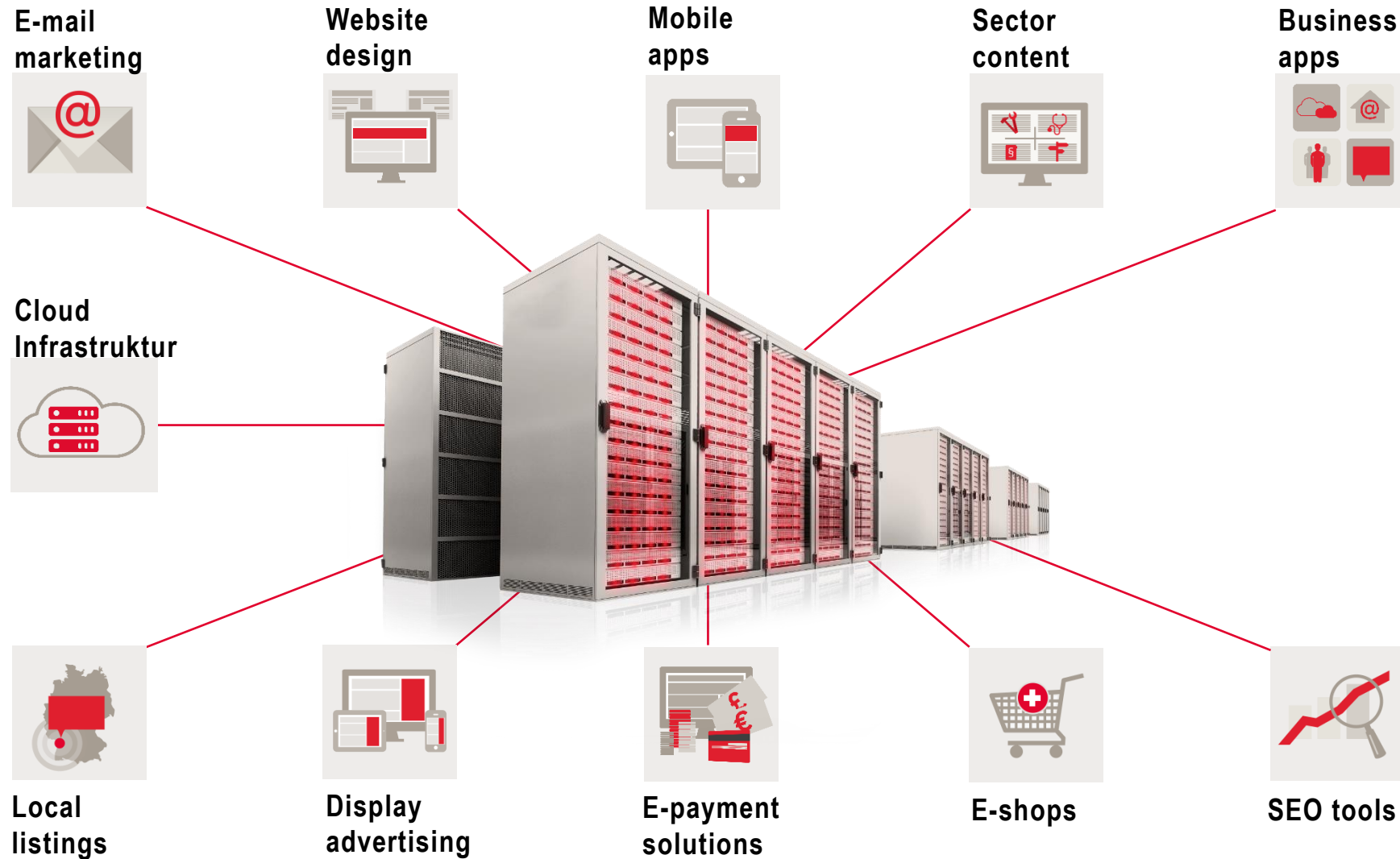
(acc. to IFRS in € million)



⁽¹⁾ Excluding valuation effects from derivatives of € -0.5 million (prior year: € + 4.9 million)

