

The IONOS logo is displayed in a bold, white, sans-serif font. The letter 'O' is stylized with a vertical line through its center. The background features a dark blue gradient with abstract, glowing blue and white particle trails and bokeh effects on the right side.

# IONOS

## Half-year 2024 Results

8 August 2024

Certain information set forth in this presentation contains “forward-looking information”, including “future-oriented financial information” and “financial outlook” , under applicable securities laws (collectively referred to herein as forward-looking statements). Except for statements of historical fact ,the information contained herein constitutes forward-looking statements and includes, but is not limited to, the (i) projected financial performance of the Company; (ii) the expected development of the Company’s business, projects, and participations; (iii) execution of the Company’s vision and growth strategy; (iv) completion of the Company’s projects that are currently underway, in development or otherwise under consideration; (v) renewal of the Company’s current supplier and other material agreements; and (vi) future liquidity, working capital, and capital requirements; (vii) currency exchange rates, most notably the EUR/USD exchange rates; (viii) changes in laws and regulations, including tax regulations; (ix) the impact of acquisitions including and related integration issues and reorganization measures, and (x) the general competitive conditions that, in each individual case, apply at a local, regional, national, and/or global level.

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.

These statements are not guarantees of future performance and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause actual performance and financial results in future periods to differ materially from any projections of future performance or result expressed or implied by such forward-looking statements. Even if future results of IONOS Group SE meet the expectations expressed, they may not be indicative of the results or developments in any subsequent periods.

Although forward-looking statements contained in this presentation are based upon what management of the Company believes are reasonable assumptions, there can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management’s estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements.

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



Achim Weiß

CEO



Britta Schmidt

CFO

- Business update
- Operational performance
- Financial update
- Outlook



<sup>1</sup> Total revenue including ~€22.8mn revenue from Hosting Services to UI Group companies  
<sup>2</sup> excl. Aftermarket

H1 2024 confirmed the strength, sustainability of growth, profitability and cash generation despite economically challenging times

Revenue growth

+6.1%

Adj. EBITDA margin

29.0%

Customers

+180k to 6.28mn

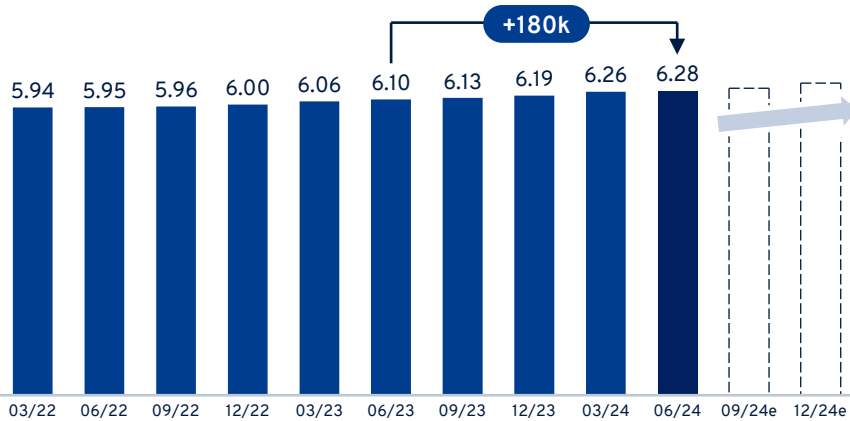
ARPU growth

+8%

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

### Customers

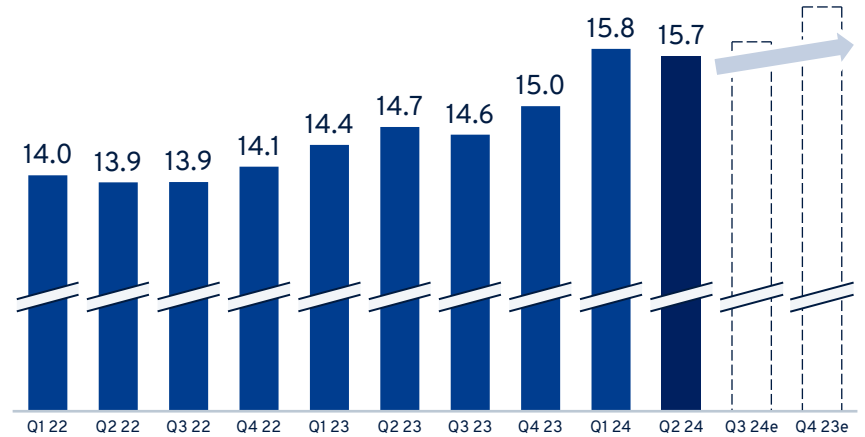
in million (unless otherwise stated)



