#1 European SMB Digitalization Partner & Trusted Cloud Enabler
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<table>
<thead>
<tr>
<th>Agenda Item</th>
<th>Pages</th>
<th>Presenters</th>
<th>Time (UK Time)</th>
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<tbody>
<tr>
<td>Introduction</td>
<td>5 – 23</td>
<td>Achim Weiss</td>
<td>11:00 – 11:30</td>
</tr>
<tr>
<td>Market &amp; competitive landscape</td>
<td>24 – 36</td>
<td>Achim Weiss</td>
<td>11:30 – 11:50</td>
</tr>
<tr>
<td>Break</td>
<td></td>
<td></td>
<td>11:50 – 12:00</td>
</tr>
<tr>
<td>Product suite</td>
<td>37 – 53</td>
<td>Achim Weiss</td>
<td>12:00 – 12:30</td>
</tr>
<tr>
<td>Our customers</td>
<td>54 – 65</td>
<td>Martin Endress</td>
<td>12:30 – 12:45</td>
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<tr>
<td>Break</td>
<td></td>
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<td>13:15 – 13:40</td>
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<tr>
<td>Our technology foundation</td>
<td>84 – 96</td>
<td>Henning Kettler</td>
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<td>People, culture &amp; sustainability</td>
<td>97 – 108</td>
<td>Hüseyin Dogan</td>
<td>14:05 – 14:20</td>
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<td>Growth levers</td>
<td>109 – 126</td>
<td>Britta Schmidt</td>
<td>14:20 – 14:50</td>
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<tr>
<td>Break</td>
<td></td>
<td></td>
<td>14:50 – 15:00</td>
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<tr>
<td>Financials &amp; guidance</td>
<td>127 – 142</td>
<td>Britta Schmidt</td>
<td>15:00 – 15:30</td>
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<td>Conclusion &amp; Q&amp;A</td>
<td>143</td>
<td></td>
<td>15:30 – 16:30</td>
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</table>
Introduction & speakers
Achim Weiss, CEO
IONOS at a glance

Achim Weiss, CEO
#1 European SMB digitalization partner & trusted cloud enabler

1. Leading Web Presence & Productivity player

- 1st: Market positions in 6 core European markets
- 2nd: Revenue of which sizeable €100m+ in North America
- ~€800mm

2. Augmented by our high growth aftermarket business sedo

- European market leader
- ~€150mm²
- ~22mm
- Revenue
- Domains listed and 9m domains parked

3. Complemented by a self sustaining Cloud business, growing at ~20%

- ~€100mm
- Significant investments in past years
- Revenue
- EBITDA reinvested into growth to capture unique market opportunity

4. Leveraging a world class brand across our core markets

- ~€1.1bn total revenue 2021³
- Exceptional EBITDA and FCF margins paired with strong growth

Source: Company information
Note: ¹ Company data analysis based on the number of domains listed for sale on sedo.com; ² As of 2021; ³ Total revenue including ~€55mm revenue from Hosting Services to UI Group companies

Leading brand position boosted further through ~€55mm planned brand investments in 2022

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2021 delivered strong and sustainable growth, profitability and cash generation

Leading partner for digitalization, active in 18 markets across Europe and North America, accessible worldwide

<table>
<thead>
<tr>
<th>Feature</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>€1.1bn total revenue</td>
<td>(12% yoy growth) High revenue visibility and predictability</td>
</tr>
<tr>
<td>€355mm adj. EBITDA</td>
<td>(32% margin) Attractive profitability</td>
</tr>
<tr>
<td>~6mm customers</td>
<td>Unparalleled European SMB customer access</td>
</tr>
<tr>
<td>10x+ CLTV/CAC</td>
<td>Targeted and efficient customer acquisition</td>
</tr>
<tr>
<td>~90% recurring revenue</td>
<td>Subscription-based business model</td>
</tr>
<tr>
<td>~90% cash conversion rate</td>
<td>Highly cash generative</td>
</tr>
<tr>
<td>NPS® of &gt;35</td>
<td>High customer loyalty</td>
</tr>
<tr>
<td>~12-18 months payback</td>
<td>Quick and predictable recovery of CAC</td>
</tr>
</tbody>
</table>

Source: Company information, HostAdvice. Note: Financial and operational KPIs refer to or are based on 2021 reported figures for IONOS unless otherwise stated; 1 Refers to webhosting market share based on company data analysis and HostAdvice; 2 Total revenue is the sum of revenue from contracts with customers and revenue from contracts with related parties; 3 Equivalent to total revenue excl. revenue from Aftermarket business (sedo); 4 FY2021A, Adj. EBITDA is defined as EBITDA adjusted for non-recurring items or non-operating items related to (i) long-term incentive plans, (ii) stand-alone activities incl. carve-out costs (primarily costs of the separation of the billing systems), (iii) IPO costs, (iv) certain consulting fees incurred for one-off projects and (v) certain severance payments; Defined as Adj. EBITDA / Total revenue; 5 Defined as adj. EBITDA less maintenance capital expenditures (excl. IFRS 16) divided by adj. EBITDA. Maintenance capital expenditures (excl. IFRS 16) include capital expenditures for replacements and in the ordinary course of business; 6 Net Promoter® and NPS® are registered trademarks of Bain & Company, Inc., Satmetrix Systems, Inc., and Fred Reichheld. Net Promoter Score® is a service mark of Bain & Company, Satmetrix Systems and Fred Reichheld. NPS as per Q4 2021; 7 Refers to IONOS Group, excluding sedo: IONOS brand marketing and related S&M FTE costs as per FY 2021. Customer Acquisition Cost (CAC) calculated as the amount of recurring and variable marketing expenses (in €) divided by the number of customers gained over a period, Customer Lifetime Value (CLTV) calculated as (1/churn)*Average Revenue Per Customer*Gross Profit contribution; 8 Approx. 6-12 months (excl. discounts) and 12-18 months (incl. discounts), based on 2021A annual customer ARPU of ~€160 (ARPU calculated as ~€13 monthly ARPU x 12), and Customer Acquisition Cost (CAC) of ~€90, calculated as the amount of recurring and variable marketing expenses as per FY 2021 (excluding brand marketing and related S&M FTE costs) divided by the number of customers gained over a period.
### Successful transformation into the leading enabler for European SMBs

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>1988</td>
<td>1&amp;1 was founded by Ralph Dommermuth in Montabaur</td>
</tr>
<tr>
<td>1998</td>
<td>1&amp;1 became shareholder of internet pioneer Schlund + Partner (founded by current IONOS CEO Achim Weiss) and 1&amp;1 was IPO’ed</td>
</tr>
<tr>
<td>2000</td>
<td>1&amp;1 Hosting launched operations in France and UK (2000), the US (2003) and Spain (2007)</td>
</tr>
<tr>
<td>2006-2008</td>
<td>Acquisition of fasthosts in the UK (2006) and united domains (2008)</td>
</tr>
<tr>
<td>2009-2018</td>
<td>Acquisition of Enterprise Cloud specialist ProfitBricks (2017) and World4You (2018) in Austria</td>
</tr>
<tr>
<td>2017</td>
<td>STRATO entered the Netherlands (2016)</td>
</tr>
<tr>
<td>2017</td>
<td>Warburg Pincus invested in 1&amp;1 Hosting Group, which then acquired STRATO</td>
</tr>
<tr>
<td>2018</td>
<td>Expansion into Mexico and Canada</td>
</tr>
<tr>
<td>2021</td>
<td>we22 acquisition</td>
</tr>
<tr>
<td>2022</td>
<td>STRATO entered Sweden</td>
</tr>
</tbody>
</table>

1. **Foundation**
   - 1988: 1&1 was founded by Ralph Dommermuth in Montabaur

2. **Expansion**
   - 2000: 1&1 holding rebranded to United Internet, hosting business continued as “1&1 Internet”

3. **Leading Hosting Player**
   - 2016: STRATO entered the Netherlands (2016)
   - 2017: Warburg Pincus invested in 1&1 Hosting Group, which then acquired STRATO
   - 2018: Expansion into Mexico and Canada

4. **Leading SMB Enabler**
   - 2020: Launch of IONOS Cloud and IONOS entered CEE market

Source: Company information
Comprehensive product portfolio, first class customer care and infrastructure

**WEB PRESENCE & PRODUCTIVITY**
One-stop-shop for all digitalization needs of SMBs

- Domains
- E-mail & Office
- Web Hosting & Sitebuilder
- E-commerce
- Server Hosting
- Value Added Services

SMBs typically spending €10-20 per month

FY21A revenue: ~90%\(^1\)

**CLOUD SOLUTIONS**
Trusted European cloud provider for SMBs and enterprises

- Public Cloud
- Private Cloud
- Bare Metal Cloud
- Managed Services

SMBs, mid-market & public sector, typically spending €300-500+ per month

FY21A revenue: ~10%\(^1\)

**Internet factory**
Unified product platforms | Joint group developments | Technology stack with >100,000 servers in 32 data centers\(^2\)

- Broad portfolio
- Open-source
- Future-oriented design
- State-of-the-art
- Scalable

Source: Company information

\(^1\) Refers to revenue from contracts with customers;\(^2\) o/w 11 fully owned and 21 co-location data centers as per September 2022, several of them geo-redundant
IONOS’ strategic pillars

Achim Weiss, CEO
IONOS represents a unique equity story

<table>
<thead>
<tr>
<th>MARKET</th>
<th>Large, resilient and fast-growing SMB market, fuelled by digitalization and shift to Cloud</th>
</tr>
</thead>
<tbody>
<tr>
<td>LEADERSHIP</td>
<td>#1 European digitalization partner &amp; trusted cloud enabler for SMBs with leading1 positions in 6 core countries and broad strategic footprint</td>
</tr>
<tr>
<td>PRODUCT</td>
<td>Scalable, integrated platform offering customers ‘mission critical’ end-to-end lifecycle solutions</td>
</tr>
<tr>
<td>CUSTOMERS</td>
<td>Large, global and loyal customer base supported by an award winning service platform</td>
</tr>
<tr>
<td>GROWTH LEVERS</td>
<td>Well positioned to take advantage of multiple growth levers</td>
</tr>
<tr>
<td>FINANCIALS</td>
<td>Subscription-based business model with strong and sustainable revenue growth, high visibility, attractive profitability and cash flow generation</td>
</tr>
<tr>
<td>CULTURE</td>
<td>Strong founder-led corporate culture and leadership team building a sustainable and independent company for the long-term</td>
</tr>
</tbody>
</table>

Source: Company information

1 Top 1 and top 2 positions

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Championing a large, attractive and fast-growing market driven by secular trends

Large and untapped SMB core target group

- SMBs in North America and Europe: ~90mm
- SMBs across Europe: ~58mm
- IONOS customers: ~6mm

IONOS addressable market ’15-26, €bn

- 2015A: 16
- 2021A: 15
- 2026F: 55

- 19% CAGR

CAGR

- ’15-21: 15%
- ’21-26: 19%

WEB PRESENCE & PRODUCTIVITY

- ’15-21: 8%
- ’21-26: 9%

CLOUD

- ’15-21: 35%
- ’21-26: 29%

Source: McKinsey: The SMB Market for Digitization and Cloud Solutions, 1 SMB core target group shown in the chart includes companies with <250 FTE in 2020; 2 Total number of IONOS customers (mostly SMBs), as of September 30, 2022; 3 McKinsey: The SMB Market for Digitization and Cloud Solutions, Cloud North America and server hosting North America deducted from total McKinsey figures to align with IONOS current addressability.

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IONOS is the leading partner for SMB digitalization in Europe with a broad strategic footprint and leading local brands

IONOS footprint in 18 markets & local brand champions

Webhosting market share in Europe (%)\(^1\)

- Germany
- Spain
- Austria
- UK
- Poland
- France

Europe overall\(^1\)

Data center

IONOS

GoDaddy

>2x

Source: Company information; company data analysis; HostAdvice

\(^1\) Refers to webhosting market shares based on company data analysis and HostAdvice. Europe includes Germany, UK, Spain, France, Poland and Austria. Market size (in €) of the European web hosting market in 2021 by country based on company data analysis. IONOS shares based on webhosting revenue in 2021 for those six European countries. OVHcloud based on estimated webhosting revenue in 2021 in France and company data analysis. Other competitors based on number of domains hosted by web hosting companies as published by HostAdvice as of September 2022. Hyperscalers excluded since not considered part of relevant peer group

IONOS is the leading partner for SMB digitalization in Europe with a broad strategic footprint and leading local brands
Easy-to-use, intuitive and scalable platform offering mission critical products across the customer lifecycle

Broad portfolio...

- **2** Business areas
- **10** Product lines
- **50+** Solutions

... supported by unique differentiators

- Proprietary tech stack, leveraging reliable open source
- Vertically integrated across all layers, from 32 data centers to IaaS, PaaS and SaaS

- Strong customer service
- Award winning customer support with 20+ customer service and digitalization awards in 2022

- Operational excellence
- 25 years of experience Building leading digital products and services

- European Cloud
- Gaia-x founding member Out of 15 projects, IONOS has been awarded six

Source: Company information

1 As of October 05, 2022; 2 Net Promoter® and NPS® are registered trademarks of Bain & Company, Inc., SatmetrixSystems, Inc., and Fred Reichheld. Net Promoter Score is a service mark of Bain & Company, Satmetrix Systems and Fred Reichheld. NPS as per Q4 2021; 3 In total, 130 projects have been submitted, IONOS participated in 15 of them and won 6 projects.

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Highly diversified, loyal customer base with strong unit economics

- ~6mm Customers
- 10x+ CLTV/CAC²
- ~12-18 Months payback³
- ~90% Subscription revenue
- >7y Average customer lifetime

- Diversified customer base with no customer concentration: top 10 customers account for <2% of revenue¹
- Efficient customer acquisition leading to attractive unit economics
- High revenue visibility given significant portion of subscription based revenue

Source: Company information. Note: Financial and operational KPIs refer to or are based on 2021 reported figures for IONOS unless otherwise stated

¹ Refers to IONOS branded products, excluding STRATO, fasthosts, arsys, InterNetX, sedo, united domains, home.pl, World4You, we22; ² Refers to IONOS Group, excluding sedo; IONOS brand marketing and related S&M FTE costs as per FY2021. Customer Acquisition Cost (CAC) calculated as the amount of recurring and variable marketing expenses (in €) divided by the number of customers gained over a period. Customer Lifetime Value (CLTV) calculated as (1/Churn) x Average Revenue Per Customer x Gross Profit contribution; ³ Approx. 6–12 months (excl. discounts) and 12–18 months (incl. discounts), based on 2021A annual customer ARPU of ~€160 (ARPU calculated as ~€13 monthly ARPU x 12), and Customer Acquisition Cost (CAC) of ~€90, calculated as the amount of recurring and variable marketing expenses as per FY 2021 (excluding brand marketing and related S&M FTE costs) divided by the number of customers gained over a period.

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IONOS is well positioned to take advantage of multiple additional growth levers...

