

IONOS

9-Month 2024 Results

12 November 2024



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Forward-looking statements are provided to allow (potential) investors the opportunity to understand management's beliefs and opinions in respect of the future so that they may use such beliefs and opinions as one factor in evaluating an investment.

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In the interests of clear and transparent reporting, financial presentations, the annual financial statements and interim statements of IONOS Group SE, as well as any ad-hoc announcements pursuant to Art.17 MAR and other financial information contain additional financial performance indicators to those required under International Financial Reporting Standards (IFRS), such as EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBITDA margin, EBIT and free cashflow. Information on the use, definition and calculation of these performance measures is provided in the Annual Consolidated Financial Statements 2023 of IONOS Group SE or is explained in an associated footnote.

Agenda



- Business update
- Operational performance
- Financial update
- Outlook

IONOS – The Leading European SMB digitalization partner & trusted cloud enabler

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¹ Total revenue including ~€34mn revenue from Hosting Services to UI Group companies

² excl. Aftermarket

9M 2024 confirmed the strength, sustainability of growth, profitability and cash generation despite economically challenging times

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Revenue growth

+7.8%

Adj. EBITDA margin

29.3%

Customers

+170k to 6.30mn

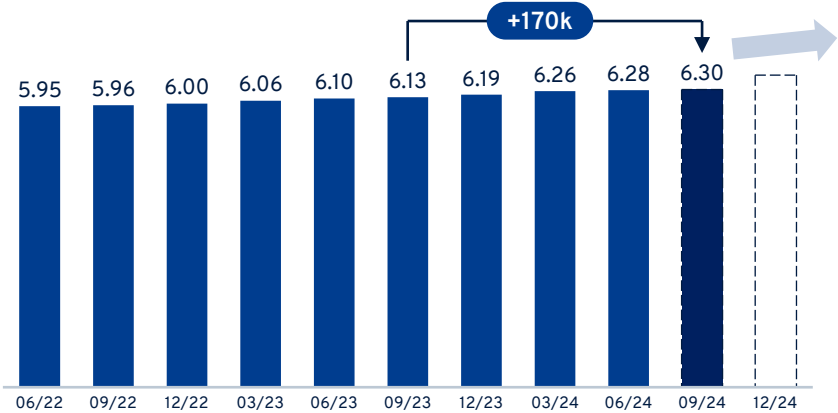
ARPU growth

+8.5%

Operational performance of the core business is fully in-line with expectations

Customers

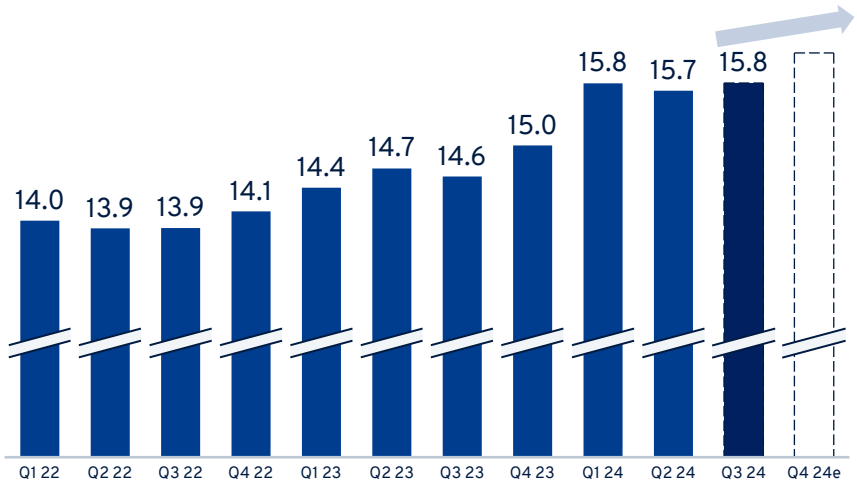
in million (unless otherwise stated)