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

### ARPU

in € per month

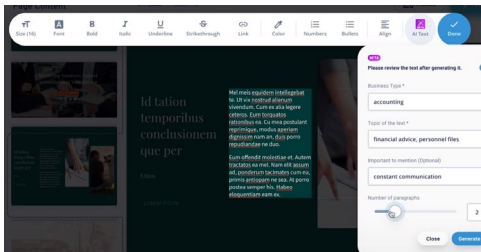
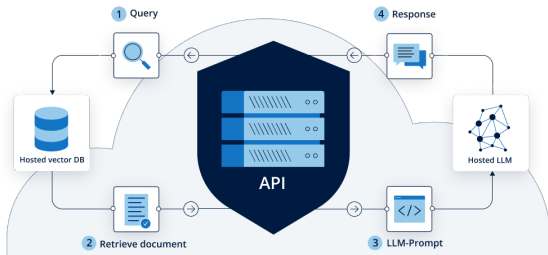


Successful up- & cross selling and pricing power

AI @IONOS - pioneering the future

Customer facing AI products & features

- AI-powered MyWebsite ✔
- AI assisted newsletter tool ✔
- AI-powered website creation ✔
- AI Model Hosting ✔ live since 31 July 2024
- AI based domain search ✔
- AI based features ✔
- Up- and cross selling ✔
- Customer interaction ✔



Internal use of AI

- Github Copilot ✔
- Text & image generation ✔
- Fraud Detection ✔
- Translation services ✔
- Financial modelling ✔

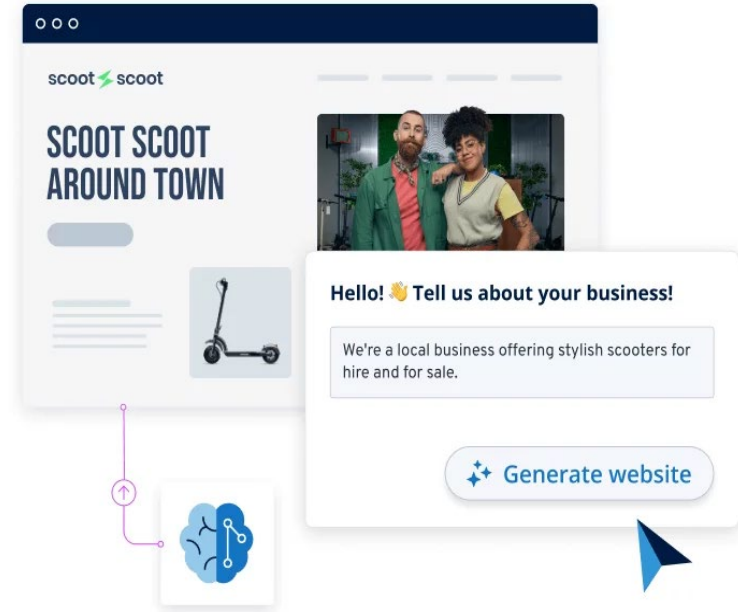


## Website Builder - AI is unleashing limitless possibilities of website creation

- SMBs struggle building a website on their own - limited time, lack of knowledge, finite creativity
- Users face problems to craft adequate texts and to create reach
- AI-powered website builder was kicked-off in May 2023 and we are perpetually upgrading and enriching the available features (i.e. AI Image Generator, AI Page Generator, AI SEO tool)

### Positive adoption of AI features

- 64% of customers choose AI over classic onboarding
- Time to publish is ~25% faster
- First week activation increased by ~ 30%
- Quality of content increased significantly with AI



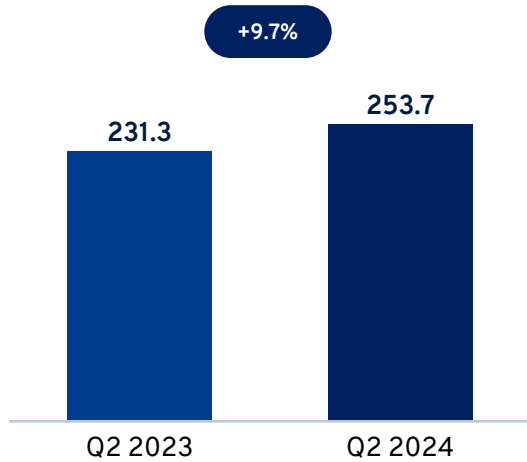


Strong growth in high margin Web Presence & Productivity (excluding Aftermarket)

Q2 2024 yoy

Revenue (€mn)