- Driving digitalization and adoption of digital presence
- Accelerated growth via up- and cross-sell
- Further accelerate cloud offering
- Build the strongest brand in the industry
- International expansion
- Expand product portfolio
- Platform for M&A

Source: Company information
Note: Order of items does not indicate priority or progress
...and is benefitting from building the strongest brand in the industry

- Further cementing the position of our well recognised and trusted brand
- Increasing the share of branded and organic customer traffic and visibility
- Long-term benefits from brand investments by creating the strongest brand in the industry
Subscription-based business model with strong and sustainable revenue growth, high visibility, attractive profitability and cash flow generation

### Industry leading growth with high visibility

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Revenue (€mm)</th>
<th>YoY Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019A</td>
<td>924</td>
<td>7%</td>
</tr>
<tr>
<td>2020A</td>
<td>988</td>
<td>12%</td>
</tr>
<tr>
<td>2021A</td>
<td>1,103</td>
<td>19%</td>
</tr>
<tr>
<td>9M 2021</td>
<td>803</td>
<td></td>
</tr>
<tr>
<td>9M 2022</td>
<td>954</td>
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</table>

### Attractive profitability

<table>
<thead>
<tr>
<th>Year</th>
<th>Adj. EBITDA (€mm)</th>
<th>Adj. EBITDA Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019A</td>
<td>330</td>
<td>36%</td>
</tr>
<tr>
<td>2020A</td>
<td>355</td>
<td>36%</td>
</tr>
<tr>
<td>2021A</td>
<td>392</td>
<td>32%</td>
</tr>
<tr>
<td>9M 2021</td>
<td>270</td>
<td>34%</td>
</tr>
<tr>
<td>9M 2022</td>
<td>276</td>
<td>29%</td>
</tr>
</tbody>
</table>

### Cash conversion rate of ~90%

<table>
<thead>
<tr>
<th>Year</th>
<th>Adjusted Cash Contribution (€mm)</th>
<th>Cash Conversion Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019A</td>
<td>283</td>
<td>86%</td>
</tr>
<tr>
<td>2020A</td>
<td>310</td>
<td>87%</td>
</tr>
<tr>
<td>2021A</td>
<td>318</td>
<td>90%</td>
</tr>
<tr>
<td>9M 2021</td>
<td>243</td>
<td>90%</td>
</tr>
<tr>
<td>9M 2022</td>
<td>245</td>
<td>89%</td>
</tr>
</tbody>
</table>

Source: Company information. Note: Financial and operational KPIs refer to 2021 reported figures for IONOS unless otherwise stated. 1 Total revenue is the sum of revenue from contracts with customers and revenue from contracts with related parties; 2 Adj. EBITDA is defined as EBITDA adjusted for non-recurring items or non-operating items related to (i) long term incentive plans, (ii) stand-alone activities incl. carve-out costs (primarily costs of the separation of the billing systems), (iii) IPO costs, (iv) certain consulting fees incurred for one-off projects and (v) certain severance payments; 3 Defined as Adj. EBITDA / Total revenue; 4 Defined as adj. EBITDA less maintenance capital expenditure (excl. IFRS 16); 5 Growth investments excluding: ~€17mm in incremental brand marketing and ~€12mm higher energy prices; 6 Growth investments excluding: ~€17mm in incremental brand marketing and ~€12mm higher energy prices.
IONOS’ strong commitment to the environment and people is a clear driver of value creation

We focus on energy efficiency measures ...

<table>
<thead>
<tr>
<th>Metric</th>
<th>Target</th>
<th>Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Energy Consumption GWh</td>
<td>115</td>
<td>✓</td>
</tr>
<tr>
<td>Power Usage Effectiveness</td>
<td>1.41</td>
<td>✓</td>
</tr>
<tr>
<td>Renewable electricity</td>
<td>100%</td>
<td>✓</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>KPIs (FY 2018)</th>
<th>Group Average</th>
<th>Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Energy Consumption GWh</td>
<td>132 in 2018</td>
<td></td>
</tr>
<tr>
<td>Power Usage Effectiveness</td>
<td>1.52 group average</td>
<td></td>
</tr>
<tr>
<td>Renewable electricity</td>
<td>92% in 2018</td>
<td></td>
</tr>
</tbody>
</table>

... and people, culture & sense of community

<table>
<thead>
<tr>
<th>Metric</th>
<th>Target</th>
<th>Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>100% climate neutral data centers (Scope 1 &amp; 2)(^1)</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>KPIs (FY 2018)</th>
<th>Group Average</th>
<th>Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female management(^2)</td>
<td>23.9%</td>
<td>✓</td>
</tr>
<tr>
<td>Average employee tenure</td>
<td>7.3y</td>
<td>✓</td>
</tr>
<tr>
<td>Nationalities globally</td>
<td>59</td>
<td>✓</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>KPIs (FY 2018)</th>
<th>Group Average</th>
<th>Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average employee tenure</td>
<td>6.8y</td>
<td></td>
</tr>
<tr>
<td>18.5% in 2018</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Strong corporate culture with entrepreneurial founder-led spirit that will take the company to the next level

Source: Company information, Note: KPIs refer to FY 2021 unless otherwise stated. KPIs refer to the four key brands IONOS, STRATO, arsys and fasthosts; environmental KPIs refer to own data centers; \(^1\) through directly sourced renewable electricity and offsetting remaining amount; refers to 2018-2021 \(^2\) includes C-1 (Division Managers), C-2 (Department Managers) and C-3 (Teamleads)
Market & competitive landscape

Achim Weiss, CEO
SMBs represent a large target group that is digitally underserved

- ~58mm SMBs across Europe
- ~90mm SMBs in North America and Europe
- ~6mm IONOS customers

96%+ of SMBs in Europe are micro SMBs and solo-preneurs

- Only ~50% of solo-preneurs and micro SMBs do not have a website
- Only ~27% of SMBs with websites use an e-commerce solution

Source: McKinsey: The SMB Market for Digitization and Cloud Solutions, company data analysis, company information
Note: SMB market includes companies with <250 FTE as well as large enterprises (≥250 FTE) in 2021; 1 Total number of IONOS customers (mostly SMBs), as of September 30, 2022
Our served addressable market is large and growing fast, with Cloud Solutions becoming a bigger proportion of the overall market.

### Served addressable market in 2021, €bn

- **2015**
  - Europe: 9
  - North America: 5
  - Web Presence & Productivity: 3
  - CAGR: 15% p.a.

- **2021**
  - Europe: 14
  - North America: 8
  - Web Presence & Productivity: 15
  - CAGR: 19% p.a.

- **2026F**
  - Europe: 55
  - North America: 21
  - Web Presence & Productivity: 14
  - CAGR: 29% p.a.

### CAGR, %

<table>
<thead>
<tr>
<th>Region</th>
<th>'15-21</th>
<th>'21-26</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Web Presence &amp; Productivity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Europe</td>
<td>8%</td>
<td>9%</td>
</tr>
<tr>
<td>North America</td>
<td>7%</td>
<td>8%</td>
</tr>
<tr>
<td><strong>Cloud Solutions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Europe</td>
<td>35%</td>
<td>29%</td>
</tr>
</tbody>
</table>

Source: McKinsey: The SMB Market for Digitization and Cloud Solutions, company data analysis
Web Presence & Productivity is a large market with stable and predictable growth

- **Served addressable Web Presence & Productivity market in 2021**: €22bn
- **21-26F CAGR Forecasted market growth**: 9%

Source: McKinsey: The SMB Market for Digitization and Cloud Solutions, company data analysis
Growth in our key regions is driven by secular trends

1. Continued growth in the number of SMBs, especially solo-preneurs and micro SMBs
2. Significant online penetration potential for solo-preneurs and micro SMBs
3. Increasing demand for professional e-mail solutions as SMBs move on a professionalization journey
4. Customers demanding more sophisticated website design solutions
5. E-commerce taking off at scale
6. Increased adoption of other Value Added Solutions (VAS) such as SEO, Business applications, Storage, and Security

The Cloud Solutions market represents an attractive growth opportunity.

- **€15bn**
  Served addressable Cloud Solutions market in 2021

- **29%**
  21-26F CAGR
  Forecasted market growth

Strong growth in our Served Addressable Market in Cloud Solutions

1. Cloud computing has become ubiquitous
2. Growing number of Cloud native SMBs and start-ups looking for an easy-to-use, cost-effective solution
3. Multiple Cloud strategies to better address the growing complexity of needs
4. Regional data geopolitics drive market dynamics

IONOS is the European market leader in Webhosting, with scale and diversification across attractive geographies and products.

### Footprint in 18 markets

<table>
<thead>
<tr>
<th>Country</th>
<th>Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>51%</td>
</tr>
<tr>
<td>Spain</td>
<td>21%</td>
</tr>
<tr>
<td>Austria</td>
<td>19%</td>
</tr>
<tr>
<td>UK</td>
<td>13%</td>
</tr>
<tr>
<td>Poland</td>
<td>11%</td>
</tr>
<tr>
<td>France</td>
<td>10%</td>
</tr>
</tbody>
</table>

### Webhosting market share in Europe (%)

- IONOS: >2x
- GoDaddy: >€100m revenue in North America with solid growth and profitability

#### Source

1. Refers to webhosting market shares based on company data analysis and HostAdvice. Europe includes Germany, UK, Spain, France, Poland, and Austria. Market size (in €) of the European web hosting market in 2021 by country based on company data analysis. IONOS shares based on Web Presence & Productivity revenue in 2021. OVH France based on estimated revenue in 2021 and company data analysis. Other competitors based on number of domains hosted by web hosting companies as published by HostAdvice as of September 2022. Hyperscalers excluded since not considered part of relevant peer group. 2 Revenue from contracts with customers generated in 2021.
IONOS sees competitive advantages against its competitors in the Web Presence & Productivity market

**Why IONOS sees competitive advantages vs digital platform providers**

1. **Scale**
   - Highly focused product portfolio with an extensive footprint across Europe and strong network effects

2. **Service**
   - Outstanding and award winning personal support as trusted partner

3. **Security**
   - Track record of high data privacy and security standards combined with strong reliability across the last 25 years

4. **Efficiency**
   - Efficient marketing, leveraging intra-group synergies

**Why IONOS sees competitive advantages vs use case focused players**

1. **One-stop shop**
   - One-stop-shop solution provider, offering a curated portfolio of products tailored for successful business growth of customers of all sizes without changing the provider

Source: Company information
Our leading IONOS Cloud offering...

**Public Cloud – Services and Solutions**

- Hyperscale Infrastructure and Platform Services

**2021 ISG Provider Lens Leader**

- Low-latency, fast network and high-performance, cost-effective data storage
- Simple configuration of the infrastructure or convenient container management
- Transparent pricing, a contract is not required
- Professional consultants support the customer on the way to the cloud

**Awards**

- Gold Award in the category IaaS
- Rising Star 2020 German IaaS
- Platinum Award Cloud service provider

Source: Information Services Group Provider Lens: Public Cloud – Services & Solutions, Hyperscale Infrastructure & Platform Services, Germany 2021
... makes us a strong challenger in the Cloud Solutions market

**MARKET OPPORTUNITY**

**WEB PRESENCE & PRODUCTIVITY**

**CLOUD SOLUTIONS**

**COMPETITIVE LANDSCAPE**

**Why IONOS sees competitive advantages vs hyperscalers**

1. **Sovereignty**
   - Preference of EU companies to buy from local cloud providers. Reduced risk of vendor lock-in, especially with multi-cloud strategy

2. **Compliance**
   - Compliance with GDPR – no conflict with US Cloud Act or risk for customers of being sued for violation of data protection

3. **Ease-of-use**
   - Allows users to click & build virtual data centers. Transparent pricing, no hidden cost

4. **Customer intimacy**
   - Account management for larger customers. Personal consultant and onboarding support for SMBs

**Why IONOS sees competitive advantages vs other EU Cloud players**

1. **Own tech stack**
   - Only EU Cloud provider with fully owned Cloud tech stack, not being dependent on OpenStack or any US providers

2. **Scale advantages**
   - Using our Cloud as infrastructure for 6mm hosting customers

3. **Portfolio**
   - “One-stop-shop” portfolio of services (from domain to web presence to Cloud infrastructure) that best fits SMB needs

4. **Pure CSP**
   - Focus on selling IaaS and PaaS. Consulting, migration and operation outsourced to external partners. No conflict of interests

Source: Company information
Numerous customer examples underpin our competitiveness in Cloud

"The public sector digitalisation security expert"

About dataport

• dataport is an IT service provider for public administration with the mission to enable the public sector to use modern organizational forms, processes and techniques - without jeopardizing the security and integrity of their data

"In IONOS Cloud we have found a partner who speaks our language and understands our special requirements for resilient and at the same time open software from the ground up."

Why dataport chose IONOS Cloud over competitors

• IONOS’ commitment to open source
• IONOS’ prominent engagement at Gaia-X
• Compliance with GDPR
• The immediate certification according to BSI basic protection for IONOS cloud services

Gawain MacMillan,
Program Lead and Solutions Architect

Source: Company information
Market & competitive landscape – Key takeaways

- **Sizeable €22bn Web Presence & Productivity market complemented by fast-growing €15bn Cloud Solutions market**
- **Structural growth in our markets**
- **Clear market leadership in Europe**
Product suite

Achim Weiss, CEO
The IONOS one-stop-shop portfolio enables an end-to-end digitisation journey for our customers

1. Protect your brand with a domain
   - ccTLDs
   - .de, .com, .net
   - "My customers can now find my business details anytime!"
   - Anmut.Bar (café, bar)

2. For domains that have already been rewarded
   - sedo
   - Buy, Park, Sell Domains

3. Communicate your professional identity with company branded e-mail
   - Business Mail

4. Set up your website and present your business online
   - MyWebsite Now
   - WooCommerce Hosting
   - "The first orders came from abroad!"
   - Wohlfühlmomente Landau (cosmetics online shop)

5. Enrich your presence with e-commerce capabilities and sell online
   - E-Commerce Website Builder

6. Digitize your business and processes with a trusted partner that values privacy and security
   - Managed Nextcloud

7. Grow your online business with smart do-it-yourself and do-it-for-me solutions to attract more customers
   - rankingCoach

8. Leverage cloud computing, scalable infrastructure and storage solutions as your business scales
   - IONOS CLOUD

Source: Company information
IONOS serves customers via its leading global domain platform

Domains are a necessity

- Everyone needs domains to build web presence & branding
- From small businesses, personal projects, to scaling start-ups and enterprises

Longstanding experience in domains

- ~22mm Registered Domains vs. 11mm in 2011
- 25 Years of experience
- Serves full domain lifecycle
- Covers end customers, domainers, wholesale businesses both as DIY or full service

Domains = emotion + connections

- Customers secure names for their projects and identity
- Domains connect web services: Nothing works without them

Robust platform made to scale

- 400+ TLDs
- Domains, DNS & SSL infrastructure
- Platform provides stability, scalability to grow and basis for innovation
- Security and value added services

Source: Company information
Note: KPIs as of December 2021
Our Aftermarket business is the largest in Europe and allows us to significantly augment our domains business.

IONOS’ Aftermarket activities

Buy domains
Search and look for a domain with sedo marketplace
Compare domain offers and buy it securely using sedo Transfer Service

Selling domains
Option to list domains and sell directly at a fixed price
Possibility to negotiate the price of domains with interested buyers

Parking domains
Parked domains can be used to generate ad revenue and to gain visitor statistics which can be used as basis for sale negotiations
Ads are displayed on the website and each advertisement clicked generates revenue for site owner and our aftermarket business

Higher growth / lower margin business
(typically 10-20% commission)

1 European market leader

~22mm Domains listed for sale on sedo marketplace

~9mm Parked domains

~€150mm Revenue

Source: Company information and company data analysis; Global Domain Report 2022 by InterNetX and sedo.com. Note: Metrics as of year end 2021 unless stated otherwise.

1 Company data analysis based on the number of domains listed for sale on sedo.com
Our strong e-mail and office offering serves an essential customer need of further professionalizing their business.

**Must-have business product**
- Professional external representation and identity of your company
- Professional features such as synchronisation enhance ease of use

**Security and privacy**
- Full control over data and processes
- No advertising and reuse of data
- Rock solid reliability based on 20+ years experience

**High engagement and stickiness**
- High satisfaction
- Daily interaction, leading to high visibility of IONOS brand
- Active e-mail customers lock-in other products

**Smart commercial model**
- Economical entry products
- High cross- and up-sell rates
- Highest service lifetime amongst all products

**>26mm** mailboxes active under management

**~2bn** e-mails per month

Source: Company information
Note: KPIs as of March 2022
\(^1\) Average monthly figures as of March 2022 YTD
Our agnostic, reliable and secure hosting platform is at the center of our integrated product offering.

Highly optimized platform
- Ease of use through 1-click applications
- Agnostic across website technology
- Excellent performance

Secure and reliable
- >4.8mm hosting services
- DDoS protection & malware protection
- ISO certified, geo-redundant data centers with high data protection standards

Future proof and flexible
- Use case specific hosting solutions and new hosting & website technologies
- Platform for many value added services
- Flexibility to scale across different performance levels

Instrumental for our platform
- 99.995% uptime
- Substantial and recurring revenue base with low costs/high margins
- Huge customer base serving all price segments
- Significant up-sell potential for product extensions and add-ons

Source: Company information

1 As of December 2021, 2 Average year availability weighted by revenue (monthly average 2021)
30+ years industry evolution from hosting a HTML-based website to a world in which anyone can create and publish a website in minutes

"I need a website"
- First websites started to appear, in the early 90s in the form of handmade, static web pages built on simple and flat HTML text files
- Use of standalone webhosting

"I need a beautiful website"
- Need for Content Management System grew as it enabled dynamic design and smooth content updates
- People without coding skills could now create their own websites

"I need an online presence that drives my business results"
- Exponential growth in the number of websites. Broad adoption of CMS
- Coupling of webhosting and website builder

Source: W3techs; Internet Live Stats
Note: Graph illustrative

Today:
~2.0bn existing websites

Today:
Only ~33% of websites still created without CMS
WordPress is the dominant CMS in the world today and an essential part of our Web Presence & Productivity strategy.

