

A decorative graphic consisting of several nested, glowing green squares that create a tunnel-like effect. In the center of this graphic, the text "9M/22" is displayed in a large, white, outlined font. The background is a dark blue gradient with vertical light streaks.

9M/22

NINE-MONTH STATEMENT AS OF 30 SEPTEMBER 2022

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KEY PERFORMANCE INDICATORS

OPERATIONAL KPIs

in EUR millions/as indicated	9M/2022	9M/2021	Change in %	Q3/2022	Q3/2021	Change in %
Revenue	1,889.1	1,880.8	0.4	652.1	641.8	1.6
Gross profit	657.5	639.1	2.9	220.7	214.8	2.7
EBITDA	362.3	339.9	6.6	121.4	117.6	3.2
Adjusted consolidated profit ¹	205.6	144.0	42.8	66.0	61.5	7.4
Adjusted earnings per share (in EUR) ^{1,2}	1.73	1.24	39.4	0.56	0.50	11.0

SUBSCRIBERS

in '000s	30.9.2022	31.12.2021	Change in %	30.9.2021
Postpaid customers	7,235.0	7,178.0	0.8	7,138.6
App-based tariffs ³	112.1	88.0	27.4	84.4
freenet TV subscribers (RGU)	711.7	796.6	-10.7	813.4
waipu.tv subscribers	871.8	722.5	20.7	668.5
Number of subscribers (total)	8,930.6	8,785.1	1.7	8,704.8

BALANCE SHEET KPIs

as indicated	30.9.2022	31.12.2021	Change	30.9.2021
Equity ratio (in %)	39.4	41.5	-2.1 PP	41.3
Leverage	1.8	1.8	1.0%	1.9

CASH FLOWS, INVESTMENTS AND DEPRECIATION/AMORTISATION/IMPAIRMENT

in EUR millions	9M/2022	9M/2021	Change in %	Q3/2022	Q3/2021	Change in %
Free cash flow	187.3	172.9	8.3	62.6	60.8	3.1
Net investments (CapEx)	-39.7	-28.5	-39.4	-13.1	-9.1	-43.2
Depreciation, amortisation and impairment	-260.7	-151.4	-72.2	-87.8	-38.1	-130.6
Thereof amortisation of the mobilcom-debitel trademark	-145.5	0.0	n/a	-49.2	0.0	n/a

SHARE

in EUR millions/as indicated	30.9.2022	31.12.2021	Change in %	30.9.2021
Market value per share ⁴	19.45	23.27	-16.4	22.63
Market capitalisation (in EUR millions) ⁴	2,313	2,980	-22.4	2,898

EMPLOYEES

	30.9.2022	31.12.2021	Change in %	30.9.2021
Headcount	3,706	3,784	-2.1	3,827

¹ Adjusted for effects from the amortisation of the mobilcom-debitel trademark

² Basic and diluted.

³ Comprises subscribers of freenet FUNK and freenet FLEX

⁴ Based on XETRA daily closing price

INFORMATION ON THE PERFORMANCE OF FREENET AG

BUSINESS PERFORMANCE AND MATERIAL EVENTS

PROFITABILITY UP CONSIDERABLY AFTER NINE MONTHS DESPITE CHALLENGING ENVIRONMENT

Macroeconomic developments have posed increasing challenges over the current financial year. Rising inflation and energy costs along with the periodic interest rate hikes imposed to control inflation are weighing on society, companies and the capital markets. Global supply chains also remain disrupted due to China's restrictive lockdown policy. In these unpredictable times, freenet's largely subscription-based business model is proving to be highly resilient. Many customers see the services and products that freenet offers in the areas of digital communication, information and entertainment as a fundamental part of their digital lives. What is more, the low energy intensity of the service provider business model, the low levels of debt and freenet's flexible internal structures noticeably attenuate the negative effects arising from the difficult underlying conditions mentioned above.

Consequently, the current macroeconomic environment is not putting significant strain on freenet's risk situation or its expected performance for the current financial year (see the Report on opportunities and risks on page 13). On the contrary, freenet raised its 2022 full-year EBITDA guidance to 460–480 million euros in mid-year, an increase of 10 million euros (+2.2 per cent) based on the midpoint of the original guidance. The medium-term financial ambitions presented at the Capital Markets Day targeting annual increases in EBITDA of at least four per cent on average up until the 2025 financial year (2020 baseline) therefore remain very realistic for the second year running.

In addition to continuously optimising its business, freenet is increasingly focusing on making this more sustainable (including tying it in with remuneration targets for Executive Board members or with offers to extend product life cycles). The Supervisory Board has underscored its stance on responsible corporate governance by appointing Nicole Engenhardt-Gillé as Chief Human Resources and ESG Officer (CHRO) with effect from 1 January 2023, in a move designed to systematically advance the topic of ESG at freenet.

The latest financial results underline the optimistic full-year outlook:

- The number of subscriber agreements is steadily increasing. Including the app-based tariffs, 8.931 million subscriber agreements existed at the end of September 2022 (end of 2021: 8.785 million). The third quarter 2022 was the strongest third quarter of any financial year to date for waipu.tv, which registered net growth of 51.6 thousand subscribers (prior-year quarter: 23.9 thousand).
- As expected, revenue for 2022 remains stable against the prior-year period (1.881 billion euros) at 1.889 billion euros after nine months, with 652.1 million euros being generated in the third quarter (prior-year quarter: 641.8 million euros).
- Coming in at 121.4 million euros for the third quarter of this year, EBITDA sustained the positive trend seen in the preceding quarters (prior-year quarter: 117.6 million euros). On a nine-month basis, EBITDA was up significantly by 6.6 per cent year-on-year at 362.3 million euros (prior-year period: 339.9 million euros).
- A similar trend can be observed for the free cash flow, which at 187.3 million euros was likewise a significant 8.3 per cent higher than in the nine-month period of 2021 (172.9 million euros). Free cash flow for the third quarter of 2022 rose to 62.6 million euros (prior-year quarter: 60.8 million euros).

MOBILE COMMUNICATIONS SEGMENT: SUSTAINABLE PRODUCTS AND SERVICES UNDER A NEW UMBRELLA BRAND

By the start of the second half of 2022, the reinforcement of the freenet umbrella brand successfully begun in recent months had been essentially completed. In alignment with the consolidation of the brand portfolio, the products marketed under what used to be the main mobilcom-debitel brand now also bear the name freenet. This streamlining is intended to establish the freenet umbrella brand even more firmly as one of the largest providers of digital lifestyle services (DLS) in Germany and to leverage corresponding synergies in sales and retail, marketing and customer communications. In this connection, freenet extended its successful collaboration with Dieter Bohlen as Chief Entertainment Officer and ambassador of the freenet umbrella brand in the third quarter of this year. A new campaign with fresh advertisements featuring the multi-entertainer is currently running on high-reach privately owned radio stations and on digital out-of-home media.