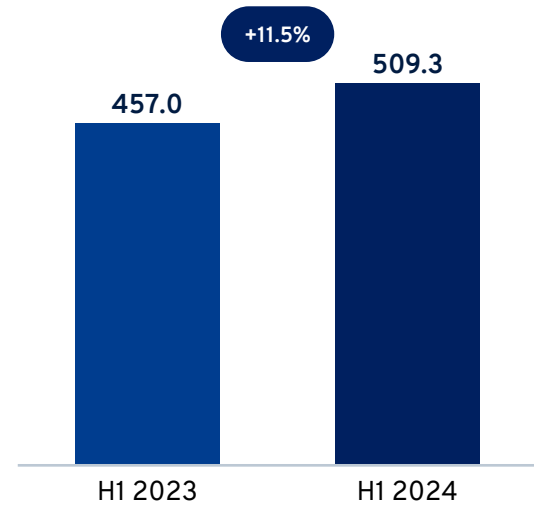
% yoy growth



H1 2024 yoy

Revenue (€mn)

% yoy growth

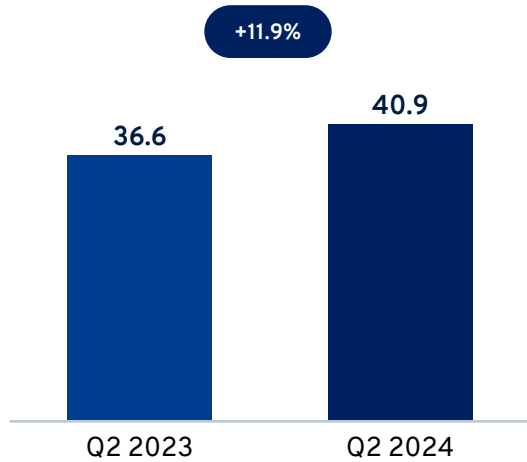


Ongoing expansion in the Cloud Solutions business

Q2 2024 yoy

Revenue (€mn)

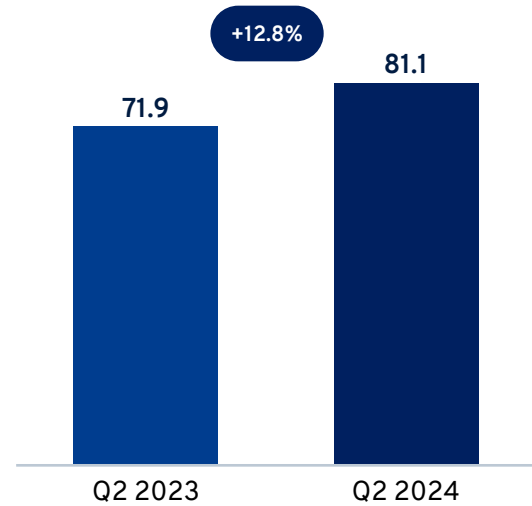
% yoy growth



H1 2024 yoy

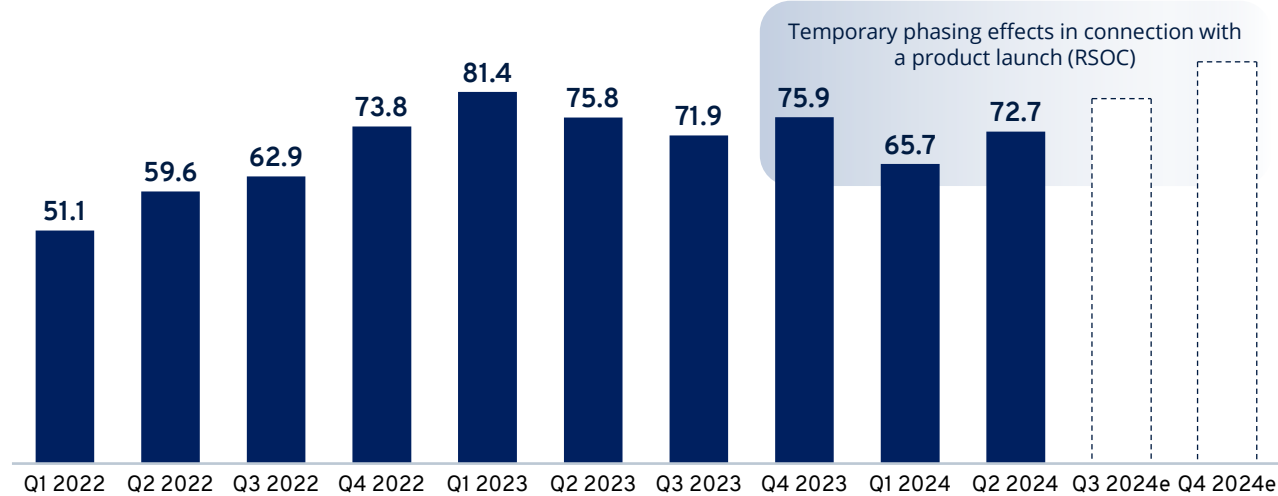
Revenue (€mn)