Percentages of websites using various content management systems

- **None:** None
- **Walled garden CMS:** Squarespace, Wix, Shopify
- **Open-source CMS:** WordPress, Drupal, Joomla

- **43%** of all websites are based on WordPress¹
- **65%** of all CMS-based websites are based on WordPress¹
- **>3x** market share gain of WordPress since 2011¹
- ~38% Market-share in e-commerce²

Source: w3Techs, WordPress, Datanyze

¹ w3Techs, including “www.” counted as subdomain and over all hosting products, as of October 2022; ² Datanyze: number of websites using WooCommerce vs. total websites using e-commerce product, as of October 2022.
We were early movers in the WordPress ecosystem and are helping our customers to navigate through the labyrinth of options.

Increasing popularity has been accompanied by increasing complexity...

- Open-source software
- Complex admin interface
- 110+ languages
- 60,000+ plugins
- 5,000+ themes
- Performance issues
- Security issues
- More frequent updates for plug-ins

...IONOS assists its customers in navigating through the complexity of the WordPress ecosystem:

- Pre-defined packaging
- Curated plug-ins
- Fixed security issues
- Added missing themes
- Auto updates
- 24/7 personal support

Source: Company Information
Our diverse range of products is based on WordPress and addresses customers of any skill level

1. **Do It Yourself (DIY)**
   - You choose your design on IONOS tools, based on WordPress
   - You add your content using IONOS tools
   - You publish and maintain your site using IONOS tools

2. **Do It For Me (DIFM)**
   - You discuss your vision with your IONOS consultant
   - IONOS' experts build your website, based on IONOS WordPress tools
   - IONOS publishes and maintains your website

3. **Dedicated WordPress Hosting**
   - You create your website using your WordPress tools of choice
   - IONOS hosts your website with:
     - rapid loading
     - leading security
     - flexible access

4. **Partner agencies**
   - You discuss your vision with an IONOS partner agency
   - Agency creates your website using mainly IONOS WordPress tools
   - Agency publishes and maintains your site leveraging mainly IONOS WordPress tools
We serve customers with a leading online presence creator allowing for flexibility and scalability.

Digital presence starts with a website

- A proper digital presence of SMB starts with a website
- Necessity in order to run a successful e-commerce shop

Worry free solution

- One-stop-shop with all relevant use cases
- No lock-in, grows with business
- Legal compliance, high privacy and security standards
- No hidden fees or advertising on website

Offering both open source and walled garden CMS

- Allowing to grow from sitebuilder powered by WordPress to “pure” worry-free experience
- Combining the power of WordPress with an easy & worry-free experience
- Leveraging open source allows more efficiency

High potential product

- Customers with limited know-how & higher willingness to pay
- Biggest cross- and up-selling target group
- Potential to move to higher value products such as online marketing and e-commerce

>1.9mm
published WordPress instances\(^1\)

~13bn
average monthly page views\(^2\)

Source: Company information

\(^1\) KPI as of August 2022; \(^2\) External page views without robots, during August 2022
We offer everything you need for e-commerce success

Maximum optionality
- Sell anything (physical, digital) anywhere (shop, Instagram, Facebook, etc.) with just a few clicks
- From basic entry level B2C functions to professional B2B functionalities

State-of-the-art platform
- WordPress powered WooCommerce hosting platform with mobile-friendly design, full scalability, easy customization and auto updates
- Also ready for multi-channel usage by merging online and offline sales (e.g. POS integration)

Worry free solution
- Do-It-For-Me support, especially helpful when starting e-commerce for the first time
- Legal compliance and high privacy & security standards ensured

Value-added services
- Highest yoy GMV growth\(^1\)
- 2x yoy GMV growth\(^1\)
- 9 Localised e-commerce shops\(^2\)

1 Based on average monthly GMV Sep-22 YTD vs. average monthly GMV 2021A
2 As of November 2022, localised means besides language in the Shop, also the editor / backend is localized and the terms like tax rates, format of the bills etc. are compliant with the respective law / market

Source: Company information

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High performance dedicated infrastructure allows us to serve specific customer needs

- Broad portfolio for any performance demand
- Easy administration & full flexibility
- Predictive & attractive pricing models
- Full set of features

**>33,000**
customer servers in operation

**41**
different model options

- Professional (agencies & enterprises) focused product
- All hardware categories from entry level to high-end
- Build-to-order option for custom hardware configurations upcoming
- WordPress optionality
- Easy to use and intuitive user interface
- Full root access
- Latest Linux, Windows OS and MS SQL databases
- Low entry price point
- Fair pay-as-you-go pricing without hard contract terms
- Unmetered transfer
- Private networks between servers
- 5 international data center locations to choose from
- Load balancers and shared storage

Source: Company information
Note: KPIs as of September 2022
We provide all types of Cloud Solutions, allowing us to serve every customer need

**Private cloud**
- **Managed Private Cloud (based on VMWare)**
  - Managed cloud cluster environment with service up to hypervisor level hosted on dedicated physical hardware
  - Ramp up of a managed, non-shared servers
  - Infrastructure for hybrid cloud scenarios or isolated workloads

**Bare Metal Cloud**
- Cluster of secure bare metal servers with full access to the hardware resources, network and support
- Utilization of non-shared physical, high-performance server for temporary capacity expansion
- Operation of isolated workloads

**Public cloud**
- **Virtual Private Server**
  - VPS is a virtual machine sold as a service running on shared hardware
  - Ready-to-use shared, virtualized infrastructure
  - Curated and managed services for customers
  - Utilization of attractive managed services

**Enterprise Cloud Platform**
- Cloud computing resources shared across multiple tenants on shared hardware
- Migration or expansion of enterprise IT workloads
- Utilization of attractive managed services

Source: Company information

1 VM: Virtual machine
Based on attractive business proposition PaaS represents a core strategic focus for IONOS

<table>
<thead>
<tr>
<th>Customer benefits</th>
<th>Opportunities for IONOS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Time to market</strong></td>
<td>Extending our target group from pure “IT-tech” to “developer” and “solution user” as well as supply the customer demand of full-service-solutions</td>
</tr>
<tr>
<td>The product is ready to use, reducing the need to hire experts</td>
<td></td>
</tr>
<tr>
<td>Easier to buy PaaS services from current IaaS provider</td>
<td></td>
</tr>
<tr>
<td><strong>No distractions, no side-shows</strong></td>
<td>Adding “use-cases” to the portfolio like “big-data” and “ML/AI” capabilities</td>
</tr>
<tr>
<td>Customers can focus on what makes their business special</td>
<td></td>
</tr>
<tr>
<td>No manpower wasted on standard components</td>
<td></td>
</tr>
<tr>
<td><strong>Profiting from our dedicated PaaS teams</strong></td>
<td>Generates additional revenue with limited capex spend, attracts customers for our IaaS products and adds cross- and up-sell opportunities</td>
</tr>
<tr>
<td>Certified and audited platforms</td>
<td></td>
</tr>
<tr>
<td>Full-service components include monitoring and updates</td>
<td></td>
</tr>
<tr>
<td>KRITIS-level security built-in</td>
<td></td>
</tr>
<tr>
<td><strong>Data sovereignty</strong></td>
<td></td>
</tr>
<tr>
<td>EU-based PaaS provider, customer selects data locality</td>
<td></td>
</tr>
</tbody>
</table>

Source: Company Information
We believe we are THE European Cloud alternative

Independence and security
- In-house developed and fully owned tech stack
- Geo independence and compliant to the high German and EU standards
- Compliance with GDPR – no conflict with US cloud act

Cost effectiveness
- No maintenance or support cost
- Opex instead of Capex
- Transparent pay as you go billing

Flexibility and performance
- Ability to scale up and down quickly and flexibly
- Future-proof and stable infrastructure
- Full flexibility on any configuration (VM, storage and network, managed services)

Holistic Cloud approach
- Managed Private Cloud (based on VMWare)
- Virtual Private Server
- Enterprise Cloud Platform
- Bare Metal Cloud

>210k dedicated cores & vCPUs
>1mm GB RAM
>52mm GB block storage

Source: Company information
Note: KPIs as of September 2022
Product suite – Key takeaways

Easy to use, intuitive and scalable platform with a carefully designed product suite across the customer lifecycle

One-stop-shop for all digitalization needs of SMBs with strong cross- and up-selling potential

GDPR-compliant EU Cloud provider with Cloud native architecture and full control of tech stack
Our customers

Dr. Martin Endress, CCO
## CUSTOMER SEGMENTATION

IONOS serves customers of all sizes with focus on solo-preneurs and SMBs

### Web Presence & Productivity

<table>
<thead>
<tr>
<th>Customer type / % of total</th>
<th>Characteristic</th>
<th>Key buying factors</th>
<th>Customer examples</th>
<th>Typical monthly spend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solo-preneurs</td>
<td>50%</td>
<td>Private, entrepreneurial</td>
<td>Basic web presence offerings at low cost</td>
<td>Private users, NGOs, early-stage entrepreneurs, bloggers</td>
</tr>
<tr>
<td>SMBs</td>
<td>48%</td>
<td>&lt;€20mm revenue</td>
<td>Easy-to-use offerings at transparent price</td>
<td>Start-ups, restaurants, dentists, hairdresser</td>
</tr>
<tr>
<td>Agencies</td>
<td>2%</td>
<td>Web professionals</td>
<td>Demand for scalable, professional solutions</td>
<td>Web professionals</td>
</tr>
<tr>
<td>Mid market</td>
<td>&lt;1%</td>
<td>€20-250mm revenue</td>
<td>Commercial app development</td>
<td>Freelancers, digital agencies</td>
</tr>
<tr>
<td>Public sector</td>
<td>&lt;1%</td>
<td>Government and public administration</td>
<td>Increasing usage of cloud solutions</td>
<td>IT service provider on state and federal level</td>
</tr>
</tbody>
</table>

### Cloud Solutions

- **Government and public administration**
  - Highest requirements on security and compliance
  - Cloud solutions as extension for own DCs
  - Preference for national cloud provider

- **Private, entrepreneur**
  - Easy-to-use offerings at transparent price
  - Interest in additional services (e-commerce, online marketing)

- **Solo-preneurs**
  - Private, entrepreneurial
  - Basic web presence offerings at low cost
  - Ease of use via simple DIY drag-and-drop solutions
  - Help desk availability
  - Price sensitive

- **SMBs**
  - <€20mm revenue
  - Easy-to-use offerings at transparent price
  - Preference for DIY drag-and-drop or DIFM solutions
  - Help desk availability
  - Price sensitive

- **Agencies**
  - Web professionals
  - Demand for scalable, professional solutions
  - Higher focus on flexibility and security
  - Interest in additional services (e-commerce, online marketing)

- **Mid market**
  - €20-250mm revenue
  - Commercial app development
  - Increasing usage of cloud solutions
  - Migration started from on-premise to cloud

- **Public sector**
  - Government and public administration
  - Diverse set of workloads and applications
  - Cloud solutions as extension for own DCs
  - Preference for national cloud provider

### Source: Company information

1 Refers to IONOS brand, as of July 2022
Customers can seamlessly grow their businesses with our Web Presence & Productivity offering

“Swiss cuisine at its best, in the heart of Berlin”

About Schwarze Heidi

Jeniffer Schmid, a stand-up comedian and actress, opened a restaurant in Berlin, with the name of her comedy character: “Schwarze Heidi”

“I have so many different things to handle in my business, so I’m glad I can rely on IONOS’ digital solutions”

Jeniffer Schmid
CEO

How Schwarze Heide grew with IONOS

• Started with Domains and Sitebuilder
• Added Mail Business for communication with customers and suppliers
• Added Ranking Coach to optimize SEO
• Added E-Commerce during pandemic to allow customers to order online

€10-12
2017

>4x

€50+
Today

€: Monthly ARPU

“A little bit of Hollywood at Chiemsee”

About Spreadfilms

Spreadfilms creates tailor-made video communication for larger companies (incl. VW, Otto, Linde, BMW). They have subscribed to our agency partner program

“The most important thing for a video project is an understanding of the customer’s service and product”

Andreas Ramelsberger
CEO

How Spreadfilms grew with IONOS

• Started with domains and a single dedicated server for video editing
• Upgraded to more scalable cloud server
• Recently added webhosting and managed WordPress for customer websites

€3-5
2016

>30x

€150+
Today

€: Monthly ARPU

Source: Company information
Many customers start small and later migrate critical workloads and apps to our Cloud.

**“The IT-star in Germany’s far North”**

About VIAKOM
Managed Service Provider and software development company with expertise in communication and networking
Viam helps customers to digitize their businesses and stay future-proof, connected and available

How VIAKOM grew with IONOS
- Started with domains and webhosting
- Became a IONOS reselling partner in 2019, using our cloud solutions as part of their managed services
- Today, reselling of cloud server, cloud cubes, compute engine, backup and Nextcloud (collaboration and file mgmt)

Matthias Damerow
CEO

![Image](viam.png)

€: Monthly ARPU

>20x

€25k+

Today

2019

>50x

€100k+

Today

2019

**“A mid-sized partner for mid-sized enterprises”**

About proALPHA
proALPHA is an independent software provider (ISV), supplying SMB customers of various industries with ERP products
With >2,000 employees and >8,000 customers they are one of the largest ISVs in Germany

How proALPHA grew with IONOS
- Started with domains and webhosting
- In 2018, first workloads were moved to the cloud – preference for German provider with GDPR compliance
- Today, one of our largest customers running their critical in-production workloads on our cloud

Thomas Bonaventura
Cloud manager

![Image](proalpha.png)

€: Monthly ARPU

>50x

€100k+

Today

2019

>50x

€100k+

Today

2019

—but not so fast, says proALPHA CEO Thomas Bonaventura, who has grown with the cloud provider from 2018—opposing the cloud.

Source: Company information
2 Refers to first 12 months average Cloud ARPU; proALPHA and Viam have both already been IONOS Web Presence & Productivity customers since 2006

Copyright © IONOS TopCo SE 2022
We have a large and growing customer base with low customer concentration...

**Number of customers and net customer adds (000’s)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Customers</th>
<th>Net Adds</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>5,645</td>
<td>+112</td>
</tr>
<tr>
<td>2020</td>
<td>5,757</td>
<td>+2.0%</td>
</tr>
<tr>
<td>2021</td>
<td>5,894</td>
<td>+2.4%</td>
</tr>
</tbody>
</table>

Mission critical nature of IONOS products and ever increasing need of digital presence of SMBs drive customer growth.

**2021 revenue breakdown**

- **Top 10 customers** account for ~2% of revenue
- **Top 100 customers** account for ~4% of revenue

Focus on solo-preneurs and SMBs translates into low customer concentration and no dependencies.