Under the freenet umbrella brand, even greater emphasis is now being placed on the mobile communications market. freenet's offer and price setting logic is focused squarely on customers' individual needs. In the third quarter, for example, this included attractive SIM-only deals from klarmobil on the Deutsche Telekom network. freenet also won another industry accolade, securing the top spot in the Telecom Handel readers' poll ahead of the other four relevant mobile communication providers in Germany.

Table 1: Mobile Communications customer figures

in '000s	30.9. 2022	31.12. 2021	Change in %	30.9. 2021
Postpaid customers	7,235.0	7,178.0	0.8	7,138.6
App-based tariffs ¹	112.1	88.0	27.4	84.4
Number of subscribers (total)	7,347.1	7,266.0	1.1	7,223.0

¹ Comprises subscribers of freenet FUNK and freenet FLEX

The moderate subscriber growth in the core business also continued at the start of the second half of 2022. In spite of the much tighter regulatory environment ushered in by the new Telecommunications Act (Telekommunikationsgesetz, TKG) which entered into force on 1 December 2021, the postpaid customer base expanded as the year went on to reach 7.235 million at the end of September (end of 2021: 7.178). Likewise, the number of users of the innovative app-based tariffs rose to 112.1 thousand (end of 2021: 88.0 thousand). The total number of high-value mobile customers in the nine months now ended thus rose by 81.1 thousand to 7.347 million at the reporting date (end of 2021: 7.266 million).

Table 2: Mobile Communications revenue performance

in EUR millions/as indicated	9M/2022	9M/2021	Change in %	Q3/2022	Q3/2021	Change in %
Postpaid ARPU (in EUR)	17.9	18.1	-0.8	18.2	18.4	-1.0
Revenue from services, postpaid	1,159.6	1,155.7	0.3	392.9	392.6	0.1
Revenue from services, no-frills/prepaid	88.3	81.3	8.6	31.0	28.2	10.3
Digital lifestyle revenue	145.5	148.1	-1.7	52.4	52.2	0.3

After nine months, postpaid ARPU remained stable at 17.9 euros (prior-year period: 18.1 euros). As a result, postpaid service revenues – the product of postpaid ARPU and postpaid customers – were up marginally on the prior-year period (1.156 billion euros) at 1.160 billion euros. This helps to continually improve the quality of revenue in the Mobile Communications segment. Further growth is expected to be generated by an innovative digital out-of-home campaign that freenet is currently developing with advertising agency Ströer and mobile marketing agency Permodo. Here, ads broadcast in public spaces (for example on digital billboards) will be dovetailed with mobile retargeting of potential customers so that freenet’s market share can continue to be consolidated in the mobile communications business.

Customer centricity and sustainable development are also important elements in the work of GRAVIS, freenet’s wholly owned subsidiary, which is the market leader for digital lifestyle products from the Apple world, focuses on sustainable development with corresponding product lines like Networx Greenline in addition to purchases of old electronics, low-cost exchange of batteries from older smartphones (Service Hero campaign) and carbon compensation through planting of trees (Review Forest project). With its innovative store model GRAVIS is now ramping up its commitment to customers in brick-and-mortar retail as well – starting with a new store in Munich. Here, customers will find two sections: first, the visually separate “Warehouse” with comprehensive, clear presentation for fast, straightforward purchases of accessories, for example, and, second, the “Smart Living Lounge” where customers can extensively test and experience products and linger in a living room atmosphere. A sustainability wall with an integrated recycling box for electronic waste also presents the Networx Greenline product line in a new light.

All of this is designed to make digital lifestyle even more tangible for customers going forward. DLS products such as smartphone insurance or antivirus software have shown themselves to be an excellent addition to the mobile communications and TV business and constitute a consistent revenue pillar. The DLS business added 145.5 million euros to the Group’s revenue between January and the end of

September 2022. Compared with the same period in 2021 (148.1 million euros), this represents a temporary, slight decrease of – 1.7 per cent attributable to a decline in revenue from accessories caused by the impact of supply chain disruption on availability.

The app-based freenet Internet product, marketing of which began at the start of the second half of 2022, is also devoted entirely to increasing customer centricity. freenet will thus become a full-fledged DLS provider that is ideally positioned to design convergent products. freenet Internet currently costs 29.99 euros per month and is initially being offered as a fixed wireless access (FWA) product (LTE), with a broadband (DSL) offer set to expand the platform. The launch of the app platform provides a foundation for generating an additional 15–25 million euros of EBITDA from 2025, thus contributing to achieving the Group’s mid-term ambition of generating consolidated EBITDA of at least 520 million euros by 2025.

TV AND MEDIA SEGMENT: PROFITABLE GROWTH REMAINS A PRIORITY

EXARING AG is driving growth in the TV and Media segment with its waipu.tv IPTV product, while freenet subsidiary Media Broadcast as a provider of terrestrial television constitutes the stable foundation for the segment’s profitability through freenet TV (B2C) and with its B2B activities. Overall, the TV and Media segment is reporting revenue of 225.6 million euros after nine months (prior-year period: 209.4 million euros) and EBITDA of 83.1 million euros (prior-year period: 72.1 million euros). In the third quarter of this year, EBITDA rose significantly by 14.5 per cent on the same quarter of the prior year (25.2 million euros) to 28.8 million euros, mainly thanks to strong customer growth at waipu.tv.

The growth ambitions of waipu.tv have also been shaping this business segment in the second half of the year, underpinned by new customer-focused offers and initiatives, new content, as well as novel projects and partnerships. waipu.tv’s 4K TV streaming stick provides convenient

access to over 190 TV channels, over 30,000 films/series and other streaming apps such as Netflix, Amazon Prime, Apple TV+ or Disney+. The TV stick has a remote control and Google Assistant Voice Control, which eliminates the need to switch devices and sources on the television. New customers recently received the stick in a bundle with the “Perfect Plus” package priced at 15.99 euros per month. This means that waipu.tv offers one of the best value for money propositions for linear IPTV products in the German market.

Steady, profitability-driven growth remains the priority for waipu.tv, as demonstrated by continuous improvements in product performance and strategic partnerships with companies like Deutsche Glasfaser and Roku TV. Customers particularly appreciate the high product quality, which led to waipu.tv receiving two customer satisfaction accolades. After being conferred with the distinction “highest recommendation” for premium TV providers by Focus Money in June, waipu.tv was named one of “Germany’s Customer Kings” by BILD in the “high customer value” category in July. The customer trend is also a reflection of the positive response: waipu.tv celebrated its sixth anniversary in September of this year with the strongest net customer growth in a third quarter (+51.6 thousand) since the product was launched in 2016. A customer base of 871.8 subscribers was recorded at the end of the quarter. This represents net customer growth of 20.7 per cent or 149.3 thousand since the beginning of the year (end of 2021: 722.5 thousand).