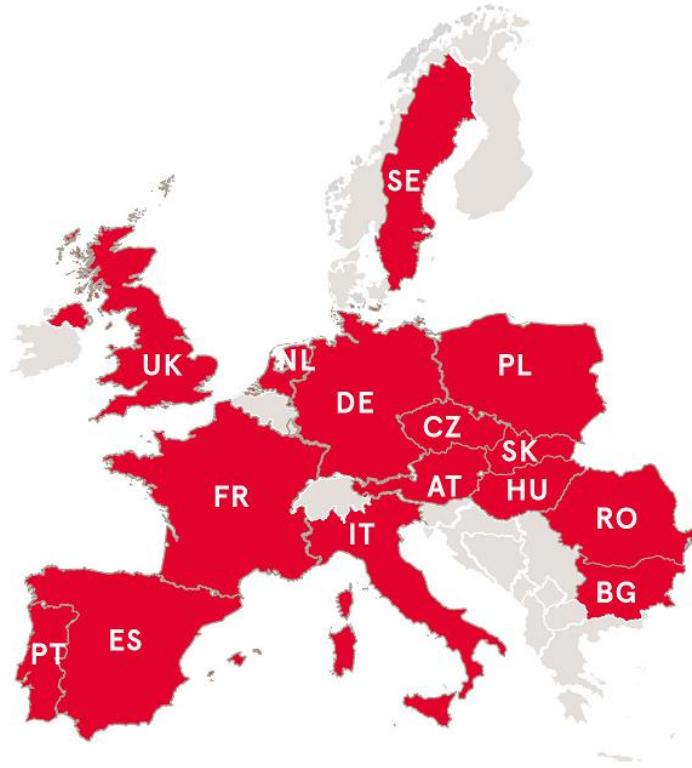
- + 1.4% EBITDA to € 119.3 million, including
 - - € 3.5 million higher electricity costs
 - ➔ + 4.4% comparable EBITDA
- 42.0% EBITDA margin (prior year: 42.1%)

BUSINESS APPLICATIONS: IONOS – FROM WEB HOSTER TO E-BUSINESS SOLUTION PROVIDER



BUSINESS APPLICATIONS: MARKET PRESENCE

- Listed since February 8, 2023 (IPO)
- Leading European provider
- Active in 18 countries: #1 in Germany, Spain, Poland and Austria, #2 in UK and France*