Churn remains at best-in-class level of ~1% per month

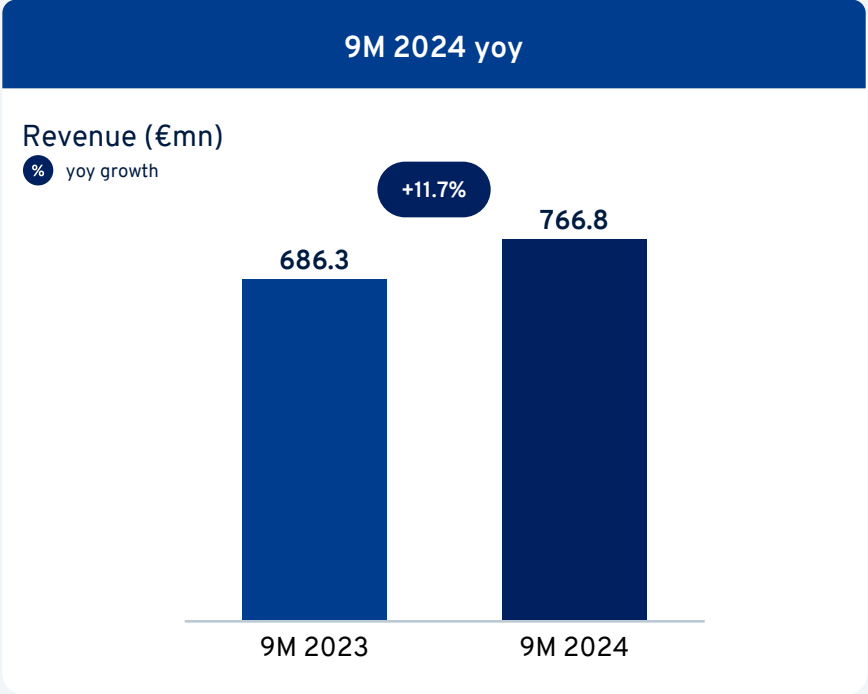
ARPU

in € per month



Successful up- & cross selling and pricing power

Strong growth in high margin Web Presence & Productivity (excluding Aftermarket)

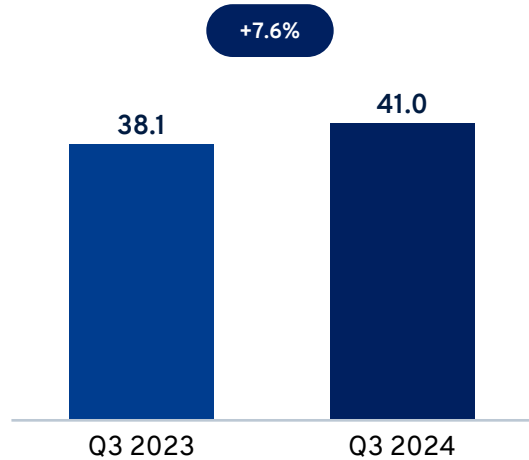


Ongoing expansion in the Cloud Solutions business

Q3 2024 yoy

Revenue (€mn)

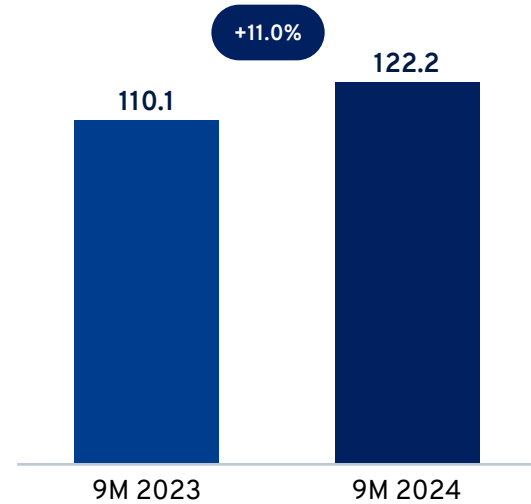
⦿ yoy growth



9M 2024 yoy

Revenue (€mn)

⦿ yoy growth

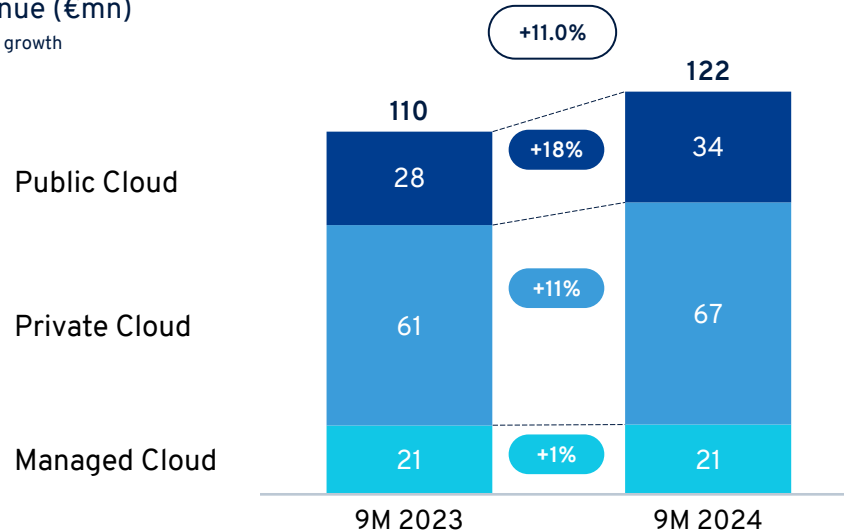


Revenue split Cloud Solutions

9M 2024 yoy

Revenue (€mn)

