



H1 and Outlook 2024

Ralph Dommermuth

- Company development H1 2024
- Status 1&1 mobile network

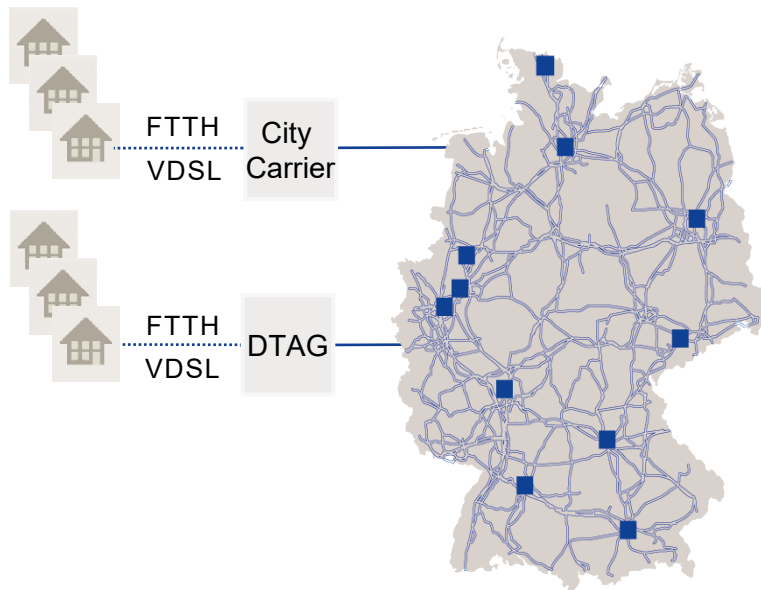
Markus Huhn

- Financial key figures H1 2024
- Forecast 2024

Company development H1 2024

- 3.99 million broadband connections
- VDSL and FTTH complete package including voice, IP-TV.

Purchase via 1&1 Versatel, last mile via Deutsche Telekom and City Carriers



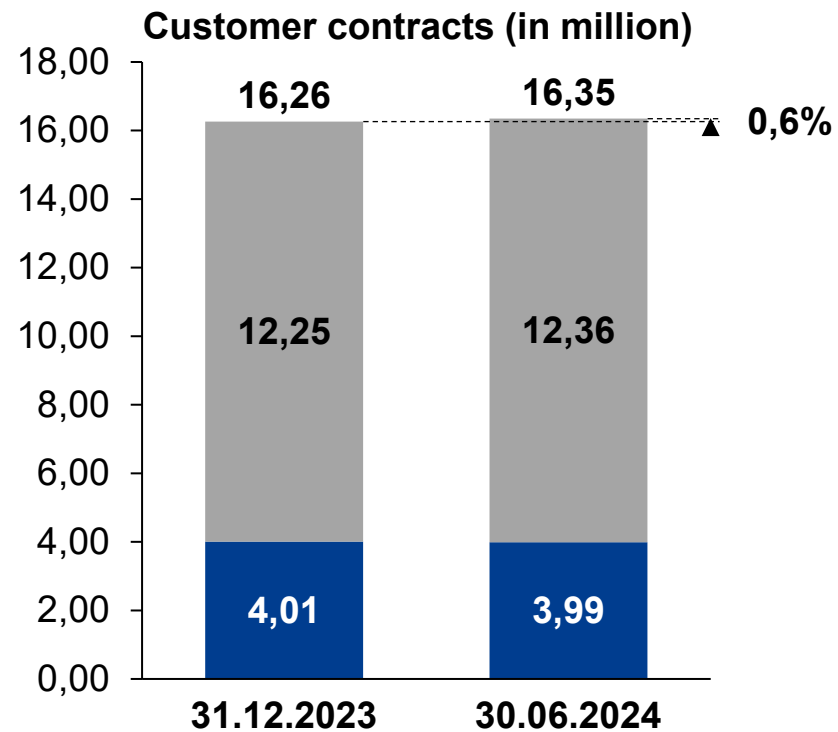
connect
SEHR GUT
FESTNETZTEST
BUNDESWEITE ANBIETER
1&1
Heft 9/2024
www.connect.de