% yoy growth



## Aftermarket business going through a transition

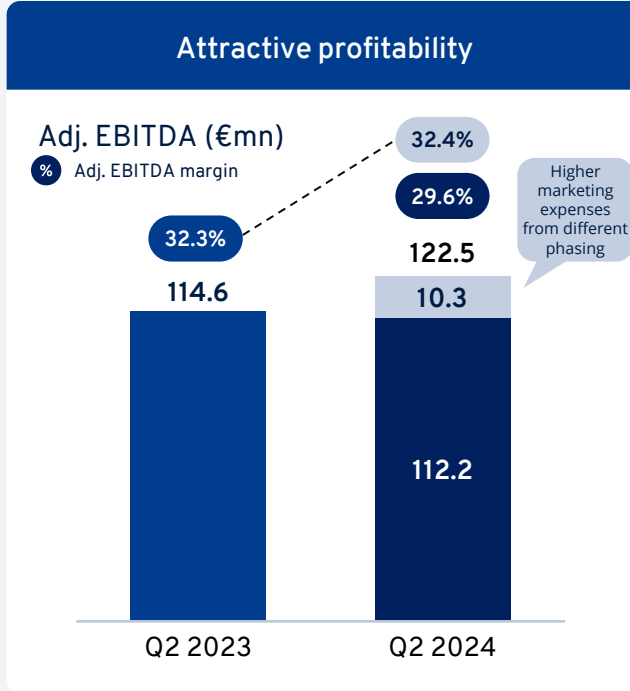
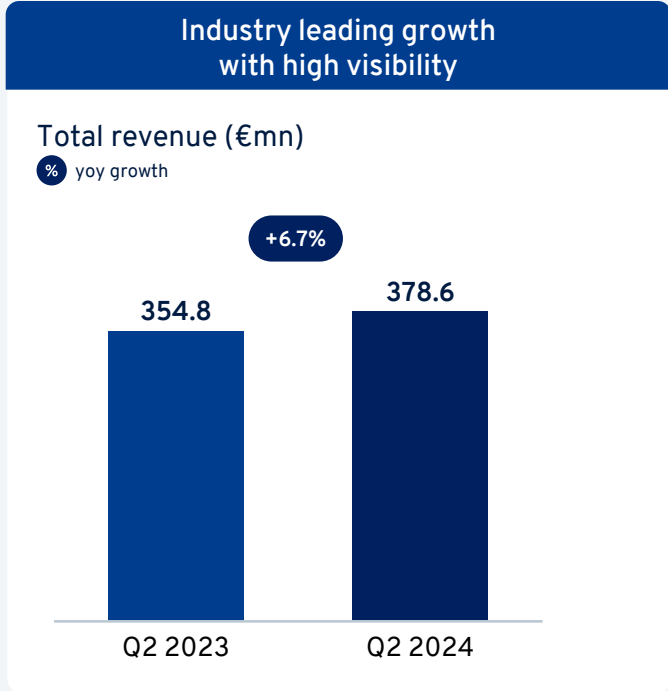
Revenue (€mn)



- Revenue -12.0% yoy in H1 2024
- Revenue -4.0% yoy in Q2 2024, recovering from Q1 2024 (-19.4% 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 ~15%<sup>1</sup>

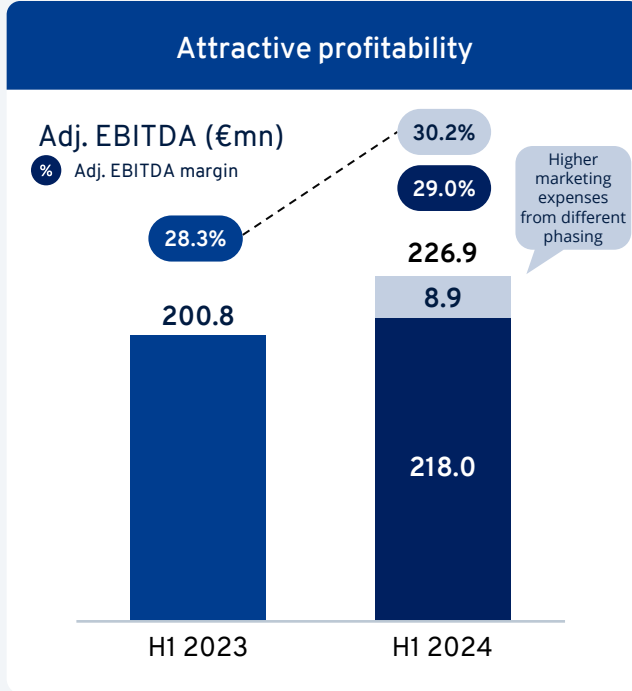
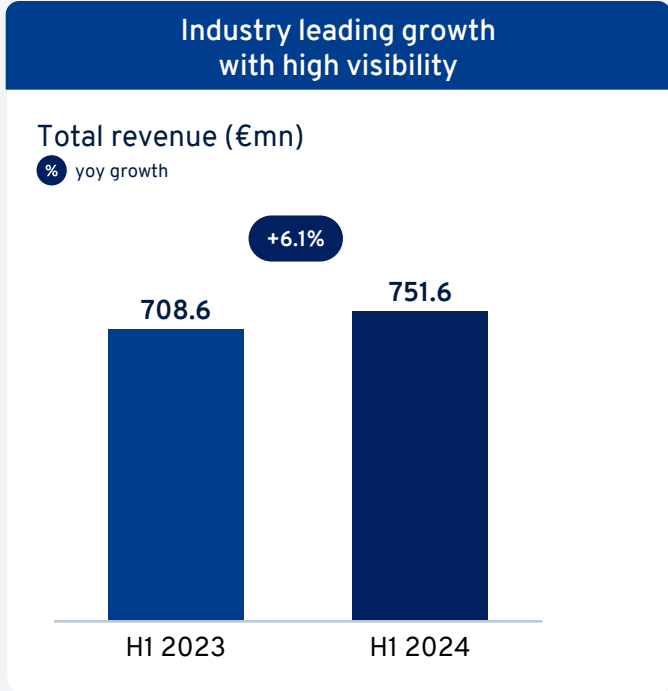
<sup>1</sup> Average EBITDA margin LTM