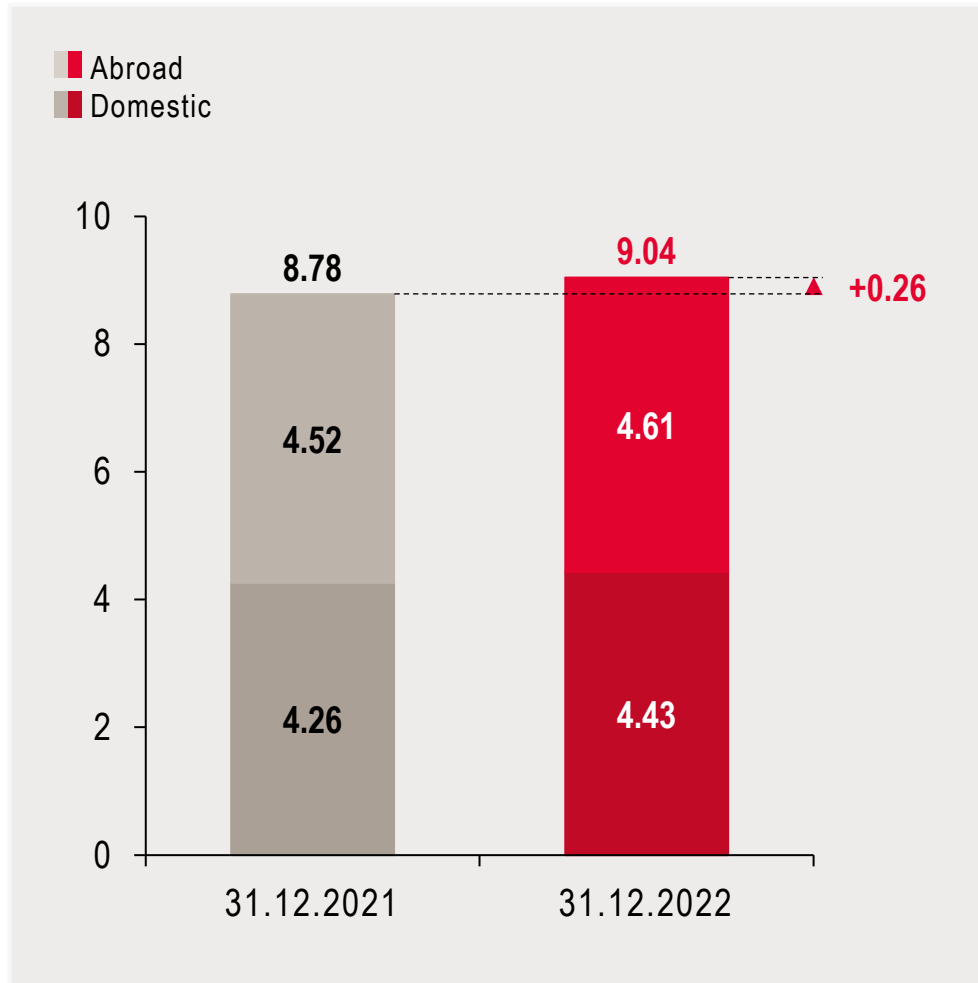


- Broad product portfolio
- In-house developments and cooperation with development partners
- Powerful data centers

* Measured by the number of managed country-code domains

BUSINESS APPLICATIONS: CUSTOMER CONTRACTS

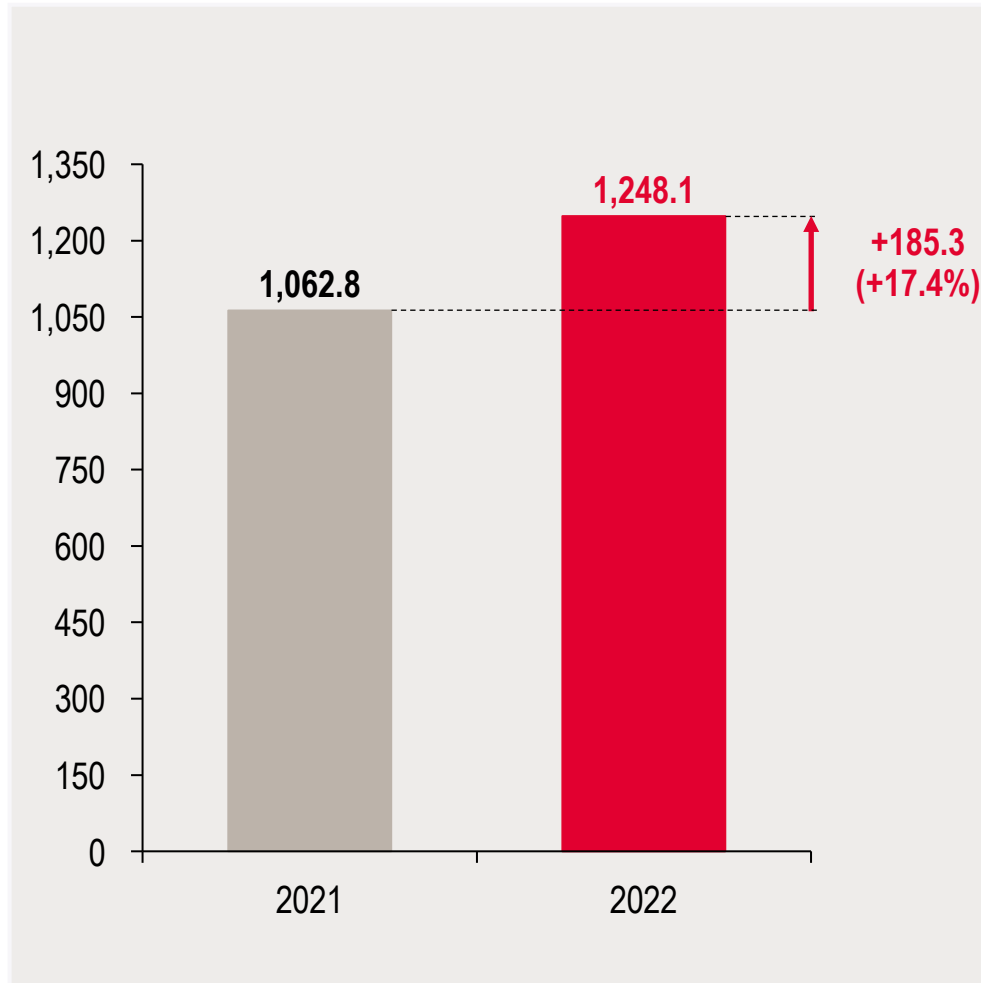
(in million)