Product portfolio: Mobile

- 12.36 million mobile contracts
- Europe's first Open RAN, fully virtualized
- Broad market coverage – Target group specific marketing approach

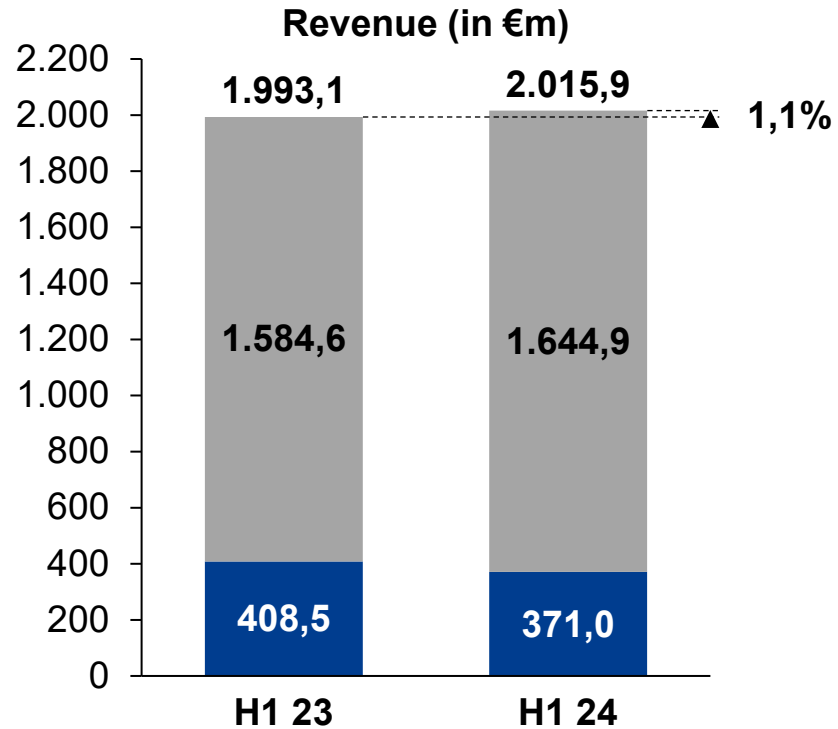
Primary brand	
Co branding	
Discount brands	

Customer contracts



■ Mobile Internet
■ Broadband Lines

- 16.35m customer contracts (+ 0.09m)
- 12.36m mobile internet (+ 0.11 m)
- 3.99m broadband lines (- 0.02m)

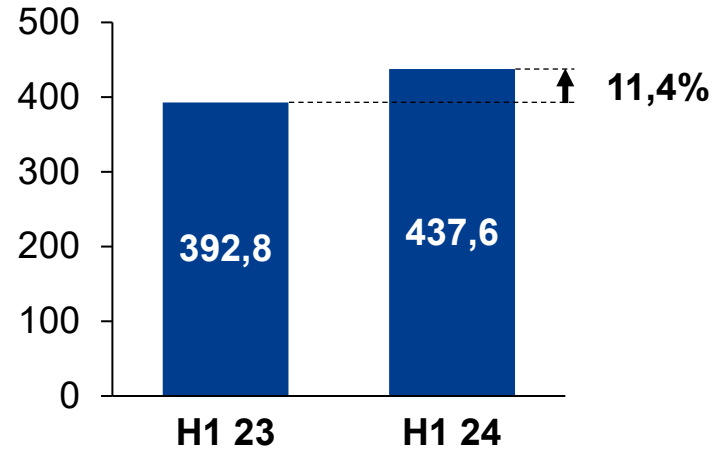


■ Service Revenue
■ Hardware Revenue

- €2,015.9m revenue (+ 1.1 %)
 - €1,644.9m service revenue (+ 3.8 %)
 - €371.0m other revenue (- 9.2 %)
 - especially with smartphones
- ➔ + 4.4 % service revenue without impact from regulatory reduction in mobile termination fees