Table 3: TV and Media customer figures

in '000s	30.9. 2022	31.12. 2021	Change in %	30.9. 2021
freenet TV subscribers (RGU)	711.7	796.6	-10.7	813.4
waipu.tv subscribers	871.8	722.5	20.7	668.5
Number of subscribers (total)	1,583.5	1,519.1	4.2	1,481.8

Media Broadcast expanded the entertainment offering in its freenet TV B2C business in September by adding the free TV channel VoxUp. Like its parent network, the Vox subsidiary belongs to RTL Deutschland and offers a diverse array of familiar formats and new own productions on the topics addressed by Vox. Media Broadcast had previously announced that it would increase the monthly fee for freenet TV by one euro to counter the continuing decline in users in the antenna television business. The new price will be charged to new customers from September 2022 and to existing customers from December 2022. The profitability of freenet TV will therefore remain unchanged. The number of revenue-generating users (RGU) of freenet TV fell to 711.7 thousand after nine months of 2022 (end of 2021: 796.6 thousand).

Commercial B2B activities remain the drivers of Media Broadcast’s growth. Media Broadcast continues to position itself as Germany’s largest service provider for the broadcasting and media industry with data, image and sound transmission. In August of this year, Media Broadcast was awarded a contract to plan, build and operate a 5G campus network in the TIP Innovation Park Nordheide to the south of Hamburg. The focus in the first expansion phase is on external 5G coverage of the entire site spanning around 25 hectares – with individually coordinated wireless planning to fulfil the special requirements of all companies and research project partners located there. Another project is implementing 5G camera transmission via a 5G campus network at SportsInnovation 2022 in Düsseldorf, which Media Broadcast executed there in collaboration with Haivision and Nokia. This project set new benchmarks and provides a blueprint for future television productions, whether as a complement to a wired camera system or as a completely wireless production.

Media Broadcast as a platform operator has also further expanded the transmitter network of the first national DAB+ multiplex in recent months, including in target areas in North Friesland and on the Lower Elbe in Schleswig-Holstein. Capacity increases at several large sites have been implemented in North Rhine-Westphalia. Radio use via DAB+ is on a steady growth trajectory, as the September Audio 2022 digitalisation report shows. Nearly one in three German households can already receive DAB+ radio, and the number of over-14s with a radio-enabled device now exceeds 23 million. The number of digital radios in cars has also jumped by almost 18 per cent and now stands at 10.1 million.

FINANCIAL MANAGEMENT SYSTEM

OBJECTIVES AND GOVERNANCE

The key performance indicator (KPI) system for strategic and operational management is supplemented by an established financial management system. The primary objectives of the financial management approach taken by freenet are to ensure access to the capital market, provide sufficient liquidity for the operating business and define a reliable and sustainable dividend policy. The tasks required to achieve these aims are handled centrally by the Treasury department, supported by Financial Control and Accounting.

KEY PERFORMANCE INDICATORS: CASH, LIQUIDITY AND CAPITAL STRUCTURE MANAGEMENT

The following are essential to ensuring both access to the capital market and liquidity:

- (1) capital structure management
- (2) cash and liquidity management

Two alternative performance measures – equity ratio and leverage – are key figures for structuring capital across the Group. In terms of the equity ratio, which shows the ratio of equity to total equity and liabilities (as reported in the balance sheet in each case), a lower limit of 25.0 per cent was set. In terms of leverage as a ratio of net debt to EBITDA over the last twelve months, an upper limit of no more than 3.0 times EBITDA was set.

In addition, adjusted leverage is also reported for information purposes. In the opinion of freenet, this provides a more market-oriented perspective on the freenet Group's debt by including the market value of the CECOMY equity investment in net debt (adjusted net debt).

At 39.4 per cent, the equity ratio on the reporting date remained significantly above the threshold of 25.0 per cent. The reduction is the result of the dividend payment for the 2021 financial year of 186.6 million euros approved by the shareholders at the Annual General Meeting in May 2022, as well as the continued acquisition of own shares in the first half of 2022 (see section "2022 share buyback programme (completed)") in the amount of 14.7 million euros.

Leverage at the end of September 2022 was 1.8, well below the threshold of 3.0 and at the same level as at year-end 2021. Compared to the prior-year quarter, leverage was down slightly, mainly because of the higher level of EBITDA generated in the past twelve months.

Table 4: Capital structure management KPIs

as indicated	Limits	Achieved as at 30.9.2022	30.9.2022	31.12.2021	Change	30.9.2021
Equity ratio (in %)	> 25.0	Yes	39.4	41.5	-2.1 PP	41.3
Leverage	≤ 3.0	Yes	1.8	1.8	1.0%	1.9

Table 5: Net debt and leverage

in EUR millions	30.9.2022	31.12.2021	Change in %	30.9.2021
Long-term borrowings	427.8	505.8	- 15.4	621.5
+ Short-term borrowings	174.5	143.6	21.5	57.0
+ Net lease liabilities	391.4	425.3	- 8.0	427.6
- Liquid assets	157.3	286.3	- 45.1	288.2
= Net debt	836.4	788.4	6.1	817.9
= Leverage	1.8	1.8	1.0	1.9
- Equity investment in CECONOMY ¹	39.1	123.7	- 68.4	121.8
= Adjusted net debt	797.4	664.7	20.0	696.1
= Adjusted leverage	1.7	1.5	14.2	1.6

¹ Closing price (XETRA) of the number of shares held by freenet

The Executive Board confirms its formulated financial strategy and reiterates all target figures. Additional information and definitions relating to the key financials can be found in the "Corporate management" section of the 2021 Annual Report (page 38 et seq.).

DIVIDEND POLICY

The dividend policy is another key component of the Group's financial management activities. In principle, the Executive Board pursues a policy of consistent distributions aligned with freenet AG's operational performance. Free cash flow serves as the starting point and basis for determining dividends. As a reliable and transparent point of reference for shareholders to derive the expected distribution, this liquidity indicator is integral to managing and forecasting the company's performance.

In the interest of continuing to make regular distributions, management has defined 80 per cent of free cash flow as a long-term, stable distribution rate. In addition to a cash dividend, shareholders might potentially also participate in the company's success in the form of share buybacks.

2022 SHARE BUYBACK PROGRAMME (COMPLETED)

At the 2020 Annual General Meeting, shareholders authorised the Executive Board to repurchase the Group's own shares. This authorisation covers the acquisition of up to 10.0 per cent of share capital at the time of the resolution and requires the approval of the Supervisory Board in order to be exercised. As part of a third share buyback programme launched on 12 January 2022 (2022 share buyback programme), the company repurchased 0.51 per cent of its share capital (0.65 million shares) before the programme was completed on 31 March 2022.

The company has repurchased 7.15 per cent of its share capital (9.16 million shares) worth around 179.14 million euros over the course of all three share buyback programmes (2020 share buyback programme, 2021 share buyback programme, 2022 share buyback programme).

All of the shares repurchased by freenet AG under the three share buyback programmes were redeemed with a corresponding reduction in share capital on 8 June 2022. Since that date, the share capital of freenet AG has amounted to 118.9 million euros, divided into no-par-value shares with a theoretical nominal value of 1.00 euro each.