Q2 2024 performance with high profitability



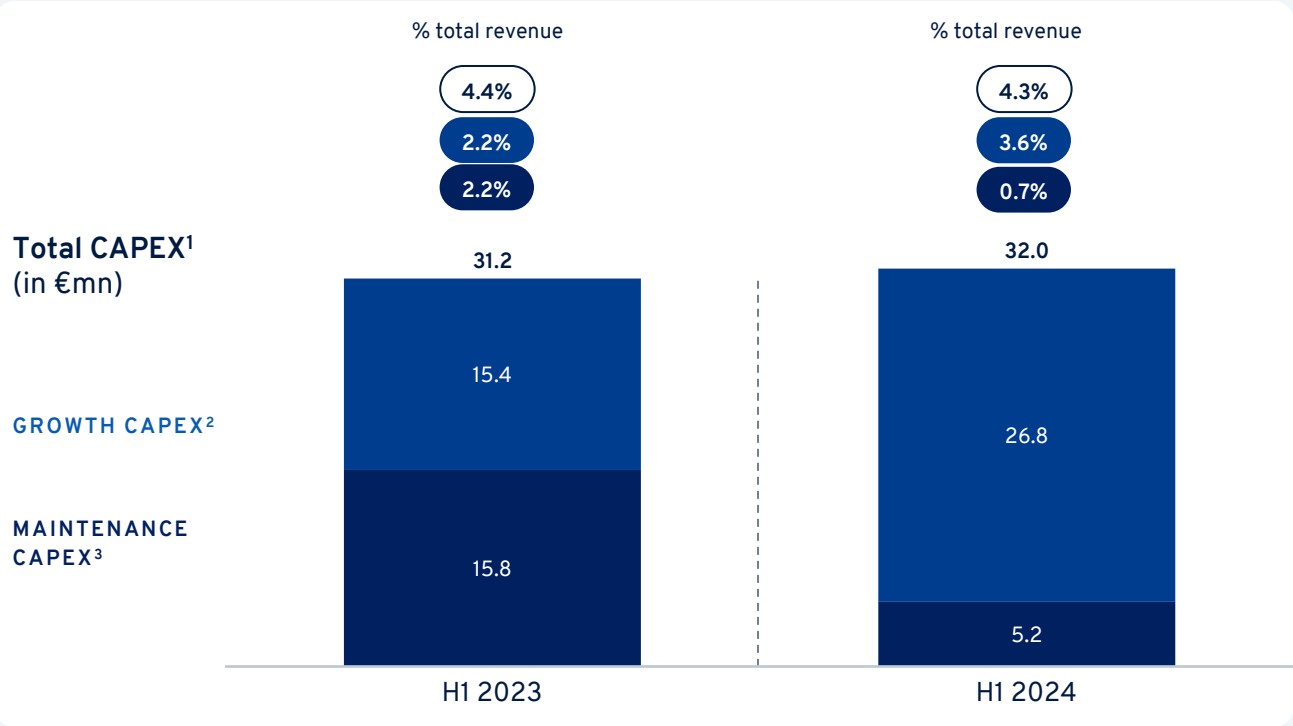
- Revenue growth of +6.7% yoy (revenue growth excl. Aftermarket at +9.6% yoy)
- Adj. EBITDA is slightly below prev. year, due to different phasing of marketing expenses (-€10.3mn) and higher license cost VMware (-€5mn)
- Adj. EBITDA margin at 29.6%, due to the different phasing of marketing expenses – adjusted for the higher marketing expenses, adj. EBITDA margin is at 32.4%