EBITDA by segments

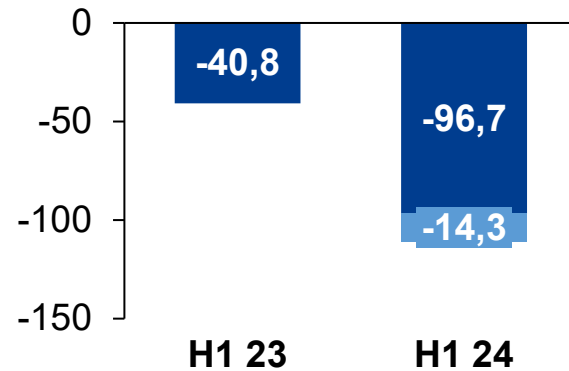
EBITDA Segment „Access“ (in €m)



Segment „Access“

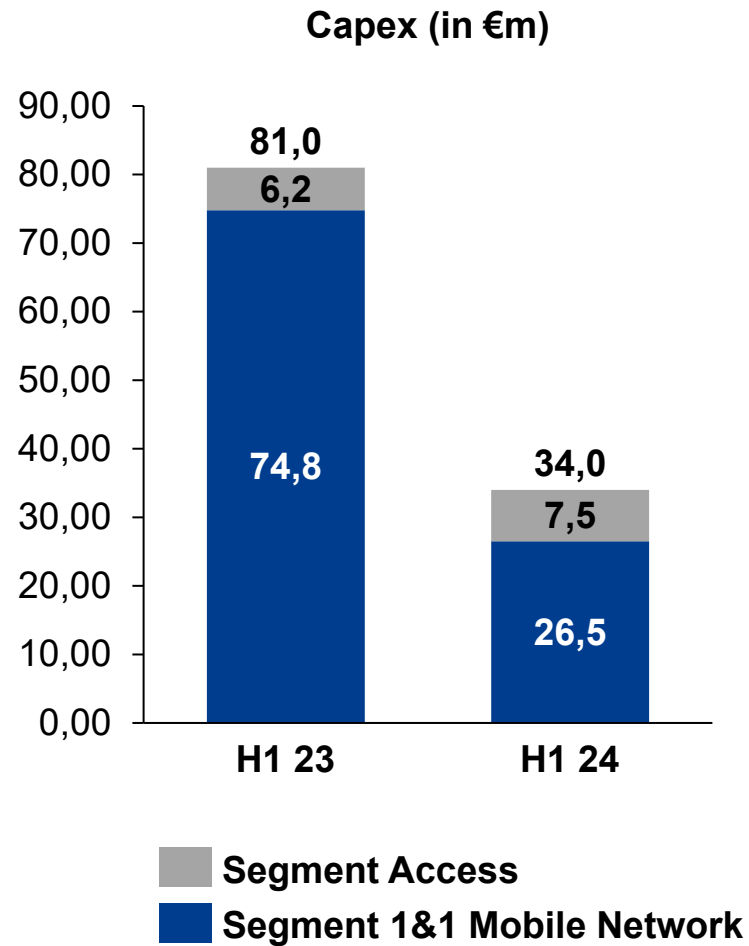
- €437.6m operating EBITDA (+ 11.4 %)

EBITDA Segment „1&1 Mobile Network“ (in €m)