NET ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS

REVENUE AND RESULTS OF OPERATIONS

At 1,889.1 million euros, consolidated revenue for the nine-month period of 2022 was slightly higher than in the same period of 2021 (1,880.8 million euros). The number of post-paid customers relevant to the management of the Mobile Communications segment rose moderately to 7.235 million as of 30 September 2022 (30 September 2021: 7.139 million customers). At 17.9 euros, postpaid ARPU remained stable (–0.8%) compared with the prior-year period (9M/2021: 18.1 euros). On a segment basis, mobile revenue from January until the end of September 2022 was on a level with the prior-year period at 1,670.4 million euros (9M/2021: 1,671.1 million euros). By contrast, revenue in the TV and Media segment increased by 16.2 million euros year-on-year from 209.4 million euros to 225.6 million euros, primarily due to continued robust growth in waipu.tv subscribers. The growth in the waipu.tv subscriber base after nine months of 2022 (+149.3 thousand) more than made up for the higher-than-expected decline in freenet TV subscribers (RGU) of 84.9 thousand.

Gross profit grew accordingly by 18.4 million euros to 657.5 million euros compared to the nine-month period of 2021 (639.1 million euros). The gross profit margin rose by 0.8 percentage points to 34.8 per cent (prior-year period: 34.0 per cent), due in particular to the higher proportion of high-margin service revenue.

Overhead costs as the difference between gross profit and EBITDA decreased by 4.0 million euros to 295.2 million euros against the nine-month period of 2021 (299.2 million euros), primarily as a result of the 6.5 million euro decline in expenses for bad debt losses. The slight increase in personnel expenses to 161.2 million euros compared with 159.9 million euros in the nine-month period of 2021 – despite a decrease in the average headcount in the reporting period – is mainly attributable to reduced use of short-time work (net effect versus 2021: 10.3 million euros).

Table 6: Revenue and earnings performance indicators for the Group

in EUR millions	9M/2022 1.1.2022 – 30.9.2022 ¹	9M/2021 1.1.2021 – 30.9.2021	Change in %	Q3/2022 1.7.2022 – 30.9.2022 ¹	Q3/2021 1.7.2021 – 30.9.2021	Change in %
Revenue	1,889.1	1,880.8	0.4	652.1	641.8	1.6
Gross profit	657.5	639.1	2.9	220.7	214.8	2.7
Overhead	– 295.2	– 299.2	1.3	– 99.4	– 97.2	– 2.2
EBITDA	362.3	339.9	6.6	121.4	117.6	3.2
Adjusted EBIT	247.1	188.5	31.1	82.8	79.5	4.1
Financial result	– 9.9	– 23.3	57.6	– 5.9	– 7.0	16.6
Adjusted EBT	237.2	165.3	43.6	76.9	72.5	6.1
Adjusted consolidated profit	205.6	144.0	42.8	66.0	61.5	7.4

¹ Earnings figures (EBIT, EBT, consolidated profit) adjusted for effects from the amortisation of the mobilcom-debitel trademark.

As a result of the increase in profitability outlined above, EBITDA rose significantly year-on-year to 362.3 million euros (9M/2021: 339.9 million euros). The Mobile Communications segment contributed 292.4 million euros to EBITDA in the nine-month period of 2022 (9M/2021: 277.5 million euros), the TV & Media segment 83.1 million euros (9M/2021: 72.1 million euros) and the Other/Holding segment –13.3 million euros (9M/2021: –9.7 million euros).

Depreciation, amortisation and impairment losses in the nine-month period of 2022 increased by 109.3 million euros compared to the prior-year period, from 151.4 million euros to 260.7 million euros. This sharp increase is attributable to the realignment of the brand strategy launched at the beginning of the financial year. As part of the brand transformation, the mobilcom-debitel brand in use since 2009 is being gradually replaced with the freenet brand. The mobilcom-debitel brand had previously been presented in the balance sheet as an intangible asset with an indefinite useful life (31 December 2021: 293.2 million euros). As a result of implementing the new brand strategy, the carrying amount of the mobilcom-debitel brand will be amortised on a straight-line basis over the expected remaining useful life of 18 months to 30 June 2023. After the nine-month period of 2022, this resulted in amortisation of 145.5 million euros. The effect of this is not fully reflected in depreciation, amortisation and impairment losses, since depreciation and impairments in connection with a right-of-use asset of EXARING AG in a fibre-optic network amounting to 36.0 million euros were recognised in the prior-year period and no depreciation, amortisation and impairment losses have been recognised in this regard since then.

The earnings figures below EBITDA (EBT and consolidated profit) are shown below adjusted for effects resulting from the amortization of the mobilcom-debitel brand right to improve comparability with the prior-year period. The figures will not be adjusted to reflect the depreciation of the right-of-use asset in the fibre-optic network mentioned above (36.0 million euros).

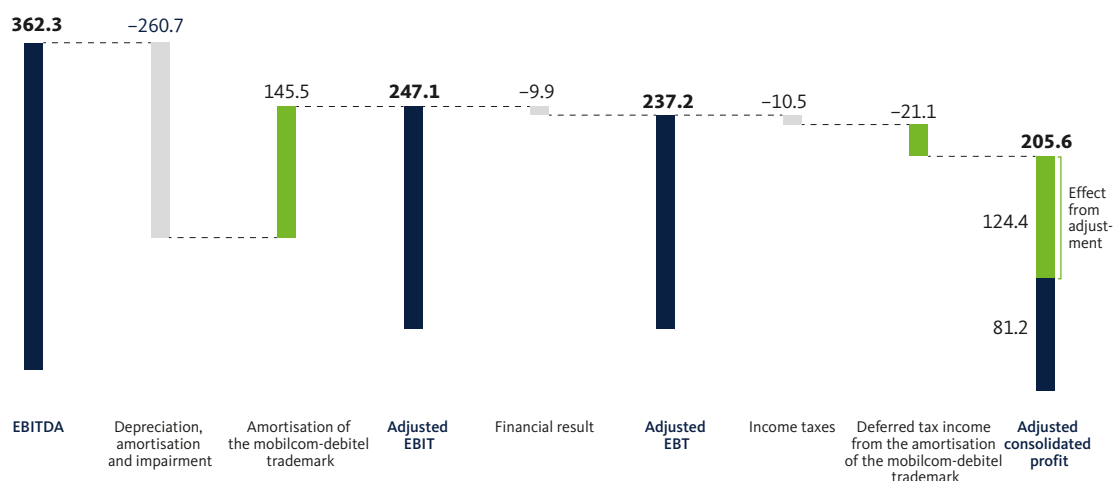
The financial result improved by 13.4 million euros to –9.9 million euros compared to the nine-month period of 2021 (–23.3 million euros). The decrease of 5.1 million euros in interest expenses included in the financial result (9M/2022: 17.4 million euros; 9M/2021: 22.4 million euros) is mainly due to lower bank interest associated with the (early) repayment of borrowings. The other financial result of the nine-month period of 2022 also includes a dividend of 5.5 million euros received from the equity interest in CECONOMY AG (CECONOMY).