- 9.04 million customer contracts (+ 260,000)
 - 4.61 million abroad (+ 90,000)
 - 4.43 million domestic (+ 170,000)

BUSINESS APPLICATIONS: REVENUES

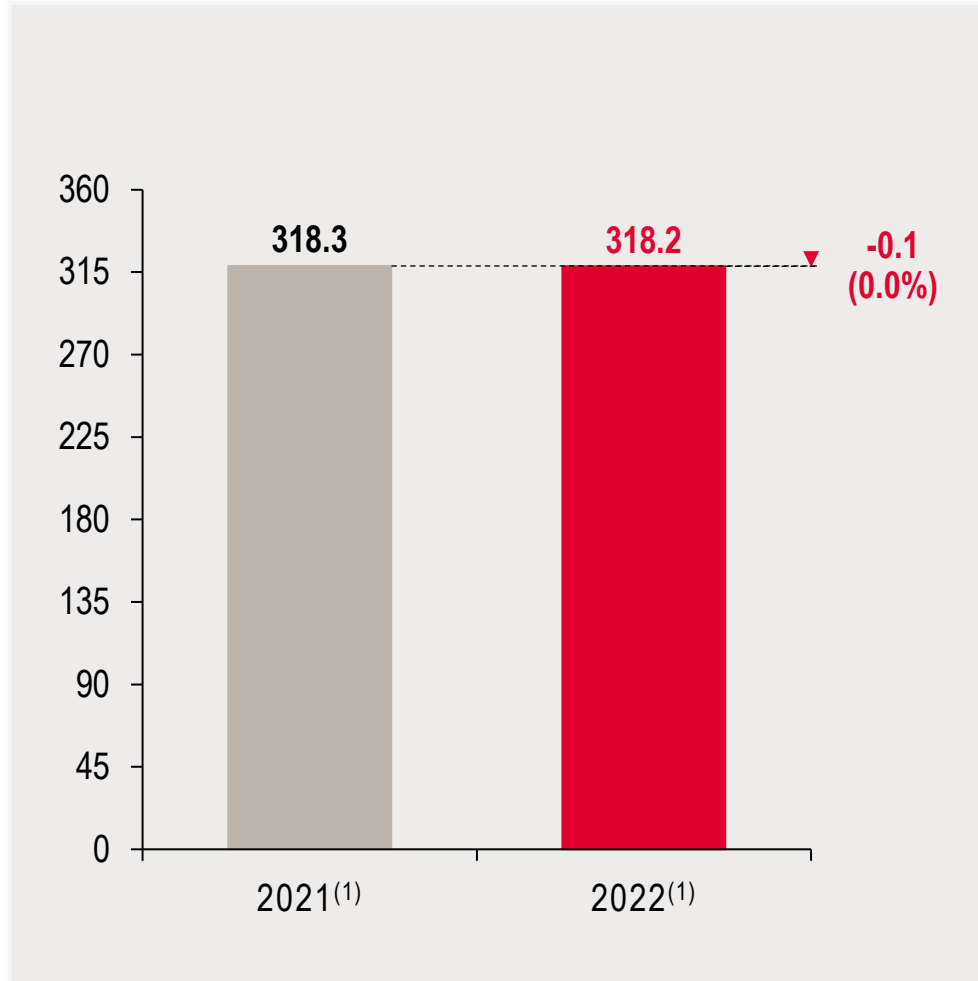
(acc. to IFRS in € million)



- + 17.4% revenues to € 1.248 billion
 - Customer growth
 - Increased up- and cross selling
 - Strong growth in aftermarket business (domain trading platform/parking)
- + 7.5% revenues excluding aftermarket business