Leading into a solid H1 2024 performance of the core business



- Revenue growth of +6.1% yoy (revenue growth excl. Aftermarket at +11.2% yoy)
- Adj. EBITDA growth of 8.5% yoy, despite higher marketing expenses from different phasing (-€8.9mn) and higher license cost VMware (-€5mn)
- Adj. EBITDA margin increasing to 29.0% (adjusted for the higher marketing expenses, adj. EBITDA margin is 30.2%)

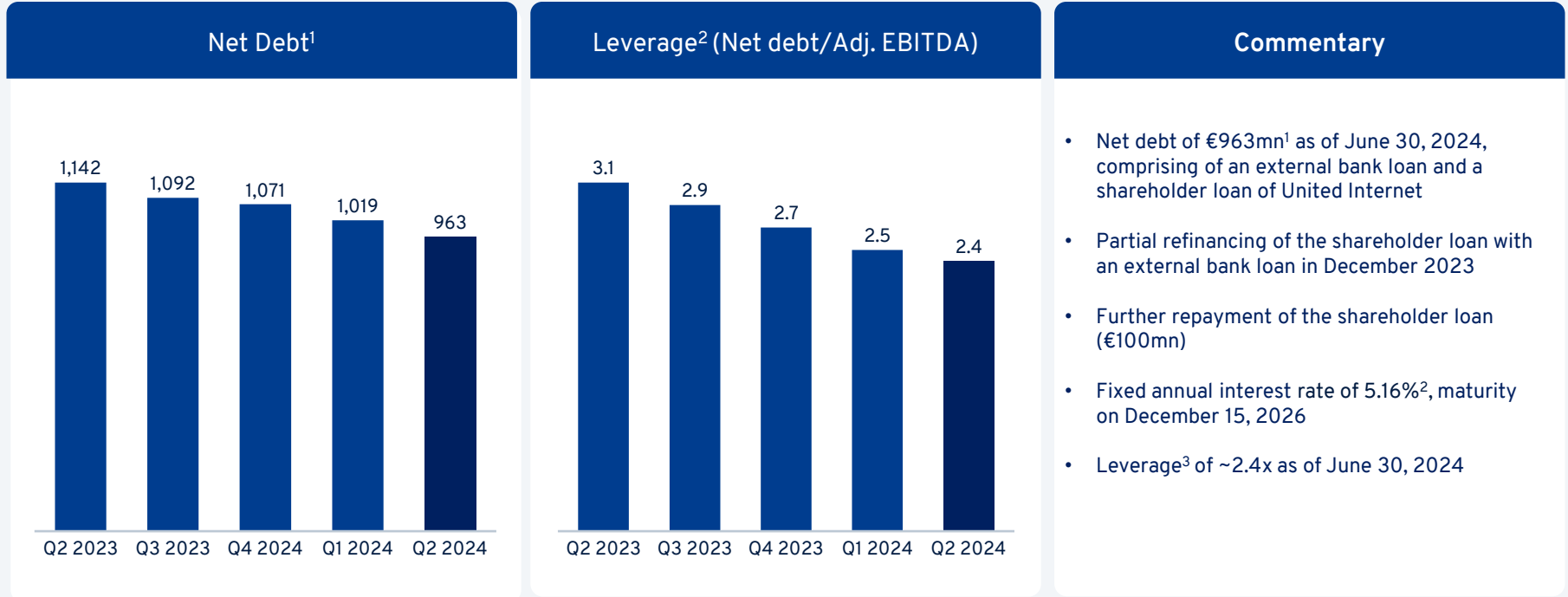
Well invested asset base with low and predictable maintenance capex requirements



- Total CAPEX as % of total revenue at 4.3% (prev. year: 4.4%)
- Low and predictable maintenance CAPEX requirements
- Majority of growth capex is related to Cloud Solutions
- Expected CAPEX for FY 2024E: ~€100mn (CAPEX/total revenue of ~6-7%)