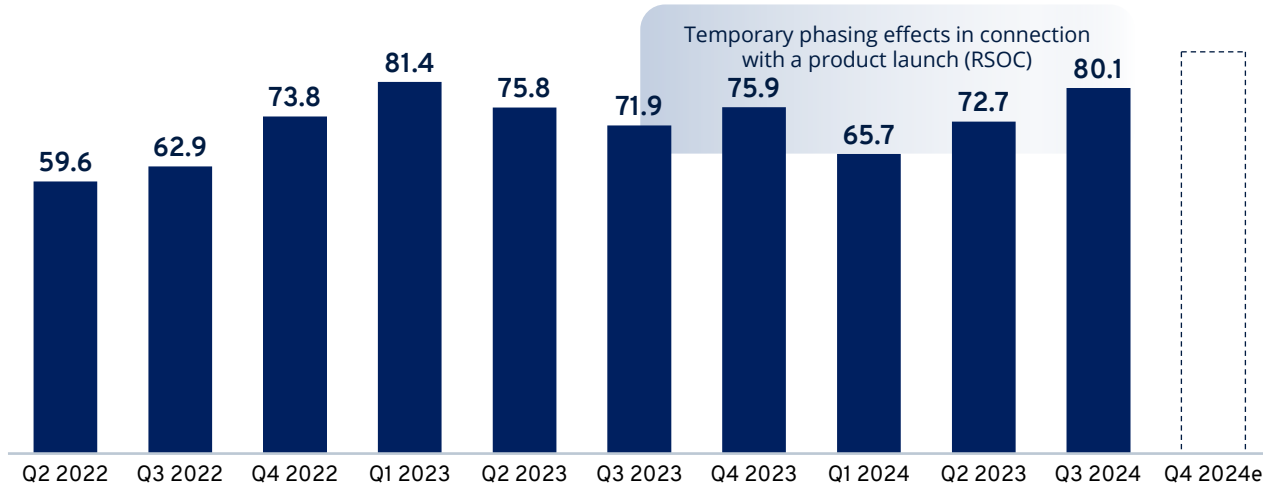
• yoy growth



- Public Cloud growing ~18% yoy – expected to accelerate in Q4, due to the first-time contribution from ITZBund
- Private Cloud growing ~11% yoy
- Managed Cloud growing ~1% yoy, diluting overall growth in Cloud Solutions

Aftermarket business going through a transition

Revenue (€mn)



- Revenue -4.6% yoy in 9M 2024
- Revenue +11.5% yoy in Q3 2024, recovering from H1 2024 (-12.0% yoy)
- Google introduced a new product/contract called RSOC (Related Search For Content), on top of their Google AdSense for Domains product, providing additional revenue potential going forward
- For FY 2024, we expect revenue to reach the previous year's level
- Average EBITDA margin of ~14%¹

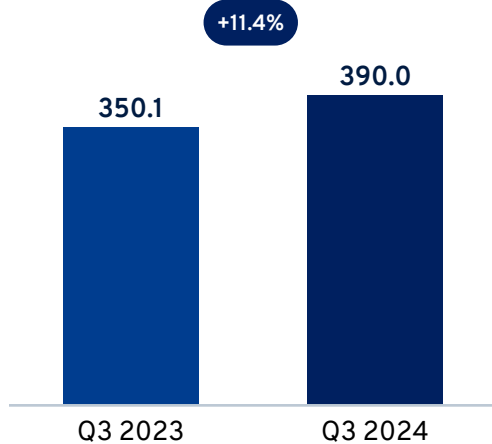
¹ Average EBITDA margin LTM

Q3 2024 performance with high profitability

Industry leading growth with high visibility

Total revenue (€mn)