BUSINESS APPLICATIONS: EBITDA

(acc. to IFRS in € million)

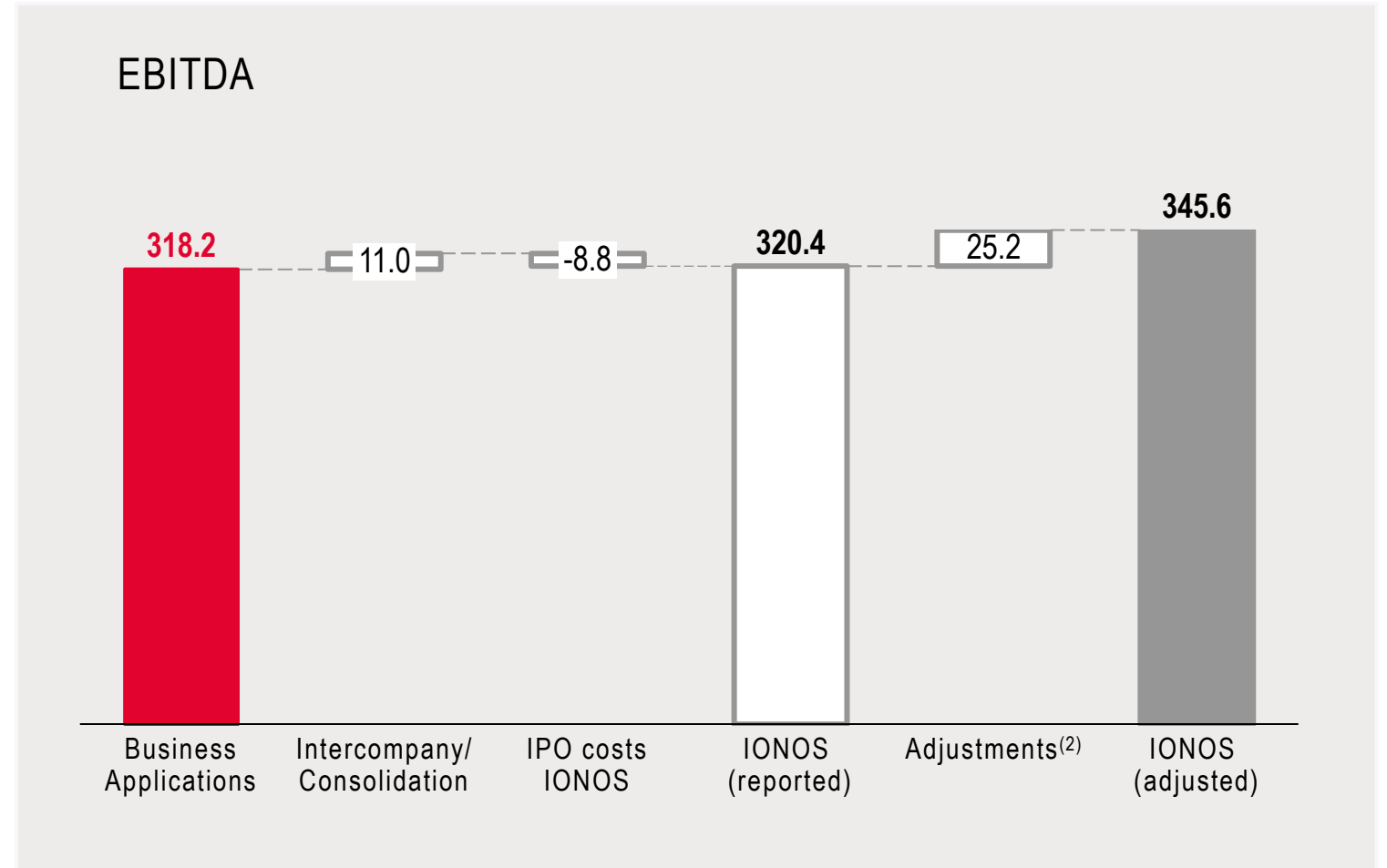
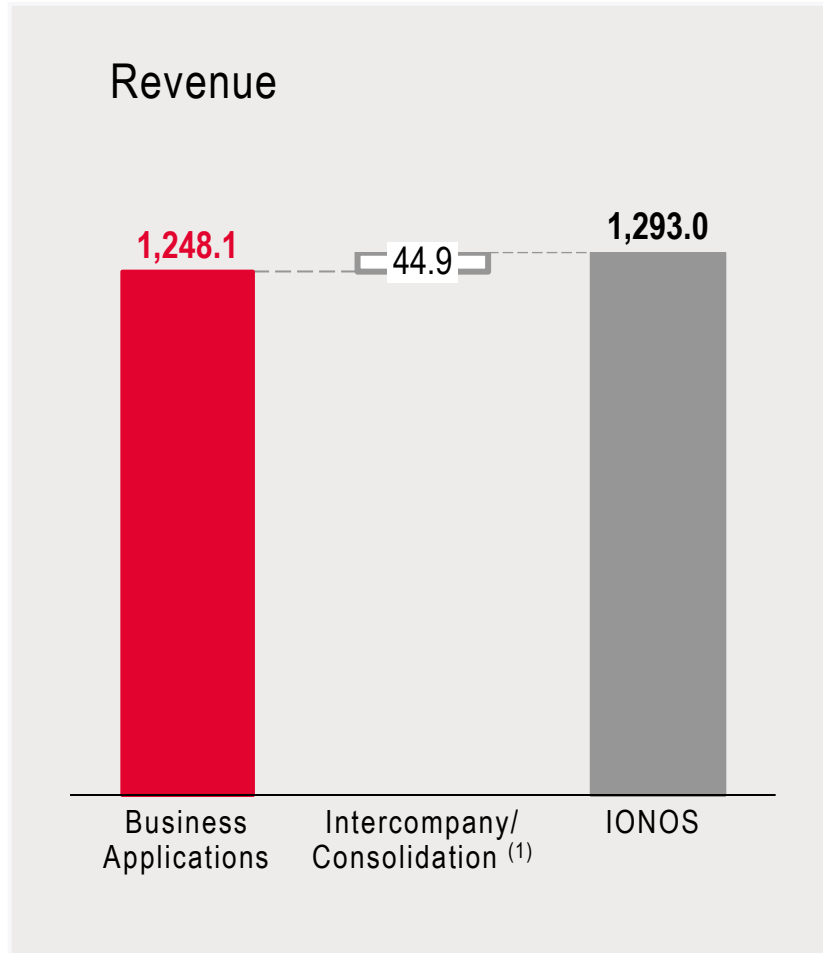