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

## Debt at fixed interest rates without refinancing risk



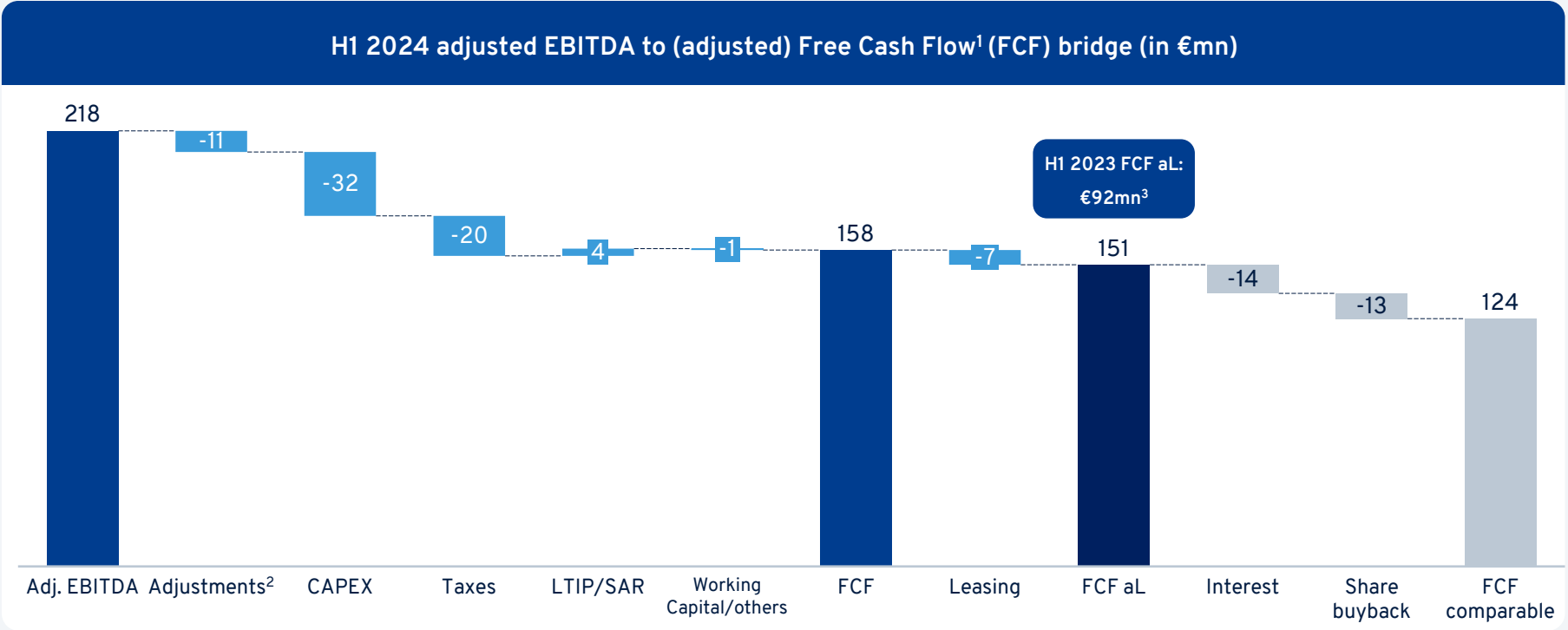
<sup>1</sup> Net Debt is the sum of liabilities to banks (30.06.2024: €800mn), non-current liabilities to related parties (30.06.2024: €250mn), current liabilities to related parties (30.06.2024: €6mn) and current liabilities to banks (30.06.2024: €19mn), less receivables from related parties (30.06.2024: €81mn), less cash and cash equivalents (30.06.2024: €31mn) at the end of the period;

<sup>2</sup> as of 30.06.2024, calculated as weighted average interest rate of gross debt

<sup>3</sup> Calculated as Net Debt / Adj. EBITDA LTM

Strong and highly predictable Free Cash Flow generation

H1 2024 adjusted EBITDA to (adjusted) Free Cash Flow<sup>1</sup> (FCF) bridge (in €mn)



<sup>1</sup> The cash flow statement was changed: Interest payments were reclassified from cash flows from operating activities to cash flows from financing activities. The changes are explained in more detail in the Group Annual Report 2023;

<sup>2</sup> 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;

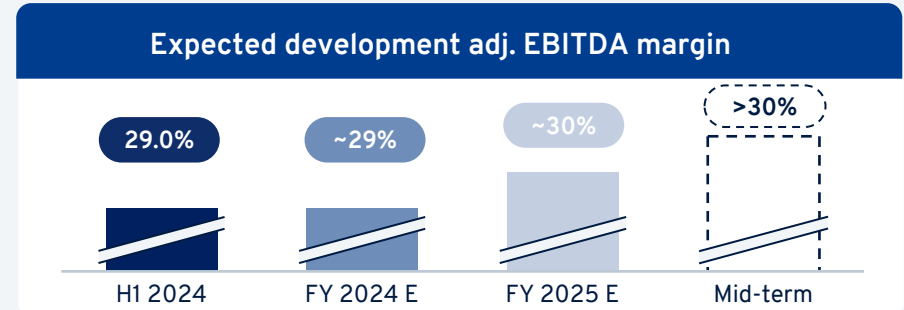
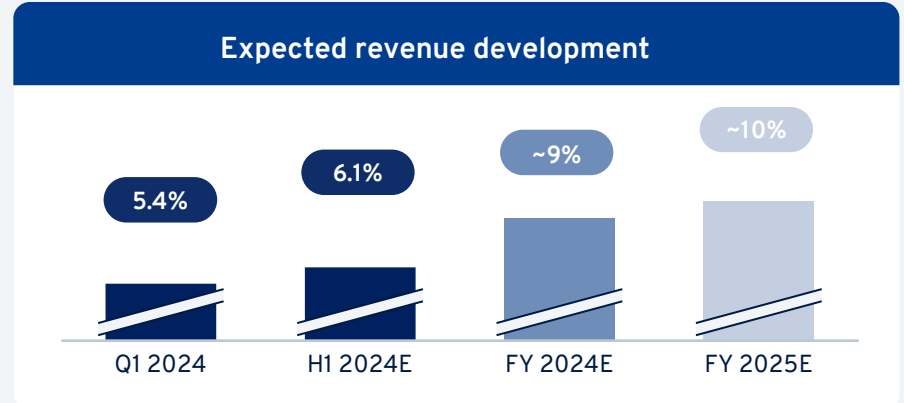
<sup>3</sup> Adjustments for either non-recurring items or non-operating items (i.e. LTIP, stand-alone costs)

