IONOS GROUP SE

Half-year Financial Report 2025

SELECTED KEY FIGURES

	June 30; 2025	June 30, 2024	Change
NET INCOME (in €k)			
Revenue	895,049	751,614	19.1%
EBITDA	258,414	207,400	24.6%
Adjusted EBITDA	268,740	218,040	23.3%
EBIT	203,886	152,814	33.4%
Adjusted EBT [(1)]	177,598	121,504	46.2%
Adjusted EPS (in €) [(2)]	0.91	0.63	43.7%
Balance Sheet (in €k)			
Current Assets	296,777	265,420	11.8%
Non-current Assets	1,331,710	1,359,371	–2.0%
Equity	214,615	66,748	221.5%
Equity ratio	13.2%	4.1%	+9.1%-P
Balance sheet total	1,628,487	1,624,791	0.2%
CASHFLOW (in €k)			
Cash flow before changes in balance sheet items (subtotal)	202,553	177,692	14.0%
Cash flow from operating activities	198,230	189,844	4.4%
Cash flow from investing activities	–62,641	–47,538	31.8%
Free Cashflow [(3)]	167,959	150,995	11.2%
EMPLOYEES			
Employees (Headcount) as of June 30	4,115	4,255	–3.3%
thereof domestic	2,128	2,292	–7.2%
thereof foreign	1,987	1,963	1.2%
SHARE (in €)			
Share price as of June 30 (Xetra)	39.90	25.40	57.1%
Customer base (in Mio.)	6.47	6.25	0.22
thereof domestic	3.25	3.18	0.07
thereof foreign	3.22	3.07	0.15

[(1)] EBT excluding non-cash valuation effects from the contingent purchase price liability (EBT effect: € -10.347k; H1 2024: € -14.197k)

[(2)] EPS excluding non-cash valuation effects from the contingent purchase price liability (H1 2025: € -0.08; H1 2024: € -0.10). For reasons of comparability, EPS was calculated for H1 2024 as for H1 2025, on the basis of the 138,847,000 shares in circulation after the share buyback.

[(3)] Free cash flow is defined as cash flow from operating activities (disclosed in the consolidated financial statement), less capital expenditure for intangible assets and property, plant, and equipment, plus payments from the disposal of intangible assets and property, plant, and equipment, and including the repayment of lease liabilities, which have been recognized in net cash payments in the financing area since the 2019 fiscal year.

CONTENT

Note:

Due to rounding differences, figures in tables and cross-references may differ slightly from the actual figures (units of currency, percentages, etc.).

For reasons of better readability, the masculine form is used in the Combined Management Report for gender -specific designations. IONOS Group SE would like to point out that the use of the masculine form is explicitly to be understood as gender-independent.

Dear shareholders, employees, and business partners,

IONOS Group SE looks back on a successful first half of 2025, with revenue, EBITDA, and customer numbers continuing to grow.

The customer base grew by around 150,000 to 6.47 million customers in the first six months of 2025 (December 31, 2024: 6.32 million customers). Revenue increased by 19.1% to €895.0 million (H1 2024: €751.6 million). Adjusted EBITDA rose by 23.3% to €268.7 million (H1 2024: €218.0 million). The adjusted EBITDA margin improved accordingly to 30.0% (H1 2024: 29.0%).

Revenue in the Digital Solutions & Cloud segment rose by 7.0% to €656.0 million in the first half of 2025 (H1 2024: €613.3 million) or by 7.4% excluding intercompany revenue. Adjusted EBITDA for the segment increased significantly by 20.7% to €236.9 million (H1 2024: €196.2 million). The adjusted EBITDA margin rose correspondingly to 36.1% (H1 2024: 32.0%).

In the lower-margin AdTech segment, revenue rose significantly by 72.7% to €239.0 million (H1 2024: €138.4 million), starting from a weak prior-year period and supported by the better-than-expected impact of a successful product transition.

In the core business (Digital Solutions & Cloud segment), currency-adjusted revenue is still expected to grow by approximately 8% in fiscal year 2025 (2024: €1,248.1 million), with an adjusted EBITDA margin of approximately 35% (2024: 32.9%).

In the AdTech segment, the company expects revenue for the second half of 2025 to be roughly on par with the same period last year, resulting in currency-adjusted revenue of approximately €400 million for fiscal year 2025 (2024: €312.2 million). In the medium term, the current product transition is also expected to have a positive impact on the segment's revenue and earnings development.

Due to the overall positive development and continued cost discipline, adjusted EBITDA for fiscal year 2025 is now expected to grow by approximately 17% to a total of around €530 million (previous forecast: €520 million; 2024: €452.2 million).

Adjusted earnings per share (EPS) for the first half of 2025 amounted to €0.91, up 43.7% on the same period of the previous year (H1 2024: €0.63).

We are ready for the next steps in our corporate development and are optimistic about the second half of the fiscal year. We would like to thank all our employees for their commitment. We would also like to thank our shareholders and business partners for their trust in IONOS Group SE.

Montabaur, August 7, 2025

Achim Weiß

INTERIM GROUP MANAGEMENT REPORT FOR THE FIRST HALF OF 2025

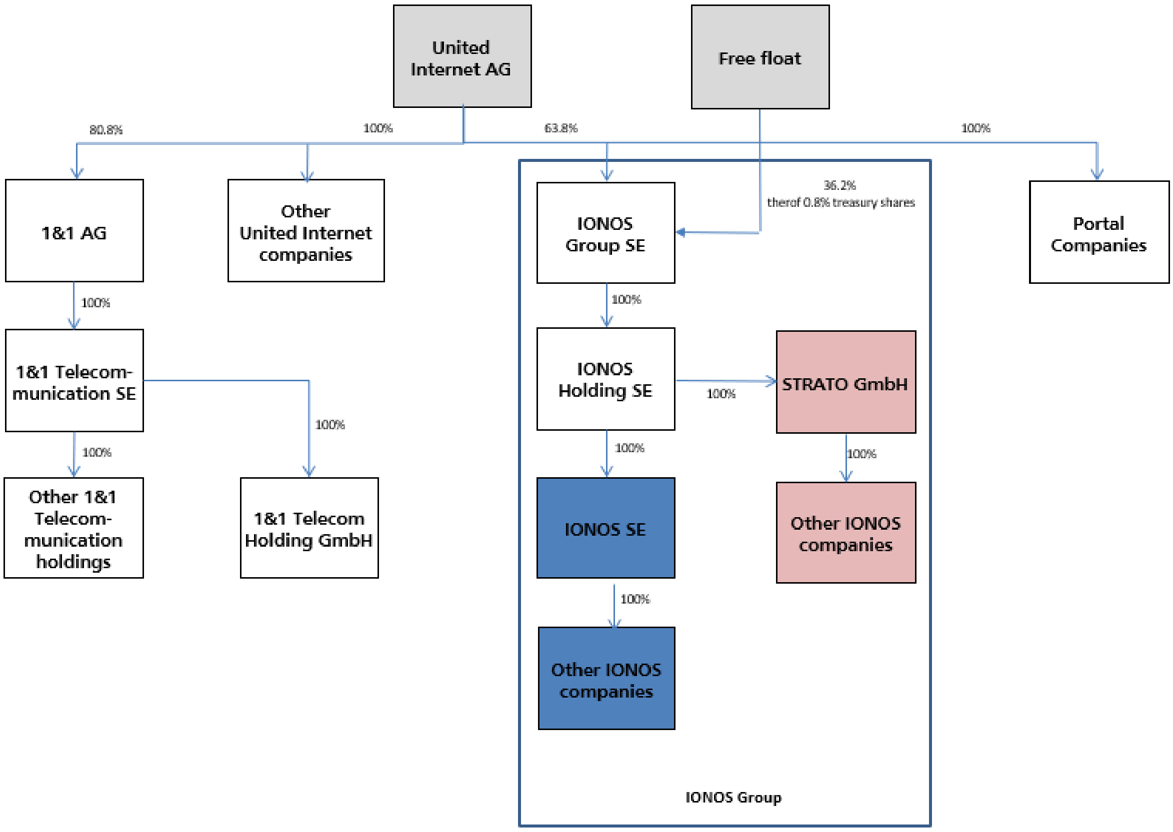
GROUP PROFILE

Group structure, strategy and control

The shares of IONOS Group SE have been listed on the regulated market of the Frankfurt Stock Exchange since February 8, 2023. As of June 30, 2025, United Internet AG held 63.8% of the shares in IONOS Group SE. As of June 30, 2025, 36.2% of the shares were in free float. Of these, IONOS Group SE holds 0.8% treasury shares.

IONOS Group SE is a pure holding company. The operating business is conducted by IONOS SE, Montabaur, and STRATO GmbH Berlin, which are held by the intermediate holding company IONOS Holding SE, as well as their subsidiaries.

A simplified representation (as of June 30, 2025) of the corporate structure and legal structure of the United Internet Group is as follows:



Business operations

IONOS is an international digitalization partner and reliable cloud enabler for small and medium-sized enterprises (SMEs), as well as for individual users (e.g., freelancers) and larger corporate customers. It offers a comprehensive product portfolio in the areas of web presence and productivity, as well as cloud solutions. This portfolio is supported by first-class customer service and infrastructure. In addition, IONOS offers an online marketplace for buying, selling, and parking domains.

The products and solutions are developed in the company's own development centers or in cooperation with partner companies and operated on over 100,000 servers in 32 data centers, including 9 of its own.

Deviating business developments from the planned business performance in 2024 led to adjustments in internal reporting to the chief operating decision maker. Since November of the 2024 fiscal year, the operating business of IONOS has been divided into the **"Digital Solutions & Cloud"** and **"AdTech"** segments in order to be able to react to business developments in the different areas and to ensure separate management. In line with internal management reporting, there are two reportable segments. To ensure a standardized presentation, the prior-year figures for the reportable key figures were allocated to the respective segments.

„Digital Solutions & Cloud" segment

The "Digital Solutions & Cloud" segment combines the business units Web Presence & Productivity and Cloud Solutions. The Web Presence & Productivity unit forms the core business around traditional web hosting. With this unit, IONOS offers its customers customized products that enable them to easily set up an internet presence. By contrast, the Cloud Solutions unit focuses on customizable server products to meet the growing demand.

In the area of web presence and productivity, IONOS offers professional solutions for online presence, such as domain registration, web hosting, website builders with artificial intelligence support, and dedicated servers. This is supported by additional productivity products (e.g., e-commerce, e-mail and marketing applications) and additional services such as search engine optimization, business applications or storage and security solutions.

In addition to the main international brand IONOS, the target group-specific marketing of the product portfolio is carried out by differently positioned brands such as STRATO, arsys, fasthosts, home.pl and World4You. In addition, there are brands with extensive domain expertise, such as United Domains and InterNetX, which offer professional services related to active domain management.

With its focus on small and medium-sized enterprises ("SMEs") in the area of web presence and productivity, IONOS operates in a market that is highly fragmented on the customer side. On the product side, these customers typically depend on the products offered by IONOS, as these are essential for sales and sales support. In addition, in most cases, the products account for only a small portion of an SME's costs and are usually paid for monthly by the customers. For example, it is rather unlikely that a small or medium-sized company would stop operating its website for cost reasons or regularly compare prices with lesser-known but comparable providers in order to change providers. Instead, such companies often prioritize the reliability and stability of their existing website over potential cost savings.

The cloud solutions offering includes both public and private cloud solutions with a wide range of services in the area of Infrastructure-as-a-Service ("IaaS"), Platform-as-a-Service ("PaaS") and Software-as-a-Service ("SaaS").