---

Source: Company information

1 Refers to IONOS Group excluding sedo and we22; 2 Refers to revenue from contracts with customers of IONOS brand only
... and have seen sustainable ARPU growth across the portfolio

Monthly ARPU (€)

Customers purchase higher value products and services as they grow with IONOS

Successful cross-sell of additional products within customer base

Data-driven and customer-tailored price increases to realize additional revenue potential

Source: Company information

Defined as average revenue per customer, calculated monthly at IONOS as total revenue (excluding revenue from the aftermarket business) divided by the number of customers at the beginning of the reporting period plus the number of customers at the end of the reporting period.
IONOS generates significant and long-term value from each customer cohort

**IONOS¹ 2015 Cohort – WP&P revenue by product group evolution**

1. New customers are attracted and benefit from welcome discounts in the first year
2. Full pricing realized as discounts run out coupled with cross- and up-sell
3. Cross- and up-sell partly offsetting churn
4. Beyond third year cohort revenue stabilizes
5. Cohort remains a significant revenue contributor

Source: Company information
¹ Refers to Web Presence & Productivity revenue of IONOS brand
Customers onboarded until 2017 contribute ~80% of 2021 revenue

IONOS\(^1\) WP&P revenue over time by customer cohort

---

Sticky customer base with strong net retention

Older cohorts remain a significant revenue contributor

64% of 2021 revenue stem from pre-2015 cohorts, 80% from pre-2018 cohorts

Source: Company information
Note: Chart not drawn to scale
\(^1\) Refers to Web Presence & Productivity revenue of IONOS brand
Effective retention measures have improved customer churn significantly

- **1.2ppts reduction in churn rate**
- **+0.7 years increase in average lifetime**

### Customer chum and average lifetime evolution

<table>
<thead>
<tr>
<th>Year</th>
<th>Annual customer churn (%)</th>
<th>Average customer lifetime (years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>14.2%</td>
<td>7.0</td>
</tr>
<tr>
<td>2020</td>
<td>14.0%</td>
<td>7.1</td>
</tr>
<tr>
<td>2021</td>
<td>13.0%</td>
<td>7.7</td>
</tr>
</tbody>
</table>

Source: Company information

1. Refers to IONOS Group

---

**Activation:**
Trigger-based, personalized onboarding to ensure customers use their products

**Online retention:**
Data-driven, personalized retention offer depending on cancellation reason

**Save desk:**
Team of specialists aiming to keep customers with high value or high retention probability
Attractive and highly predictable unit economics demonstrating strong profitability profile

**Short and highly predictable payback period**

<table>
<thead>
<tr>
<th></th>
<th>2021A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual customer ARPU</td>
<td>~€160(^4)</td>
</tr>
<tr>
<td>Customer acquisition cost</td>
<td>~€90(^5)</td>
</tr>
<tr>
<td>Payback period</td>
<td>~6-12m incl. discounts</td>
</tr>
<tr>
<td></td>
<td>~12-18m excl. discounts</td>
</tr>
</tbody>
</table>

**Exceptional CLTV / CAC across different methodologies**

- CAC defined as the amount of recurring and variable marketing expenses\(^1\)
- CAC defined as the amount of recurring and variable marketing and S&M FTE costs\(^2\)
- CAC defined as the amount of total recurring and variable marketing, S&M FTE costs and brand marketing\(^3\)

Source: Company information;\(^1\) Refers to IONOS Group, excluding sedo; IONOS brand marketing and related S&M FTE costs as per FY 2021. Customer Acquisition Cost (CAC) calculated as the amount of recurring and variable marketing expenses (in €) divided by the number of customers gained over a period, Customer Lifetime Value (CLTV) calculated as (1/churn)\(^*\)*Average Revenue Per Customer*Gross Profit contribution;\(^2\) Refers to IONOS Group, excluding sedo and IONOS brand marketing as per FY 2021. Customer Acquisition Cost (CAC) calculated as the amount of recurring and variable marketing expenses and S&M FTE costs (in €) divided by the number of customers gained over a period, Customer Lifetime Value (CLTV) calculated as (1/churn)\(^*\)*Average Revenue Per Customer*Gross Profit contribution;\(^3\) Refers to IONOS Group. Customer Acquisition Cost (CAC) calculated as the amount of recurring and variable marketing expenses, brand marketing and S&M FTE costs (in €) divided by the number of customers gained over a period, Customer Lifetime Value (CLTV) calculated as (1/churn)\(^*\)*Average Revenue Per Customer*Gross Profit contribution;\(^4\) Calculated as ~€13 monthly ARPU x 12;\(^5\) Customer Acquisition Cost (CAC) calculated as the amount of recurring and variable marketing expenses (in €) divided by the number of customers gained over a period.
We serve a large, growing and diversified customer base without customer concentration

Attractive cohort lifetime values

Best-in-class unit economics on the back of efficient marketing
Marketing, sales and customer care

Arthur Mai, CMO
Dr. Martin Endress, CCO
Hüseyin Dogan, COO
IONOS House of Brands: Strong footprint with local brand approaches

#1 European SMB digitalization partner & trusted cloud enabler with strong North America presence

Local champions

**arsys**  Value brand

**STRATO**  Value brand

**home.pl**  Value brand

**fasthosts**  Value brand

**WORLD4YOU**  Value brand

Global domain & Aftermarket experts

Source: Company information;

176 non brand presence countries with >€1,000 revenue from contracts with customers in FY2021
IONOS has an efficient go-to-market strategy and a sticky customer base which translates into attractive unit economics.

**Go-to-market strategy components**

- Tailored **Marketing** approach
- Well-balanced, efficient **Sales** channels
- Value-adding **Customer Care** approach and operations

**Customer Lifetime Value / Customer Acquisition Cost**

- Customer Lifetime Value (CLTV)
- Customer Acquisition Cost (CAC)

10x+ CLTV/CAC

Source: Company information

1 Refers to IONOS Group, excluding sedo, IONOS brand marketing and related S&M FTE costs as per FY 2021. Customer Acquisition Cost (CAC) calculated as the amount of recurring and variable marketing expenses (in €) divided by the number of customers gained over a period, Customer Lifetime Value (CLTV) calculated as (1/churn)*Average Revenue Per Customer*Gross Profit contribution.
Advanced Marketing set-up with innovation and efficiency built into our DNA

Level 1
The basics
- Keyword based SEA
- SEO & content portal for ideal ranking
- Last click attribution
- Attractive pricing

Level 2
+14% increase in Marketing-driven sales¹

Data-Driven & Scaling
- Lead & content marketing
- Affiliates
- Strategic marketing partnerships
- Continuous ramp up of new marketing channels

Level 3
> +32% increase in Marketing efficiency²

AI/ML & automation
- Usage of statistical models for multitouch channel attribution (MTM)
- ML based SEA & display
- ML based pricing
- ML based customer profiling

Level 4
ROI based branding
- Branding investments measuring and steering activities with ROI based KPIs and MTM models
- Localized & Integrated Full Funnel performance driven Brand building
- Value based harmonizing of IONOS group Marketing activities

Source: Company information
¹ Increase in new customer paid inflow, timeframe of analysis: 2020A - 2022YTD, as of October 2022;
² Increase in new customer paid inflow increase, timeframe of analysis: 2020A - 2022YTD, as of October 2022

Current focus
Excellence along the entire funnel leads to a strong Marketing toolkit

Defining strong brand messages and creating 360° campaigns with high visibility

Integrated product marketing campaigns based on appealing brand and segment stories and strong partnerships

Data driven online marketing optimized by AI and ML technology

IONOS marketing funnel

Brand marketing

Defining strong brand messages and creating 360° campaigns with high visibility

Product marketing

Integrated product marketing campaigns based on appealing brand and segment stories and strong partnerships

Performance marketing

Data driven online marketing optimized by AI and ML technology

Marketing

Sales

Customer Care

Content Marketing

Partnerships & Influencer Marketing

Lead Generation

Event Marketing

Press Releases

Competitive Pricing

Search Engine Advertising

Affiliate Marketing

Search Engine Optimization

Display Advertising (Lower Funnel)

Social Paid Marketing

TV Advertising

YouTube

Social Video Advertising

Display Advertising (Top & Mid Funnel)

Sponsorships

Source: Company Information

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In a consolidating market, a strong brand will be the winner in the long run

- **Launch: September 2021**
  - Building an evergreen brand that is synonymous for Web Presence & Productivity and Cloud Solutions
  - Increase in search demand

- **Launch: May 2022**
  - Increase in target audience brand awareness
  - Building strong employer brand

- **Launch: September 2022**
  - Increase in CLTV and a reduction in CAC
  - Increase in NPS

Source: Company information
We will continue to benefit from our brand reputation as a leading and trusted partner to SMBs

Since start of UK branding waves in 2021:

- +10 points in aided company awareness
- +12 points in NPS
- Overtaking search volume of #1 UK competitor
- +30% applications YoY 2021 to 2022
IONOS wins and advises new customers predominantly through data-driven digital sales
Digital: Majority of our customers order their products in self-service via the website & shop

Example: Domain registration process

1. Landing page introduces customer to product offering

2. Suggest alternative domains for up-sell

3. Adjacent products (e.g. webhosting, e-mail) offered to cross-sell

Modern tech stack allows rapid product launches and high upgrade flexibility

Excellent conversion rates due to customer-oriented user experience / user interface design

Constantly optimized via statistical tests

~6.7mm monthly visits

>50k individual landing pages

Source: Company information
1 Refers to visits of all shop sites, digital and startup guide; average per month during 9M ending September 2022; 2 As of September 2022
Digital: IONOS Control Panel as the central location for customers to manage and order products

Self-service platform for existing customers to manage and order products

Engagement features ensure frequent login and interaction of customers, thus driving

✓ product activation and customer lifetime
✓ sales of new and additional products and services
✓ customer stickiness and brand awareness

~3m logins per month
~23m ad impressions per month
~110k orders per month

Source: Company information
Note: KPIs refer to 2021 averages, IONOS brand only
We have built an advanced personalization engine which scores customers and calculates next best offers based on a 360 degree view of our customers.

Customer data platform allows omni-channel campaigns based on real-time data. Personalized ads and offers increase conversion rates >70% across core channels. 

Source: Company information

1. 433% conversion rate increase for e-mail, 91% for telesales outbound and 72% for control panel ads compared to campaigns and ads using no personalization engine. Data refers to IONOS Core.
Direct: We differentiate our sales approaches depending on customer value and potential

**WEB PRESENCE & PRODUCTIVITY**

**Sales-after-Service (inbound)**
Use of service contacts for sales pitch
Agent uses personalized Next-Best-Offer

Leveraging existing touch points...

...and creating additional ones

**Telesales (outbound)**
Campaigns selected by customers’ product affinity
Trigger-based “always-on” campaigns

**CLOUD SOLUTIONS**

**Sales Reps**
Programmatic approach to acquire/grow customers
Standardized processes, e.g. for onboarding

Customer allocation based on revenue and growth potential

**Account managers**
Tailored approach to acquire/grow customers
Individual processes, e.g. for solution selling
Channel: We have attractive partner programs for both Web Presence & Productivity and Cloud Solutions

<table>
<thead>
<tr>
<th>WEB PRESENCE &amp; PRODUCTIVITY</th>
<th>CLOUD SOLUTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>• ~20,000 verified digital agency partners with 5x higher ARPU than regular customers</td>
<td>• &gt;200 resellers &amp; managed service providers (small IT providers handled via distributors)</td>
</tr>
<tr>
<td>• Agencies use IONOS products to offer services to their end customers</td>
<td>• Reseller and MSPs sell cloud services, often as part of larger managed solution offering</td>
</tr>
<tr>
<td>• Agency program offers advantages (tools, events, discounts, specific rebates)</td>
<td>• Reseller program offers volume-based discounts, joint marketing, project support</td>
</tr>
<tr>
<td>• Large agencies receive account manager</td>
<td>• Resellers &amp; MSP managed by channel experts</td>
</tr>
</tbody>
</table>

Source: Company Information
The IONOS Personal Consultant is a key differentiator in the industry and contributes meaningfully to business performance and customer satisfaction. 

- **+10.5pts**
  - Increase in post contact NPS to 51.4

- **42%**
  - Of all customers are already in the program

- **35%**
  - Churn reduction

- **+25%**
  - Higher service revenue

Michael Schlichting

- **07210 - 170 55627**
- michael.schlichting@ionos.com

Dedicated personal expert as a single point of contact

Reach your consultant directly by phone, e-mail or chat at always the same number and e-mail

Tailored matching based on market, language, customer profile, products

In addition: Free, 24/7 technical hotline for all IONOS customers

Personal advice from a single point of contact driving improved customer economics and recognition

---

Source: Company information, Trustpilot

Note: Customer feedback based on Trustpilot; KPIs refer to IONOS brand KPIs since inception of the Personal Consultant programme in 2018

1. Vs. customers without a Personal Consultant
2. Currently only relates to IONOS brand
IONOS customer care transformed from a pure cost center to a significant value creator and meaningful revenue contributor

Typical customer service operation

Pure cost centre with “call-center” approach

IONOS customer support organization

€1 spent in customer services ...

... creates €3.5 customer lifetime revenue¹ through directly related sales-after-support, inbound telesales as well as churn reduction

... which is equivalent to ~€1 profit, making IONOS’ customer service department cost neutral

~20% of lifetime revenue are contributed by Customer Care

Source: Company information
¹ Statement refers to financial year 2021; ² Only relates to IONOS brand
Our strong post contact NPS and multiple customer awards result from a systematic focus on excellence

Post Contact Net Promoter Score

2019: 26
2021: 52

~2x

Promoters vs. Detractors

40% more cross-selling
60% lower churn

Customer Awards

European Contact Centre & Customer Service Awards

- Best Use of Customer Insight
- Best Customer Engagement Initiative

CHIP

- Best digital service quality

Customer Service of the Year

DIE WELT

- Best Webhosting service quality

Trustpilot

4.4

Excellent based on 45,000+ reviews

"Fast competent response. Very help- and useful. Problem solved within minutes."

"Extraordinary service. When ever I bumped into a technical problem, I was immediately able to get someone directly on the phone who walked me through to a satisfying solution."

"Customer service was taken to a new level & with so many organisations offering very little, poor or no customer service at all, all I can say is Joana & her team have set the benchmark for outstanding service..."

✓ Global customer care support
✓ 24/7 availability (call, chat, e-mail, social media)

Source: Company information; Note: All KPIs based on IONOS brand only

1 As of first quarter of 2019; 2 As of fourth quarter of 2021; 3 As of October 05, 2022
Marketing, sales & customer care – Key takeaways

- Versatile marketing toolbox with flexibility to customize marketing strategies per country, brand and lifecycle stage
- Omni-channel sales setup leveraging distinctive, efficient and data-driven digital sales
- Personal Consultant contributing meaningfully to business performance and customer satisfaction
Our technology foundation

Henning Kettler, CTO
Full stack, full control, deep value creation and efficiency

**SaaS**
- Full-service application hosting
- WordPress, MyWebsite Now, Managed Nextcloud, Open Xchange, E-Commerce, HiDrive, List Local, RankingCoach, etc.

**PaaS**
- Managed platform components
- Databases, Container Management, DNS, Logging, Monitoring, ML/AI, Webhosting, E-Mail, etc.

**IaaS**
- Virtualized infrastructure
- VMs, software defined network, storage solutions, virtual network functions, VPS, Bare Metal Cloud, etc.

**Tangible assets**
- Data centers, backbone, bare metal servers, network infrastructure, etc.

- **Significant experience** in developing and running tech platforms
- **Full control of the tech stack** driving value creation and sovereignty
- **Internal reuse of all layers** driving cost optimization
- **Monetization of every layer**
- **High flexibility** driving award-winning customer experience

Source: Company information
IONOS operates a global, efficient, resilient and certified data center portfolio

- **Smart scale**
  - 32 data centers close to our customers, of which, 11 are fully owned
  - We limit the number of owned DCs, we start with colocation and only build our own DCs once economics support the shift
  - ~100k servers (servers, storages, routers, switches) of which 92% are in owned DCs

- **High resilience**
  - No region outages
  - Continuous security optimization (ISO 27001)
  - Structural redundancy (Uptime Institute Tier III-IV level for latest DCs)
  - Geo-diversity for geo-redundant and disaster recovery platforms in many regions

- **High sustainability**
  - 100% renewable energy in our own DCs
  - Segmented architecture for new DCs, allowing us to build out the DC in line with customer growth
  - Continuous energy optimization (ISO 50001)\(^1\)
  - We have reduced absolute energy consumption
  - Global average PUE 1.57, IONOS PUE 1.41\(^2\)

Source: Company information.
\(^1\) Currently in rollout; \(^2\) Defined as total energy consumption per data center, divided by IT energy consumption per data center, lower values indicate higher effectiveness; IONOS calculated as averages of data centers; global average as per Uptime Institute Global Data Center Survey 2021, average annual PUE for respondents' largest data center, n=566
IONOS operates its own global, high scale, resilient and certified backbone

**Scale**
- >700 network providers directly connected
- Terabit level external bandwidth
- Terabit level DDoS filtering capacity
- 21 DCs, hosting >96% of our servers, integrated into our backbone

**High resilience**
- Dual vendor strategy
- Highly integrated DDoS defense
- Redundant lines and redundant IP transit connections
- Connected to major Internet exchange points

**High operational excellence**
- 25 years competence in very large scale networks
- ISO 27001 certified; ISO 50001 in rollout
- 24/7 Network Operation Center
- MPLS services, Segment Routing Support

**Dual vendor network equipment**

*All DCs are connected by redundant lines. The network backbone (7 regions, 21 DCs) is operated in a dual vendor mode (blue, orange). Able to sustain a line outage, equipment outage or vendor software issue (bug or zero day exploit).*
IONOS engineers its own cost- and sustainability-optimized Bare Metal Servers

**Cost optimized**

- **Industrialized server**: purely functional, stripped down, reusable
  - **Supply chain optimized**: reusable and standardized
- **Portfolio optimized**: tuned and tailored bare metal servers for our products
- **Dedicated server lifetime** ranges on average between 5-7 years

**Sustainability optimized**

- **Energy optimized**: stripped down systems, cooling optimized
- **Circular economy**: re-use, re-purpose/upgrade, recycle
  - **Flexible pricing models** to keep older servers attractive to new customers
  - **Upgrading or refurbishing servers** if unit economics are supportive

**Integrated DC engineering**

- Allows end to end optimization
- **Power**: Tier IV data center and load shared power supplies for energy optimization (R&D phase)
- **Heat reuse**: Future use of liquid cooling of servers will allow heat reuse by communities (R&D phase)

*Source: Company information
Note: Efficiency estimates based on company preliminary testing; \(^1\) This optimization is aimed at Bare Metal Cloud servers, running mostly idle, without meaningful load

---

**Introducing Liquid Cooling into our next DC / BM iterations will allow us to sell heat to communities**

**20% reduction of power needed by future use of shared Power Supplies for up to 20 servers\(^1\)**
Infrastructure as a Service – allowing a diversified public and private cloud offering

**Most efficient IaaS platform**
- >50% more cost efficient\(^1\) compared to IaaS sourcing from hyperscalers
- +30% hardware efficiency by AI driven TCO optimization
- Full automation of life cycle management

**Sovereignty**
- In-house development including open source, therefore only limited dependency on 3rd party solutions
- Full stack built and run with in-house knowledge

**Versatile growth at scale**
- Full vertical integration including hardware, firmware, OS kernel and virtualization layer
- From low-cost virtual Servers, scaling Cloud-based enterprise VMs, dedicated servers, to fully integrated Virtual Data Centers based on one cloud stack

**Resilient and secure**
- Mostly geo-redundant hosting platform
- Flexible sourcing, no vendor lock-in
- IONOS Cloud with certified zero trust Infrastructure layer

---

\(^1\) Comparing the cost to run shared web hosting on our own stack with AWS, comparison 2018
Platform as a Service – our growing box of battle-tested platform solutions

**“API first” – standard interfaces ensure easy integration**

The same pieces come up again and again. We aim to design each of them once, re-use them, and sell them as a service, too.