<sup>3</sup> including €13.6 million LTIP pay-out in H1 2023



## Our guidance for 2024 and 2025

|  | H1 2024 | FY 2024E <sup>1</sup> |
|--|---------|-----------------------|
| Total Revenue                              | 6.1%    | ~9%                   |
| Web Presence & Productivity ex Aftermarket | 11.5%   | ~11 - 12%             |
| Aftermarket                                | -12.0%  | ~0%                   |
| Cloud Solutions                            | 12.8%   | ~15 - 17%             |
| Adjusted EBITDA margin                     | 29.0%   | ~29%                  |



<sup>1</sup> Guidance for revenue is based on constant currency

Summary & conclusion



**Q&A**

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



# IONOS

# Appendix

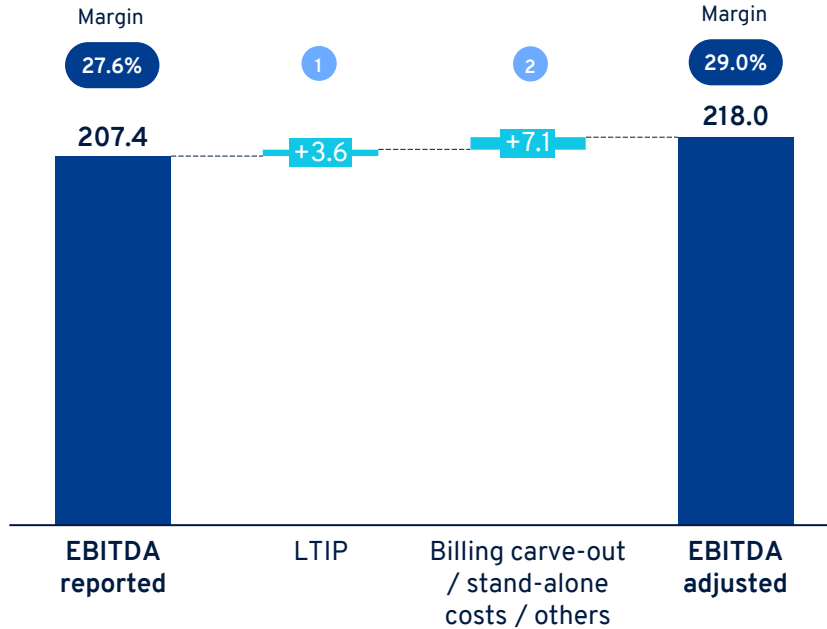
## Financial Overview

| in €mn   | Q2 2023 | Q2 2024 | Change yoy | H1 2023 | H1 2024 | Change yoy |
|--|---------|---------|------------|---------|---------|------------|
| Total Revenue  | 354.8   | 378.6   | +6.7%      | 708.6   | 751.6   | +6.1%      |
| Adj. gross profit <sup>1</sup>   | 231.2   | 249.4   | +7.9%      | 455.3   | 503.6   | +10.6%     |
| Adj. EBITDA  | 114.6   | 112.2   | -2.1%      | 200.8   | 218.0   | +8.6%      |
| EBIT   | 84.5    | 78.7    | -6.9%      | 150.4   | 152.8   | +1.6%      |
| Adjusted EBT<br>(excl. non-cash valuation effects from a contingent purchase price liability)            | 67.0    | 57.7    | -13.9%     | 107.1   | 121.5   | +13.5%     |
| Adjusted EPS in €/share<br>(excl. non-cash valuation effects from a contingent purchase price liability) | 0.35    | 0.33    | -6.5%      | 0.56    | 0.63    | +12.7%     |

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

# EBITDA to adj. EBITDA bridge

H1 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