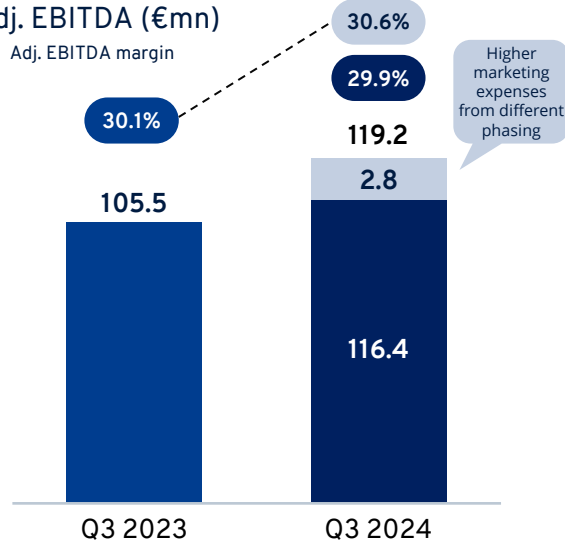
% yoy growth



Attractive profitability

Adj. EBITDA (€mn)

% Adj. EBITDA margin



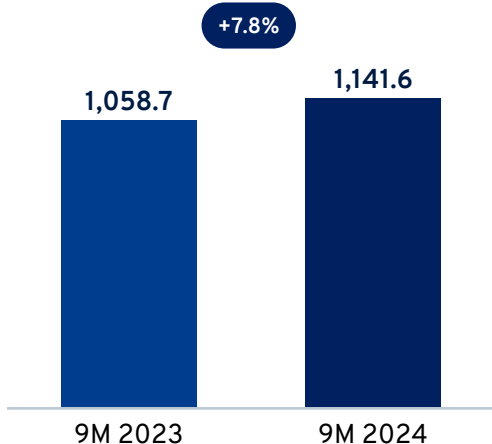
- Revenue growth of +11.4% yoy (revenue growth excl. Aftermarket at +11.4% yoy)
- Adj. EBITDA increased by 10.4% compared to the previous year
- Adj. EBITDA margin at 29.9% (adjusted for the higher marketing expenses, adj. EBITDA margin is 30.6%)

Leading into a solid 9M 2024 performance of the core business

Industry leading growth with high visibility

Total revenue (€mn)