IONOS focuses on providing scalable and high-performance cloud services for small and medium-sized companies, as well as large customers looking for flexible and cost-efficient solutions for their web presence and work productivity. IONOS' customized virtual private servers, cloud servers, and PaaS, IaaS, and SaaS offerings are crucial to the smooth operation and rapid growth of these companies, with modern hardware and reliable support providing a solid foundation for their digital business success. In view of the strategic relevance of IONOS cloud solutions, it is unlikely that customers will switch providers, as the reliability of these services is important for their day-to-day business and switching often involves disproportionate migration efforts.

„AdTech" segment

The AdTech segment (formerly referred to as the "Aftermarket" unit) represents the secondary market for the use and trading of domains. The product portfolio is marketed primarily under the Sedo brand.

The AdTech business essentially allows domain owners to generate revenue from domains they are not currently using by "parking" these domains and generating revenue from advertising links.

IONOS acts as a domain parking provider and places targeted advertising on the domains in an automated manner, operates the technical platform and optimizes traffic. IONOS receives compensation from the advertising networks when visitors click on the placed advertising links. IONOS acts as an integrator with the technical platform, because IONOS can directly influence the revenues by optimizing traffic and monetization, as well as the possibility of pricing with the owners of the parked domains. In this way, the domain owners benefit from the click-through rate of the advertising and are remunerated by IONOS.

In addition, revenues are increasingly being generated by the "RSOC" (Related Search On Content) product provided by Google, in which IONOS operates a platform for monetizing traffic via advertising links. As an alternative to domain parking, the sale or rental of domains can also be pursued, with IONOS acting as a broker. IONOS offers suitable solutions through the Sedo brand via the company's own marketplace, where domains can be offered at attractive prices or sold in an auction format. With over 22 million listed and already registered domains, Sedo operates one of the largest trading platforms for internet addresses. In addition to the traditional brokerage business, additional services are offered, such as the brokerage service, the creation of domain valuations and the transfer service. The brokerage business is remunerated mainly on a commission basis, while other ancillary services are remunerated through fees. Domain trading is particularly interesting for companies with strong brands, which often require domains to protect their brand and strengthen their online presence.

Main focus areas for products and innovations

IONOS does not conduct traditional research and development (R&D) comparable to that of a manufacturing company. In the industry context, research and development expenses also play a rather minor role. In view of this, IONOS does not report any R&D figures.

Nevertheless, IONOS stands for innovative, web-based products and applications. The ability to further develop, combine, and adapt innovative products and services and to launch them in large markets forms the basis for the group's success.

In addition to continuously optimizing and ensuring the reliable operation of all services offered, the programmers, product managers, and technical administrators at domestic and international locations worked on the following projects in particular in the first half of 2025:

- IONOS GPT
  - IONOS GPT is a free and privacy-compliant AI solution that makes it possible to use generative AI securely and easily – developed and operated in Germany. Unlike many US services, IONOS GPT does not process personal data for training purposes. IONOS guarantees that usage data is not used for training and that no data is transferred to third countries. The data centers used in Germany are multi-certified (including ISO/IEC 27001:2013) and are powered by 100 percent green electricity. Based on the IONOS AI Model Hub, only the latest open-source models such as Llama and Mistral, are used. IONOS GPT is more than a classic AI chatbot; it provides an easy, structured introduction to the world of generative AI. Instead of leaving users to their own devices, IONOS GPT offers four

specialized assistants that cover specific areas of application: text generation, image editing, programming, and general research and knowledge.

- SEDOTMP
  - SedoTMP, a platform within the Sedo product portfolio and part of the AdTech segment of IONOS Group SE, specializes in optimizing and monetizing search traffic. To do this, it uses Google technology called Related Search on Content (RSOC). SedoTMP offers features such as API integration, multiple traffic sources, fine-grained revenue monitoring, and quick payouts. With SedoTMP, Sedo has expanded its product portfolio to respond to changing market conditions.

- SSL Checker / OneDNS / Afternic on OneDomains platform
  As part of the further development of the OneDomains platform, several new features have been introduced:
  - SSL-Checker: A tool for easily checking the validity and configuration of SSL certificates, which increases security for domain and website operators.
  - OneDNS: A new, unified DNS solution that provides customers with greater control and security when managing their domain DNS records.
  - Afternic-integration: By connecting to the Afternic marketplace, customers can buy and sell domains directly via the OneDomains platform, which facilitates access to international domain trading and creates additional monetization opportunities.

These enhancements improve domain management, increase security, and offer customers additional value on the OneDomains platform.

- Stretch @ Strato, Fasthosts -> Rollout of Group Platforms (OX8, Stretch)
  - In the first half of 2025, the harmonization of platforms within the group was further advanced. At STRATO and Fasthosts, the central group platform was rolled out, in particular OX8 (Open-Xchange 8) and Stretch. The aim is to create a uniform, modern infrastructure for email and collaboration services that enables a consistent user experience and efficient further development. The migration is being implemented in stages and accompanied by comprehensive quality assurance measures to ensure a smooth transition for customers.

- Bare Metal Cloud RaptorLake and ARM
  - IONOS has expanded its range of Bare Metal Cloud servers with the introduction of new server generations featuring Intel Raptor Lake and ARM processors. These offer customers significantly increased performance and energy efficiency. The new servers are particularly suitable for demanding and cloud-native workloads as well as for AI and big data, and can be flexibly configured. This strengthens IONOS' position in the Infrastructure-as-a-Service sector and specifically addresses the growing demand for powerful, customized server solutions.
- BYOIP/vSAN Enterprise/NFS snapshots for Private Cloud
  - Important enhancements have been introduced in the private cloud area: With Bring Your Own IP (BYOIP), customers can use their own IP address ranges on the private cloud, vSAN Enterprise enables highly available, software-defined storage, and NFS snapshots offer flexible and efficient data protection. These innovations increase the flexibility, security, and compliance of private cloud offerings and are particularly aimed at business customers with high requirements.
- Image Factory for IONOS Cloud
  - Over the course of the year, Image Factory was successfully expanded to Managed Kubernetes (MK8s) images for IONOS Cloud. SBOM generation, vulnerability scanning, and antivirus scanning are performed to secure the software supply chain. Each image is automatically tested. IONOS provides custom metadata for each image, including a detailed list of installed packages for each base image. This development enables IONOS to offer Managed Kubernetes applications with the highest quality and security, thereby providing even better service to IONOS customers. Automating image creation also minimizes sources of error and significantly reduces the time to market for new cloud products and services. Image Factory is an important building block for the scalability and standardization of the IONOS cloud infrastructure and facilitates the integration of new technologies and security updates.
- Opening of a new colocation data center in Frankfurt am Main.
  - In the first half of 2025, IONOS acquired additional capacity in a new colocation data center in Frankfurt am Main. There, IONOS operates its own server, storage, and network infrastructure in a state-of-the-art environment that meets the highest standards of energy efficiency, security, and connectivity. By using this location, IONOS can even better serve the growing demand for cloud and hosting services in German data centers.

General economic, sector and legal framework conditions

General economic development

In its updated economic outlook (World Economic Outlook, July 2025 update), the International Monetary Fund (IMF) forecasts global economic growth of 3.0% for 2025, following growth of 3.3% in the previous year (January forecast: 3.3%).

Nevertheless, the IMF experts are slightly more optimistic than in their April forecast (2.8%). This is due to stronger-than-expected purchases in the run-up to the planned increase in US tariffs and a decline in the effective US tariff rate from 24.4% to 17.3%. At the same time, however, the IMF warned that the global economy remains exposed to significant risks, such as a possible resurgence of tariffs, geopolitical tensions, and growing budget deficits.

The fund has adjusted its forecasts for 2025 for IONOS' North American target countries as follows during the year. The US is expected to grow by 1.9% (previous year: 2.8%), which is 0.8 percentage points less than in the January forecast. The forecast for Canada is for an increase of 1.6% (previous year: 1.6%), which is 0.4 percentage points less than originally expected. And for Mexico, the IMF expects economic output to increase by 0.2% (previous year: 1.4%), which is 1.2 percentage points less than at the beginning of the year.

For the eurozone, which is important for IONOS, the IMF maintained its forecast and expects economic output to grow by 1.0% (previous year: 0.9%), unchanged from its January forecast. The forecast for France was lowered slightly by 0.2 percentage points to 0.6% (previous year: 1.1%), while the forecast for Spain was raised by 0.2 percentage points to 2.5% (previous year: 3.2%). The forecast for Italy was also lowered by 0.2 percentage points to 0.5% (previous year: 0.7%).

For the United Kingdom, the IMF currently forecasts growth of 1.2% (previous year: 1.1%), which is 0.4 percentage points less than at the beginning of the year.

The economic outlook for Germany, which is the most important market for IONOS (share of revenue in 2024: around 56%), was revised downward by the IMF by 0.2 percentage points during the year, and economic output is now expected to grow by only 0.1% in 2025 (previous year: -0.2%).

Changes to the 2025 growth forecasts for key target countries and regions of the IONOS Group:

	Actual 2024	January forecast 2025	April forecast 2025	July forecast 2025	Change on January forecast
World	3.3%	3.1%	2.8%	3.0%	-0.3%-P
USA	2.8%	2.7%	1.8%	1.9%	-0.8%-P
Canada	1.6%	2.0%	1.4%	1.6%	–0.4%-P
Mexico	1.4%	1.4%	-0.3%	0.2%	–1.2%-P
Eurozone	0.9%	1.0%	0.8%	1.0%	+/-0.0%-P
France	1.1%	0.8%	0.6%	0.6%	–0.2%-P
Spain	3.2%	2.3%	2.5%	2.5%	+0.2%-P
Italy	0.7%	0.7%	0.4%	0.5%	-0.2%-P
UK	1.1%	1.6%	1.1%	1.2%	-0.4%-P
Germany	–0.2%	0.3%	0.0%	0.1%	–0.2%-P

Source: International Monetary Fund, World Economic Outlook (Update), January 2025, April 2025, July 2025

Development of the sector

Germany's digital economy is proving largely crisis-proof. Despite geopolitical uncertainties and the current difficult economic environment, sales are growing. This is how the industry association Bitkom summarized the situation of the German ICT sector (ICT = information and communication technology) at its 2025 half-year press conference.

However, not all companies are participating equally in the growth in sales in the ICT sector, as shown by the **Bitkom-ifo Digital Index**. This index is calculated based on the current business situation and future business expectations of companies. Although it improved slightly in June, it is still below zero at minus 1.0 points. Business expectations for the coming quarter rose by 10 points in June, from minus 13.3 to minus 3.2 points. According to Bitkom, the improved business expectations primarily reflect expectations of the new federal government and the Ministry of Digital Affairs. Overall, however, the Bitkom Ifo Digital Index remains well above the **Ifo Business Climate Index for the economy as a whole**, which has been in negative territory for more than two years at minus 6.7 points.

Legal conditions / significant events

The legal framework for the business activities of IONOS remained essentially constant in H1 2025 compared to fiscal year 2024 and therefore had no significant impact on the business development.

The second-largest shareholder after United Internet AG, WP XII Venture Holdings II SCSp, Luxembourg/Luxembourg, sold its remaining shares in the IONOS Group on March 27, 2025. This sale was the third and final step in Warburg Pincus' exit from the IONOS Group. As a result of the sale, the IONOS Group fulfilled its obligation to service the purchase price liability in connection with the acquisition of STRATO GmbH. In addition, the complete sale of all shares in the IONOS Group by Warburg Pincus constitutes a trigger event within the meaning of the Long Term Incentive Plan. IONOS fulfilled the contractual requirements for the employee stock ownership program in May 2025 and thus met its obligations to the participants.