**We offer what we use ourselves**

- We have built 100+ IT platforms over more than two decades
- Proven solutions to everything our product platforms need: hardened, scalable, reliable, available as services
- Superior components due to cross-layer integration

**Build and run**

- PaaS components are managed services. They are continuously improved, maintained and optimized
- We need them to be efficient, which also benefits our PaaS customers
- Runs on our highly efficient IaaS, and provides our SaaS foundation

**Open source**

- We make sure that we control the software, not the other way around
- Our in-house engineers ensure there is very little we cannot build or adjust as needed
- We control the source code and architecture of all levels of our stack, allowing for deep value creation

Source: Company information
Software as a Service – the final stage of full stack utilization

- **Broad product portfolio**
  - >50 solutions across brands are offered to customers
  - All SaaS solutions built on PaaS and leveraging other layers as foundation

- **High class usability**
  - Easy to use front-end shaped to the demand of our customers: including low skill drag&drop front-end to advanced user demands
  - Efficient and ideally positioned to accelerate product rollout because we have control of all the layers

- **Self-developed applications**
  - >100 engineers focus on SaaS applications like MyWebsite, HiDrive, Cloudpanel and Data Center Designer
  - By reusing the stack, SaaS developers can focus on User experience and product performance

Source: Company information
We are a multi-brand company on our way to operate a single technology stack for all brands

✔ Already 60%+ of our products/services are used by multiple brands
✔ Powerful position through a single fully owned technology stack accessible to all brands
✔ Strong track record of successfully integrating multiple brands into our technology stack
✔ Through API first approach existing and new brands can pick product ranges and tailor them to their local markets
✔ Smaller brands are able to launch leading edge products and services at high speed based on in-depth expertise within the Group
✔ Smaller brands focus on specific market adaption while benefiting from scaling effects within the Group and smart API design
✔ Reducing costs in product development/service offerings thanks to our scalable platform

As local heroes, brands leverage the joint product portfolio but retain control over their products and how they bring them to their local markets

Source: Company information
The Internet Factory adds significant value for both our customers and IONOS

### Internet Factory benefits

<table>
<thead>
<tr>
<th>Domains/SSL/DNS</th>
<th>WordPress on WaaS</th>
<th>CoreVPS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>As part of the Internet Factory the Domain experts throughout the group join forces and share responsibilities</strong></td>
<td><strong>The Internet Factory way of working has allowed fasthosts to benefit from features when they &quot;roll off the production line&quot;</strong></td>
<td><strong>STRATO was the first Internet Factory tenant to utilize CoreVPS in big-scale to sell Windows VPS to new customers</strong></td>
</tr>
<tr>
<td>- Consolidation of platforms - InterNetX serves as the central domain platform and IONOS as the central SSL/DNS platform</td>
<td>- High flexibility - The WordPress on WaaS platform allows adaptation to local market needs</td>
<td>- Synergy effects - Merger of similar products in different brands to a single platform</td>
</tr>
<tr>
<td>- API based - All value added services are API based and are accessible to all brands</td>
<td>- Product improvement - Feedback of all new tenants/customers is used to improve the product</td>
<td>- Efficient product development - Consolidated development efforts on one platform</td>
</tr>
<tr>
<td><strong>Initial situation</strong></td>
<td><strong>Improvements</strong></td>
<td><strong>Used by</strong></td>
</tr>
<tr>
<td>- All brands managed their own platforms (domain registration, SSL and DNS Systems)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| | - Fasthosts had been using their own WordPress hosting product | **IONOS**
| | | **arsys**
| | | **fasthosts**
| | | **home.pl**
| | | **InterNetX**
| | | **World4You**
| **Used by** | | **IONOS**
| | | **fasthosts**
| | | **arsys**
| | | **IONOS**
| | | **intelX**
| | | **World4You**

### Initial situation

- Increased page speed by >40% for WP websites
- InterNetX Price Appraisal Service reduced outflow by 1.4k domains p.m. (IONOS brand only)
- New technologies of the CoreVPS platform drove performance (STRATO VPS vs IONOS CoreVPS)
- Improved cooperation

### Improvements

- High flexibility - The WordPress on WaaS platform allows adaptation to local market needs
- Product improvement - Feedback of all new tenants/customers is used to improve the product
- Synergy effects - Merger of similar products in different brands to a single platform
- Efficient product development - Consolidated development efforts on one platform
- New technologies of the CoreVPS platform drove performance (STRATO VPS vs IONOS CoreVPS)
- Improved cooperation

---

Source: Company information

1 Adoption of CoreVPS product coming soon
Strong resilience and reliability

High infrastructure resilience

- New DCs structural redundancy on the level of Tier III / Tier IV as defined by the uptime institute
- Dual vendor, line redundant backbone
- Integrated DDoS-defended backbone
- High redundancy built into applications (georedundancy, no single point of failure)

Pervasive security

- Mature group ISMS, broadly used, jointly and continuously improved
- IONOS development divisions adopted a state-of-the-art privacy and security by design process
- ~80% of all IONOS employees receive regular security awareness trainings

Strong operating processes

- ITIL oriented but optimized Service Operations and Transition processes with 24x7 coverage
- Clear focus on customers, specially tuned incident, change and problem management
- 32% reduction in customer calls due to issues from 2019 to 2022

Global certifications

- IONOS Core / Cloud infrastructure covered with international standards such as ISO 27001, ISO 50001
- Public sector optimised certifications for IONOS Cloud such as IT-Grundschutz
- Meeting legal standards according to critical infrastructure (KRITIS) and telecommunications law (TkG)

99.995% uptime 2021

Source: Company information

1 Average year availability weighted by revenue (monthly average 2021)
2 Currently in rollout

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Proven operating model powered by a can-do workforce

Talent-attracting state-of-the-art tech stack
- Cloud-native architectures and tool-chains
- Significant Internet player in Europe

Technology, scaling and efficiency
- Biggest European mail- and webhoster
- 25 years of technological, scaling and efficiency experience

Embracing empowered teams
- Strong ownership and individual responsibility
- Agile methodologies and self-determined processes
- High quality and utmost reliability

Key to success, experts on all layers
- ~1,400 IT engineers
- Covering all levels: firmware, kernel, drivers, operating systems, stream processing, applications, mobile, web development

Our Tech work-force distribution
1,400 employed engineers and less than 100 freelance FTEs

Source: Company information
Note: KPIs as of September 2022
Our technology foundation – Key takeaways

- Highly robust vertically integrated technology stack
- Multi-brand company on our way to operate under a single technology stack
- Highly experienced teams with strong Tech DNA
People, culture & sustainability

Hüseyin Dogan, COO
An effective People Strategy is an enabler for our business success

**Business Principles and Work Culture**

**Talent attraction**
We attract and hire high quality talents to support IONOS’ growth and future development

**Talent retention**
We ensure high employee engagement to keep employees with us long-term, allowing for optimal knowledge preservation

**Growth and Leadership**
We empower our people by providing them career development and leadership opportunities

**Diversity and Inclusion**
We foster a diverse, inclusive and performance oriented work culture

**Sustainability**
Our business principles represent our cultural DNA and what enables us to succeed...

Who we are...

- We are customer champions
- We are open-minded and committed
- We are innovators
- We are passionate about our team
- We are curious explorers

What we do...

- We take ownership
- We act resourcefully
- We get things done
- We deliver outstanding results
- We pay attention to detail

Source: Company information
... and we bring them to life by integrating them into our day-to-day activities

**Recruitment**
- Data-driven recruiting
- Talent pipelining / sourcing
- Competency-based interviewing

**Engagement**
- Global engagement surveys
- “Ask The Board” sessions
- Global “All Hands” meetings

**Talent retention**
- Career development programmes
- Compensation & benefits
- Exit and stay interviews

**Talent attraction**
- Global career website
- Recruitment marketing
- Campus recruiting
- Young talents program

**Onboarding**
- Pre-boarding pages
- New joiner onboarding journey for all employees
- Business principles intros

**Development & training**
- Annual appraisal talks
- 360° leadership assessments
- Promotions

Source: Company information
Our strong employer brand is key to attracting and retaining quality talent.

**Candidate experience**
- Top rated and certified employer of choice
- Career start with a personalized onboarding experience
- Efficient and streamlined hiring process

**Rewards & benefits**
- Performance-related attractive bonus schemes
- Corporate benefits
- Disability insurance, nutrition and health benefits

**Work & life focus**
- Hybrid working model (office and mobile working)
- Sabbaticals and unpaid leaves
- 100% remote working for various job profiles

**Increasing popularity among candidates…**

<table>
<thead>
<tr>
<th>Year</th>
<th>Applications #</th>
<th>Acceptance Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>10,734</td>
<td></td>
</tr>
<tr>
<td>2022YTD</td>
<td>13,053</td>
<td>~3%</td>
</tr>
</tbody>
</table>

**…allows for valuable additions to our team**

<table>
<thead>
<tr>
<th>Year</th>
<th>Employees #</th>
<th>Increase %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>3,375</td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td>3,946</td>
<td>+17%</td>
</tr>
</tbody>
</table>

Source: Company information
Note: KPIs refer to IONOS Group,¹ As of September 2022;² FY average, refers to headcount

Copyright © IONOS TopCo SE 2022
Create an inclusive culture and a collaborative work environment for a positive employee wellbeing

**Employee engagement**

Two-way communication, we listen to our people:

- **Voice of our employees**: regular global engagement surveys and pulse checks
- **Direct interaction with the board in “Ask The Board” formats and “Global All Hands” meetings**

**Organizational enhancement**

Feedback analyzed and actioned to drive positive change:

- **Organizational health checks** following a structured process to review talents and leadership on a regular basis
- **ESG scorecard implemented** to establish baselines, measure and improve performance

**Modern working ecosystem**

- **Modern office space concepts** for innovation, creativity and collaboration
- **Self-guided training platform**, maintaining a permanent global education approach

---

**Our success in retaining employees**

- **Engagement Survey 2022**
  - **83% participation rate**
  - **“I feel I am a part of the team”**
    - Yes: 82%
  - **“I know what I need to do to be successful in my role”**
    - Yes: 86%

- **Avg. employee tenure in years**
  - **6.8**
    - 2018
  - **7.3**
    - 2021

Source: Company information.
Note: KPIs refer to IONOS Group.
Empowering our people: career development and talent lifecycle

**Target**
- Data driven 360° evaluation assessment
- Leadership assessment center
- Talent gap analysis
- Annual development meetings with KPI-based competency tracking
- Different career path models
- Leadership and development programs
- Personal learning journey, tailored to role
- Extensive training catalogue
- Mobile learning
- Leadership and talent reviews twice a year
- Succession planning
- Assessment of key employees, emerging talents and future leaders

**Tools**
- Identify competence and leadership potential
- Assess performance in current role
- Ensure personal growth and skill development
- Track leadership and talent development

**Growth**
~€500
Average spend on training per employee (2021)

Source: Company information
Note: KPIs refer to IONOS Group; 1 Refers to total 2021 spend for internal and external trainings / average number of employees 2021
Our diverse and inclusive workplace enriches our company culture empowering business success, innovation and customer centricity

- Public signatory to the Charter of Diversity
- **Diversity scorecard** to track our progress against baselines across employee life-cycle

### Making ourselves accountable

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2018</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nationalities employed</td>
<td>45</td>
<td>59</td>
</tr>
<tr>
<td>Women in management</td>
<td>18.5%</td>
<td>23.9%</td>
</tr>
</tbody>
</table>

### Creating employee awareness

- Diversity trainings for employees, HR and Leaders on wide range of diversity topics
- Annual “Diversity Days” employee-led diversity event to create know-how

### Empowering our diverse groups

- Employee Resource Groups (ERGs) covering: gender, LGBTIQ+, multicultural & multigenerational
- “Woman Explore” initiative to empower female talent towards leadership

Source: Company information
Note: KPIs refer to IONOS Group

# nationalities

GROWTH AND LEADERSHIP

TALENT ATTRACTION

PEOPLE STRATEGY

TALENT RETENTION

SUSTAINABILITY

GROWTH AND LEADERSHIP

GOVERNANCE

DIVERSITY AND INCLUSION

BUSINESS PRINCIPLES

SUSTAINABILITY

GROWTH AND LEADERSHIP

GOVERNANCE

DIVERSITY AND INCLUSION

IONOS
We optimise environmental sustainability across the lifecycle of our operations

- **Sustainable design**
  - Data centers designed, built and upgraded to reduce environmental impact, i.e. free air cooling, energy efficient hardware, green roofs

- **Sourcing renewable electricity**
  - Renewable electricity sourced for all own data centers and a number of our offices globally

- **Circular economy**
  - At their end of life, servers and office IT equipment are reused, refurbished, recycled or donated with our green IT suppliers

- **Resource efficient operations**
  - Certified Energy Management System
  - Dedicated energy management team takes responsibility to achieve our annual energy efficiency targets

Source: Company information
Climate neutral\(^1\) data center operations since 2018

<table>
<thead>
<tr>
<th>100% renewable electricity</th>
<th>100% ISO 50001</th>
<th>1,300+ tons of CO(_2) avoided</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our own global data centers run on directly sourced 100% renewable electricity(^1)</td>
<td>Our energy management systems are ISO 50001 certified</td>
<td>In 2019-2021, we were able to avoid more than 1,300 tons of CO(_2) as a result of 450 tonnes of servers &amp; IT equipment refurbished or recycled</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Energy consumption</th>
<th>Renewable electricity</th>
<th>Data center power usage effectiveness (PUE)(^2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>132.0</td>
<td>100.0%</td>
<td>1.52 1.58 1.41 1.57 1.25</td>
</tr>
<tr>
<td>2018</td>
<td>2018</td>
<td>2018 2021</td>
</tr>
</tbody>
</table>

Design PUE for the new UK data center

---

Source: Company information, Uptime Institute

Note: KPIs refer to IONOS Group: \(^1\)Scope 1 and 2; \(^2\) Power usage effectiveness (PUE): Defined as total energy consumption per data center, divided by IT energy consumption per data center, calculated as averages of data centers, lower values indicate higher effectiveness; \(^3\) Uptime Institute Global Data Center Survey 2021, average annual PUE for respondents' largest data center, n=566
# The IONOS Supervisory Board: Deep industry knowledge and complementary skill set

## Supervisory Board composition

<table>
<thead>
<tr>
<th>Composition of the board</th>
<th>Members of the Supervisory Board</th>
</tr>
</thead>
</table>
| 6 members, of which 1 Chairman and 1 Deputy Chairman | Ralph Dommermuth  
Chairman of the Supervisory Board  
CEO, United Internet AG  
CEO, 1&1 AG |
| Audit Committee | René Obermann  
Deputy Chairman of the Supervisory Board  
Co-Head Europe & Head of Warburg Pincus Germany  
Chairman, Airbus SE |
| Deals in particular with topics relating to accounting and risk management responsibilities | Claudia Borgas-Herold  
CEO, borgas advisory GmbH  
Member of the Supervisory Board, 1&1 AG |
| Nomination Committee | Martin Mildner  
CFO, United Internet AG |
| Proposes whole board suited candidates to join supervisory board for election at AGM | Vanessa Stützle  
CEO, LUQOM GROUP  
Member of the Supervisory Board, Hornbach Holding |
| | Kurt Dobitsch  
Chairman of the Supervisory Board, Nemetschek SE, 1&1 AG, 1&1 MM  
Member of the Supervisory Board, Bechtle AG |

---

Source: Company information  
1&1 Mail & Media  
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People, culture and sustainability – Key takeaways

- Deep integration of business principles into our day-to-day activities
- Strong employer brand with the ability to attract and retain high-quality talent
- Environmental sustainability across the entire lifecycle of our operations
Growth levers

Britta Schmidt, CFO
IONS is well positioned to take advantage of multiple growth levers

- Driving digitalization and adoption of digital presence
- Accelerated growth via up- and cross-sell
- Further accelerate cloud offering
- Build the strongest brand in the industry
- International expansion
- Expand product portfolio
- Platform for M&A

Included in business plan

Upsides beyond business plan

Source: Company information
Note: Order of items does not indicate priority or progress
SMBs represent a large target group that is digitally underserved

Source: McKinsey: The SMB Market for Digitization and Cloud Solutions, company data analysis, company information

1 SMB market includes companies with <250 FTE as well as large enterprises (>250 FTE) in 2021; 2 Total number of IONOS customers (mostly SMBs), as of September 30, 2022
IONOS has a great track record of capturing SMBs as new clients.