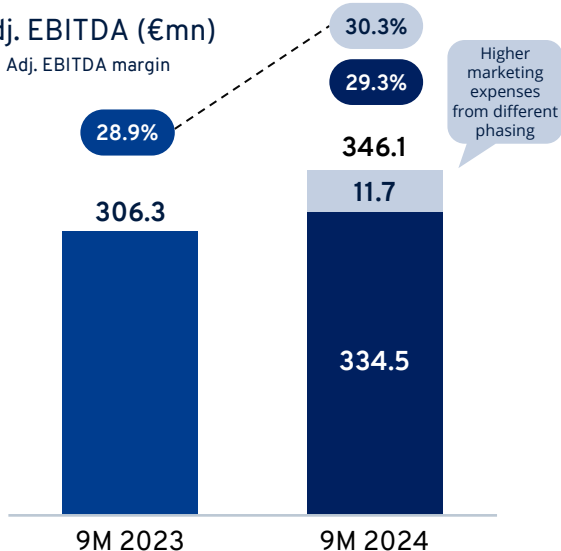
% yoy growth



Attractive profitability

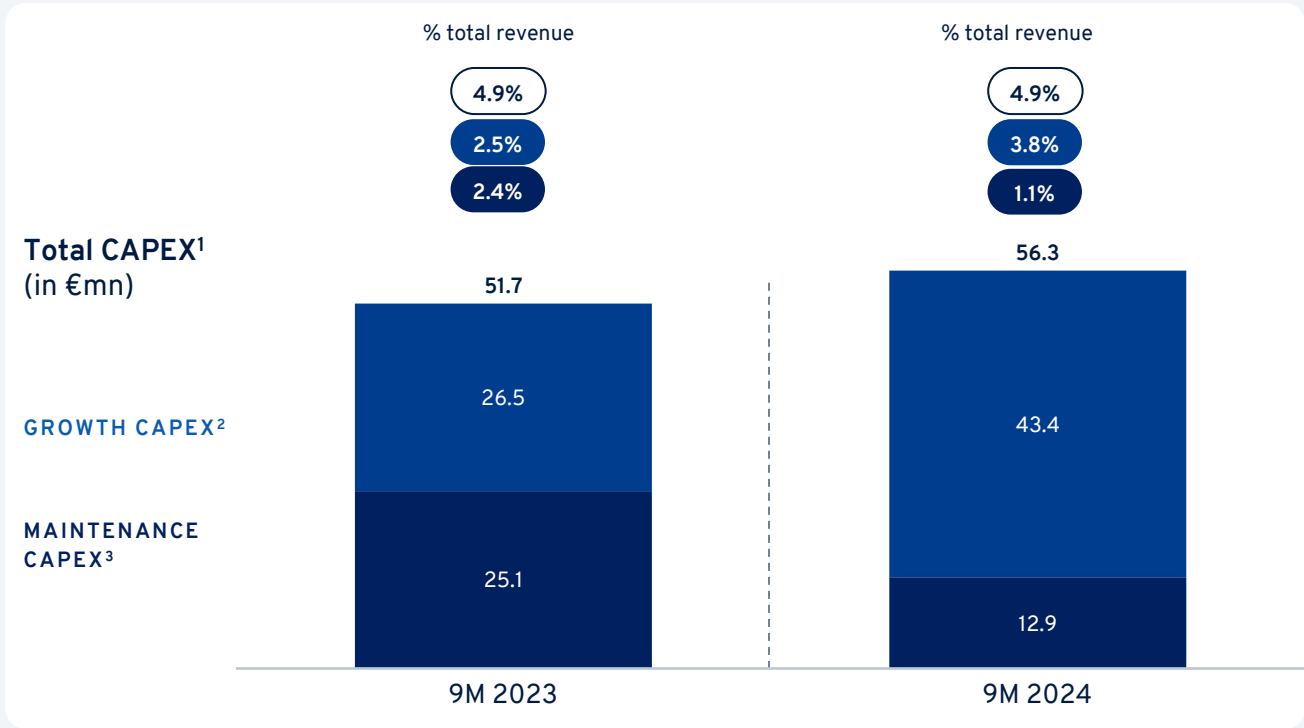
Adj. EBITDA (€mn)

% Adj. EBITDA margin



- Revenue growth of +7.8% yoy (revenue growth excl. Aftermarket at +11.3% yoy)
- Adj. EBITDA growth of 9.2% yoy
- Adj. EBITDA margin increasing to 29.3% (adjusted for the higher marketing expenses, adj. EBITDA margin is 30.3%)

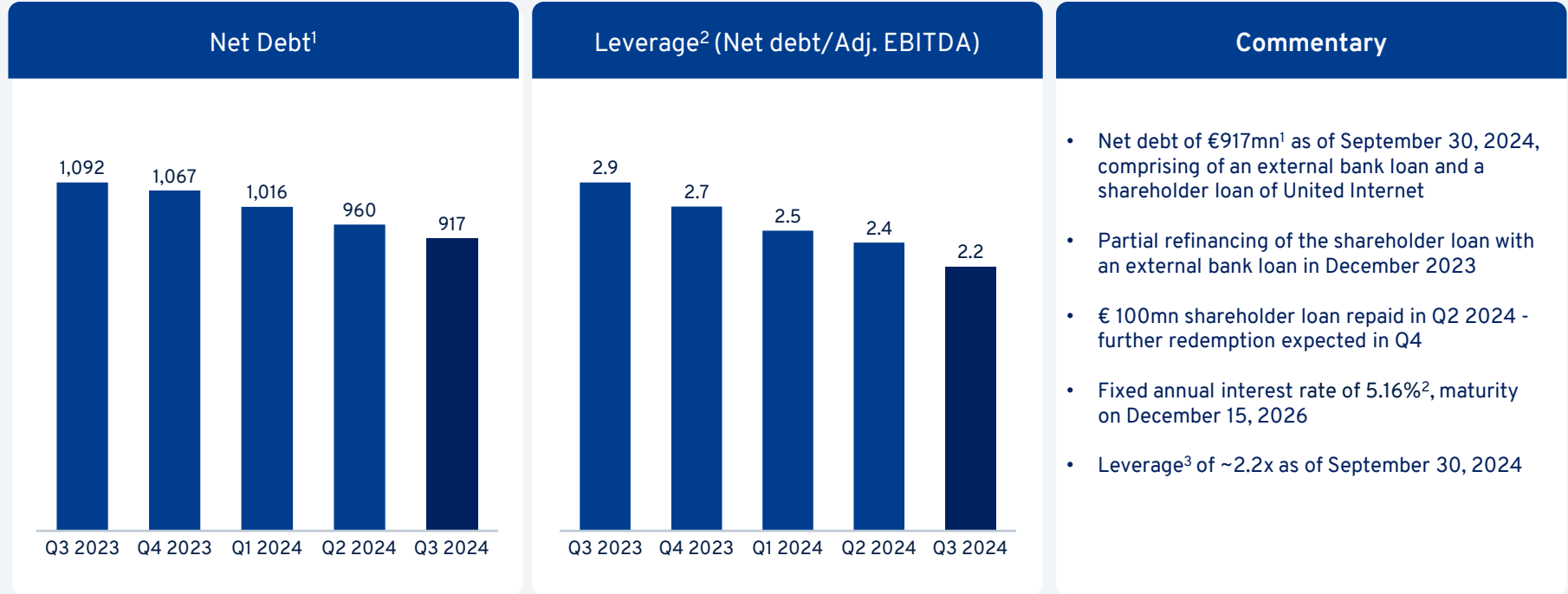
Well invested asset base with low and predictable maintenance capex requirements