Business development

Use of relevant financial performance measures

To ensure a clear and transparent presentation of IONOS' business performance, the Group's annual and interim financial statements include, in addition to the disclosures required by International Financial Reporting Standards (IFRS), other financial indicators such as EBITDA, EBITDA margin, EBIT, EBIT margin, cash flow before changes in balance sheet items (subtotal), and free cash flow. These key figures are defined and calculated in the 2024 Annual Report.

Where necessary for clear and transparent presentation, the aforementioned key figures are adjusted for special factors/effects and reported as “adjusted key figures” (e.g., adjusted EBITDA, adjusted EBIT, or adjusted EPS). Special items generally only include effects that, due to their nature, frequency, and/or scope, are likely to impair the significance of the financial key figures for the Group's financial and earnings performance.

Development of the business segments

The Group's operating activities are divided into two business segments: “Digital Solutions & Cloud” and “AdTech.”

The Digital Solutions & Cloud segment comprises the Web Presence & Productivity and Cloud Solutions business units. In the Web Presence & Productivity segment, IONOS offers customers tailor-made products that enable them to quickly and easily establish an Internet presence. The Cloud Solutions offering includes both public cloud and private cloud solutions with a wide range of services in the areas of Infrastructure-as-a-Service (IaaS), Platform-as-a-Service (PaaS), and Software-as-a-Service (SaaS).

The AdTech segment (formerly referred to as the “Aftermarket” unit) represents the secondary market for the use and trading of domains. The product portfolio is marketed primarily under the Sedo brand.

On the one hand, IONOS acts as a domain parking provider, placing automated and targeted advertising on the domains, operating the technical platform, and optimizing traffic. In the parking segment, revenues are increasingly being generated with the “RSOC” (Related Search On Content) product provided by Google, for which IONOS operates a platform for monetizing traffic via advertising links. On the other hand, IONOS offers suitable solutions under the Sedo brand via its own marketplace, where domains can be offered at attractive prices or sold in an auction format.

As part of group-wide standardization measures, some products were reclassified and reassigned. In addition, the AdTech segment is reported for the first time, having been reported in the Web Presence & Productivity business unit in the previous year.

„Digital Solutions & Cloud" segment

In the Digital Solutions & Cloud segment, the focus in the first half of 2025 was again on acquiring new customers.

Overall, the number of customers went up by about 150,000 in the first 6 months to a total of about 6.47 million customers.

Development of customer base

in million.	June 30, 2025	June 30, 2024	Change
Total customers	**6.47**	**6.25**	**0.22**
thereof domestic	3.25	3.18	0.07
thereof foreign	3.22	3.07	0.15

in million.	June 30, 2025	December 31, 2024	Change
Total customers	**6.47**	**6.32**	**0.15**
thereof domestic	3.25	3.20	0.04
thereof foreign	3.22	3.12	0.11

The number of paying customers increased by approximately 220,000 year-on-year. This growth was driven in particular by our current TV campaigns at IONOS, but also by the efficient use of performance marketing measures, with approximately 70,000 customers in Germany and approximately 150,000 customers abroad. This brought the total customer base to 6.47 million.

Quarterly development: Changes compared to the previous quarter

in €k	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q2 2024	Change
Revenue	309,844	324,976	329,641	326,400	305,945	6.7%
Cost of sales	-135,388	-139,848	-133,060	-135,610	-133,280	1.9%
Depreciation and amortization	27,326	29,980	27,390	27,066	27,359	-1.1%
EBITDA	105,332	97,401	106,389	120,184	96,835	24.1%
Adjusted EBITDA	108,839	105,230	112,772	124,126	102,971	20.5%

Due to customer growth and successful upselling and cross-selling, revenue in the Digital Solutions & Cloud segment increased by 6.7% year-on-year from €305,945k to €326,400k. Further growth in the public cloud segment of Cloud Solutions also contributed to this increase.

Segment EBITDA grew by 24.1% to €120,184k due to revenue growth and a higher margin resulting from scale and price effects.

Adjusted for special items, operating segment EBITDA increased by 20.5% year-on-year in the first half of the year, from €102,971k to €124,126k.

Key revenue and earnings figures for the first half of 2025

in €k		2024 January - June	2025 January - June	Change
Revenue		613,250	656,041	7.0%
Cost of sales		–263,618	–268,671	1.9%
Depreciation and amortization		54,410	54,456	0.1%
EBITDA		**185,572**	**226,573**	**22.1%**
Adjusted EBITDA		**196,212**	**236,899**	**20.7%**

Due to customer growth and successful upselling and cross-selling, revenue in the Digital Solutions & Cloud segment increased by 7.0% year-on-year, from €613,250k to €656,041k. In addition, further growth in virtual private server products and in the large customer business relating to the Enterprise Cloud also contributed positively to revenue growth in the Cloud Solutions segment.

Segment EBITDA increased by 22.1% to €226,573k due to revenue growth and a higher margin resulting from scale and price effects.

Adjusted for special items, operating segment EBITDA went up 20.7% year-on-year, from €196,212k to €236,899k in the first half of 2025.

„AdTech“ segment

In the AdTech segment, revenues increased significantly by 72.7% from €138,364k to €239,008k, based on an exceptionally weak prior-year period and supported by a positive product changeover.

Mainly due to strong revenue growth in the first half of the year, EBITDA increased by 45.9% compared to the previous year.

Key revenue and earnings figures for the first half of 2025

in €k		2024 January - June	2025 January - June	Change
Revenue		138,364	239,008	72.7%
Cost of sales		–112,330	–196,305	74.8%
Depreciation and amortization		177	143	–19.2%
EBITDA		**21,828**	**31,841**	**45.9%**
Adjusted EBITDA		**21,828**	**31,841**	**45.9%**

Quarterly development: Changes compared to the previous quarter

in €k	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q2 2024	Veränderung
Revenue	80,149	93.718	116,667	122,341	72,700	68.3%
Cost of sales	–68,562	–81,487	–93,523	–102,782	–60,626	69.5%
Depreciation and amortization	77	76	71	72	83	–13.3%
EBITDA	7,582	12,506	18,238	13,603	9,262	46.9%
Adjusted EBITDA	7,582	12,506	18,238	13,603	9,262	46.9%

EBITDA in the second quarter of 2025 declined compared to the previous quarter due to rising revenues from the migration of partners from the AdSense for Domains product to Related Search on Content

(RSoC). This is due to the initially lower margin in the market launch of RSoC, which is expected to increase over time as the product matures. Compared to the previous year, the strong growth of the first three months was also confirmed in the second quarter.

Share | 1st half of 2025

In the first half of 2025, IONOS shares continued their impressive performance. The share price went from €21.85 on December 31, 2024, to €39.90 on June 30, 2025, which is an increase of around 82.6%. The IONOS share thus significantly outperformed the benchmark indices: the MDAX rose by 19.1% and the DAX by 20.1% over the same period.

The Annual General Meeting of IONOS Group SE took place on May 13, 2025. All items on the agenda were approved by a large majority again this year. The company continues to place great importance on active, ongoing, and transparent communication with all capital market participants. The Management Board and Investor Relations maintained regular contact with institutional and private investors. Current analyst recommendations are available on the website in the Investor Relations / Stock section under Analyst Coverage.

A significant milestone was the inclusion of IONOS shares in the MDAX on June 23, 2025, reflecting the positive performance of the share price, higher liquidity, and thus the growing importance of IONOS Group SE on the capital market.

Share buyback program

During the period from January 27, 2025, up to and including April 1, 2025, the Company has acquired a total of 1,500,000 treasury shares (corresponding to approximately 1.1% of the issued capital of €140,000,000) with a total volume of €36.6 million (excluding incidental acquisition costs) on the stock exchange as part of a share buyback program.

The repurchase based on the authorization granted by the extraordinary general meeting on January 26, 2023, was carried out, among other things, to settle claims arising from employee stock ownership programs but may in principle be used for all purposes specified in the authorization granted by the general meeting.

For information on the issue of shares under the employee stock ownership program, please refer to the explanations in the section “Further information.”

Personnel Report

As of June 30, 2025, the IONOS Group employed 4,115 people. Due to staff turnover and optimizations in some departments, the number of employees decreased by 140 or 3.3% compared to the previous year (4,255 employees), despite the positive development of the company.

The number of employees in Germany fell by 164 or 7.2% from 2,292 in the previous year to 2,128 as of June 30, 2025. In contrast, the number of employees in foreign companies increased slightly by 24 or 1.2% from 1,963 in the previous year to 1,987.

	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025	Change
Employees, total	4,159	4,309	4,255	4,115	–3.3%
thereof domestic	2,278	2,301	2,292	2,128	–7.2%
thereof foreign	1,881	2,008	1,963	1,987	1.2%

Personnel expenses decreased by 2.6% from €147,679k in the previous year to €143,909k in the first half of 2025, falling at a slower rate than the decline in the number of employees. This is due to one-time expenses incurred in connection with optimization measures in some departments. At 16.1%, the personnel expense ratio for the first half of 2025 is below the ratio for the same period of the previous year.

	H1 2022	H1 2023	H1 2024	H1 2025	Change
Personnel expenses (in €k)	117,236	133,681	147,679	143,909	–2.6%
Personnel expense ratio	18.6%	18.9%	19.6%	16.1%	–3.5%-P

Position of the Group

In the first half of 2025, there were no significant acquisition and divestment effects on the Group's revenue and EBITDA.

Group’s earnings position

The number of paying customers increased by a total of approximately 150,000 in the first half of 2025 to 6.47 million customers as of June 30, 2025.

Total revenues (sum of revenues from contracts with customers and revenues from related companies) at IONOS increased by 19.1% to €895,049k in the first half of 2025 (previous year: €751,614k). The increase is mainly attributable to the positive development of the AdTech segment, positive development of new customer business, and higher revenues from cross-selling and upselling to existing customers. In addition, the continued expansion of the cloud infrastructure and services business and the lagged effects of last year's price increases contributed to the increase in revenues.

Quarterly development: Changes compared to the previous quarter

in €k	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q2 2024	Change
Revenue	389,993	418,694	446,308	448,741	378,645	18.5%
EBITDA	112,914	109,907	124,627	133,787	106,097	26.1%
Adjusted EBITDA	116,421	117,736	131,010	137,729	112,233	22.7%
EBIT	85,511	79,851	97,166	106,720	78,656	35.7%

Multi-period overview: Development of revenue and key earnings figures

in €k	H1 2022	H1 2023	H1 2024	H1 2025	Change
Revenue	629,804	708,644	751,614	895,049	19.1%
EBITDA	170,045	204,015	207,400	258,414	24.6%
EBITDA margin	27.0%	28.8%	27.6%	28.9%	+1.3%-P
Adjusted EBITDA	181,402	200,849	218,040	268,740	23.3%
Adjusted EBITDA margin	28.8%	28.3%	29.0%	30.0%	+1.0%-P
EBIT	113,245	150,383	152,814	203,886	33.4%
EBIT margin	18.0%	21.2%	20.3%	22.8%	+2.5%-P

Foreign revenues from third parties at IONOS amounted to €348,872k (previous year: €322,413k).

Revenue from related companies amounted to €21,566k (previous year: €22,804k) and mainly resulted from internal service transactions. IONOS provides general services for companies within the United Internet Group in the areas of development, sales, data centers, and product management.