- EBITDA (excluding IPO costs⁽¹⁾) almost unchanged at € 318.2 million, including
 - - € 32.4 million additional marketing expenses
 - - € 15.9 million höhere Stromkosten
 - ➔ + 15.1% comparable EBITDA
- 25.5% EBITDA margin (prior year: 29.9%)

⁽¹⁾ IPO costs: - € 8.8 million (prior year: - € 3.0 million)

REVENUE AND EBITDA BRIDGE TO IONOS GROUP SE (STAND ALONE)

(acc. to IFRS in € million)



⁽¹⁾ In particular intercompany revenues from hosting services for other United Internet companies

⁽²⁾ In particular IPO costs, LTIP and one-off "billing carve-out".

GROUP: KPIs 2022

- + 730,000 customer contracts to 27.46 million contracts

| Revenue and earnings figures (in € million) | 2021 ⁽¹⁾ | 2022 ⁽²⁾ | Change |
|---|---------------------|---------------------|--------|
| Revenues | 5,646.2 | 5,915.1 | + 4.8% |
| EBITDA | 1,262.4 | 1,271.8 | + 0.7% |
| EBIT | 788.6 | 790.7 | + 0.3% |
| EBT | 732.0 | 720.8 | - 1.5% |
| EPS (in €) | 2.11 | 2.00 | - 5.2% |
| EPS before PPA (in €) | 2.52 | 2.38 | - 5.6% |

- Included in EBT and EPS for FY 2022
 - Lower financial result due, a. o., to subsequent valuation of financial derivatives (EBT impact: - € 6.9 million; EPS: - € 0.05)
 - Lower at-equity result due, a. o., to the negative result of Kublai GmbH / Tele Columbus attributable pro rata for 12 months (prior year: 8 months) (EBT impact: - € 9.9 million; EPS: - € 0.06)