Due to the effects explained above, adjusted earnings before tax (adjusted EBT) amounted to 237.2 million euros, an increase of 72.0 million euros year-on-year (9M/2021: 165.3 million euros).

Income tax expenses of 10.5 million euros (9M/2021: 21.2 million euros) were reported after the nine-month period of 2022. Current tax expenses of 31.4 million euros (9M/2021: 26.0 million euros) and deferred tax income of 20.9 million euros (9M/2021: 4.8 million euros) were recognised. Deferred tax income of 21.1 million euros net resulted from the amortisation of the mobilcom-debitel trademark in the nine-month period of 2022. When calculating adjusted consolidated profit, this amount is offset against the amortisation of the mobilcom-debitel trademark.

Overall, the Group generated adjusted consolidated profit of 205.6 million euros in the nine-month period of 2022 (9M/2021: 144.0 million euros).

Figure 1: Reconciliation of EBITDA to adjusted consolidated profit (in EUR millions)



NET ASSETS AND FINANCIAL POSITION

Total assets/total equity and liabilities amounted to 3,682.0 million euros as at 30 September 2022, a decrease of 270.4 million euros compared with 31 December 2021 (3,952.4 million euros).

On the assets side, non-current assets fell by 214.8 million euros from 3,106.2 million euros to 2,891.4 million euros in the nine-month period of this year. Other financial assets decreased by 103.8 million euros to 98.0 million euros (end of 2021: 201.8 million euros) due essentially to the market values of equity interests in CECONOMY AG (CECONOMY) and Media and Games Invest SE (MGI) derived from lower share prices. Intangible assets also decreased by 88.5 million euros to 370.4 million euros (end of 2021: 458.9 million euros). The change is mainly attributable to the 145.5 million euro amortisation of the mobilcom-debitel trademark, which was partially offset by the May 2022 extension of the exclusive distribution right with Media-Saturn Deutschland GmbH for a nominal amount of 78.0 million euros. In addition, lease assets decreased by 33.9 million euros to 367.6 million euros as at 30 September 2022, mainly as a result of depreciation (end of 2021: 401.4 million euros).

Current assets fell by 55.6 million euros to 790.6 million euros as at the reporting date (end of 2021: 846.2 million euros). This was primarily due to the 129.0 million euro decrease in liquid assets to 157.3 million euros (end of 2021: 286.3 million euros). This change mainly resulted from the dividend payment of 186.6 million euros made in May 2022, the scheduled repayment of a promissory note loan in the amount of 50.0 million euros, the reclassification of 50.0 million euros to other financial assets as a result of investing cash with a term of more than three months, and the free cash flow of 187.3 million euros generated in the nine-month period of 2022. The increase in trade accounts receivable of 47.1 million euros to 292.7 million euros (end of 2021: 245.6 million euros) was mainly triggered by reporting-date related effects (including a lower level of factoring).

Table 7: Condensed balance sheet of the Group

in EUR millions	30.9.2022	31.12.2021	Change in %	30.9.2021
Non-current assets	2,891	3,106	- 6.9	3,110
Current assets	791	846	- 6.6	834
Assets	3,682	3,952	- 6.8	3,944
Equity	1,452	1,639	- 11.4	1,630
Non-current liabilities	1,101	1,181	- 6.8	1,295
Current liabilities	1,129	1,132	- 0.3	1,019
Equity and liabilities	3,682	3,952	- 6.8	3,944

On the equity and liabilities side, equity fell by 186.8 million euros to 1,452.1 million euros as at 30 September 2022 (end of 2021: 1,638.9 million euros). With consolidated profit for the nine-month period of 2022 coming in at 81.2 million euros, this reduction is primarily due to the dividend payment of 186.6 million euros and the change to the fair value of the equity interests in CEECONOMY and MGI in the amount of 95.0 million euros recognised in other comprehensive income. As a result, the equity ratio declined slightly from 41.5 per cent at the end of December 2021 to 39.4 per cent at the end of September 2022. The decrease in borrowings by 47.1 million euros to 602.3 million euros (end of 2021: 649.4 million euros) is attributable to the repayment of a promissory note loan in the amount of 50.0 million euros. The increase in other financial liabilities by 55.5 million euros from 87.9 million euros at year end 2021 to 143.4 million euros as at 30 September is mainly due to the corresponding liability related to the extension of the exclusive distribution right with Media-Saturn Deutschland GmbH (capitalisation of an intangible asset). Pension provisions fell by 41.3 million euros to 54.9 million euros (end of 2021: 96.3 million euros) due to a sharp increase in the discount rate. Lease liabilities decreased by 42.1 million euros to 438.8 million euros as at the reporting date, mainly as a result of scheduled repayments (end of 2021: 480.9 million euros).

LIQUIDITY

Cash flows from operating activities after nine months increased by 25.3 million euros year-on-year to 292.2 million euros (9M/2021: 266.9 million euros). This increase is mainly attributable to the 22.4 million euro rise in EBITDA generated during that period, while all other effects almost offset each other. The aggregate year-on-year increase of 16.7 million euros in net working capital and contract acquisition costs is also noteworthy in this context. This effect is offset by the 11.3 million euro reduction in interest payments (9M/2022: 11.7 million euros; 9M/2021: 23.0 million euros) and the dividend of 5.5 million euros received from CEECONOMY.

Table 8: Liquidity indicators for the Group

in EUR millions	9M/2022 1.1.2022 – 30.9.2022	9M/2021 1.1.2021 – 30.9.2021	Change in %	Q3/2022 1.7.2022 – 30.9.2022	Q3/2021 1.7.2021 – 30.9.2021	Change in %
Cash flows from operating activities	292.2	266.9	9.5	97.3	92.0	5.8
Cash flows from investing activities	- 100.9	- 26.6	- 279.0	- 63.4	- 9.4	- 577.0
Cash flows from financing activities	- 320.4	- 618.9	48.2	- 21.6	- 83.3	74.0
Net change in cash funds	- 129.0	- 378.6	65.9	12.3	- 0.7	n/a
Free cash flow¹	187.3	172.9	8.3	62.6	60.8	3.1

¹ Free cash flow is an alternative performance measure that is defined in the "Corporate management" section of the 2021 Annual Report (page 38 et seq.).

Cash flows from investing activities amounted to - 100.9 million euros in the nine-month period of 2022 compared with -26.6 million euros in the same period of 2021. At the start of the second half of 2022, short-term time deposits due in more than three months were paid out in the amount of 50.0 million euros. The cash outflows for investments in property, plant and equipment and intangible assets netted out against the cash inflows from the disposal of such assets, increased by 11.2 million euros to 39.7 million euros compared with the nine-month period of 2021 (28.5 million euros) due, among other things, to the expansion of the administration building in Büdelsdorf. The cash investments were financed entirely out of the company's retained earnings. As part of the acquisition of The Cloud Group, Munich, as of 1 January 2019, an earn-out was agreed with the existing shareholders, which was paid out in the amount of 10.0 million euros in June 2022 after the defined targets were achieved.