Multi-period overview: Development of key cost items

in €k	H1 2022	H1 2023	H1 2024	H1 2025	Change
Cost of sales	332,771	376.393	375,948	464,976	23.9%
Cost of sales ratio	52.8%	53.1%	50.0%	51.9%	+1.9%-P
Gross margin	47.2%	46.9%	50.0%	48.1%	–1.9%-P
Selling expenses	137,731	143,691	165,339	174,097	5.3%
Selling expenses ratio	21.9%	20.3%	22.0%	19.5%	–2.5%-P
Administrative expenses	39,528	45,854	50,882	51,535	1.3%
Administrative expenses ratio	6.3%	6.5%	6.8%	5.8%	–1.0%-P

Compared to the first half of the previous year, **costs of sales** increased by 26.7% to €464,976k in the first half of 2025, with revenue increasing by 19.1%, resulting in a slight decline in the gross margin from 50.0% to 48.1%. This development is mainly due to the strong increase in the lower-margin AdTech segment.

Due to higher expenses for marketing services (+€12,659k or +22.2%), **selling expenses** increased by 5.3% (+€8,758k) in the first half of 2025. This was offset by lower personnel expenses, which fell by €3,905k or 5.6% as part of optimization measures in some departments. Due to the overall disproportionately low increase in sales expenses compared to revenue, the sales expense ratio improved by 2.5 percentage points in the first half of the year.

Administrative expenses increased by +1.3% (+€653k) in the first half of 2025 compared with the previous year. The slight increase of 5.1% (€898k) in personnel expenses and the €989k increase in legal and consulting expenses were offset by lower expenses for rent (€593k) and insurance (€211k). Measured in terms of revenue, the administrative expense ratio fell significantly from 6.8% to 5.8% as a result of efficiency gains.

The net position from **other operating income and expenses** increased significantly by €5,804k to €8,403k (previous year: €2,599k). This is mainly due to the volatility of the US dollar and the resulting higher income from currency translations.

The **financial result** amounted to €-36,408k (first half of 2024: €-45,233k) and includes the valuation adjustment of the purchase price liability in connection with the acquisition of STRATO AG (€-10,347k; previous year: €-14,197k). The purchase price was primarily based on the company's enterprise value. Please refer to the explanations in the “Additional information” section. In addition, repayments of the loan from United Internet AG will lead to lower interest expenses (first half of 2025: -24,318k; first half of 2024: -30,390k).

After **tax expenses** of €51,850k (previous year: €33,472k), consolidated net income amounted to €115,401k (previous year: €73,835k). The increase in tax expenses is due to the rise in taxable income in the first half of 2025.

Earnings per share (EPS) amounted to €0.83 in the first half of 2025, compared with €0.53 in the first half of 2024. The change in the purchase price liability in the first half of 2025 had an EPS effect of €-0.08 (previous year: €-0.10). **Adjusted EPS** (excluding the effect on earnings from the measurement of the contingent purchase price liability) amounted to €0.91 in the first half of 2025 and €0.63 in the first half of the previous year.

in €k	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q2 2024
Earnings before taxes	73,403	63,103	73,380	93,871	57,699
Share of the profit or loss of associates accounted for using the equity method	–180	–1,303	–162	–64	–122
Financial income	3,087	815	582	497	799
Financing expenses	–15,015	–16,261	–24,206	–13,282	–21,632
Operating result	85,511	79,851	97,166	106,720	78,656
Depreciation and amortization of intangible assets and property, plant and equipment	27,403	30,056	27,461	27,067	27,442
EBITDA	112,914	109,907	124,627	133,787	106,097
Adjustment for LTIP [1]	1,030	1,099	1,482	1,560	1,892
Adjustment for stand-alone activities [2]	2,531	2,331	2,198	2,032	3,058
Adjustment for severance payments [3]	–54	4,398	2,703	351	1,185
Total adjustments	3,507	7,828	6,383	3,943	6,135
Adjusted EBITDA	116,421	117,736	131,010	137,729	112,233

(1) Includes costs for employee stock ownership programs.

(2) Includes costs related to establishing IONOS as an independent group within the scope of the organizational separation from the United Internet Group (including additional costs related to the development of a separate billing system).

(3) Includes expenses related to reorganization and restructuring measures, which primarily consist of severance payments and other personnel-related costs.

in €k	H1 2022	H1 2023	H1 2024	H1 2025
Earnings before taxes	75,701	137,769	107,307	167,251
Share of the profit or loss of associates accounted for using the equity method	314	–21	–274	–227
Financial income	7,297	30,995	1,510	1,080
Financing expenses	–45,155	–43,588	–46,743	–37,488
Operating result	113,245	150,383	152,814	203,886
Depreciation and amortization of intangible assets and property, plant and equipment	56,800	53,632	54,586	54,528
EBITDA	170,045	204,015	207,400	258,414
Adjustment for LTIP [1]	1,632	2,753	3,563	3,043
Adjustment for stand-alone activities [2]	7,368	4,575	5,533	4,230
Adjustment for IPO costs [3]	2,357	–11,675	0	0
Adjustment for severance payments [4]	0	1,181	1,544	3,053
Total adjustments	11,357	–3,166	10,640	10,326
Adjusted EBITDA	181,402	200,849	218,040	268,740

(1) Includes costs for employee stock ownership programs.

(2) Includes costs related to establishing IONOS as an independent group within the scope of the organizational separation from the United Internet Group (including additional costs related to the development of a separate billing system).

(3) Includes external costs incurred in connection with the IPO. In the comparative quarters, this includes the income from passing on the costs incurred in connection with the IPO to the shareholders United Internet and Warburg Pincus.

(4) Includes expenses related to reorganization and restructuring measures, which primarily consist of severance payments and other personnel-related costs.

Group's financial position

Development of key cash flow figures

in €k	H1 2025	H1 2024	Change
Cash flow before changes in balance sheet items (subtotal)	202,553	177,692	14.0%
Cash flow from operating activities	198,230	189,844	4.4%
Cash flow from investing activities	–62,641	–47,538	31.8%
Free Cash flow [1]	167,959	150,995	11.2%
Cash flow from financing activities	–140,850	–134,358	4.8%
Cash and cash equivalents as of June 30	24,253	30,775	–21.2%

[1] Free cash flow is defined as cash flow from operating activities (disclosed in the consolidated financial statement), less capital expenditure for intangible assets and property, plant, and equipment, plus payments from the disposal of intangible assets and property, plant, and equipment, and including the repayment of lease liabilities, which have been recognized in net cash payments in the financing area since the 2019 fiscal year.

Multi-period overview: Development of key cash flow figures

in €k	H1 2022	H1 2023	H1 2024	H1 2025
Cash flow before changes in balance sheet items (subtotal)	145,476	157,688	177,692	202,553
Cash flow from operating activities	140,828	129,790	189,844	198,230
Cash flow from investing activities	–50,608	–49,608	–47,538	–62,641
Free Cash flow [1]	86,885	92,214	150,995	167,959
Cash flow from financing activities	–102,288	–85,397	–134,358	–140,850
Cash and cash equivalents as of June 30	38,993	21,610	30,775	24,253

[1] Free cash flow is defined as cash flow from operating activities (disclosed in the consolidated financial statement), less capital expenditure for intangible assets and property, plant, and equipment, plus payments from the disposal of intangible assets and property, plant, and equipment, and including the repayment of lease liabilities, which have been recognized in net cash payments in the financing area since the 2019 fiscal year.

Net cash flows from operating activities amounted to €198,230k, an increase of €8,386k compared with the first half of the previous year (first half of 2024: €189,844k). The significant increase in consolidated net income was offset by payments from employee stock ownership programs in the first half of 2025.

In the reporting period, **net cash outflows from investing activities** amounted to €62,641k, exceeding the figure for the first half of 2024 (€47,538k). The increase is due to a payment of €34,000k under an earn-out clause agreed upon when STRATO GmbH was acquired. Payments from the increase in surplus liquidity invested with United Internet AG amounted to €-6,030k, which is €9,997k lower than in the previous year. Investments in intangible assets and property, plant, and equipment (first half of 2025: -€23,002k; first half of 2024: -€31,996k) decreased by €8,994k compared to the previous year.

At IONOS, **free cash flow** is defined as net cash provided by operating activities, less investments in intangible assets and property, plant and equipment, plus cash proceeds from disposals of intangible assets and property, plant and equipment, including payments for lease liabilities. Free cash flow in the first half of 2025 amounted to €167,959k, compared to €150,995k in the first half of 2024, mainly due to higher net cash inflows from operating activities.

In the first half of 2025, **cash flow from financing activities** amounted to €-70,000k from the repayment of the long-term loan to United Internet AG (first half of 2024: €-100,000k). In addition, IONOS acquired treasury shares. This led to a cash outflow of €-36,577k. Interest payments on the loan to United Internet AG and the syndicated loan amounted to €-26,616k in the first half of 2025, which is €12,228k higher than in the previous year (first half of 2024: €-14,388k) in the first half of 2025. This effect is mainly due to a time lag in interest payments on the syndicated loan, which were not paid until July in the previous year.

Cash and cash equivalents amounted to €24,253k as of June 30, 2025, compared to €30,775k as of the previous year's reporting date.

Group's asset position

The balance sheet total of €1,628,487k is slightly below the balance sheet total as of December 31, 2024 (€1,643,586k).

Development of current assets

in €k	June 30, 2025	December 31, 2024	Change
Cash and cash equivalents	24,253	30,180	–19.6%
Trade accounts receivable	98,586	91,492	7.8%
Receivables from related parties	94,673	88,487	7.0%
Contract assets	7,455	9,235	–19.3%
Prepaid expenses	36,050	26,684	35.1%
Other financial assets	20,588	16,306	26.3%
Income tax claims	12,187	6,262	94.6%
Other non-financial assets	2,986	993	200.5%
Total current assets	**296,777**	**269,639**	**10.1%**

The increase in **current assets** of €27,139k is due, among other things, to the €6,186k increase in **receivables from related parties**. This item includes cash pool receivables, which went up by €6,030k as a result of the surplus liquidity invested in United Internet AG. In addition, trade receivables are €7,094k higher, deferred expenses are €9,366k higher, and income tax receivables are €5,925k higher than the respective balances at the end of the fiscal year.

Development of non-current assets

in €k	June 30, 2025	December 31, 2024	Change
Investments in associated companies	2,027	2,407	–15.8%
Other financial assets/receivables from finance lease	3,090	3,270	–5.5%
Property, plant and equipment	287,205	315,402	–8.9%
Other intangible assets	134,387	145,610	–7.7%
Goodwill	828,618	830,144	–0.2%
Contract assets	20	22	–11.2%
Prepaid expenses	32,391	26,122	24.0%
Deferred tax assets	43,973	50,970	–13.7%
Total non-current assets	**1,331,710**	**1,373,947**	**–3.1%**

Non-current assets are lower overall than at the end of fiscal year 2024. **Property, plant, and equipment and intangible assets** decreased by €39,420k, mainly due to depreciation exceeding investments. **Goodwill** is lower than in the previous year due to exchange rate effects**. Deferred tax assets** are €6,997k below the level at the end of fiscal year 2024.

Development of current liabilities

in €k	June 30, 2025	December 31, 2024	Change
Trade accounts payable	121,513	112,311	8.2%
Liabilities to related parties	6,641	6,280	5.8%
Liabilities due to banks	10	102	-90.0%
Income tax liabilities	47,924	35,798	33.9%
Contract liabilities	97,946	92,653	5.7%
Other provisions	533	640	-16.8%
Other financial liabilities	49,172	58,077	-15.3%
Other non-financial liabilities	44,976	54,251	-17.1%
Total current liabilities	**368,715**	**360,112**	**2.4%**

Current liabilities increased slightly by €8,603k compared to the end of fiscal year 2024. **Other financial liabilities** decreased by €8,905k, mainly due to the repayment of a purchase price liability in connection with the acquisition of STRATO GmbH. The increase in **trade accounts payables** of €9,202k is due to the reporting date and results from the business development of the AdTech segment.