Driven by one-stop-shop of products, award-winning marketing, efficient sales and great after-service.

**Gross customer adds (k)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>9M 2021</th>
<th>9M 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross customer adds (k)</td>
<td>933</td>
<td>1,049</td>
<td>1,010</td>
<td>757</td>
<td>735</td>
</tr>
</tbody>
</table>

**Commentary**

- Gross add rates consistently between 15% and 20% as a percentage of the existing customer base.
- Adding ~1mm gross new customers every year.

Source: Company information

1 Annualized 9M gross customer adds as % of existing customer base
Our Aftermarket business is expected to benefit from sustained growth dynamics.

### Balanced domain investor and end user demand

- **Demand by group (%)**
  - Professional domain investors: 25%
  - SMB / end user: 75%

- **Sales to businesses**
  - Bring returns to investors, who re-invest

- **Start-ups** investing more capital in domains

### Increasing domain supply

- **2021 units sold (#)**
  - Total: ~37,100
  - Brokerage: ~1,200

- Attractive domain names are already registered. Offering domains with Aftermarket increases our domains supply.

### Accelerating domain turnover

- **Units sold as % of listed domains**
  - 2019: ~1,600
  - 2021: ~20,500
  - Increase: +9% vs. 2019, +42% vs. 2019

- Significant whitespace to increase % of units traded at sedo marketplace

### Rising Average Selling Price in recent years

- **2021 ASP\(^1\) (€)**
  - Marketplace: ~1,600
  - Brokerage: ~20,500
  - Increase: +4% vs. 2019

- Aftermarket domains attract high-value customers who further invest into their online presence with our additional services.

Source: Company information

\(^1\) sedo marketplace
We pursue sustainable ARPU growth across the portfolio

Source: Company information

Defined as average revenue per customer, calculated monthly at IONOS as total revenue (excluding revenue from the aftermarket business) divided by the number of customers at the beginning of the reporting period plus the number of customers at the end of the reporting period.
Our product suite is designed for seamless up- and cross-selling

<table>
<thead>
<tr>
<th>Web Presence &amp; Productivity</th>
<th>Cloud Solutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARPU development</td>
<td>ARPU development</td>
</tr>
<tr>
<td>Domain</td>
<td>Basic IaaS</td>
</tr>
<tr>
<td>~3x</td>
<td>+ Capacity and additional services</td>
</tr>
<tr>
<td>~5x (1x)</td>
<td>~50x</td>
</tr>
<tr>
<td>~10x (WSB1)</td>
<td>~750x</td>
</tr>
<tr>
<td>~15x (WSB1 + OM2)</td>
<td>~5,000x</td>
</tr>
<tr>
<td>~20x (Website Design Service)</td>
<td>~25,000x+</td>
</tr>
</tbody>
</table>

**Significant Whitespace**

**Strong Cloud Growth**

**Build Strongest Brand**

**International Expansion**

**Product Portfolio**

**M&A Platform**

Source: Company information

1 Website Builder; 2 Online Marketing

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Proven track record of up-selling and cross-selling across cohorts

ARPU development and number of services of cohorts

January 2016 Cohort

- 5.0x
- 2.0x

January 2018 Cohort

- 3.8x
- 1.6x

January 2020 Cohort

- 3.5x
- 1.8x

Source: Company information
Note: As of September 2022
We see significant whitespace for continued up-sell and cross-sell

Percentage of 2021 customers who have purchased x “IONOS-branded” product groups\(^1\) from IONOS

- 1 product group: 100%
- 2 product groups: ~50%
- 3 product groups: ~15%
- 4 product groups: ~3%
- 5+ product groups: <1%

\(^1\) Product groups refers to: Domains, E-mail & Office, Sitebuilder & E-Commerce, Webhosting, Server Hosting, VAS and Cloud

Source: Company information
Note: Analysis performed for IONOS brand; \(^1\) Product groups refers to: Domains, E-mail & Office, Sitebuilder & E-Commerce, Webhosting, Server Hosting, VAS and Cloud
Significant whitespace in Cloud and increasing demand for complex solutions

Share of respondents using a Cloud offering¹

<table>
<thead>
<tr>
<th>Size of SMBs</th>
<th>2016</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Micro SMBs (&lt;9 FTE)</td>
<td>37%</td>
<td>58%</td>
</tr>
<tr>
<td>Small SMBs (10–49 FTE)</td>
<td>70%</td>
<td>88%</td>
</tr>
<tr>
<td>Medium SMBs (50–250 FTE)</td>
<td>85%</td>
<td>89%</td>
</tr>
</tbody>
</table>

SMB Cloud adoption² '19-24, % of Cloud infrastructure spending of total IT infrastructure spending for SMBs

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2024</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31%</td>
<td>48%</td>
</tr>
</tbody>
</table>

Share of respondents using a Cloud offering³

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>85%</td>
<td>80%</td>
</tr>
</tbody>
</table>

¹ Survey carried out on behalf of IONOS in October 2021 (n=63) in Germany, Spain, France and Poland; ² Analysys Mason (September 2020): Cloud infrastructure includes IaaS storage online back-up, IaaS storage simple development, recovery-as-a-service (RaaS), Cloud VPN, IP VPN, IaaS servers, IaaS server co-location, databases (Cloud) and desktop-as-a-service (DaaS); On-premises infrastructure includes LAN switches, routers (wired), wireless LAN, WAN, networking software, point-to-point VPN, databases (on-premises), middleware, operating systems, point of sales (hardware), servers, FC SAN, IP SAN, NAS, PC-attached storage, SAN switches, server-attached storage, back-up and recovery (on-premises), other storage software, replication software and storage resource management software; ³ Flexera: State of the Cloud Report 2022 and Right Scale’s (later Flexera): State of the Cloud Report 2017

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We are investing to further accelerate our Cloud Solutions offering and growth

Investments in the past...

...have led to significant growth momentum...

Investing Cloud EBITDA into product development and GTM motion

Cloud Solutions revenue\(^1\) (€mm)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>77</td>
<td>92</td>
<td>110</td>
<td>81</td>
<td>97</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

...and have positioned us ideally to further capture a tremendous market opportunity

Mid-term growth acceleration and margin expansion

Source: Company information; \(^1\) Refers to revenue from contracts with customers
Our Cloud investments are substantiated by our broad suite of PaaS services and we have a strong roadmap for the future.

Sources: Company information

Expansion into PaaS offers opportunities to attract new customer segments:

- Easy to use services without or less maintenance needs
- Seamlessly integrated in Cloud ecosystem

SMBs

Developers
We will continue to develop our brand reputation as a leading and trusted partner to SMBs

✓ Further cementing the position of our well recognised and trusted brands
✓ Increasing the share of branded and organic customer traffic and visibility
✓ Long-term benefits from brand investments by creating the strongest brand in the industry

2021A

2022E: ~€55mm

2023E: €65-70mm / Mid-term: Decreasing as % of revenue

Source: Company information
Our international expansion is realized through curated entry strategies.

**Market attractiveness**
- Entry via marketing activities
- Served via existing data center in nearby geographies
- No build up of native language support or sales force

**Data center proximity**
- Entry via marketing and regionally tailored offerings
- Served via existing data center in nearby geographies
- Native language support and sales force

**Availability of language skills**
- Entry via marketing and regionally tailored offerings
- Build up of own data centers / co-location as part of a full market entry
- Native language support and sales force

**Marketing only**
- Served via existing data center in nearby geographies
- No build up of native language support or sales force

**Marketing + tailored product**
- Served via existing data center in nearby geographies
- Native language support and sales force

**Full entry**
- Build up of own data centers / co-location as part of a full market entry
- Native language support and sales force

**M&A**
- Potential to enter the market through acquisition of a leading local player
- Typically acquisitions follow an initial organic market entry

Source: Company information
Case study: We expanded to Sweden via our STRATO brand in September 2022

Rationale

- One of the largest European markets without IONOS presence
- High IT and digital affinity
- Repeating success of STRATO market entry in the Netherlands

Go-to-Market

- **Marketing**
  - Initial brand focussed campaign and performance marketing
- **Attractive price / value**
  - Basic Web Presence & Productivity portfolio including launch discounts
- **Support and operations**
  - Native language support
  - Serviced via existing German data center

Opportunity to repeat successful market entry strategy in other attractive countries

Source: Company information
Continuous portfolio expansion serves the needs of SMB digitalization journey and is expected to drive further growth.

Tangible assets offerings
- Further locations according to localisation
- Expansion of network services

IaaS offerings
- Sovereign private cloud offerings
- ARM based architectures
- GPU cluster expansion
- HPC availability

SaaS offerings
- Intelligent file management
- CRM & contact management
- Project management tooling
- Collaboration tools

PaaS offerings
- Extended database services
- Function as a Service
- Managed big data ecosystem
- Multi- & hybrid Cloud management
- Intelligent load balancing capabilities

Source: Company information
Note: Order of items does not indicate priority or progress

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Proven track record of accretive, highly selective and disciplined M&A

- **fasthosts**: Acquisition of a leading Webhosting player in the UK in 2008.
- **arsys**: Acquisition of Spanish webhoster Arsys in 2015.
- **STRATO**: Acquisition of German #2 player STRATO in 2016.
- **World4You**: Acquisition of Austrian #1 player World4You in 2018.
- **united-domains**: Acquisition of a domain registration specialist in 2006.
- **home.pl**: Acquisition of Polish market leader home.pl in 2013.
- **ProfitBricks**: Acquisition of Enterprise Cloud specialist ProfitBricks in 2017.
- **Arsys**: Acquisition of Spanish webhoster Arsys in 2013.
- **WE22**: Acquisition of full service website provider WE22 in 2021.

**M&A strategies**:

- Increase market share in existing geographies:
  - Further gain market share in existing geographies.
  - Ample room for consolidation in highly fragmented markets.

- International expansion:
  - Grow international footprint through acquisitions of leading local players in new geographies.
  - Acquisition of local leading players enables IONOS to scale up quickly.

- Technology bolt-on M&A:
  - Broadening of product portfolio to obtain access to new strategic fields and capabilities.

**Past examples**:

- **STRATO**: German #2 player.
- **home.pl**: Polish market leader.
- **WE22**: Full service website provider.

Source: Company information
Growth levers – Key takeaways

**Significant whitespace of digitally underserved SMBs with great cross- and up-selling potential**

**Well positioned to grow in Cloud Solutions coupled with clear product roll-out strategy**

**Leverage strong brand as a leading and trusted partner to SMBs**
Financials & guidance

Britta Schmidt, CFO
Best-in-class financial profile

Strong and sustainable revenue growth
12% yoy total revenue growth
~90% of recurring revenue

Attractive profitability
72% adj. gross profit margin
32% adj. EBITDA margin

High cash generation
90% cash conversion rate

Excellent unit economics
10x+ CLTV/CAC benefitting from strong brand
~12-18 months payback period

Proven business resilience
Diversified customer base without concentration
Proven through the cycle performance and resilience

Source: Company information
Note: KPIs refer to 2021A if not stated otherwise. 1 Equivalent to total revenue excl. revenue from Aftermarket business (sedo); 2 Ratio of adjusted gross profit to total revenue. Adj. gross profit defined as gross profit adjusted for depreciation and amortization, personnel expenses and costs for data center operation, each as accounted for under costs of sales; 3 Adj. EBITDA is defined as EBITDA adjusted for non-recurring items or non-operating items related to (i) long-term incentive plans, (ii) stand-alone activities incl. carve-out costs (primarily costs of the separation of the billing systems), (iii) adjustments for IPO costs, (iv) certain consulting fees incurred for one-off projects and (v) certain severance payments; 4 Defined as adj. EBITDA less maintenance capex (excl. IFRS 16) divided by adj. EBITDA. Maintenance capital expenditures (excl. IFRS 16) include capital expenditures for replacements and in the ordinary course of business; 5 Refers to IONOS Group, excluding sedo; IONOS brand marketing and related S&M FTE costs as per FY 2021. Customer Lifetime Value (CLTV) calculated as (1/churn)*Average Revenue Per Customer*Gross Profit contribution; 6 Approx. 6-12 months (excl. discounts) and 12-18 months (incl. discounts), based on 2021A annual customer ARPU of ~€160 (ARPU calculated as ~€13 monthly ARPU x 12), and Customer Acquisition Cost (CAC) of ~€90, calculated as the amount of recurring and variable marketing expenses as per FY 2021 (excluding brand marketing and related S&M FTE costs) divided by the number of customers gained over a period
Strong and sustainable total revenue growth on the back of growing customer base and expanding ARPU

**Number of customers (000’s), % yoy customer growth**

- 2019: 5,645
- 2020: 5,757
- 2021: 5,894
- 9M 2021: 5,858
- 9M 2022: 5,962

**Monthly ARPU (€), % yoy ARPU growth**

- 2019: 12.4
- 2020: 12.7
- 2021: 13.3
- 9M 2021: 13.2
- 9M 2022: 14.0

Mission critical nature of IONOS products and ever increasing need of digital presence of SMBs drive customer growth

Up- and cross-selling, as well as increasing contribution of higher ARPU cloud business leading to sustainable ARPU growth

Source: Company information

1 Refers to IONOS Group excluding revenue of aftermarket business (sedo) and we22; 2 Refers to IONOS Group excluding revenue from aftermarket business (sedo)
Both business areas contribute to strong revenue growth and high recurring revenue.