Cash flows from financing activities changed from - 618.9 million euros in the nine-month period of 2021 to - 320.4 million euros in the nine-month period of 2022. The change is mainly attributable to prior-year effects in connection with the repayment of promissory note loans (9M/2022: 50.0 million euros, 9M/2021: 264.0 million euros). In addition, cash outflows under share buyback programmes decreased compared to the nine-month period of 2021 (9M/2022: 14.7 million euros, 9M/2021: 85.7 million euros).

Free cash flow of 187.3 million euros was generated between January and September 2022, representing an increase of 14.3 million euros compared with the nine-month period of 2021 (172.9 million euros).

REPORT ON OPPORTUNITIES AND RISKS

In the third quarter of 2022, there have been no significant changes in relation to the risks associated with future business development. The risks and opportunities to which freenet is exposed as part of its ongoing business activities are described in detail in the 2021 Annual Report (page 55 et seq.) and the 2022 half-year report (page 20) and continue to apply in principle.

For more information on the economic environment and developments in the mobile communications and the TV/video market, please refer to the comments in the “Course of business” and “Net assets, financial position and results of operations” sections.

All assessments made continue to be dependent upon the duration and extent of the indirect consequences of the war in Ukraine and the current and future measures adopted to contain the spread of the coronavirus. It is still not possible to reliably and completely assess both.

REPORT ON EXPECTED DEVELOPMENTS

freenet raised its full-year EBITDA guidance on 11 August 2022 due to the strong performance of both the TV and Media segment and the Mobile Communications segment and the positive outlook for the second half of 2022. EBITDA is now expected to come in between 460 and 480 million euros (previously: 450 to 470 million euros). The guidance issued for the other financial and non-financial performance indicators of freenet AG remained unchanged (see Table 9) as the assumptions made were still considered appropriate. A detailed explanation of the outlook for the current year

can be found in the 2021 Annual Report (see page 69 et seq.). At the time of publication, recent developments in the telecommunications and TV/video market (see “Course of business and material events” section) and the current geopolitical and macroeconomic environment (see “Report on opportunities and risks” section) do not provide any grounds for significant changes to the statements made above. Against this backdrop, the Executive Board confirms the guidance for the current financial year as published in the 2022 half-year report.

Table 9: Comparison of guidance and actual performance

Financial key performance indicators in EUR millions/as indicated	2021 reference value	Initial guidance 2022 (25.2.2022)	Raised guidance 2022 (11.8.2022)	Confirmed raised guid- ance 2022 (03.11.2022)	Change in guidance	9M/2022 1.1.2022 – 30.9.2022
Revenue	2,556.3	stable performance	stable performance	stable performance	→	1,889.1
EBITDA	447.3	450 – 470	460 – 480	460 – 480	→	362.3
Free cash flow	234.4	230 – 250	230 – 250	230 – 250	→	187.3
Postpaid ARPU (in EUR)	18.1	stable performance	stable performance	stable performance	→	17.9

Non-financial performance indicators in '000s	2021 reference value	Guidance 2022 (25.2.2022)	Confirmed guidance 2022 (11.8.2022)	Confirmed guidance 2022 (03.11.2022)	Change in guidance	30.9.2022
Postpaid customers	7,178.0	moderate growth	moderate growth	moderate growth	→	7,235.0
freenet TV subscribers (RGU)	796.6	marked decrease	marked decrease	marked decrease	→	711.7
waipu.tv subscribers	722.5	solid growth	solid growth	solid growth	→	871.8

- ↗ above previous guidance
- unchanged from previous guidance
- ↘ below previous guidance


Büdelisdorf, 3 November 2022


freenet AG
The Executive Board


Christoph Vilanek


Ingo Arnold


Stephan Esch


Antonius Fromme


Rickman v. Platen

SELECTED FINANCIAL INFORMATION

NOTES ON THE ACCOUNTING AND FINANCIAL REPORTING

This quarterly statement has been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU). The Group has adopted all accounting pronouncements required to be applied as of the reporting date. For information on the principles and methods applied in consolidated accounting and financial reporting, please refer to the notes to the consolidated financial statements as of 31 December 2021 (see page 124 et seq. of the 2021 Annual Report).

CONSOLIDATED INCOME STATEMENT

in EUR '000s/as indicated	9M/2022 1.1.2022 – 30.9.2022	9M/2021 1.1.2021 – 30.9.2021	Q3/2022 1.7.2022 – 30.9.2022	Q3/2021 1.7.2021 – 30.9.2021
Revenue	1,889,063	1,880,819	652,105	641,810
Other operating income	34,330	30,928	10,994	10,733
Other own work capitalised	17,673	15,868	6,522	5,131
Cost of materials	- 1,231,567	- 1,241,697	- 431,383	- 426,985
Personnel expenses	- 161,154	- 159,872	- 54,910	- 54,029
Other operating expenses	- 186,046	- 186,128	- 61,962	- 59,055
Thereof: loss allowances on financial assets and contract assets	- 16,055	- 22,510	- 4,256	- 6,415
Thereof: without loss allowances on financial assets and contract assets	- 169,991	- 163,618	- 57,706	- 52,640
EBITDA¹	362,299	339,918	121,366	117,605
Depreciation, amortisation and impairment	- 260,695	- 151,370	- 87,803	- 38,070
EBIT²	101,604	188,548	33,563	79,535
Profit or loss of equity-accounted investments	- 1,130	- 1,353	- 500	- 455
Interest and similar income	4,883	1,710	1,053	611
Interest and similar expenses	- 17,378	- 22,432	- 6,139	- 6,864
Other financial result	3,760	- 1,206	- 288	- 332
Financial result	- 9,865	- 23,281	- 5,874	- 7,040
Earnings before taxes	91,739	165,267	27,689	72,495
Income taxes	- 10,547	- 21,243	- 3,756	- 10,990
Consolidated profit	81,192	144,024	23,933	61,505
Consolidated profit attributable to shareholders of freenet AG	79,855	152,788	23,429	60,982
Consolidated profit/loss attributable to non-controlling interests	1,337	- 8,764	504	523
Earnings per share (EPS), basic and diluted (in EUR)	0.67	1.24	0.20	0.50
Weighted average number of shares outstanding, basic and diluted (in thousands)	118,983	123,111	118,851	121,314

¹ EBITDA is defined as earnings before financial result and income taxes, plus depreciation, amortisation and impairment.

² EBIT is defined as earnings before financial result and income taxes.