Development of non-current liabilities

in €k	June 30, 2025	December 31, 2024	Change
Liabilities due to banks	798,194	797,577	0.1%
Liabilities to related parties	100,000	170,000	-41.2%
Deferred tax liabilities	42,384	42,827	-1.0%
Contract liabilities	2,905	2,112	37.5%
Other provisions	2,992	3,271	-8.5%
Other financial liabilities	98,609	108,927	-9.5%
Other non-financial liabilities	73	0	n/a
Total non-current liabilities	**1,045,157**	**1,124,714**	**-7.1%**

The decline in **non-current liabilities** is primarily attributable to the repayment of the vendor loan to United Internet AG in the amount of €70,000k.

Development of equity

in €k	June 30, 2025	December 31, 2024	Change
Issued capital	140,000	140,000	0.0%
Reserves	125,589	41,672	201.4%
Treasury shares	–28,906	–12,172	137.5%
Currency translation adjustment	–22,218	–10,884	104.1%
Equity attributable to shareholders of the parent company	214,464	158,616	35.2%
Non-controlling interests	150	144	4.5%
Total equity	**214,615**	**158,760**	**35.2%**

Equity in the Group increased from €158,760k as of December 31, 2024, to €214,615k as of June 30, 2025. The increase is mainly due to the change in **reserves**. In the first half of 2025, this change was due to the allocation of consolidated net income of €115,395k and the valuation of employee stock ownership programs of €3,043k. This was offset by the acquisition of treasury shares, which are to be deducted from equity, and the issue of **treasury shares** as part of the employee stock ownership program.

On May 8, 2024, the Management Board of IONOS Group SE, with the approval of the Supervisory Board and based on the authorization granted by the extraordinary general meeting on January 26, 2023, initially resolved to acquire up to 850,000 of its own shares via the stock exchange. This corresponds to approximately 0.6% of the issued capital of €140,000k. The buyback program should be carried out from mid-May 2024 and no later than February 28, 2025.

As part of the share buyback program announced on May 8, 2024, IONOS Group SE acquired a total of 850,000 of its own shares between May 17 and July 25, 2024, thereby completing the share buyback program. The purchase price, excluding incidental acquisition costs, amounted to €22,319k.

As announced in an ad hoc announcement on January 21, 2025, the Management Board of IONOS Group SE, with the approval of the Supervisory Board and based on the authorization granted by the extraordinary Annual General Meeting on January 26, 2023, has decided to launch a share buyback program and to acquire up to 1,500,000 of its own shares (corresponding to approximately 1.1% of the share capital of €140,000,000) via the stock exchange. The total volume of the buyback program amounted to up to €40 million (excluding incidental acquisition costs).

The buyback program was to be carried out by December 31, 2025, at the latest. By June 30, 2025, IONOS Group SE had acquired 1,500,000 of its own shares, thereby completing the share buyback program. The purchase price, excluding incidental acquisition costs, amounted to €36,577k.

The repurchase will be used, among other things, to settle claims arising from employee stock ownership programs but may in principle be used for all purposes specified in the authorization granted by the Annual General Meeting.

Within the framework of employee stock ownership programs, 810,204 treasury shares were issued in the first six months.

Net debt (i.e., the balance of liabilities to related parties and banks, receivables from related parties, and cash and cash equivalents) decreased by €69,280k from €855,292k as of December 31, 2024, to €785,909k as of June 30, 2025.

Multi-period overview: Development of key balance sheet items

in €k	December 31, 2022	December 31, 2023	December 31, 2024	June 30, 2025
Balance sheet total	1,541,505	1,596,265	1,643,586	1,628,487
Cash and cash equivalents	26,440	22,652	30,180	24,253
Trade accounts receivable	66,628	73,512	91,492	98,586
Property, plant and equipment	322,286	321,661	315,402	287,205
Intangible assets	178,826	164,174	145,610	134,387
Goodwill	820,844	826,271	830,144	828,618
Liabilities due to banks	0	797,587	797,679	798,204
Liabilities to related parties	1,245,000	350,000	170,000	100,000
Issued capital	360	140,000	140,000	140,000
Equity	–162,180	–2,781	158,760	214,615
Equity ratio	–10.5%	–0.2%	9.7%	13.2%

Management Board’s overall assessment of the business situation

The core business of IONOS Group SE performed well in the first half of 2025. The number of customers increased by around 220,000 year-on-year to 6.47 million (June 30, 2024: 6.25 million customers).

Revenue increased by 19.1% to €895.0 million (H1 2024: €751.6 million). Adjusted EBITDA went up by 23.3% to €268.7 million (H1 2024: €218.0 million). The adjusted EBITDA margin improved accordingly to 30.0% (H1 2024: 29.0%).

Revenue in the Digital Solutions & Cloud segment increased by 7.0% to €656.0 million in the first half of 2025 (H1 2024: €613.3 million) or by 7.4% excluding intercompany revenue. Adjusted EBITDA for the segment increased significantly by 20.7% to €236.9 million (H1 2024: €196.2 million). The adjusted EBITDA margin increased correspondingly to 36.1% (H1 2024: 32.0%).

In the lower-margin AdTech segment, revenues were up significantly by 72.7% to €239.0 million (H1 2024: €138.4 million), coming from a weak prior-year period and supported by the better-than-expected impact of a successful product transition.

In its core business (Digital Solutions & Cloud segment), revenue adjusted for currency effects is expected to grow by approximately 8% in fiscal year 2025 (2024: €1,248.1 million), with an adjusted EBITDA margin of approximately 35% (2024: 32.9%).

In the AdTech segment, the company expects revenue for the second half of 2025 to be roughly on par with the same period last year, resulting in currency-adjusted revenue of approximately €400 million for the 2025 fiscal year (2024: €312.2 million). In the medium term, the current product changeover is also expected to have a positive impact on the segment's revenue and earnings development.

Due to the overall positive development and continued cost discipline, adjusted EBITDA is now expected to grow by approximately 17% to a total of around €530 million for the 2025 fiscal year (previous forecast: €520 million; 2024: €452.2 million).

Based on the revenue and earnings figures achieved in the first half of 2025 and in view of the investments made in sustainable corporate development, the Management Board believes that the company remains very well positioned for future growth. Based on the forecast continuation of overall economic growth in IONOS' core sales markets, the ongoing digitalization and increasing importance of artificial intelligence, and the stable business model based primarily on electronic subscriptions, the Management

Board continues to expect a positive development of the key financial and non-financial performance indicators.

Subsequent events

No events of particular significance occurred at IONOS after the balance sheet date of June 30, 2025, that would have a major impact on the Group's earnings, financial position, or cash flows and would require disclosure in the financial statements or notes.

Risk and opportunity report

IONOS' risk and opportunity policy is geared toward maintaining and sustainably increasing the value of the company by seizing opportunities and identifying and managing risks at an early stage. Risk and opportunity management regulates the responsible handling of uncertainties that are always associated with entrepreneurial activity.

Overall statement by the Management Board on the Group's risk and opportunity situation

The assessment of the overall risk situation is the result of a consolidated review of all significant risk areas and individual risks, taking into account their interdependencies.

The overall risk and opportunity situation remained largely stable in the first six months of 2025 compared with the risk and opportunity reporting in the 2024 consolidated financial statements.

Compared to December 31, 2024, an increase in one risk area was recorded in the first half of 2025.

In the risk area “Regulatory environment,” the risk assessment was adjusted from moderate to significant. The current assessment reflects changes in the framework conditions and developments in this area.

No risks that could jeopardize the continued existence of IONOS were apparent during the reporting period or at the time this quarterly report was prepared, either from individual risk positions or from the overall risk situation.

IONOS addresses these risks through the continuous expansion of its risk management system and, where appropriate, minimizes them by implementing specific measures.

Forecast Report

Economic expectations

In its updated economic outlook (World Economic Outlook, July 2025), the International Monetary Fund (IMF) forecasts global economic growth of 3.0% in 2025 and 3.1% in 2026, following growth of 3.3% in the previous year.

This means that the IMF experts are now slightly more optimistic than in their April forecast (2025: 2.8%). This is due to stronger-than-expected purchases in the run-up to the planned increase in US tariffs and a decline in the effective US tariff rate from 24.4% to 17.3%. At the same time, however, the IMF warned that the global economy remains exposed to significant risks, such as a possible resurgence of tariffs, geopolitical tensions, and growing budget deficits.

The fund expects the following economic development for IONOS' target countries over the next two years: Specifically, the IMF forecasts growth of 1.9% and 2.0% in the US, 1.6% and 1.9% in Canada, and 0.2% and 1.4% in Mexico for 2025 and 2026.

In Europe, the figures for 2025 and 2026 are expected to be 0.1% and 0.9% for Germany, 1.2% and 1.4% for the United Kingdom, 0.6% and 1.0% for France, 0.5% and 0.8% for Italy, and 2.5% and 1.8% for Spain.

	2026e	2025e	2024
World	3.1%	3.0%	3.3%
USA	2.0%	1.9%	2.8%
Canada	1.9%	1.6%	1.6%
Mexico	1.4%	0.2%	1.4%
France	1.0%	0.6%	1.1%
Spain	1.8%	2.5%	3.2%
Italy	0.8%	0.5%	0.7%
UK	1.4%	1.2%	1.1%
Germany	0.9%	0.1%	–0.2%

Source: International Monetary Fund, World Economic Outlook (Update), July 2025

Sector expectations

At its 2025 half-year press conference, industry association Bitkom described the situation in the German ICT sector (ICT = information and communication technology) as largely crisis-proof, despite geopolitical uncertainties and the current difficult economic environment.

The association has refined its forecasts for 2025 as a whole and now expects total revenue of €235.8 billion for the ICT sector, representing an increase of +4.4% (previous year: +4.7%). As in previous years, the “information technology” submarket is expected to record the strongest growth. According to current forecasts, IT will generate €161.3 billion in 2025. This corresponds to an increase of +5.7% (previous year: +6.4%).

- Revenue from software is expected to grow the most (+9.5% to €52.7 billion). The influence of artificial intelligence (AI) and cloud computing is becoming increasingly noticeable within this segment. Business with AI platforms, on which AI applications can be developed, trained, and operated, is expected to grow by +50% to €2.3 billion, following a +41% increase in 2024. Well over half (+58%) of revenues in the software market are already generated in public clouds: this accounts for €30.6 billion–an increase of +17%.
- In IT services (+3.1% to €52.6 billion), cloud-related services already account for 37% of revenues, at €19.3 billion.
- Most segments in IT hardware (+4.8% to €56.0 billion) are up. The biggest growth driver is once again Infrastructure-as-a-Service, i.e., rented servers, network, and storage capacities. This segment is expected to grow by +24.1% to €6.5 billion. There was a lot of movement behind this: double-digit growth rates are expected for tablets (+18% to €2.4 billion), notebooks (+11.2% to €6.9 billion), and desktop PCs (+10.4% to €2.3 billion). According to Bitkom, the increasing use of AI is leading to the purchase of high-quality devices and companies investing in digitalization. The server segment is expected to grow by +8.0%, workstations by +5.8% and storage by +4.5%. As in the previous five years, sales of consumer electronics are expected to remain below zero. Here, sales are expected to decline by -3.3% to €7.6 billion.

Forecast

For fiscal year 2025, the company now expects overall revenue growth in the high single-digit to low double-digit percentage range (previously: in the high single-digit percentage range).