### Commentary

- Subscription-based business model with ~90% recurring revenue\(^1\)
- Web Presence & Productivity with 8.3% 2019-2021 CAGR, growing faster than the market
- Cloud Solutions growing at ~20% 2019-2021 CAGR
- Strong growth in Aftermarket business contributing meaningfully to overall growth

### Total Revenue

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Revenue (in €mm)</th>
<th>CAGR 2019A-2021A</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019A</td>
<td>810</td>
<td>19%</td>
</tr>
<tr>
<td>2020A</td>
<td>988</td>
<td>8%</td>
</tr>
<tr>
<td>2021A</td>
<td>1,103</td>
<td>11%</td>
</tr>
<tr>
<td>9M 2021</td>
<td>820</td>
<td>9%</td>
</tr>
<tr>
<td>9M 2022</td>
<td>954</td>
<td>8%</td>
</tr>
</tbody>
</table>

### Aftermarket Growth Contribution

<table>
<thead>
<tr>
<th>Year</th>
<th>Aftermarket Revenue (in €mm)</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019A</td>
<td>37</td>
<td>3%</td>
</tr>
<tr>
<td>2020A</td>
<td>44</td>
<td>5%</td>
</tr>
<tr>
<td>2021A</td>
<td>110</td>
<td>11%</td>
</tr>
<tr>
<td>9M 2021</td>
<td>97</td>
<td>9%</td>
</tr>
<tr>
<td>9M 2022</td>
<td>36</td>
<td>8%</td>
</tr>
</tbody>
</table>

Source: Company information

\(^1\) Aftermarket business of sedo (domain trading platform and domain parking); \(^2\) Equivalent to total revenue excl. revenue from Aftermarket business (sedo)
Healthy adj. gross profit margin driven by ownership of our technology stack

<table>
<thead>
<tr>
<th>Adj. gross profit (in €mm)</th>
<th>Adj. gross profit margin (^2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019A</td>
<td>694</td>
</tr>
<tr>
<td>2020A</td>
<td>728</td>
</tr>
<tr>
<td>2021A</td>
<td>797</td>
</tr>
<tr>
<td>9M 2021</td>
<td>586</td>
</tr>
<tr>
<td>9M 2022</td>
<td>628</td>
</tr>
</tbody>
</table>

Adj. gross profit defined as gross profit adjusted for depreciation and amortization, personnel expenses and costs for data center operation, each as accounted for under costs of sales;

\(^2\) Ratio of adjusted gross profit to total revenue

Commentary

- Healthy adj. gross profit margins across both Web Presence & Productivity and Cloud Solutions
- Strong adj. gross profit margins driven by ownership of our tech stack and thereby limited license costs for 3\(^{rd}\) party vendors
- Decline in adj. gross profit margin largely driven by:
  - Growth of lower adj. gross profit margin Aftermarket business
  - Impact of increase in energy prices during 9M 2022 of \(\sim\)€12mm
Well invested platform with investments across S&M and T&D

Operating expenses (in €mm)

<table>
<thead>
<tr>
<th>Year</th>
<th>S&amp;M</th>
<th>T&amp;D</th>
<th>G&amp;A</th>
<th>Others and adjustments</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019A</td>
<td>364</td>
<td>62</td>
<td>200</td>
<td>113</td>
</tr>
<tr>
<td>2020A</td>
<td>373</td>
<td>119</td>
<td>206</td>
<td>119</td>
</tr>
<tr>
<td>2021A</td>
<td>442</td>
<td>71</td>
<td>236</td>
<td>(17)</td>
</tr>
<tr>
<td>9M 2021</td>
<td>315</td>
<td>51</td>
<td>168</td>
<td>(13)</td>
</tr>
<tr>
<td>9M 2022</td>
<td>352</td>
<td>55</td>
<td>183</td>
<td>(9)</td>
</tr>
</tbody>
</table>

% total revenue

- S&M driven by:
  - Investments into data-driven, efficient performance marketing and sales channels
  - Investments into a strong cloud salesforce
  - Incremental brand marketing of €17mm in 2022 9M vs. 2021 9M
- Stable G&A as % of revenue
- T&D includes personnel expenses and costs for data center operation
  - Increased on the back of growth investments, mostly into Cloud

Commentary

Source: Company information. Note: Technology & Development, General & Admin and Sales & Marketing excluding D&A.

1 Others and adjustments expenses includes impairment losses on receivables and contract assets, other operating expenses and other operating income. Adjustments refer to non-recurring items or non-operating items related to: (i) long-term incentive plans, (ii) stand-alone activities incl. carve-out costs (primarily costs of the separation of the billing systems), (iii) adjustments for IPO costs, (iv) certain consulting fees incurred for one-off projects and (v) certain severance payments.
Attractive adj. EBITDA margin despite significant growth investments

<table>
<thead>
<tr>
<th>Year</th>
<th>Adj. EBITDA (in €mm)</th>
<th>Adj. EBITDA Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019A</td>
<td>330</td>
<td>36%</td>
</tr>
<tr>
<td>2020A</td>
<td>355</td>
<td>36%</td>
</tr>
<tr>
<td>2021A</td>
<td>392</td>
<td>32%</td>
</tr>
<tr>
<td>9M 2021</td>
<td>270</td>
<td>34%</td>
</tr>
<tr>
<td>9M 2022</td>
<td>276</td>
<td>29%</td>
</tr>
</tbody>
</table>

Source: Company information

- Adj. EBITDA is defined as EBITDA adjusted for non-recurring items or non-operating items related to (i) long-term incentive plans, (ii) stand-alone activities incl. carve-out costs (primarily costs of the separation of the billing systems), (iii) adjustments for IPO costs, (iv) certain consulting fees incurred for one-off projects and (v) certain severance payments. 

- Defined as ratio of Adj. EBITDA to total revenue

**Commentary**

- Attractive adj. EBITDA margins driven by:
  - Fully owned tech stack and open source benefits, with limited license costs
  - Efficient marketing and sales
  - Cost-neutral customer care

- Recent dilution in margins due to:
  - Investments into Cloud business
  - Brand marketing campaigns
  - Higher energy prices
  - Bigger contribution of lower margin Aftermarket business
Strong inherent operating leverage in our business model

Source: Company information.

1 Excl. T&D and D&A; 2 Includes change in other expenses (income), including impairment losses on receivables and contract assets, other operating expenses and other operating income and change in adjustments.
Well invested asset base with low and predictable maintenance capex requirements

<table>
<thead>
<tr>
<th>Total Capex¹ (in €mm)</th>
<th>% total revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019A</td>
<td>2%</td>
</tr>
<tr>
<td>2020A</td>
<td>2%</td>
</tr>
<tr>
<td>2021A</td>
<td>5%</td>
</tr>
<tr>
<td>9M 2021</td>
<td>5%</td>
</tr>
<tr>
<td>9M 2022</td>
<td>5%</td>
</tr>
</tbody>
</table>

**Commentary**

- Low and predictable maintenance capex requirements, consistently between 3% and 5% of total revenue
- IONOS is well invested and has front-loaded capex investments to enable future growth
- <1 year payback on server capex

Source: Company information

¹ Defined as the sum of additions to intangible assets and additions to property, plant and equipment; ² Growth capital expenditures defined as total capex, excluding maintenance capex; ³ Maintenance capital expenditures (excl. IFRS 16) include capital expenditures for replacements and in the ordinary course of business
**Strong server economics generating high returns**

<table>
<thead>
<tr>
<th>Value creative server unit economics</th>
<th>Commentary</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Illustrative</strong></td>
<td><strong>Server 1</strong></td>
</tr>
<tr>
<td>Server lifetime (years)</td>
<td>5 years</td>
</tr>
<tr>
<td>Yearly revenue / Capex spend (x)</td>
<td>~1.9x</td>
</tr>
<tr>
<td>Server lifetime revenue / Server capex spend (x)</td>
<td>~10x</td>
</tr>
<tr>
<td>Payback period</td>
<td>~6 months</td>
</tr>
</tbody>
</table>

**Commentary**

- Dedicated server lifetime ranges on average between 5 to 7 years.
- Key initiatives to extend the revenue generating lifetime of servers:
  - Flexible pricing models to keep aging servers attractive to new customers.
  - Upgrading or refurbishing servers.
  - <1 year payback on server capex.

Source: Company information
Highly cash generative model

Source: Company information

1 Defined as adj. EBITDA less maintenance capex (excl. IFRS 16). Maintenance capital expenditures (excl. IFRS 16) include capital expenditures for replacements and in the ordinary course of business;

2 Defined as adj. cash contribution divided by adj. EBITDA

Commentary

- High profitability with low capex requirements translating into high cash generation
- Consistently low maintenance capex requirements
- Disciplined growth capex approach with clear return requirements
Long term debt at fixed interest rates without refinancing risk

Net Debt as of September 2022A (in €mm)

- Gross debt of €1,248mm\(^1\) as of September 2022A, mainly comprising a shareholder loan from United Internet AG
- Long-term debt package without covenants
- Shareholder loan with fixed interest rates of 6.75% without refinancing risk
- Leverage\(^2\) of 3.3x as of September 2022A

Source: Company information

\(^1\) Gross debt is the sum of non-current liabilities to related parties (€1,265mm), current liabilities to related parties (€6mm), and current liabilities due to banks (<€1mm) less receivables from related parties (€23mm);
\(^2\) Calculated as Net Debt/ LTM EBITDA as of September 2022A
IONOS is the #1 Webhosting provider in Europe and a strong challenger in Cloud

Footprint in 18 markets and local brand champions

- Germany 1
- Spain 1
- Austria 1
- UK 2
- Poland 2
- France 2

Europe overall 1

2021 ISG Provider Lens Leader

Source: Company information; Information Services Group Provider Lens: Public Cloud Services & Solutions, Hyperscale Infrastructure & Platform Services, Germany 2021

1 Refers to webhosting market shares based on company data analysis and HostAdvice. Europe includes Germany, UK, Spain, France, Poland and Austria. Market size (in €) of the European web hosting market in 2021 by country based on company data analysis. IONOS shares based on Web Presence & Productivity revenue in 2021. OVH France based on estimated revenue in 2021 and company data analysis. Other competitors based on number of domains hosted by web hosting companies as published by HostAdvice as of September 2022. Hyperscalers excluded since not considered part of relevant peer group.
Our initiatives are aimed at delivering profitable growth going forward

### Key initiatives

1. **Brand marketing**
2. **Cloud investments**
3. **Cross-sell / up-sell**
4. **Churn reduction / retention**

### Unit economics

<table>
<thead>
<tr>
<th>Key initiatives</th>
<th>CLTV</th>
<th>CAC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand marketing</td>
<td>⬆</td>
<td>⬇</td>
</tr>
<tr>
<td>Cloud investments</td>
<td>⬆</td>
<td>⬇</td>
</tr>
<tr>
<td>Cross-sell / up-sell</td>
<td>⬆</td>
<td>⬇</td>
</tr>
<tr>
<td>Churn reduction / retention</td>
<td>⬆</td>
<td>⬇</td>
</tr>
</tbody>
</table>

### Financials

<table>
<thead>
<tr>
<th>Customer growth</th>
<th>ARPU growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>⬆</td>
<td>⬇</td>
</tr>
</tbody>
</table>

Source: Company information
## Outlook (1/2)

<table>
<thead>
<tr>
<th>Total Revenue</th>
<th>2022E</th>
<th>Mid-term target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group</td>
<td>€1,265-1,300mm, 15-18% YoY growth</td>
<td>~10% CAGR</td>
</tr>
<tr>
<td>WP&amp;P (incl. Aftermarket)</td>
<td>€1,090-1,115mm, 15-17% YoY growth</td>
<td>High single digit CAGR</td>
</tr>
<tr>
<td>Cloud Solutions</td>
<td>€128-133mm, 17-21% YoY growth</td>
<td>~20% CAGR</td>
</tr>
<tr>
<td>Hosting Services to UI Group companies</td>
<td>~€50mm</td>
<td>Mid single digit CAGR</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Adjusted EBITDA margin</th>
<th>2022E</th>
<th>Mid-term target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group</td>
<td>25-28% Adj. EBITDA margin</td>
<td>Increasing to 30%+ Adj. EBITDA margin</td>
</tr>
</tbody>
</table>

Source: Company information
Note: 2022E on a reported basis, 2023 and onwards on a constant currency basis; Mid-term target intends to represent a 4-5 year horizon
## Outlook (2/2)

<table>
<thead>
<tr>
<th></th>
<th>2022E</th>
<th>Mid-term target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Capex</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maintenance</td>
<td>In-line with 2021 as a % of total revenue</td>
<td>~8% CAGR</td>
</tr>
<tr>
<td>Growth</td>
<td>€50-60mm</td>
<td>Decreasing to ~4% of total revenue</td>
</tr>
<tr>
<td><strong>Effective tax rate</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Group</td>
<td>~35% of EBT</td>
<td>Decreasing to ~30% of EBT</td>
</tr>
<tr>
<td><strong>Leverage</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Group</td>
<td>We will continue to focus on deleveraging with net leverage ratio expected to be at ~3.0x by end of 2023 and ~2.5x by end of 2024, compared to 3.3x as of as of Q3'22</td>
<td></td>
</tr>
<tr>
<td><strong>Environmental ambitions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Group</td>
<td>Power Usage Effectiveness (PUE) of 1.35 by 2024, down from 1.41 as of 2021(^{1}), Energy optimisation for all IT components included in the Energy Management System (ISO 50001) by 2024</td>
<td></td>
</tr>
</tbody>
</table>

Source: Company information

Note: 2022E on a reported basis, 2023 and onwards on a constant currency basis; Mid-term target intends to represent a 4-5 year horizon;  
\(^{1}\) Power usage effectiveness (PUE): Defined as total energy consumption per data center, divided by IT energy consumption per data center, calculated as averages of data centers, lower values indicate higher effectiveness.
Conclusion & Q&A
Appendix
Number of SMBs resilient, even in times of market downturn

Number of SMBs in EMEA and North America (in millions)

Source: Statista (SMBs < 250 FTE)¹

Source: Eurostat, OECD, IMF, US Census (SMBs and large enterprises)²

¹ Statista, SMBs refer to companies with < 250 FTE
² Eurostat, OECD, IMF, US Census, leading consultancy market model, extrapolated for 2021-2026f using average GDP forecasts
Revenue by region

### Total Revenue (in €mm)

<table>
<thead>
<tr>
<th>Year</th>
<th>Domestic</th>
<th>Foreign</th>
<th>Hosting services to UI group companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019A</td>
<td>462</td>
<td>425</td>
<td>37</td>
</tr>
<tr>
<td>2020A</td>
<td>489</td>
<td>455</td>
<td>44</td>
</tr>
<tr>
<td>2021A</td>
<td>549</td>
<td>511</td>
<td>43</td>
</tr>
<tr>
<td>9M 2021</td>
<td>403</td>
<td>369</td>
<td>31</td>
</tr>
<tr>
<td>9M 2022</td>
<td>461</td>
<td>456</td>
<td>36</td>
</tr>
</tbody>
</table>

### International share (related to revenue from contracts with customers)

<table>
<thead>
<tr>
<th>Year</th>
<th>Domestic</th>
<th>Foreign</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019A</td>
<td>47.9%</td>
<td>47.9%</td>
</tr>
<tr>
<td>2020A</td>
<td>48.2%</td>
<td>48.2%</td>
</tr>
<tr>
<td>2021A</td>
<td>48.2%</td>
<td>49.7%</td>
</tr>
<tr>
<td>9M 2021</td>
<td>47.8%</td>
<td></td>
</tr>
<tr>
<td>9M 2022</td>
<td>49.7%</td>
<td></td>
</tr>
</tbody>
</table>

### Commentary

- Revenue from contracts with customers are split evenly between domestic and international with both contributing c. 50%.
- Hosting services to UI group companies revenue is mostly generated domestically.

Source: Company information

1 Revenue from contracts with customers generated in legal entities worldwide, excluding Germany.
2 Revenue from contracts with related parties are not allocated to a country.
3 Revenue from contracts with customers generated in legal entities in Germany.
EBITDA to adj. EBITDA bridge

2021 EBITDA, adjustments and adj. EBITDA (in €mm)

<table>
<thead>
<tr>
<th>Component</th>
<th>Value (€mm)</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA¹</td>
<td>326</td>
<td></td>
</tr>
<tr>
<td>LTIP</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>Stand-alone costs</td>
<td>12</td>
<td>Includes external costs incurred in connection with the IPO</td>
</tr>
<tr>
<td>IPO costs</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>One-off consulting</td>
<td>4</td>
<td>Includes consulting fees incurred in connection with one-off projects, such as reorganization measures</td>
</tr>
<tr>
<td>Adj. EBITDA</td>
<td>355</td>
<td></td>
</tr>
</tbody>
</table>

Commentary

1. Includes costs of employee stock ownership programs
2. Includes costs of preparing the carve-out from the United Internet Group and the establishment of IONOS TopCo as an independent group (primarily costs of the separation of the Group's billing system from the billing systems of 1&1 Telecommunication SE)
3. Includes external costs incurred in connection with the IPO
4. Includes consulting fees incurred in connection with one-off projects, such as reorganization measures

Source: Company information; ¹ EBITDA defined as operating result, plus D&A, less write-ups
### Key financials (1/3)