⁽¹⁾ 2021 excl. a positive earnings effect from 2020 unrelated to the accounting period (EBITDA, EBIT and EBT effect: € +39.4 million; EPS effect: € 0.11), excl. a valuation effect from derivatives (EBITDA, EBIT and EBT effect: € +4.9 million; EPS effect: € +0.02) and excl. IPO costs IONOS (EBITDA, EBIT and EBT effect: € -3.0 million; EPS effect: € -0.01)

⁽²⁾ 2022 excl. a valuation effect from derivatives (EBITDA, EBIT and EBT effect: € -0.5 million; EPS effect: € 0.00) and excl. IPO costs IONOS (EBITDA, EBIT and EBT effect: € -8.8 million; EPS effect: € -0.03)

OUTLOOK 2023

OUTLOOK 2023

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

RESULTS FY 2022

GROUP: KEY FIGURES AS OF DECEMBER 31, 2022

| P&L figures according to IFRS in € million | 2021 ⁽¹⁾ | 2022 ⁽²⁾ | Change |
|--|---------------------|---------------------|-------------|
| Fee-based customer contracts | 26.73 million | 27.46 million | ▪ + 730,000 |
| Ad-financed free accounts | 40.27 million | 40.31 million | ▪ + 40,000 |
| Revenues | 5,646.2 | 5,915.1 | ▪ + 4.8 % |
| EBITDA | 1,262.4 | 1,271.8 | ▪ + 0.7 % |
| EBIT | 788.6 | 790.7 | ▪ + 0.3 % |

| Cash flow figures according to IFRS in € million | 31.12.2021 | 31.12.2022 | Comments |
|--|------------|------------|---|
| Capex | -289.8 | -681.4 | ▪ Strong increase due to 5G network rollout and fiber network expansion |

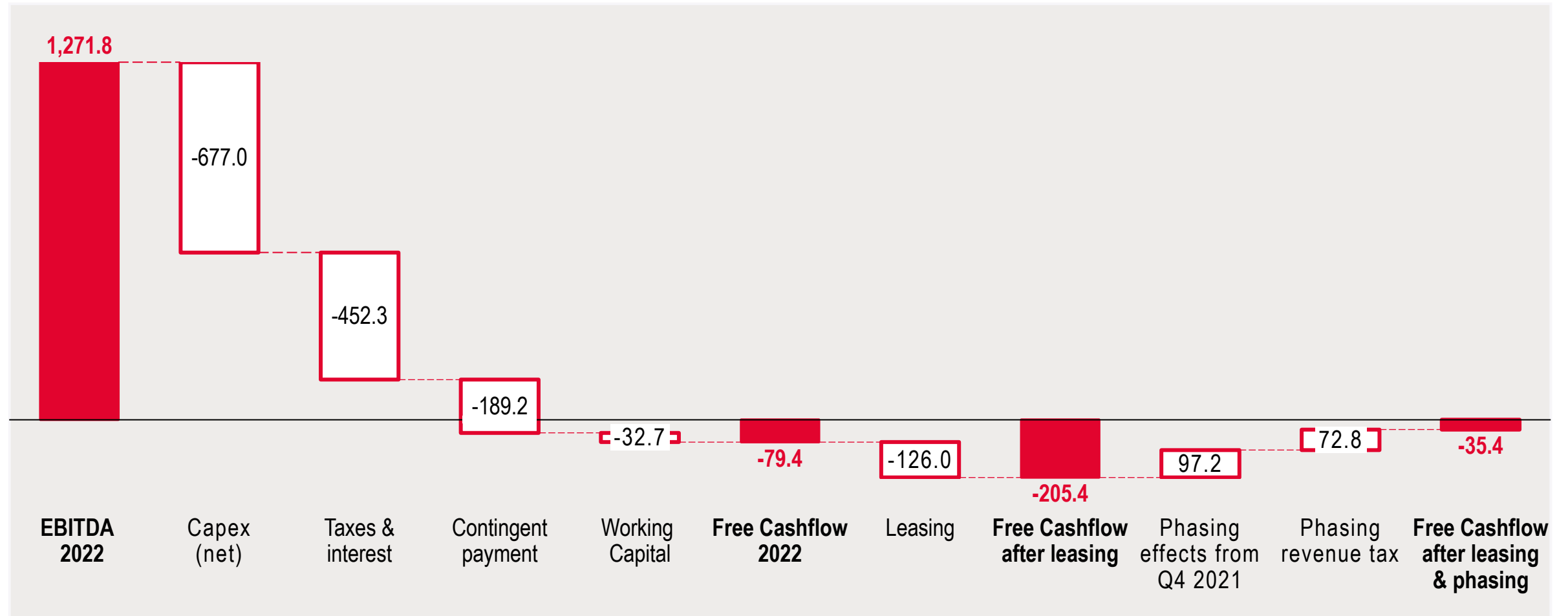
| Balance sheet fig. according to IFRS in € million | 31.12.2021 | 31.12.2022 | Comments |
|---|------------|------------|---|
| Bank liabilities | 1,822.7 | 2,155.5 | ▪ Net debt: € 2,115.0 million (prior year: € 1,712.6 million) |
| Equity | 4,923.2 | 5,298.4 | ▪ Equity ratio: 51.2% (prior year: 50.9%) |