Due to the overall positive development and continued cost discipline, adjusted EBITDA is now expected to grow by approximately 17% to a total of around €530 million for fiscal year 2025 (previous forecast: €520 million; 2024: €452.2 million) and a further increase in the adjusted EBITDA margin to over 30% (2024: 29.0%).

In its core business (Digital Solutions & Cloud segment), revenue adjusted for currency effects is expected to grow by approximately 8% in fiscal year 2025 (2024: €1,248.1 million), with an adjusted EBITDA margin of approximately 35% (2024: 32.9%).

In the AdTech segment, the company expects revenue for the second half of 2025 to be roughly on par with the same period last year, resulting in currency-adjusted revenue of approximately €400 million for the 2025 fiscal year (2024: €312.2 million). In the medium term, the current product changeover is also expected to have a positive impact on the segment's revenue and earnings development.

Overall statement by the Management Board on the expected development

The Management Board of IONOS Group SE remains optimistic about the future, thanks in part to its stable business model, which is primarily based on electronic subscriptions. Investments made in customer relationships in recent years—in particular through broad-based marketing campaigns in core European markets, the further expansion of new business areas, and the launch of new products—have created a solid foundation for the planned increase in revenue and earnings.

The Management Board of IONOS Group SE believes that the company is very well positioned at the time of preparation of this half-year financial report to achieve the revenue and earnings forecast detailed in the “Outlook” section above.

Forward-looking statements

This half-year financial report contains forward-looking statements based on the current expectations, assumptions, and forecasts of the Management Board of IONOS Group SE and the information currently available to it. Forward-looking statements are subject to various risks and uncertainties and are based on expectations, assumptions, and forecasts that may not prove to be accurate in the future. IONOS does not guarantee that the forward-looking statements will prove to be correct and does not undertake any obligation to update or revise the forward-looking statements contained in this interim report.

INTERIM FINANCIAL STATEMENT FOR THE FIRST HALF OF 2025

FINANCIAL CALENDAR / IMPRINT

IONOS Group SE, Montabaur

Consolidated statement of financial position as of June 30, 2025, in €k

	June 30, 2025	December 31, 2024
ASSETS		
Current assets		
Cash and cash equivalents	24,253	30,180
Trade accounts receivable	98,586	91,492
Receivables from related parties	94,673	88,487
Contract assets	7,455	9,235
Inventories	49	54
Prepaid expenses	36,050	26,684
Other financial assets	20,588	16,306
Other non-financial assets	2,937	939
Income tax claims	12,187	6,262
	296,777	**269,639**
Non-current assets		
Investments in associated companies	2,027	2,407
Receivables from finance leases	2,332	2,509
Other financial assets	758	761
Property, plant and equipment	287,205	315,402
Intangible assets		
Other intangible assets	134,387	145,610
Goodwill	828,618	830,144
Contract assets	20	22
Prepaid expenses	32,391	26,122
Deferred tax assets	43,973	50,970
	1,331,710	1,373,947
Total assets	**1,628,487**	**1,643,586**

IONOS Group SE, Montabaur

Consolidated statement of financial position, as of June 30, 2025, in €k

	June 30, 2025	December 31, 2024
LIABILITIES		
Current liabilities		
Trade accounts payable	121,513	112,311
Liabilities to related parties	6,641	6,280
Liabilities due to banks	10	102
Income tax liabilities	47,924	35,798
Contract liabilities	97,946	92,653
Other provisions	533	640
Other financial liabilities	49,172	58,077
Other non-financial liabilities	44,976	54,251
	368,715	360,112
Non-current liabilities		
Liabilities due to banks	798,194	797,577
Liabilities to related parties	100,000	170,000
Deferred tax liabilities	42,384	42,827
Contract liabilities	2,905	2,112
Other provisions	2,992	3,271
Other financial liabilities	98,609	108,927
Other non-financial liabilities	73	0
	1,045,157	1,124,714
Total liabilities	**1,413,872**	**1,484,826**
EQUITY		
Issued capital	140,000	140,000
Reserves	125,589	41,672
Treasury shares	–28,906	–12,172
Currency translation adjustment	–22,218	–10,884
Equity attributable to shareholders of the parent company	214,464	158,616
Non-controlling interests	150	144
Total equity	**214,615**	**158,760**
Total liabilities and equity	**1,628,487**	**1,643,586**

IONOS Group SE, Montabaur

Consolidated statement of comprehensive income
for the period from January 1 to June 30, 2025, in €k

	2025 January - June	2024 January - June
Revenue from contracts with customers	873,483	728,810
Revenue from contracts with related parties	21,566	22,804
Total revenue	**895,049**	**751,614**
Cost of sales	–464,976	–375,948
Gross profit	**430,074**	**375,667**
Selling expenses	–174,097	–165,339
General and administrative expenses	–51,535	–50,882
Impairment losses on receivables and contract assets	–8,958	–9,231
Other operating income / expenses	8,403	2,599
Operating result	**203,886**	**152,814**
Financial result	–36,408	–45,233
Share of the profit or loss of associates accounted for using the equity method	–227	–274
Pre-tax result	**167,251**	**107,307**
Income taxes	–51,850	–33,472
Net income	**115,401**	**73,835**
thereof attributable to		
non-controlling interests	6	2
shareholders of IONOS Group SE	115,395	73,833
Result per share of shareholders of IONOS Group SE (in €) (1)		
basic	0.83	0.53
diluted	0.82	0.52
Weighted average of outstanding shares (in thousand units)		
basic	138,847	139,512
diluted	140,598	141,204
Reconciliation to total comprehensive income		
Net income	**115,401**	**73,835**
Items that may be reclassified subsequently to profit or loss		
Currency translation adjustment - unrealized	–11,335	5,394
Other comprehensive income	**–11,335**	**5,394**
Total comprehensive income	**104,066**	**79,229**
thereof attributable to		
non-controlling interests	6	2
shareholders of IONOS Group SE	104,060	79,227

(1) Calculation in the 2025 half-year report based on the weighted average number of outstanding shares as of the reporting date.

IONOS Group SE, Montabaur

Consolidated cash flow statement

for the period from January 1 to June 30, 2025, in €k

	2025 January - June	2024 January - June
Net income	115,401	73,835
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization of intangible assets and property, plant and equipment	44,649	44,308
Depreciation and amortization of assets resulting from business combinations	9,879	10,279
Employee expenses from share-based payment programs	3,043	3,563
Payments from share-based payment programs	–16,227	0
Share of the profit or loss of associates accounted for using the equity method	227	274
Distributed profits of associated companies	0	116
Income from the sale of associated companies	153	0
Other non-cash items from changes in deferred tax position	7,981	–1,385
Other non-cash items	–75	0
Income/Loss from the sale of intangible assets and property, plant and equipment	34	–41
Non-cash change in purchase price derivative	10,347	14,197
Interest expenses	27,141	32,546
Cash flow before changes in balance sheet items (subtotal)	**202,553**	**177,692**
Change in assets and liabilities		
Change in receivables and other assets	–25,642	–6,410
Change in inventories	6	–42
Change in contract assets	1,783	–1,606
Change in prepaid expenses	–15,635	–8,629
Change in trade accounts payable	9,202	–10,669
Change in receivables from/liabilities to related parties	206	–2,540
Change in other provisions	–386	–206
Change in income tax liabilities	12,126	14,863
Change in other liabilities	7,932	17,228
Change in contract liabilities	6,085	10,163
Change in assets and liabilities, total	**–4,323**	**12,152**
Cash flow from operating activities	**198,230**	**189,844**

	2025 January - June	2024 January - June
Cash flow from investing activities		
Cash payments to acquire property, plant and equipment and intangibles	–23,002	–31,996
Cash receipts from sales of property, plant and equipment and intangibles	388	485
Cash payment from the earn-out Strato	–34,000	0
Cash receipts from sales of financial assets	3	0
Payments within the framework of cash pooling	–6,030	–16,027
Cash flow from investing activities	**–62,641**	**–47,538**
Cash flow from financing activities		
Purchase of treasury stock	–36,577	–12,633
Repayment of loans	–70,000	–100,000
Payments for interest on loans	–26,616	–14,388
Redemption of lease liabilities	–7,657	–7,337
Cash flow from financing activities	**–140,850**	**–134,358**
Net increase/ decrease in cash and cash equivalents	**–5,261**	**7,948**
Cash and cash equivalents at beginning of period	**30,180**	**22,652**
Currency translation adjustments of cash and cash equivalents	**–666**	**175**
Cash and cash equivalents at end of period	**24,253**	**30,775**

IONOS Group SE, Montabaur

Consolidated statement of changes in equity

in €k	Issued capital	Reserves	Treasury shares
Balance as of January 1, 2024	**140,000**	**–122,222**	**0**
Net income	0	73,835	0
Other comprehensive income	0	0	0
Total comprehensive income	**0**	**73,835**	**0**
Purchase of Treasury shares	0	0	–12,633
Employee stock ownership program	0	2,932	0
Balance as of June 30, 2024	**140,000**	**–45,455**	**–12,633**
Balance as of January 1, 2025	**140,000**	**41,672**	**–12,172**
Net income	0	115,395	0
Other comprehensive income	0	0	0
Total comprehensive income	**0**	**115,395**	**0**
Purchase of Treasury shares	0	0	–36,577
Issuance of Treasury shares in connection with the employee stock ownership program	0	–34,520	19,843
Employee stock ownership program	0	3,043	0
Balance as of June 30, 2025	**140,000**	**125,590**	**–28,906**

in €k	Currency translation adjustment	Equity attributable to shareholders of the parent company	Non-controlling interests	Total equity
	–20,697	**–2,919**	**138**	**–2,781**
	0	73,835	1	73,836
	5,394	5,394	0	5,394
	5,394	**79,229**	**1**	**79,230**
	0	–12,633	0	–12,633
	0	2,932	0	2,932
	–15,303	**66,609**	**139**	**66,748**
	–10,884	**158,616**	**144**	**158,760**
	0	115,395	6	115,401
	–11,335	–11,335	0	–11,335
	–11,335	**104,060**	**6**	**104,066**
	0	–36,577	0	–36,577
	0	–14,677	0	–14,677
	0	3,043	0	3,043
	–22,219	**214,465**	**150**	**214,615**

Notes on the interim financial statements

1. Information on the Company

IONOS, with IONOS Group SE as its listed parent company (hereinafter referred to as “IONOS Group SE” or, together with its subsidiaries, “IONOS”), is Europe's leading Internet specialist in the hosting business. The Group also develops applications for Internet use. IONOS comprises various companies in Germany and abroad. In accordance with internal management reporting, there are two reportable segments.

IONOS Group SE has its registered office in 56410 Montabaur, Elgendorfer Straße 57, Germany, where it is registered with the local court under HRB 25386.

The shares of IONOS Group SE have been listed on the regulated market of the Frankfurt Stock Exchange since February 8, 2023. As of June 30, 2025, United Internet AG held 63.8% of the shares in IONOS Group SE. As of June 30, 2025, 36.2% of the shares were in free float. Of these, IONOS Group SE holds 0.8% treasury shares..

2. Significant accounting, measurement and consolidation principles

The interim report of IONOS Group SE as of June 30, 2025, like the consolidated financial statements as of December 31, 2024, has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

The condensed consolidated interim financial statements for the period from January 1, 2025, to June 30, 2025, have been prepared in accordance with IAS 34 Interim Financial Reporting.

For the presentation of these interim consolidated financial statements, a reporting scope that is shorter than that of the consolidated financial statements has been chosen, which should therefore be read in conjunction with the consolidated financial statements as of December 31, 2024. The accounting policies and significant judgments and estimates used in the condensed interim consolidated financial statements are consistent with those used in the previous year, except for the new standards that are required to be applied and are briefly described below.