<table>
<thead>
<tr>
<th>Management reporting, in (€mm)</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>9M 2021</th>
<th>9M 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Revenue</strong></td>
<td>924</td>
<td>988</td>
<td>1,103</td>
<td>803</td>
<td>954</td>
</tr>
<tr>
<td>% revenue growth</td>
<td>n.a.</td>
<td>7.0%</td>
<td>11.6%</td>
<td>n.a.</td>
<td>18.7%</td>
</tr>
<tr>
<td>Cost of sales (excl. T&amp;D and D&amp;A)</td>
<td>230</td>
<td>260</td>
<td>306</td>
<td>217</td>
<td>325</td>
</tr>
<tr>
<td><strong>Adj. gross profit</strong></td>
<td>694</td>
<td>728</td>
<td>797</td>
<td>586</td>
<td>628</td>
</tr>
<tr>
<td>% gross profit margin</td>
<td>75.1%</td>
<td>73.6%</td>
<td>72.3%</td>
<td>72.9%</td>
<td>65.9%</td>
</tr>
<tr>
<td>S&amp;M (excl. D&amp;A)</td>
<td>200</td>
<td>206</td>
<td>236</td>
<td>168</td>
<td>183</td>
</tr>
<tr>
<td>G&amp;A (excl. D&amp;A)</td>
<td>62</td>
<td>64</td>
<td>71</td>
<td>51</td>
<td>55</td>
</tr>
<tr>
<td>T&amp;D</td>
<td>113</td>
<td>119</td>
<td>153</td>
<td>110</td>
<td>124</td>
</tr>
<tr>
<td>Other expenses (income)¹</td>
<td>(20)</td>
<td>(1)</td>
<td>12</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>D&amp;A</td>
<td>117</td>
<td>111</td>
<td>113</td>
<td>83</td>
<td>85</td>
</tr>
<tr>
<td><strong>Operating result</strong></td>
<td>222</td>
<td>229</td>
<td>214</td>
<td>167</td>
<td>174</td>
</tr>
<tr>
<td>% operating result margin</td>
<td>24.0%</td>
<td>23.2%</td>
<td>19.4%</td>
<td>20.8%</td>
<td>18.2%</td>
</tr>
<tr>
<td>D&amp;A</td>
<td>117</td>
<td>111</td>
<td>113</td>
<td>83</td>
<td>85</td>
</tr>
<tr>
<td>Write-up²</td>
<td>(19)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>319</td>
<td>340</td>
<td>326</td>
<td>250</td>
<td>259</td>
</tr>
<tr>
<td>% EBITDA margin</td>
<td>34.6%</td>
<td>34.4%</td>
<td>29.6%</td>
<td>31.2%</td>
<td>27.1%</td>
</tr>
<tr>
<td>Adjustments</td>
<td>10</td>
<td>15</td>
<td>29</td>
<td>20</td>
<td>17</td>
</tr>
<tr>
<td><strong>Adj. EBITDA</strong></td>
<td>330</td>
<td>355</td>
<td>355</td>
<td>270</td>
<td>276</td>
</tr>
<tr>
<td>% Adj. EBITDA margin</td>
<td>35.7%</td>
<td>35.9%</td>
<td>32.2%</td>
<td>33.7%</td>
<td>28.9%</td>
</tr>
</tbody>
</table>

Source: Company information

¹ Other expenses (income) includes impairment losses on receivables and contract assets, other operating expenses and other operating income; ² Refers to write-up in STRATO brand
## Key financials (2/3)

<table>
<thead>
<tr>
<th></th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>9M 2021</th>
<th>9M 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Revenue</strong></td>
<td>924</td>
<td>988</td>
<td>1,103</td>
<td>803</td>
<td>954</td>
</tr>
<tr>
<td>% revenue growth</td>
<td>n.a.</td>
<td>7.0%</td>
<td>11.6%</td>
<td>n.a</td>
<td>18.7%</td>
</tr>
<tr>
<td><strong>Adj. EBITDA</strong></td>
<td>330</td>
<td>355</td>
<td>355</td>
<td>270</td>
<td>276</td>
</tr>
<tr>
<td>% Adj. EBITDA margin</td>
<td>35.7%</td>
<td>35.9%</td>
<td>32.2%</td>
<td>33.7%</td>
<td>28.9%</td>
</tr>
<tr>
<td><strong>Maintenance Capex (excl. IFRS 16)</strong></td>
<td>(47)</td>
<td>(45)</td>
<td>(37)</td>
<td>(27)</td>
<td>(31)</td>
</tr>
<tr>
<td>% of total revenue</td>
<td>5.1%</td>
<td>4.5%</td>
<td>3.4%</td>
<td>3.4%</td>
<td>3.2%</td>
</tr>
<tr>
<td><strong>Adj. cash contribution</strong></td>
<td>283</td>
<td>310</td>
<td>318</td>
<td>243</td>
<td>245</td>
</tr>
<tr>
<td>% cash conversion rate</td>
<td>85.8%</td>
<td>87.4%</td>
<td>89.5%</td>
<td>90.0%</td>
<td>88.9%</td>
</tr>
</tbody>
</table>

Source: Company information
### Key financials (3/3)

<table>
<thead>
<tr>
<th></th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>9M 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>o/w cash and cash equivalents</td>
<td>40</td>
<td>106</td>
<td>50</td>
<td>43</td>
</tr>
<tr>
<td>o/w receivables from related parties</td>
<td>63</td>
<td>41</td>
<td>16</td>
<td>23</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td>1,324</td>
<td>1,257</td>
<td>1,310</td>
<td>1,344</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>1,500</td>
<td>1,489</td>
<td>1,472</td>
<td>1,543</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td>207</td>
<td>231</td>
<td>278</td>
<td>299</td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td>1,723</td>
<td>1,584</td>
<td>1,426</td>
<td>1,398</td>
</tr>
<tr>
<td>o/w shareholder loan</td>
<td>1,589</td>
<td>1,466</td>
<td>1,315</td>
<td>1,265</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td>(430)</td>
<td>(326)</td>
<td>(232)</td>
<td>(153)</td>
</tr>
<tr>
<td><strong>Total liabilities and equity</strong></td>
<td>1,500</td>
<td>1,489</td>
<td>1,472</td>
<td>1,543</td>
</tr>
</tbody>
</table>

Source: Company information
Glossary & financial definitions
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Definition</th>
<th>Abbreviation</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>AGM</td>
<td>Annual general meeting</td>
<td>D&amp;A</td>
<td>Depreciation and amortization</td>
</tr>
<tr>
<td>AI</td>
<td>Artificial intelligence</td>
<td>DBaaS</td>
<td>Database-as-a-Service</td>
</tr>
<tr>
<td>API</td>
<td>Application programming interface</td>
<td>DC</td>
<td>Data center</td>
</tr>
<tr>
<td>ARM</td>
<td>Azure Resource Manager</td>
<td>DCD</td>
<td>Data center designer</td>
</tr>
<tr>
<td>ARPU</td>
<td>Average revenue per user</td>
<td>DDoS</td>
<td>Distributed denial of service</td>
</tr>
<tr>
<td>ASP</td>
<td>Average selling price</td>
<td>DIFM</td>
<td>Do-it-for-me</td>
</tr>
<tr>
<td>B2B</td>
<td>Business-to-business</td>
<td>DIY</td>
<td>Do-it-yourself</td>
</tr>
<tr>
<td>BM</td>
<td>Bare metal</td>
<td>DNS</td>
<td>Domain name system</td>
</tr>
<tr>
<td>BMC</td>
<td>Bare metal cloud</td>
<td>DNSSEC</td>
<td>Domain name system security extension</td>
</tr>
<tr>
<td>BSI</td>
<td>Bundesamt für Sicherheit in der Informationstechnik (German Federal Office of Information Security)</td>
<td>eBGP VPN</td>
<td>External border gateway protocol</td>
</tr>
<tr>
<td>CAC</td>
<td>Customer acquisition cost</td>
<td>EBITDA</td>
<td>Earnings before interest, taxes, depreciation and amortization</td>
</tr>
<tr>
<td>CAGR</td>
<td>Compound annual growth rate</td>
<td>ESG</td>
<td>Environmental, social and governance</td>
</tr>
<tr>
<td>CDN</td>
<td>Content delivery network</td>
<td>FAAS</td>
<td>Function-as-a-service</td>
</tr>
<tr>
<td>CLTV</td>
<td>Customer lifetime value</td>
<td>FC SAN</td>
<td>Fiber channel storage area network</td>
</tr>
<tr>
<td>CMS</td>
<td>Content management system</td>
<td>FTE</td>
<td>Full-time equivalent</td>
</tr>
<tr>
<td>CPU</td>
<td>Central processing unit</td>
<td>G&amp;A</td>
<td>General and administrative</td>
</tr>
<tr>
<td>CRM</td>
<td>Customer relationship management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Abbreviation</td>
<td>Definition</td>
<td>Abbreviation</td>
<td>Definition</td>
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<tr>
<td>--------------</td>
<td>------------</td>
<td>--------------</td>
<td>------------</td>
</tr>
<tr>
<td>GDPR</td>
<td>General data protection regulation (EU)</td>
<td>LTIP</td>
<td>Long-term incentive plan</td>
</tr>
<tr>
<td>GPU</td>
<td>Graphics processing unit</td>
<td>ML</td>
<td>Machine learning</td>
</tr>
<tr>
<td>GTM</td>
<td>Go-to-market</td>
<td>MSP</td>
<td>Managed service provider</td>
</tr>
<tr>
<td>GWh</td>
<td>Gigawatt hours</td>
<td>NAS</td>
<td>Network-attached-storage</td>
</tr>
<tr>
<td>HDD</td>
<td>Hard disk drive</td>
<td>NAT</td>
<td>Network address translation</td>
</tr>
<tr>
<td>HPC</td>
<td>High performance computing</td>
<td>NIC</td>
<td>Network interface card</td>
</tr>
<tr>
<td>HTML</td>
<td>HyperText markup language</td>
<td>NPS</td>
<td>Net promoter score</td>
</tr>
<tr>
<td>IaaS</td>
<td>Infrastructure-as-a-Service</td>
<td>NVMe</td>
<td>Non-volatile memory express</td>
</tr>
<tr>
<td>IFRS</td>
<td>International Financial Reporting Standards</td>
<td>OECD</td>
<td>Organisation for economic co-operation and development</td>
</tr>
<tr>
<td>IMF</td>
<td>International monetary fund</td>
<td>PaaS</td>
<td>Platform-as-a-Service</td>
</tr>
<tr>
<td>IP</td>
<td>Internet protocol</td>
<td>POS</td>
<td>Point of sale</td>
</tr>
<tr>
<td>IP SAN</td>
<td>Internet protocol storage area network</td>
<td>PUE</td>
<td>Power usage effectiveness</td>
</tr>
<tr>
<td>ISMS</td>
<td>Information security management system</td>
<td>RAM</td>
<td>Random-access memory</td>
</tr>
<tr>
<td>ISO</td>
<td>International organization for standardization</td>
<td>S&amp;M</td>
<td>Sales and marketing</td>
</tr>
<tr>
<td>ITIL</td>
<td>Information technology infrastructure library</td>
<td>SaaS</td>
<td>Software-as-a-Service</td>
</tr>
<tr>
<td>LAN</td>
<td>Local area network</td>
<td>SAM</td>
<td>Served addressable market</td>
</tr>
<tr>
<td>LB</td>
<td>Load balancer</td>
<td>SDK</td>
<td>Software development kit</td>
</tr>
<tr>
<td>Abbreviation</td>
<td>Definition</td>
<td>Abbreviation</td>
<td>Definition</td>
</tr>
<tr>
<td>--------------</td>
<td>------------</td>
<td>--------------</td>
<td>------------</td>
</tr>
<tr>
<td>SDN</td>
<td>Software-defined networking</td>
<td>UX</td>
<td>User experience</td>
</tr>
<tr>
<td>SEA</td>
<td>Search engine advertising</td>
<td>VAS</td>
<td>Value added services</td>
</tr>
<tr>
<td>SEO</td>
<td>Search engine optimization</td>
<td>vCPU</td>
<td>Virtual CPU</td>
</tr>
<tr>
<td>SMB</td>
<td>Small and midsize businesses</td>
<td>VM</td>
<td>Virtual machine</td>
</tr>
<tr>
<td>SQL</td>
<td>Structured query language</td>
<td>VNF</td>
<td>Virtual network functions</td>
</tr>
<tr>
<td>SSD</td>
<td>Solid-state drive</td>
<td>VoIP</td>
<td>Voice over IP</td>
</tr>
<tr>
<td>SSL</td>
<td>Secure sockets layer</td>
<td>VPN</td>
<td>Virtual private network</td>
</tr>
<tr>
<td>T&amp;D</td>
<td>Technology and development</td>
<td>VPS</td>
<td>Virtual private server</td>
</tr>
<tr>
<td>TAM</td>
<td>Total addressable market</td>
<td>WaaS</td>
<td>Website-as-a-Service</td>
</tr>
<tr>
<td>TCO</td>
<td>Total cost of ownership</td>
<td>WAF</td>
<td>Web application firewall</td>
</tr>
<tr>
<td>TkG</td>
<td>Telekommunikationsgesetz (German telecommunications act)</td>
<td>WAN</td>
<td>Wide area network</td>
</tr>
<tr>
<td>TLD</td>
<td>Top level domain</td>
<td>WP&amp;P</td>
<td>Web presence &amp; productivity</td>
</tr>
<tr>
<td>TÜV</td>
<td>Technischer Überwachungsverein (German technical inspection association)</td>
<td>YoY</td>
<td>Year-over-year</td>
</tr>
<tr>
<td>UI</td>
<td>United Internet</td>
<td>YTD</td>
<td>Year-to-date</td>
</tr>
<tr>
<td>URL</td>
<td>Uniform resource locator</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Item</td>
<td>Definition</td>
<td></td>
<td></td>
</tr>
<tr>
<td>------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total revenue</td>
<td>Defined as revenue from contracts with customers and revenue from contracts with related parties</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Related parties revenue</td>
<td>In this document also referred to as “Hosting Services to UI Group companies”, refers to contracted revenue with other UI subsidiaries</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recurring revenue</td>
<td>Contracted revenue, equivalent to total revenue excl. revenue from Aftermarket business (sedo)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross profit</td>
<td>Calculated as revenue from contracts with customers and revenue from contracts with related parties less cost of sales</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted gross profit</td>
<td>Defined as gross profit adjusted for depreciation and amortization, personnel expenses and costs for data center operation, each as accounted for under costs of sales</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted gross profit margin</td>
<td>Defined as the ratio of adjusted gross profit to total revenue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>Defined as the Group's earnings before income taxes, share of the profit or loss of associates accounted for using the equity method, finance costs and finance income, and depreciation and amortization. EBITDA is calculated as operating result, plus amortization and depreciation as well as impairment of intangible assets and property, plant and equipment, less write-ups of intangible assets, where applicable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>Defined as the ratio of EBITDA to total revenue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adj. EBITDA</td>
<td>Defined as EBITDA adjusted for non-recurring items or non-operating items related to (i) long-term incentive plans, (ii) stand-alone activities incl. carve-out costs (primarily costs of the separation of the billing systems), (iii) adjustments for IPO costs, (iv) certain consulting fees incurred for one-off projects and (v) certain severance payments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adj. EBITDA margin</td>
<td>Defined as the ratio of Adjusted EBITDA to total revenue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adj. Cash Contribution</td>
<td>Defined as Adjusted EBITDA less maintenance capital expenditures (excl. IFRS 16)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash Conversion Rate</td>
<td>Defined as Adjusted Cash Contribution divided by Adjusted EBITDA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net debt</td>
<td>Defined as the sum of non-current liabilities to related parties, current liabilities to related parties, and current liabilities due to banks less receivables from related parties and cash and cash equivalents</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Financial definitions (2/2)

<table>
<thead>
<tr>
<th>Item</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other expenses (income)</td>
<td>Other expenses (income) includes impairment losses on receivables and contract assets, other operating expenses and other operating income</td>
</tr>
<tr>
<td>Maintenance capital expenditures (maintenance capex)</td>
<td>Maintenance capital expenditures (excl. IFRS 16) include capital expenditures for replacements and in the ordinary course of business</td>
</tr>
<tr>
<td>Growth capital expenditures (growth capex)</td>
<td>Growth capital expenditures includes all capital expenditures that are not maintenance capital expenditures</td>
</tr>
<tr>
<td>Total capital expenditures (total capex)</td>
<td>Defined as the sum of additions to intangible assets and additions to property, plant and equipment, excl. IFRS 16</td>
</tr>
<tr>
<td>CLTV</td>
<td>Customer Lifetime Value (CLTV) calculated as (1/churn)<em>Average Revenue Per Customer</em>Gross Profit contribution</td>
</tr>
<tr>
<td>CAC</td>
<td>Customer Acquisition Cost (CAC) is calculated as the amount of recurring and variable marketing expenses (in €) divided by the number of customers gained over a period</td>
</tr>
<tr>
<td>CLTV/CAC</td>
<td>Defined as the ratio of CLTV to CAC, refers to IONOS Group, excluding sedo; IONOS brand marketing and related S&amp;M FTE costs as per FY2021</td>
</tr>
<tr>
<td>ARPU</td>
<td>ARPU as the average revenue per customer, calculated monthly at IONOS as total revenue (excluding revenue from the aftermarket business) divided by the number of customers at the beginning of the reporting period plus the number of customers at the end of the reporting period, divided by 2, the result of which is divided by the number of months in the reporting period</td>
</tr>
<tr>
<td>Payback period</td>
<td>Defined as the ratio of ARPU for a given period to CAC for the same period</td>
</tr>
</tbody>
</table>