Segment „1&1 Mobile Network“

- - €111.0m EBITDA
of which -€14m out-of-period expenses

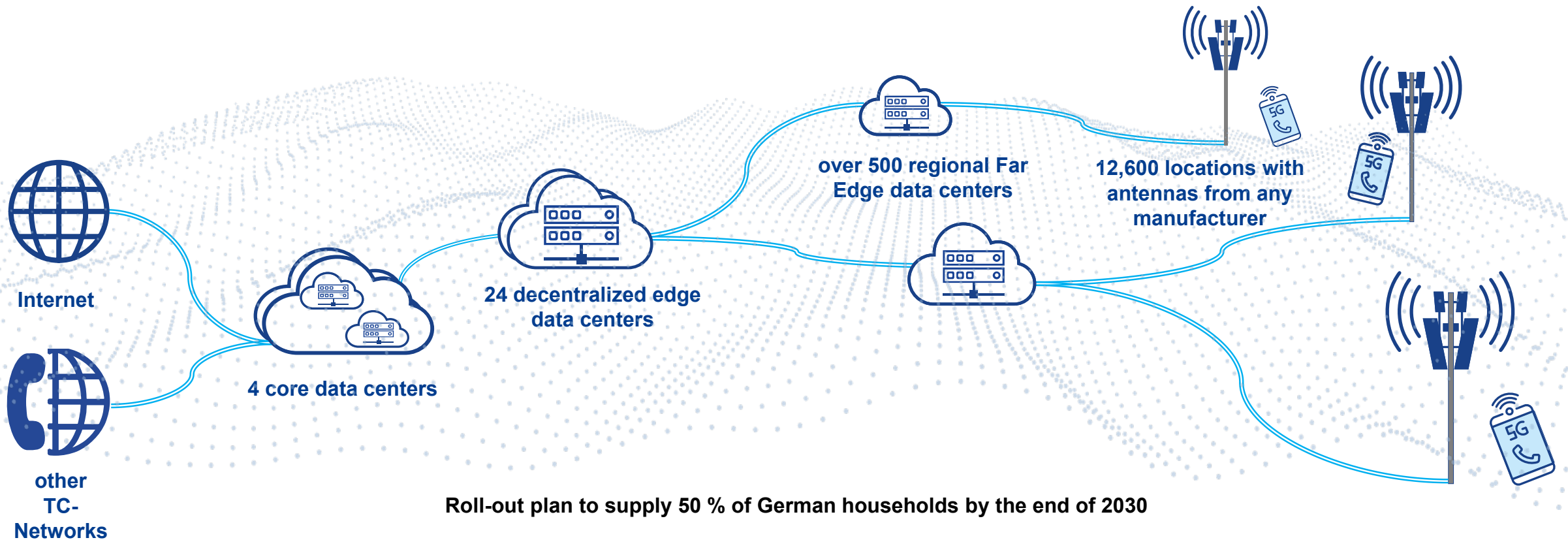


- €34.0m Capex
 - €7.5m segment „Access“
 - €26.5m segment „1&1 Mobile Network“, due to phasing effects

1&1 Mobile Network

Europe's first Open Ran

- **Software** in a private cloud implements all network functions on **standard servers**



Differentiation from traditional networks

- **Open System**

- Standardized Interfaces
- Almost 100 partner companies
- Independent of dominant manufacturers such as HUAWEI

- **Ready for real-time applications**

- Gigabit antennas at all locations, connected via fiber optics
- Data processing possible directly on site (in far-edge data centers)