⁽¹⁾ 2021 excl. an effect on earnings unrelated to the accounting period (EBITDA and EBIT effect: € +39.4 million), a valuation effect from derivatives (EBITDA and EBIT effect: € +4.9 million and IPO costs IONOS (EBITDA and EBIT effect: € -3.0 million)

⁽²⁾ 2022 excl. a valuation effect from derivatives (EBITDA and EBIT effect: € -0.5 million) and IPO costs IONOS (EBITDA and EBT effect: € -8.8 million)

GROUP: EBITDA / FREE CASHFLOW BRIDGE AS OF DECEMBER 31, 2022

(acc. to IFRS in € million)



GROUP: BALANCE SHEET AS OF DECEMBER 31, 2022 (I)

(acc. to IFRS in € million)

| Assets | 31.12.2021 | 31.12.2022 | Explanation |
|---|----------------|-----------------|--|
| Property, plant and equipment / intangible assets | 3,439.1 | 3,880.3 | ▪ Increase due to increased investments in FY 2022 (in particular 5G mobile network) |
| Goodwill | 3,627.8 | 3,623.4 | ▪ Mainly unchanged |
| Financial assets | 443.2 | 440.0 | ▪ Decrease due to inclusion of the pro rata result of Kublai GmbH (Tele Columbus) |
| Accounts receivable | 427.7 | 460.2 | ▪ Increase due to reporting date |
| Contract assets | 825.7 | 865.1 | ▪ Update contract assets |
| Inventories and deferred expenses | 598.2 | 831.6 | ▪ Increase due to rental and pre-service providers payments |
| Income tax claims and other assets | 197.3 | 217.4 | ▪ Mainly unchanged |
| Cash and cash equivalents | 110.1 | 40.5 | ▪ Decrease due to reporting date |
| Total | 9,669.1 | 10.358,5 | |

GROUP: BALANCE SHEET AS OF DECEMBER 31, 2022 (II)

(acc. to IFRS in € million)

| Debt and Equity | 31.12.2021 | 31.12.2022 | Explanations |
|---|----------------|-----------------|---|
| Equity | 4,923.2 | 5,298.4 | ▪ Equity ratio: + 0.3 PP to 51.2% |
| Liabilities to banks | 1,822.7 | 2,155.5 | ▪ Bank liabilities (net): € 2,115.0 million (31/12/2021: € 1,712.6 million) |
| Trade accounts payable | 585.9 | 565.8 | ▪ Decrease due to reporting date |
| Contract liabilities | 190.0 | 188.4 | ▪ Mainly unchanged |
| Accrued taxes and deferred liabilities | 348.9 | 362.4 | ▪ Increase due to reporting date |
| Other accrued liabilities / other liabilities | 1,798.4 | 1,788.0 | ▪ Mainly unchanged |
| Total | 9,669.1 | 10,358.5 | |

UNITED INTERNET AG

**Our success story
continues!**