Mandatory adoption of new accounting standards

The following standards must be applied for the first time in the EU for the fiscal year beginning on or after January 1, 2025:

Standard		Mandatory application for fiscal years starting from	Takeover by EU Commission
IAS 21	Amendment: insufficient convertibility of a currency	Jan. 1, 2025	Yes

The initial application of the new accounting standards did not have any significant impact on this interim financial report.

Use of estimates and assumptions

In preparing the condensed consolidated interim financial statements, management makes judgments, estimates, and assumptions that affect the amounts of income, expenses, assets, and liabilities reported as of the reporting date, as well as the disclosure of contingent liabilities. However, the uncertainty associated with these assumptions and estimates could result in results that lead to significant adjustments to the carrying amount of the assets or liabilities affected in the future.

Miscellaneous

All material subsidiaries and associated companies are included in the consolidated interim financial statements.

The scope of consolidation remained unchanged compared to the consolidated financial statements as of December 31, 2024.

These interim consolidated financial statements have not been audited in accordance with Section 317 HGB or reviewed by an auditor.

Notes to the statement of comprehensive income

Only items that have a significant impact on earnings in the consolidated statement of comprehensive income for the first half of 2025 are explained.

1. Segment reporting

In accordance with IFRS 8, the identification of reportable operating segments is based on the management approach. External reporting is therefore based on the Group's internal organizational and management structure and internal financial reporting to the chief operating decision maker. The function of the chief operating decision maker is performed by the Management Board of the Company and by the Management Board of IONOS Holding SE, which reviews the financial information presented on a consolidated basis for the purposes of allocating resources and assessing the financial performance of the entire company. Accordingly, the chief operating decision-makers are responsible for assessing and managing the business performance of the segments.

The Group's operating activities are divided into the business segments “Digital Solutions & Cloud” and “AdTech.”

The first segment, Digital Solutions & Cloud, comprises the Web Presence & Productivity and Cloud Solutions business units. In the Web Presence & Productivity segment, IONOS offers customers customized products that enable them to quickly and easily set up an online presence. The Cloud Solutions business unit also belongs to the Digital Solutions & Cloud segment and offers customizable server products to meet the growing demand for IT infrastructure.

The second segment comprises the AdTech business (previously referred to as the Aftermarket division), which was reported in the Web Presence & Productivity unit in the previous year.

The presentation of relevant control figures for the Group is based on the management approach, which requires the presentation of the relevant control level based on the company's internal management reporting, which is regularly reviewed by the chief operating decision maker.

The control variables used to assess performance are presented below:

- Revenue from contracts with customers
- EBITDA and EBITDA margin
- Adjusted EBITDA and adjusted EBITDA margin

Key performance indicators by segment for the first half of 2025:

January - June 2025 (in €k)		Digital Solutions & Cloud segment	AdTech segment	IONOS
Total revenue		656,041	239,008	895,049
Cost of sales		–268,671	–196,305	–464,976
Depreciation and amortization		54,456	143	54,599
EBITDA		**226,573**	**31,841**	**258,414**
Adjusted EBITDA		**236,899**	**31,841**	**268,740**

Key performance indicators by segment for the first half of 2024:

January - June 2024 (in €k)		Digital Solutions & Cloud segment	AdTech segment	IONOS
Total revenue		613,250	138,364	751,614
Cost of sales		–263,618	–112,330	–375,948
Depreciation and amortization		54,410	177	54,587
EBITDA		**185,572**	**21,828**	**207,400**
Adjusted EBITDA		**196,212**	**21,828**	**218,040**

"EBITDA" is the consolidated earnings before interest, taxes, depreciation and amortization.
"EBITDA margin" is the ratio of EBITDA to total sales revenue.

The EBITDA margin is calculated as follows:

€k	2025 January - June	2024 January - June
Total revenue	895,049	751,614
EBITDA (€k)	258,414	207,400
EBITDA margin (%)	28.9%	27.6%
Adjusted EBITDA (€k)	268,740	218,040
Adjusted EBITDA margin (%)	30.0%	29.0%

Adjusted EBITDA is calculated as follows:

€k	2025 January - June	2024 January - June
Pre-tax result	167,251	107,307
Share of the profit or loss of associates accounted for using the equity method	–227	–274
Finance income	1,080	1,509
Finance costs	–37,488	–46,743
Operating result	203,886	152,814
Depreciation and amortization of intangible assets and property, plant and equipment	54,528	54,587
EBITDA	258,414	207,400
Adjustment for LTIP (1)	3,043	3,563
Adjustment for stand-alone activities (2)	4,230	5,533
Adjustment for severance payments (3)	3,053	1,544
Total adjustments	10,326	10,640
Adjusted EBITDA	268,740	218,040

(1) Includes costs for employee stock ownership programs.

(2) Includes costs related to establishing IONOS as an independent group within the scope of the organizational separation from the United Internet Group (including additional costs related to the development of a separate billing system).

(3) Includes expenses related to reorganization and restructuring measures, which primarily consist of severance payments and other personnel-related costs.

The following tables show the Group's revenue from contracts with customers and the non-current assets of IONOS, broken down by the country of origin of the company and other countries.

Revenue from contracts with customers based on the geographical location of the Group companies generating the revenue:

€k	2025 January - June	2024 January - June
Germany	524,611	406,398
USA	131,848	116,938
UK	82,661	77,904
Spain	65,634	62,069
France	36,904	35,238
Poland	22,455	21,888
Austria	9,370	8,375
Total	**873,483**	**728,810**

There is no single customer with which more than 10% of external revenue are generated.

The geographical presentation of information is based on revenue from customer contracts and assets based on the location of the Group companies that generate this revenue or in which these assets are located.

Non-current assets based on the location of the assets:

€k	June 30, 2025	December 31, 2024
Germany	812,137	818,326
Poland	152,111	153,800
Spain	119,728	125,734
UK	103,461	108,743
Austria	68,970	70,384
USA	26,835	33,022
France	2,796	6,717
Romania	3,534	3,871
Philippines	1,377	1,620
Total	**1,290,950**	**1,322,217**

Non-current assets do not include any financial investments (with the exception of financial assets accounted for using the equity method), deferred tax assets, or assets from employee benefits.

IONOS' total revenue from contracts with customers is distributed between domestic and foreign markets as follows:

€k	2025 January - June	2024 January - June
Domestic	524,611	406,398
Foreign	348,872	322,413
Total	**873,483**	**728,810**

2. Cost of sales

The increase in expenses for purchased services from €375,948k in the first half of 2025 to €464,976k in the first half of 2025 is mainly due to the purchase of services in connection with the sale of domains and, in particular, low-margin parking revenues (i.e., unused domains that can be used for “parking” instead of just displaying an error message, e.g., by displaying the domain name, which generates revenue when clicked), so that cost of sales increased similarly to revenue.

3. Other operating income/expenses

The net position from other operating income and expenses increased by €5,804k to €8,403k in the first half of 2025 (first half of 2024: €2,599k). Net income from expenses and income from foreign currency translation increased from -€2,036k in the first half of 2024 (net loss) to €3,886k in the first half of 2025. This item mainly includes gains and losses from exchange rate changes between the date of origination and the date of payment of foreign currency receivables and liabilities, as well as losses from the measurement on the reporting date.

4. Depreciation and amortization

In the first half of 2025, depreciation and amortization of property, plant, and equipment and intangible assets amounted to €42,290k (first half of 2025: €41,459k) and amortization of capitalized intangible assets from business combinations amounted to €12,238k (first half of 2024: €13,128k). In the first half of 2025, depreciation and amortization on property, plant, and equipment and intangible assets thus amounted to €54,528k (first half of 2023: €54,586k).

5. Personnel expenses

Personnel expenses in the first half of 2025 amounted to €143,909k (first half of 2024: €147,679k).

At the end of June 2025, IONOS employed a total of 4,115 people, 1,987 of whom were based abroad. At the end of June 2024, the number of employees was 4,255, 1,963 of whom were based abroad.

6. Financial result

The financial result for the first half of 2025 amounted to €-36,408k, which is €8,825k below the financial result for the previous year (€-45,233k). This is mainly attributable to expenses from the subsequent measurement of the purchase price liability in connection with the acquisition of STRATO AG (first half of 2025: €-10,347k; first half of 2024: €-14,197k) and lower interest expenses due to the repayment of the vendor loan to United Internet AG (€-24,318k; previous year: €-30,390k).

Notes to the statement of financial position

Explanations are only provided for items that show significant changes in the amounts presented compared with the last consolidated financial statements.

1. Receivables from related parties

Receivables from related parties mainly comprise receivables from the cash pool with United Internet AG and, at €91,157k as of June 30, 2025, are €6,030k higher than as of December 31, 2024.

2. Prepaid expenses

The short-term prepaid expenses of €36,050k (previous year: €26,684k) mainly comprise contract initiation costs and advance payments for advance service fees, which are deferred on the basis of the underlying contract period and recognized as expenses in the period in which they are incurred.

3. Property, plant and equipment, intangible assets and goodwill

Investments in property, plant, and equipment and intangible assets in the interim reporting period totaled €23,002k (first half of 2024: €31,996k), with investments being made in particular in servers for the cloud business. Investments in property, plant, and equipment that are capitalized as usage rights in accordance with IFRS 16 were not included in CAPEX.

The goodwill recognized in the balance sheet in the amount of €828,618k decreased by €1,527k compared to December 31, 2024, due to exchange rate effects.

4. Other current financial liabilities

The decrease in other current financial liabilities by €8,905k from €58,077k at the end of the fiscal year to €49,172k as of June 30, 2025, is mainly attributable to the settlement of the variable purchase price liability from the acquisition of STRATO AG. In addition, liabilities for marketing and sales costs increased by €13,641k.

5. Equity

Equity in the Group increased from €158,760k as of December 31, 2024, to €214,615k as of June 30, 2025. The increase is mainly due to the change in other reserves. In the first half of 2025, this change was due to the allocation of consolidated net income of €115,395k and the valuation of employee stock ownership programs of €3,043k. This was offset by the acquisition of treasury shares, which are to be deducted from equity, and the issue of treasury shares as part of the employee stock ownership program.

On January 21, 2025, the Management Board of IONOS Group SE, with the approval of the Supervisory Board and based on the authorization granted by the extraordinary general meeting on January 26, 2023, resolved to launch a share buyback program and to acquire up to 1,500,000 of its own treasury shares (corresponding to approximately 1.1% of the share capital of €140,000,000) via the stock exchange. The total volume of the buyback program amounts to up to €40 million (excluding incidental acquisition costs).

By June 30, 2025, IONOS Group SE had acquired 1,500,000 of its own treasury shares. The purchase price excluding incidental acquisition costs amounted to €36,577k.

Further information

1. Employee stock ownership programs

Long-Term Incentive Program 2017 and Stock Appreciation Rights 2023

An additional employee participation program (Long Term Incentive Plan, LTIP) was set up for the IONOS Group SE in the 2017 fiscal year. The objective of the LTIP program is to align the long-term interests of the members of company management and other key employees of the IONOS Group SE with the interests of the company in order to increase the equity value of the company (IONOS Group SE) and other companies in the IONOS Group SE.

Under the LTIP, eligible employees are allocated Management Incentive Plan (MIP) units. These are earned on a straight-line basis over a period of four years (beginning with the date of issue) and provided that the employee concerned has not terminated their employment prior to the occurrence of an event defined in the LTIP agreement (trigger event). This event is the complete sale of all shares in IONOS Group SE held by Warburg Pincus.