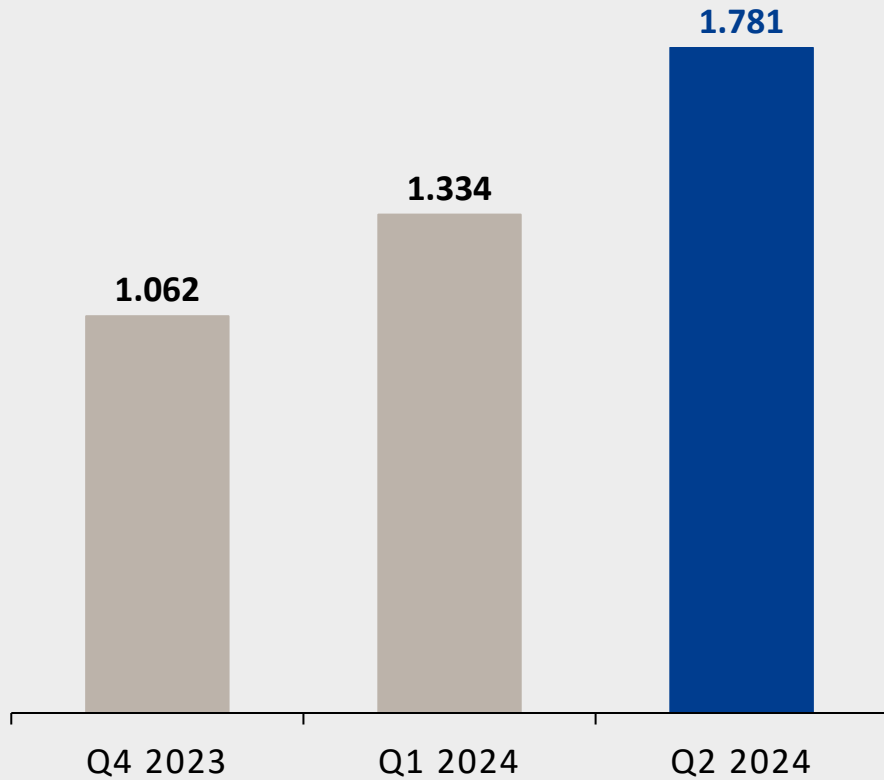
- **Low electricity consumption**

- Savings potential* of 10 to 30 % compared to conventional networks

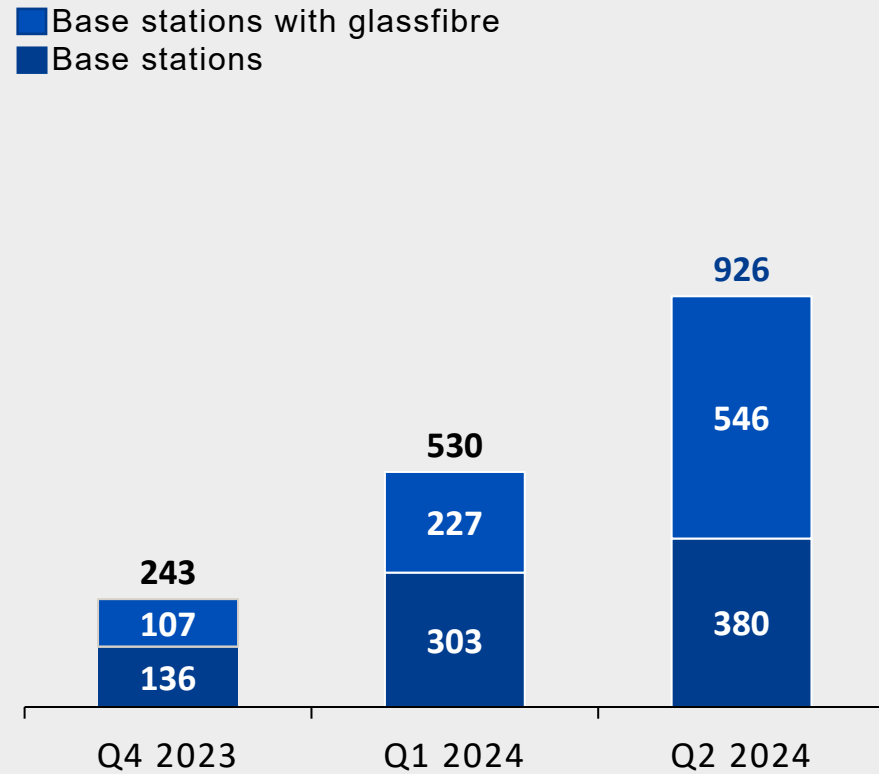


Good progress with the construction of the antenna sites

Antenna locations, total



Antenna locations with base stations



Financials H1 2024

(in €m)	H1 23	H1 24	Change
Revenue	1,993.1	2,015.9	+ 1.1 %
Cost of Sales ⁽¹⁾	- 1,388.7	-1,458.7	+ 5.0 %
Gross profits from turnover	604.4	557.2	- 7.8 %
<i>thereof gross profit on Access</i>	<i>659.0</i>	<i>716.1</i>	<i>+ 8.7 %</i>
<i>thereof gross profit from 1&1 mobile network</i>	<i>-54.6</i>	<i>-158.9</i>	
Distribution costs	- 254.3	-262.9	+ 3.4 %
Administration costs	- 57.1	-57.5	+ 0.7 %
Other operating income/expenses	13.5	18.7	+ 38.5 %
Impairment losses on receivables and contract Assets	- 52.4	-59.4	+ 13.4 %
Profit/loss from operating activities	254.1	196.1	- 22.8 %
Financial result	3.4	0.4	- 88.2 %
Profit before taxes	257.6	196.5	- 23.7 %
Tax expense	- 77.6	-60.1	- 22.6 %
Consolidated result	180.0	136.4	- 24.2 %