- Total CAPEX as % of total revenue at 4.9% (prev. year: 4.9%)
- Low and predictable maintenance CAPEX requirements
- Majority of growth capex is related to Cloud Solutions
- Expected CAPEX for FY 2024E: ~€80 - 90mn (CAPEX/total revenue of ~5 - 6%)

CAPEX figures refer to CAPEX excl. leasing
¹ Maintenance capital expenditures (excl. additions to right-of-use assets) include capital expenditures for replacements in the ordinary course of business;
² Growth capital expenditures defined as total CAPEX, excluding maintenance CAPEX

Debt at fixed interest rates without refinancing risk



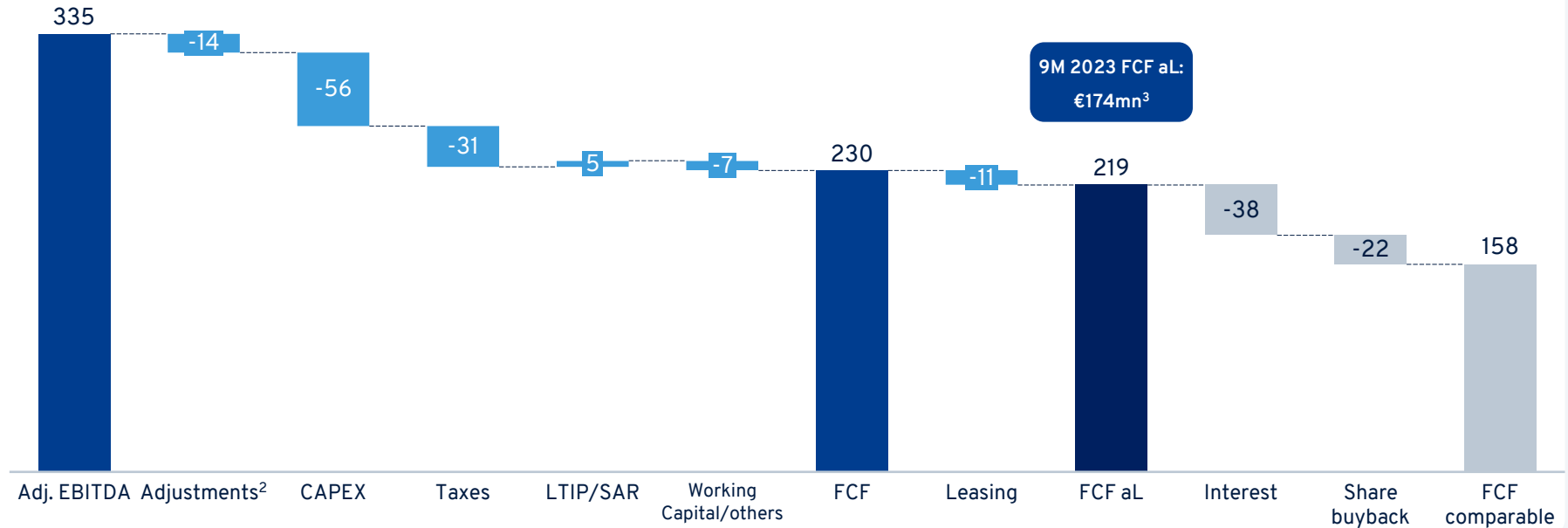
¹ Net Debt is the sum of liabilities to banks (30.09.2024: €797mn), non-current liabilities to related parties (30.09.2024: €250mn), current liabilities to related parties (30.09.2024: €6mn) and current liabilities to banks (30.09.2024: €9mn), less receivables from related parties (30.09.2024: €125mn), less cash and cash equivalents (30.09.2024: €21mn) at the end of the period;