CONSOLIDATED BALANCE SHEET

ASSETS in EUR '000s	30.9.2022	31.12.2021	30.9.2021
Non-current assets			
Intangible assets	370,363	458,911	451,679
Lease assets	367,554	401,423	401,362
Goodwill	1,382,394	1,382,394	1,382,394
Property, plant and equipment	125,370	124,349	131,490
Equity-accounted investments	220	100	82
Deferred income tax assets	144,182	134,229	133,181
Trade accounts receivable	45,625	56,895	63,074
Other receivables and other assets	98,624	95,094	92,561
Other financial assets	98,000	201,776	207,947
Contract acquisition costs	259,097	251,053	245,936
	2,891,429	3,106,224	3,109,706
Current assets			
Inventories	84,302	92,668	68,600
Current income tax assets	361	293	1,089
Trade accounts receivable	292,707	245,591	247,249
Other receivables and other assets	159,562	173,426	182,667
Other financial assets	96,337	47,936	46,252
Liquid assets	157,289	286,287	288,220
	790,558	846,201	834,077
Total assets	3,681,987	3,952,425	3,943,783
EQUITY AND LIABILITIES in EUR '000s	30.9.2022	31.12.2021	30.9.2021
Equity			
Share capital	118,901	128,061	128,061
Capital reserve	567,465	737,536	737,536
Treasury shares	0	- 164,562	- 137,159
Cumulative other comprehensive income	- 189,017	- 122,410	- 120,824
Consolidated net retained profits	961,445	1,064,475	1,030,915
Equity attributable to shareholders of freenet AG	1,458,794	1,643,100	1,638,529
Non-controlling interests in equity	- 6,719	- 4,185	- 8,205
	1,452,075	1,638,915	1,630,324
Non-current liabilities			
Lease liabilities	355,317	395,554	401,781
Other liabilities and deferrals	114,278	110,172	99,580
Other financial liabilities	98,945	23,832	29,470
Borrowings	427,798	505,786	621,513
Pension provisions	54,937	96,265	97,162
Other provisions	50,035	49,666	45,437
	1,101,310	1,181,275	1,294,943
Current liabilities			
Lease liabilities	83,515	85,332	85,610
Trade accounts payable	310,902	338,785	325,731
Other liabilities and deferrals	438,978	418,334	430,726
Other financial liabilities	44,405	64,045	48,093
Current income tax liabilities	45,911	34,808	38,820
Borrowings	174,474	143,619	57,042
Other provisions	30,417	47,312	32,494
	1,128,602	1,132,235	1,018,516
Total equity and liabilities	3,681,987	3,952,425	3,943,783

CONSOLIDATED STATEMENT OF CASH FLOWS

in EUR '000s	9M/2022 1.1.2022 – 30.9.2022	9M/2021 1.1.2021 – 30.9.2021	Q3/2022 1.7.2022 – 30.9.2022	Q3/2021 1.7.2021 – 30.9.2021
Earnings before financial result and taxes (EBIT)	101,604	188,548	33,563	79,535
Adjustments				
Depreciation, amortisation and impairment of non-current assets	260,695	151,370	87,803	38,070
Dividends received from investees	5,548	0	0	0
Loss on disposal of non-current assets	162	44	33	258
Increase in net working capital not attributable to investing or financing activities	- 45,040	- 79,792	- 9,877	- 18,216
Proceeds from the cash repayment of financial assets under leases	10,652	11,381	3,505	3,791
Capitalisation of contract acquisition costs	- 213,511	- 178,140	- 77,630	- 70,885
Amortisation of contract acquisition costs	205,467	221,539	69,460	73,063
Taxes paid	- 21,810	- 25,596	- 7,211	- 10,654
Income from interest and other financial result	195	547	207	35
Interest paid	- 11,724	- 23,007	- 2,551	- 3,003
Cash flows from operating activities	292,238	266,894	97,302	91,994
Payments to acquire property, plant and equipment (PPE) and intangible assets	- 42,531	- 31,455	- 14,056	- 9,824
Proceeds from disposal of intangible assets and PPE	2,795	2,943	1,005	710
Payments to acquire subsidiaries	- 10,000	0	0	0
Proceeds from deconsolidation of subsidiaries	0	2,000	0	0
Proceeds from selling equity-accounted investments	375	450	250	450
Repayment of contributions of equity-accounted investments	0	1,000	0	0
Payments into equity of equity-accounted investments	- 1,250	- 1,250	- 500	- 500
Payments to acquire other equity investments	- 241	- 298	- 105	- 202
Change related to the investment of cash (term of more than 3 months)	- 50,000	0	- 50,000	0
Cash flows from investing activities	- 100,852	- 26,610	- 63,406	- 9,366
Payments to company owners and minority shareholders	- 186,595	- 203,734	0	0
Payments to acquire own shares	- 14,669	- 85,739	0	- 46,198
Payments to acquire minority interests	- 3,871	0	0	0
Cash repayments of borrowings	- 50,000	- 264,000	0	- 15,000
Cash repayments of lease liabilities	- 65,249	- 65,458	- 21,626	- 22,112
Cash flows from financing activities	- 320,384	- 618,931	- 21,626	- 83,310
Net change in cash funds	- 128,998	- 378,647	12,270	- 682
Cash funds at beginning of period	286,287	666,867	145,019	288,902
Cash funds at end of period	157,289	288,220	157,289	288,220

COMPOSITION OF CASH FUNDS

in EUR '000s	30.9.2022	31.12.2021	30.9.2021
Liquid assets	157,289	286,287	288,220
Cash funds	157,289	286,287	288,220

COMPOSITION OF FREE CASH FLOW

in EUR '000s	9M/2022 1.1.2022 – 30.9.2022	9M/2021 1.1.2021 – 30.9.2021	Q3/2022 1.7.2022 – 30.9.2022	Q3/2021 1.7.2021 – 30.9.2021
Cash flows from operating activities	292,238	266,894	97,302	91,994
Payments to acquire PPE and intangible assets	-42,531	-31,455	-14,056	-9,824
Proceeds from disposal of intangible assets and PPE	2,795	2,943	1,005	710
Cash repayments of lease liabilities	-65,249	-65,458	-21,626	-22,112
Free cash flow¹	187,253	172,924	62,625	60,768

¹ Free cash flow is an alternative performance measure that is defined in the "Corporate Management" section of the 2021 Annual Report (p. 38 et seq.).