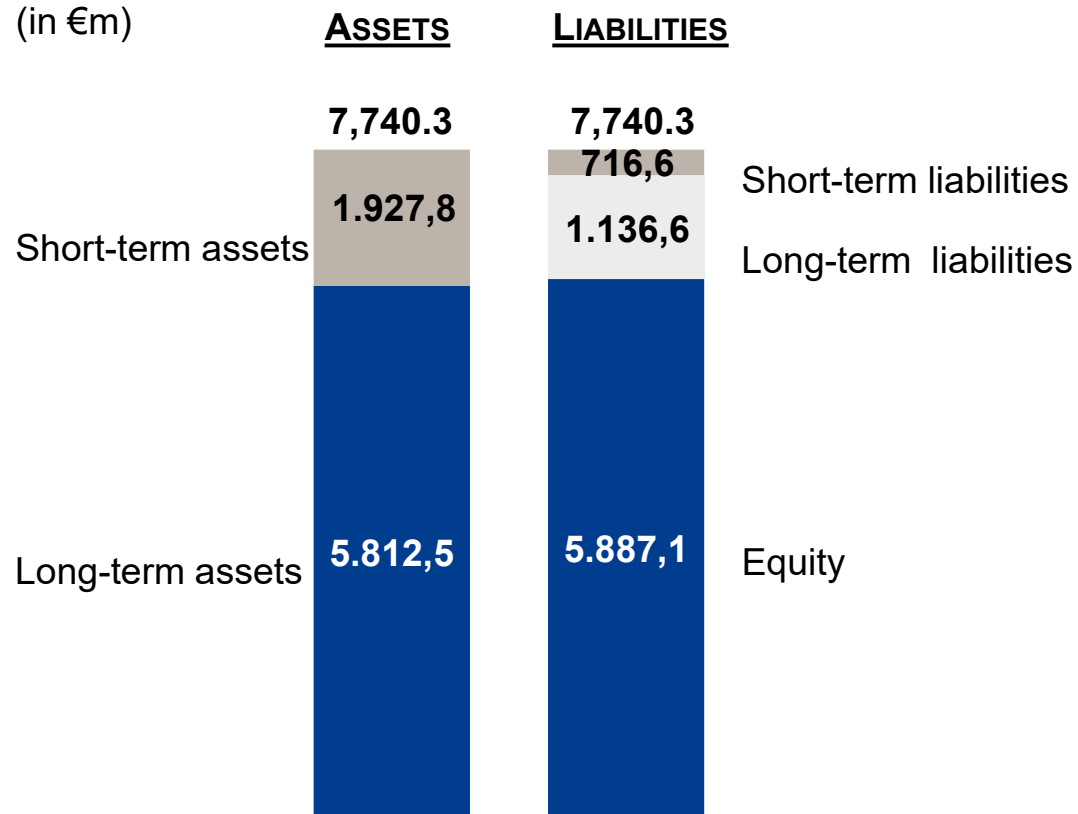
(1) Of which €54.6 million depreciation (previous year: €22.2 million) in the 1&1 Mobile Network segment