² as of 30.09.2024, calculated as weighted average interest rate of gross debt

³ Calculated as Net Debt / Adj. EBITDA LTM

Strong and highly predictable Free Cash Flow generation

9M 2024 adjusted EBITDA to (adjusted) Free Cash Flow¹ (FCF) bridge (in €mn)



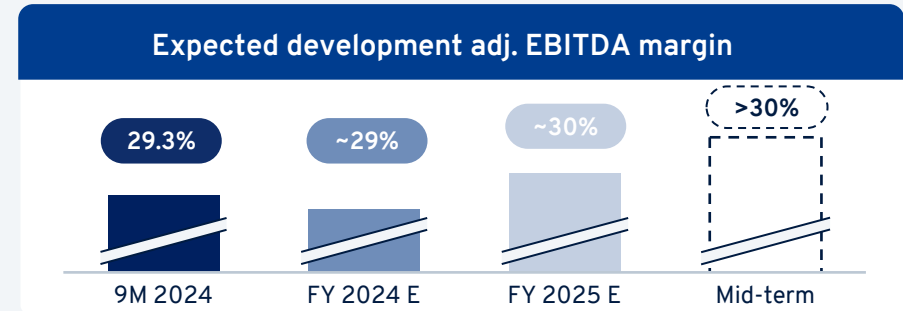
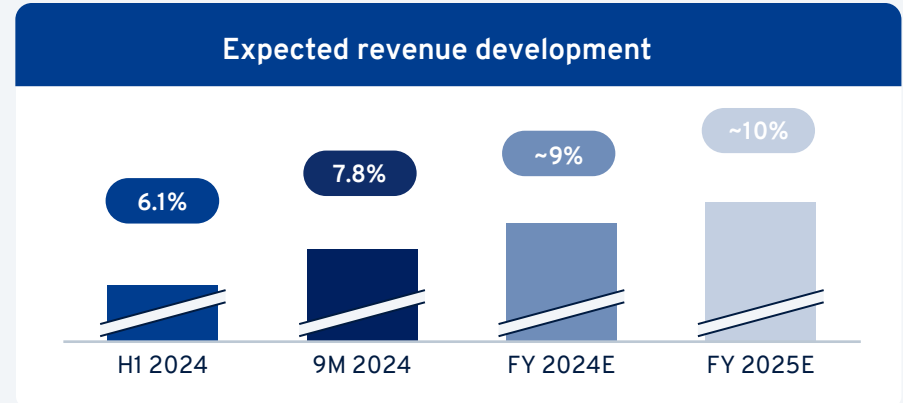
¹ Free cash flow (FCF) is defined as cash flow from operating activities, less capital expenditures, plus payments from disposals of intangible assets and property, plant and equipment

² Adjustments for either non-recurring items or non-operating items (i.e. LTIP, stand-alone costs)

³ including €13.6 million LTIP pay-out in 9M 2023

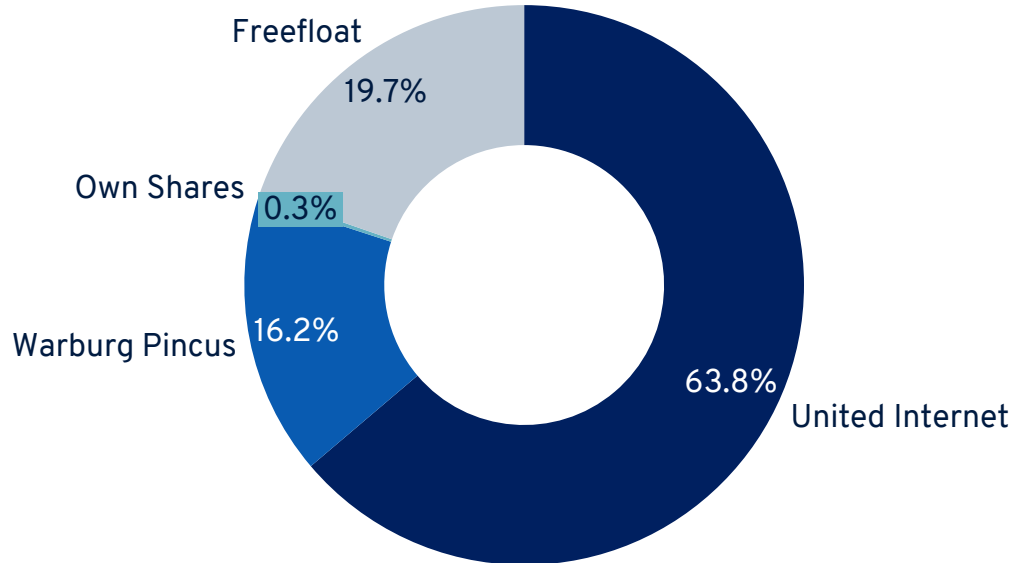
Our guidance for 2024 and 2025

	9M 2024	FY 2024E ¹
Total Revenue	7.8%	~9%
Web Presence & Productivity ex Aftermarket	11.7%	~11 – 12%
Aftermarket	-4.6%	~0%
Cloud Solutions	11.0%	~13%
Adjusted EBITDA margin	29.3%	~29%