SEGMENT REPORT

1 JANUARY TO 30 SEPTEMBER 2022

in EUR '000s	Mobile Communications	TV and Media	Other/ Holding	Elimination of intersegment revenue and costs	Total
Third-party revenue	1,657,181	217,301	14,581		1,889,063
Inter-segment revenue	13,229	8,306	12,039	- 33,574	
Total revenue	1,670,410	225,607	26,620	- 33,574	1,889,063
Cost of materials, third party	- 1,155,694	- 69,011	- 6,862		- 1,231,567
Inter-segment cost of materials	- 16,189	- 11,338	- 582	28,109	
Total cost of materials	- 1,171,883	- 80,349	- 7,444	28,109	- 1,231,567
Segment gross profit	498,527	145,258	19,176	- 5,465	657,496
Other operating income	34,281	475	1,439	- 1,865	34,330
Other own work capitalised	11,748	4,887	1,038	0	17,673
Personnel expenses	- 97,546	- 40,721	- 22,887	0	- 161,154
Other operating expenses	- 154,598	- 26,758	- 12,020	7,330	- 186,046
Thereof loss allowances on financial assets and contract assets	- 15,559	- 434	- 62	0	- 16,055
Thereof without loss allowances on financial assets and contract assets	- 139,039	- 26,324	- 11,958	7,330	- 169,991
Overhead total¹	- 206,115	- 62,117	- 32,430	5,465	- 295,197
Thereof inter-segment allocation	- 4,894	- 695	124	5,465	
Segment EBITDA	292,412	83,141	- 13,254		362,299
Depreciation, amortisation and impairment					- 260,695
EBIT					101,604
Financial result					- 9,865
Income taxes					- 10,547
Consolidated profit					81,192
Consolidated profit attributable to shareholders of freenet AG					79,855
Consolidated profit attributable to non-controlling interests					1,337
Net cash investments	19,577	11,886	8,273		39,736

¹ The overhead costs as the difference between gross profit and EBITDA include the items other operating income, other own work capitalised, personnel expenses and other operating expenses.

SEGMENT REPORT

1 JANUARY TO 30 SEPTEMBER 2021

in EUR '000s	Mobile Communications	TV and Media	Other/ Holding	Elimination of intersegment revenue and costs	Total
Third-party revenue	1,659,064	201,409	20,346		1,880,819
Inter-segment revenue	12,034	8,015	11,885	- 31,934	
Total revenue	1,671,098	209,424	32,231	- 31,934	1,880,819
Cost of materials, third party	- 1,166,703	- 62,217	- 12,777		- 1,241,697
Inter-segment cost of materials	- 14,520	- 11,279	- 389	26,188	
Total cost of materials	- 1,181,223	- 73,496	- 13,166	26,188	- 1,241,697
Segment gross profit	489,875	135,928	19,065	- 5,746	639,122
Other operating income	28,746	652	3,357	- 1,827	30,928
Other own work capitalised	9,862	4,695	1,311	0	15,868
Personnel expenses	- 94,839	- 42,177	- 22,856	0	- 159,872
Other operating expenses	- 156,122	- 26,973	- 10,606	7,573	- 186,128
Thereof loss allowances on financial assets and contract assets	- 22,383	- 86	- 41	0	- 22,510
Thereof without loss allowances on financial assets and contract assets	- 133,739	- 26,887	- 10,565	7,573	- 163,618
Overhead total¹	- 212,353	- 63,803	- 28,794	5,746	- 299,204
Thereof inter-segment allocation	- 5,355	- 537	146	5,746	
Segment EBITDA	277,522	72,125	- 9,729		339,918
Depreciation, amortisation and impairment					- 151,370
EBIT					188,548
Financial result					- 23,281
Income taxes					- 21,243
Consolidated profit					144,024
Consolidated profit attributable to shareholders of freenet AG					152,788
Consolidated profit attributable to non-controlling interests					- 8,764
Net cash investments	17,101	8,386	3,025		28,512

¹ The overhead costs as the difference between gross profit and EBITDA include the items other operating income, other own work capitalised, personnel expenses and other operating expenses.

Büdelsdorf, 3 November 2022

 freenet AG
 The Executive Board



Christoph Vilanek



Ingo Arnold



Stephan Esch



Antonius Fromme



Rickman v. Platen

FURTHER INFORMATION

GLOSSARY

Adjusted EBIT EBIT plus amortisation of the mobilcom-debitel trademark

Adjusted EBT EBT plus amortisation of the mobilcom-debitel trademark

Adjusted consolidated profit/loss Consolidated profit/loss plus amortisation of the mobilcom-debitel trademark and less the corresponding deferred tax income.

Adjusted net debt Net debt (see “Net debt”) less equity investments (see “Equity investments”).

Adjusted leverage Ratio between adjusted net debt (see “Adjusted net debt”) and EBITDA (see “EBITDA”) generated in the last twelve months.

ARPU abbr. Average revenue per user. The customer group-specific usage fee divided by the average number of customers on the relevant reference date.

Digital out-of-home Any form of digital advertising on screens in outdoor public spaces (e.g. in train stations, shopping centres). Digital out-of-home combines the attention-grabbing nature of billboards with the power of dynamic online ads and the action of television.

EBIT Earnings before financial result and taxes.

EBITDA EBIT (see “EBIT”) plus depreciation, amortisation and impairment.

EBT Earnings before taxes.

Equity investments Market value of CECONOMY AG on the reporting date. The market value is calculated by multiplying the closing price of the CECONOMY share on the Frankfurt stock exchange by the number of shares held by the freenet Group (32,633,555 no-par-value shares) as of the relevant reference date.

Equity ratio Ratio between equity and total equity and liabilities.

Earnings per share The portion of consolidated profit or loss which is attributable to an outstanding share. It is calculated by dividing consolidated profit/loss by the weighted average number of outstanding shares.

Free cash flow Cash flows from operating activities (without payments for transaction costs from acquiring/selling companies) less CapEx (see “Net investments”) and cash repayments of lease liabilities.

freenet TV subscribers (RGU) RGU means “revenue generating unit”; it refers to active freenet TV subscribers.

Gross profit Revenue less cost of materials.

Gross profit margin Ratio between gross profit and revenue.

IPTV abbr. Internet protocol television; refers to the transmission of television programmes and films using the Internet Protocol as opposed to other broadcasting channels such as cable television, DVB-T2 or satellite.

Leverage Ratio between net debt (see “Net debt”) and EBITDA (see “EBITDA”) generated in the last twelve months.

Net debt Long-term and short-term borrowings shown in the balance sheet, less liquid assets and plus net lease liabilities.

Net investments (CapEx) Investments in property, plant and equipment and intangible assets, less proceeds from the disposal of intangible assets and property, plant and equipment.

Net lease liabilities Non-current and current lease liabilities shown in the balance sheet, less non-current and current lease receivables.

No-frills No-frills tariffs deliberately have a simple structure, and in general do not include a subsidised device. Traditionally, they are marketed by way of direct distribution (e.g. online) and not via specialist outlets.

Overhead Overhead includes the items other operating income, other own work capitalised, personnel expenses and other operating expenses

Postpaid Mobile services billed subsequently (usually 24-month contracts).

waipu.tv subscribers Customers who use subscribed to one of the fee-based tariffs (e.g. Comfort or Perfect).

FINANCIAL CALENDAR

Date	Event
23 February 2023	Publication of preliminary figures for financial year 2022
24 March 2023	Publication of the 2022 Annual Report
4 May 2023	Publication of the 2023 Quarterly Statement (Q1)
17 May 2023	2023 Annual General Meeting in Hamburg
4 August 2023	Publication of the 2023 Half-year Report
9 November 2023	Publication of the 2023 Nine-month Statement

All dates are subject to possible changes.

The updated financial calendar is available at fn.de/calendar.

The English version of this nine-month statement is a convenience translation of the German version.

The German version is legally binding.

Further information on the freenet and the share is available at: fn.de/investors



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