Balance sheet



31 December 2023

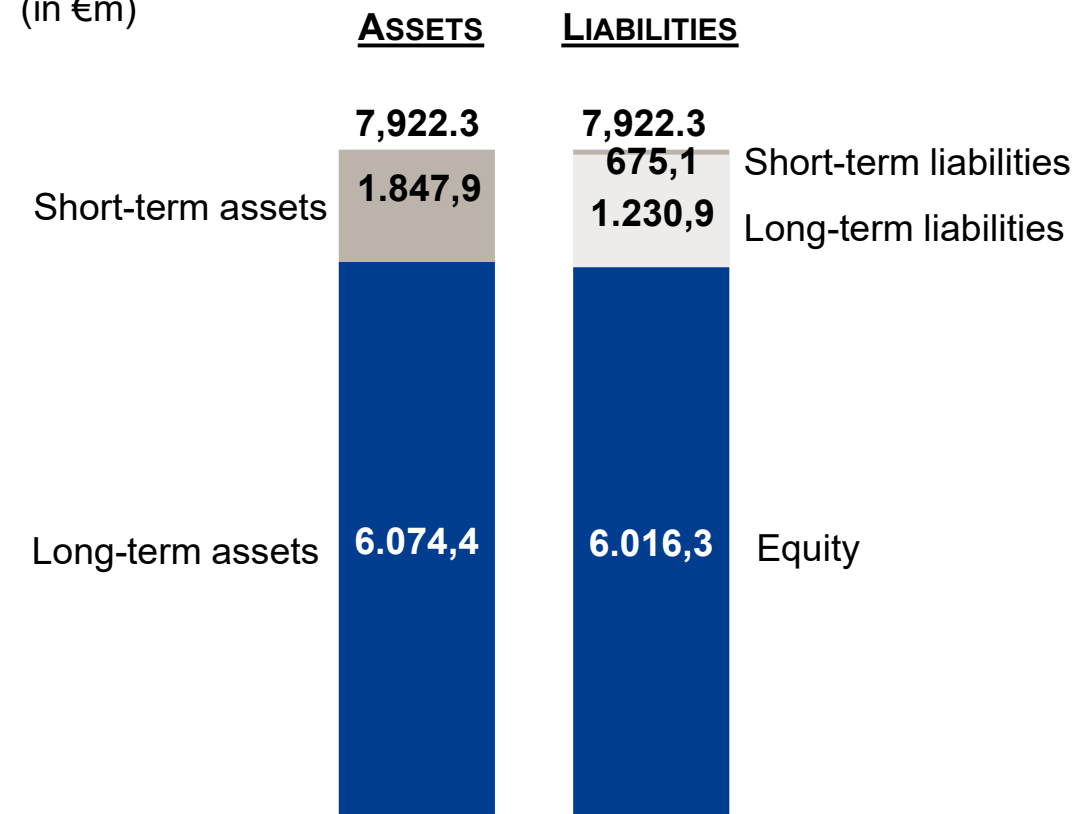
(in €m)



Equity ratio 76.1 %

30 June 2024

(in €m)