¹ Guidance for revenue is based on constant currency

Shareholder Structure



- 2nd largest shareholder Warburg Pincus placed 7 million shares (5% of share capital) on 16 September 2024
- Freefloat increased by 5 percentage points to 19.7%

Summary & conclusion



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RESILIENCE

Sustainable and resilient business with high recurring revenues

CAPEX

High visibility in CAPEX needs for the coming years, given well-funded asset base

AFTERMARKET

Medium-term slow-down of Aftermarket growth is anticipated and will dilute the EBITDA margin less in the future

GROWTH INVESTMENTS

Brand investments peaked in FY 2023 and will stay at this level, which will support margin expansion going forward

CLOUD

Opportunity for future growth with majority of the investments already made

PRODUCTS

Product portfolio re-designed for cross- and upsell and seamless expansion

COMPETITION

Competitive landscape: IONOS is ready to take share

GROWTH POSITION

We are very well positioned for future growth

Q&A

IONOS



.online
.tech
.cloud .org
.eu .info
.com
.de



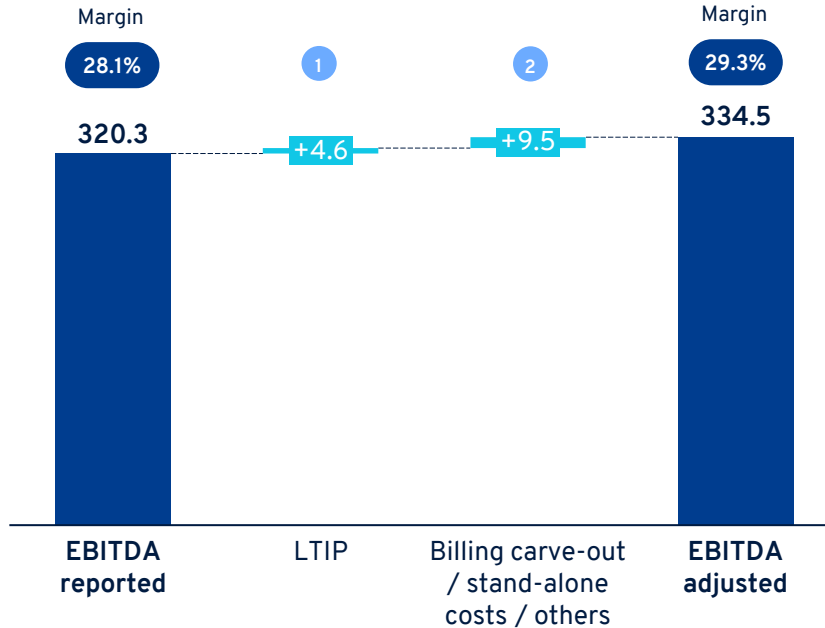
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Appendix



EBITDA to adj. EBITDA bridge

9M 2024 EBITDA, adjustments and adj. EBITDA (in €mn)



1
Employee stock ownership program

2
Cost of the billing carve-out from United Internet Group, cost for the establishment of IONOS as an independent group and others

Financial Overview

in €mn	Q3 2023	Q3 2024	Change yoy	9M 2023	9M 2024	Change yoy
Total Revenue	350.1	390.0	+11.4%	1,058.7	1,141.6	+7.8%
Adj. gross profit ¹	232.0	251.6	+8.4%	687.3	755.1	+9.9%
Adj. EBITDA	105.5	116.4	+10.4%	306.3	334.5	+9.2%
EBIT	74.5	85.5	+14.8%	224.9	238.3	+6.0%
Adjusted EBT (excl. non-cash valuation effects from a contingent purchase price liability)	53.1	71.0	+33.6%	160.2	192.5	+20.2%
Adjusted EPS in €/share (excl. non-cash valuation effects from a contingent purchase price liability)	0.30	0.33	+10.0%	0.86	0.96	+11.6%

¹ Adjusted gross profit is calculated as revenue less cost of sales (excl. T&D and D&A)