In the case of a trigger event, the MIP units represent a claim to a value equal to the difference between the individually determined exercise price and the enterprise value of IONOS Group SE. The exercise price is increased or decreased by equity contributions or repayments.

The entitlements under the LTIP program can be settled in the form of shares or cash. In the case of settlement as a share settlement, the entitlements can be settled by the issue of shares or options to acquire shares. As there is no current obligation to settle in cash, the plan is accounted for as equity settled.

The sale of the remaining shares in the IONOS Group by WP XII Venture Holdings II SCSp, Luxembourg/Luxembourg on March 27, 2025, constitutes the trigger event within the meaning of the Long-Term

Incentive Plan. IONOS fulfilled the contractual requirements for the employee participation program in May and thus met its obligations to the participants.

On January 26, 2023, a new compensation system was introduced and the service contracts of the Company's Management Board and the members of the Management Board of IONOS Holding SE were extended, both subject to an IPO. The compensation package includes long-term, share-based compensation in the form of a virtual stock appreciation rights plan (SAR Plan 2023), under which virtual stock appreciation rights (SARs) are granted, as well as a replacement bonus for the existing LTIP. In 2024, the program was extended to include additional members of the management and key employees of the IONOS Group.

As part of the replacement of the existing LTIP, all allocations within the existing LTIP became vested on the first trading day (February 8, 2023). In addition, the payment of one-third of the existing LTIP allocation was made contingent upon three new trigger events (IPO, 18 months and 24 months after the first trading day), provided that the employment contract with the respective participant had not been terminated at the time of the respective trigger event.

In fiscal year 2024, the SAR program was expanded to include a total of 25 participants. The expanded SAR program is based on the rules of the SAR program for members of the Management Board.

Personnel expenses recognized in the first half of 2025 in connection with the stock options issued amounted to €3,043k (first half of 2023: €3,563k).

2. Additional disclosures on financial statements

The table below shows the carrying amounts for each category of financial assets and liabilities as of June 30, 2025:

in €k	Measurement category acc. to IFRS 9	Carrying amount as of June 30, 2025	Amortized cost	Fair value through profit or loss	Measurement acc. to IFRS 16	Fair value as of June 30, 2025
Financial assets						
Cash and cash equivalents	ac	24,253	24,253	0	0	24,253
Trade accounts receivable	ac	98,586	98,586	0	0	98,586
Receivables from related parties	ac	94,673	94,673	0	0	94,673
Other current financial assets	ac	20,588	20,588	0	0	20,588
Other non-current financial assets	ac	758	758	0	0	726

in €k	Measurement category acc. to IFRS 9	Carrying amount as of June 30, 2025	Amortized cost	Fair value through profit or loss	Measurement acc. to IFRS 16	Fair value as of June 30, 2025
Financial liabilities						
Trade accounts payable	flac	–121,513	–121,513	0	0	–121,513
Liabilities to related parties	flac	–106,641	–106,641	0	0	–106,374
Liabilities due to banks	flac	–798,204	–798,204	0	0	–800,786
Other financial liabilities						
Lease liabilities	n/a	–106,475	0	0	–106,475	n/a
Contingent purchase price liabilities	fvtpl	0	0	0		0
Other	flac	–41,307	–41,307	0	0	–41,307
Thereof aggregated acc. to measurement categories:						
Financial assets at amortized cost	ac	238,858	238,858	0	0	238,826
Financial liabilities at amortized cost	flac	–1,067,665	–1,067,665	0	0	–1,069,980
Financial liabilities measured at fair value through profit or loss	fvtpl	0	0	0	0	0

The table below shows the carrying amounts of each category of financial assets and liabilities as of December 31, 2024:

in €k	Measurement category acc. to IFRS 9	Carrying amount as of December 31, 2024	Amortized cost	Fair value through profit or loss	Measurement acc. to IFRS 16	Fair value as of December 31, 2024
Financial assets						
Cash and cash equivalents	ac	30,180	30,180	0	0	30,180
Trade accounts receivable	ac	91,492	91,492	0	0	91,492
Receivables from related parties	ac	88,487	88,487	0	0	88,487
Other current financial assets	ac	16,305	16,305	0	0	16,305
Other non-current financial assets	ac	761	761	0	0	673

in €k	Measurement category acc. to IFRS 9	Carrying amount as of December 31, 2024	Amortized cost	Fair value through profit or loss	Measurement acc. to IFRS 16	Fair value as of December 31, 2024
Financial liabilities						
Trade accounts payable	flac	–112,311	–112,311	0	0	–112,311
Liabilities to related parties	flac	–176,280	–176,280	0	0	–175,801
Liabilities due to banks	flac	–797,679	–797,679	0	0	–810,634
Other financial liabilities						
Lease liabilities	n/a	–117,555	0	0	–117,555	n/a
Contingent purchase price liabilities	fvtpl	–23,653	0	–23,653		–23,653
Other	flac	–22,879	–22,879	0	0	–22,879
Thereof aggregated acc. to measurement categories:						
Financial assets at amortized cost	ac	227,225	227,225	0	0	227,137
Financial liabilities at amortized cost	flac	–1,109,149	–1,109,149	0	0	–1,121,625
Financial liabilities measured at fair value through profit or loss	fvtpl	–23,653	0	–23,653	0	–23,653

The methods and assumptions used to determine the fair values are as follows:

- . Cash and cash equivalents, trade receivables, trade payables, current receivables from and liabilities to related parties and other current assets and liabilities are very close to their carrying amount, mainly due to the short maturities of these instruments. The same applies to current liabilities to banks.
- Liabilities in connection with finance leases show slight differences between the carrying amount and fair value due to the change in interest rates.
- The fair value of financial assets and financial liabilities is stated at the amount for which the instrument could be exchanged in a current transaction (other than a forced sale or liquidation) between willing parties.

- Long-term fixed-interest and variable-interest receivables / loans are valued by IONOS based on parameters such as interest rates, certain country-specific risk factors and the creditworthiness of the individual debtors. Based on this valuation, value adjustments are made to take account of expected defaults on these receivables. As at June 30, 2025, the carrying amounts of these receivables, less valuation allowances, did not differ significantly from their calculated fair values.
- The fair value of other financial liabilities and fixed-interest non-current liabilities to related parties is estimated by discounting future cash flows using interest rates currently available for borrowed capital at comparable conditions, credit risks and residual terms. Option price models were primarily used for the measurement of contingent purchase price liabilities.
- The fair value of unquoted financial assets and liabilities measured at fair value is estimated using appropriate valuation techniques.

Fair value hierarchy

IONOS used the following hierarchy to determine and report the fair value of financial instruments for each valuation method:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: methods in which all input parameters that have a significant effect on the recognized fair value are either directly or indirectly observable.

Level 3: methods that use inputs that have a significant effect on the recognized fair value and are not based on observable market data.

Assets and liabilities measured at fair value

The second-largest shareholder after United Internet AG, WP XII Venture Holdings II SCSp, Luxembourg/Luxembourg, sold its remaining shares in the IONOS Group on March 27, 2025. This sale was the third and final step in Warburg Pincus' exit from the IONOS Group. As a result of the sale, the earn-out clause agreed upon in the purchase of STRATO GmbH came into effect and the purchase price liability measured at fair value in previous years was settled.

There are no other assets or liabilities that are measured at fair value.

€k	As of December 31, 2024	Level 1	Level 2	Level 3
Financial liabilities measured at fair value through profit or loss				
Contingent purchase price liability	–23,653	0	0	–23,653

The significant unobservable inputs for the fair value measurements categorized in Level 3 of the fair value hierarchy and a quantitative sensitivity analysis as at 31 December 2024 and 31 December 2023 are presented below:

December 31, 2024	Measurement method	Main Non-observable inputs	Considered in measurement	Sensitivity of input on fair value	
Contingent purchase price liability	Black Scholes	Maturity	0.5 years	+0.75 years	+0.25 years.
				€–1.7 million	€+3.1 million
		Volatility	35.0%	+1%	–1%
				€–0.3 million	€+0.3 million

3. Related party disclosures

Related parties within the meaning of IAS 24 are persons and companies if one of the parties has the ability to control or exercise significant influence over the other party.

In addition to the Management Board and Supervisory Board of IONOS Group SE and IONOS Holding SE and their close family members, the Group's related parties also include the Group companies of United Internet AG that are not included in the scope of consolidation of IONOS. Furthermore, investments in which the companies of the United Internet Group can exercise significant influence (associated companies) and their subsidiaries are classified as related companies. In addition, Mr. Ralph Dommermuth is classified as a related party as a significant shareholder of United Internet AG.

In the first half of 2025, the loan between IONOS Holding SE and United Internet AG in the amount of €70,000k was repaid. The balance as of June 30, 2025, amounts to €100,000k (December 31, 2024: €170,000k).

The business premises of IONOS in Montabaur and at other Group locations are leased by Mr. Ralph Dommermuth or companies attributable to him, as well as by his close family members or companies attributable to them. The rental expenses associated with these properties are in line with local market rates and amounted to €1,927k in the first half of 2025 (first half of 2024: €2,005k).

IONOS Group SE and its subsidiaries own and operate data centers whose services are made available to other companies in the Consumer Access and Consumer Applications segments of the United Internet Group. The revenue generated from these activities declined slightly compared to the previous year (first half of 2025: €21,566k; first half of 2024: €22,804k) by 5.4%.

No other significant transactions have taken place.

4. Events after balance sheet date

No other events of particular significance occurred after the balance sheet date of June 30, 2025, that could have a material impact on the Group's financial position, results of operations, or cash flows or that would require disclosure in the financial statements or notes to the financial statements.

Responsibility statement

To the best of our knowledge, and in accordance with the applicable accounting principles for interim financial reporting, the interim consolidated financial statements give in compliance with generally accepted accounting principles, a true, and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the fiscal year.

Montabaur, August 7, 2025

The Management Board

Achim Weiß   Britta Schmidt   Dr. Jens-Christian Reich

FINANCIAL CALENDAR

27 March 2025	Publication of 2024 annual financial statements
12 May 2025	Quarterly Statement Q1 2025
13 May 2025	Annual General Meeting 2025, Alte Oper / Frankfurt/Main
07 August 2025	Half-Year Financial Report 2025
11 November 2025	Quarterly Statement Q3 2025

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IONOS Group SE
Elgendorfer Str. 57
56410 Montabaur
Germany
www.ionos-group.com

Contact

Investor Relations
Email: investor-relations@ionos-group.com

Registry court: Montabaur HRB 25386

Note:

For computational reasons, rounding differences to the exact mathematical values (monetary units, percentages, etc.) may occur in tables and references.

This half-year financial report is available in German and English. Both versions can also be downloaded from the Internet at www.ionos-group.com. In case of doubt, the German version is authoritative.

For reasons of better readability, gender-specific terms in the half-year financial report are written in the masculine form. IONOS points out that the use of the masculine form is explicitly to be understood as gender-neutral.

Produced in-house with Firesys

Disclaimer

This half-year financial report contains forward-looking statements that reflect the current views of the Management Board of IONOS Group SE regarding future events. These forward-looking statements are based on our current plans, estimates, and expectations. Forward-looking statements only reflect the state of affairs at the time they are made. These statements are subject to risks and uncertainties and other factors, many of which are beyond IONOS's control and could cause actual results to differ materially from those expressed in these statements. These risks and uncertainties and other factors are described in detail in our risk reporting in the annual reports of IONOS Group SE. IONOS Group SE does not intend to update such forward-looking statements.

IONOS Group SE

Elgendorfer Straße 57
56410 Montabaur

www.ionos-group.com