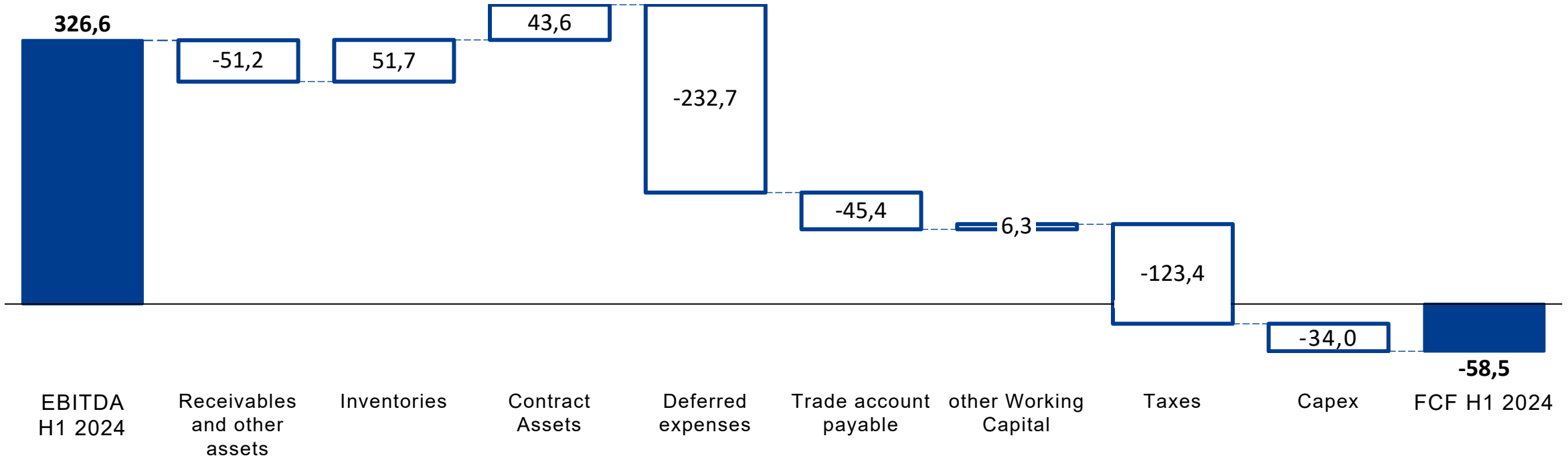


Equity ratio 75.9 %

(in €m)	H1 23	H1 24	Change	Comments
Net inflow of funds from operating activities	23.0	- 24.5		<ul style="list-style-type: none"> +€266.2m Cash flow from operating activities -€51.2m from change in (L&L) receivables and in other assets +€43.6m from changes in contract assets +€51.7m from change in inventories -€232.7m from change in deferred expenses -€45.4m from change in (L&L) trade payables, trade accounts payable -€61.5m from change in income tax liabilities +€4.8m from change in other working capital
Cash flow from investment activities	- 0.8	69.5		<ul style="list-style-type: none"> -€34.0m Capex +92.5m Investment of free cash with United Internet +€11.1m Interest received, mainly from cash investment at UI
Cash flow from financing activities	- 22.7	- 45.4		<ul style="list-style-type: none"> -€7.7m Repayment of lease liabilities -€8.8m Dividend payment -€23.3m Other payments with interest nature -€5.6m Interest payments from leases
Free cash flow ⁽¹⁾	- 58.0	-58.5	- 0.9 %	

(1) Definition of free cash flow: free cash flow is calculated as the net payments from operating activities in continued operations (items disclosed in the capital flow statement) less investments in intangible and tangible assets plus payments from the disposal of intangible and tangible assets.

Bridge EBITDA to FCF (in €m)



	EBITDA H1 2024	Receivables and other assets	Inventories	Contract Assets	Deferred expenses	Trade account payable	other Working Capital	Taxes	Capex	FCF H1 2024
Q1	182,3	-20,8	41,7	12,6	-17,5	-30,8	3,3	-82,2	-10,1	78,5
Q2	144,3	-30,4	10,0	31,0	-215,2	-14,6	3,0	-41,2	-23,9	-137,0

Incl. Advance payment for FTTH/VDSL contingent contract Deutsche Telekom

Outlook 2024

- Service revenue ca. + 3 % to ca. €3.33 billion (2023: €3.243 billion), so far ca. €3.37 billion
- EBITDA ca. + 5 % to ca. €686 million (2023: €653.8 million), incl. €14.3m out-of-period expenses, so far €720 million
 - Segment Access ca. + 9 % to ca. €860 million (2023: €786.2 million), so far €880 million
 - Segment 1&1 Mobile Network due to out-of-period expenses ca. €14 million to ca. - €174 million start-up costs (2023: - €132.4 million), so far -€160 million
- Ca. €460 million cash capex (2023: €295.6 million) in particular for the mobile network build, so far ca. €380 million

Our success story
continues!

This presentation contains future-oriented statements and forecasts representing the current assessments of the management at 1&1 AG.

These assessments and statements are subject to changes and uncertain framework conditions that are for the most part difficult to predict and are beyond the control of 1&1 AG.

1&1 AG is not under any obligation to publish any information resulting in changes in framework conditions or to publish revised information.

1&1 AG

Investor Relations

Elgendorfer Str. 57

D-56410 Montabaur

Contact

Phone: +49 61 81 / 412 218

Internet: www.1und1.AG

Email: ir@1und1.de
