

freenet AG | 2024 Q4 FY

Analyst and Investor Presentation

Preliminary results

Christoph Vilanek, CEO

Ingo Arnold, CFO



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Remark: Due to the rounding of numbers to one decimal place, arithmetical differences may occur in subtotals and totals.

Business Update

Christoph Vilanek

CEO



Group

A look back at a very successful year for freenet

2024

Q4 FY

Setting future guardrails for our businesses

- Mobile Communications fit for the future
- IPTV set to increase EBITDA contribution

Achieving strong growth in both segments

- Strongest postpaid net adds since FY 18
- waipu.tv net adds just under 600k

FY 24 delivers strong EBITDA & FCF

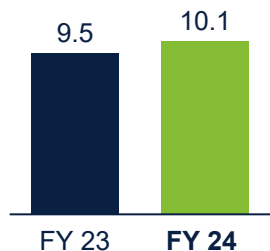
- Record DPS proposal: EUR1.97; o/w EUR0.12 relates to one-off effect from IP-sales
- 2025 SBB potential: up to EUR100m

Group

2024 KPIs meet expectations and guidance

Subscribers

in m (end of period)



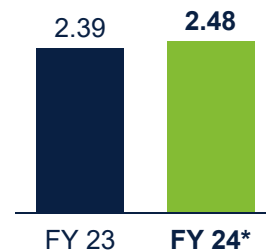
+6.9%

2024 Guidance:
Overall customer growth



Revenues

in EURbn



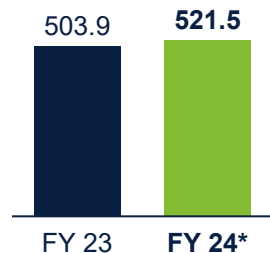
+3.9%

2024 Guidance:
moderate growth



EBITDA

in EURm



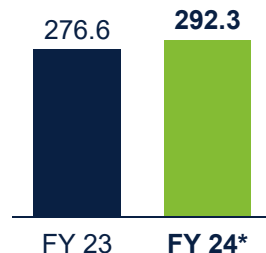
+3.5%

2024 Guidance:
515-530 EURm



Free cash flow

in EURm



+5.7%

2024 Guidance:
285-300 EURm



* incl. one-off effect from sale of IP addresses (EUR18.4m)

Mobile Communications

Mobile is fit for the future



New MNO contracts in place since mid-24

- Long-term contracts with DTE, TEFD, VOD
- Extending tariff portfolio (incl. 5G & “white label” shop brands, e.g. Happy SIM)

Enhancing brand recognition in the public

- Positioning freenet as sport sponsoring brand
- Bundesliga, Icon League, Handball Championship

APS project finalized

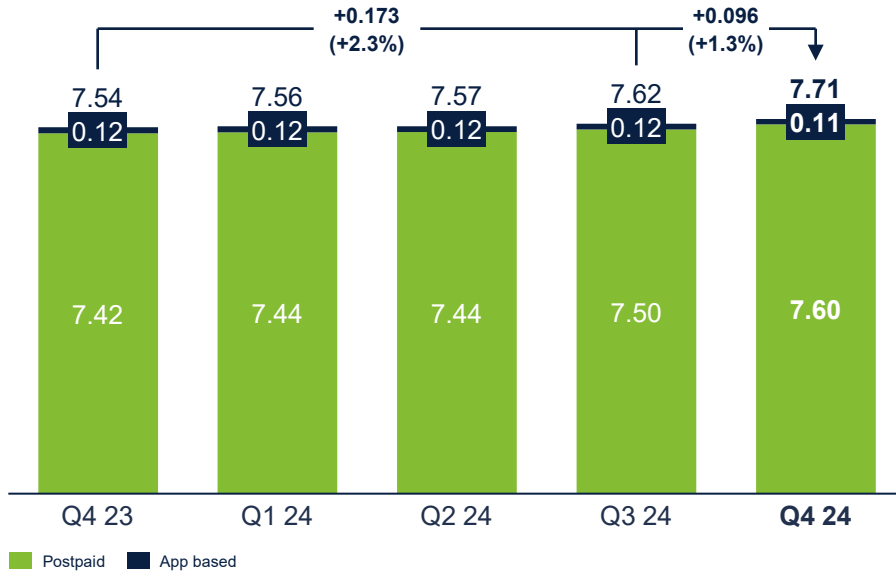
- freenet retail fit for the future
- One freenet world: Offline and online become one

Mobile Communications

Postpaid growth above expectations

Mobile subscribers

in m (end of period)



FY 24: Postpaid growth of +182k, clearly exceeded soft guidance of >100k

Q4 24: Postpaid growth of +103k, mainly driven by focusing on online channels with suitable tariffs

2025 Guidance
„Postpaid subs“

Moderate growth

TV and Media

IPTV with more focus on EBITDA contribution



waipu .tv



waipu.tv extended partnerships, channels and visibility

- Almost 300 channels in HD, partnering with relevant VoD-Player (new in 2024: JOYN+, Disney+, WOW Sports)
- Brand recognition at >60%

waipu.tv price hike from Jan 25 onwards

- “Perfect Plus”: from EUR13/mth to EUR15/mth
- “Comfort”: Price for entry package unchanged
- No churn effects so far

Media Broadcast

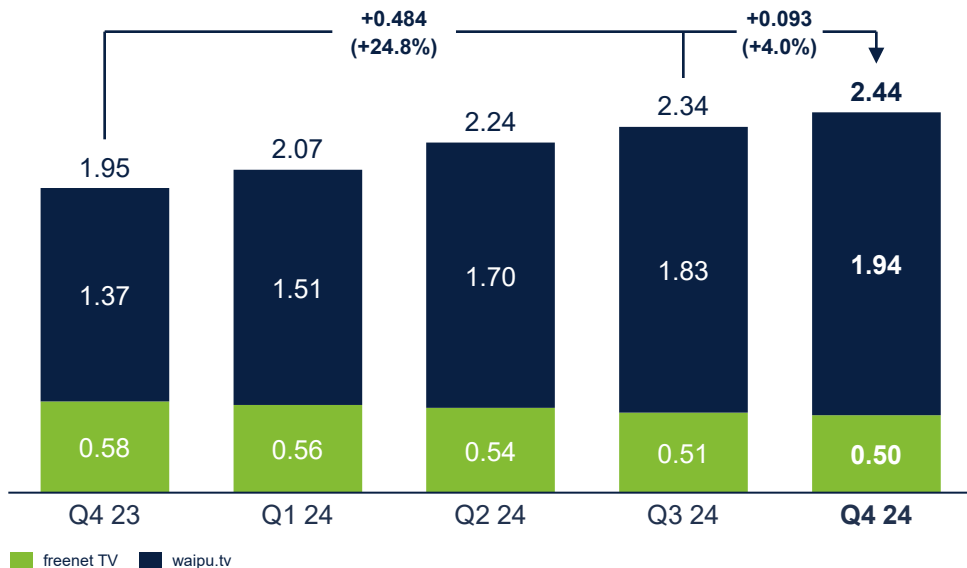
- Restructuring to streamline organization ongoing
- Exploring new business fields (leveraging expertise)

TV and Media

waipu.tv subscribers base close to 2m

Total TV subscribers

in m (end of period)



FY 24: waipu.tv growth of +571k, just below soft guidance of ~600k; freenet TV meets expectation (-87k)

Q4 24: waipu.tv growth of +110k, below last quarters due to “O2 TV churn effect”, but captive sales higher than Q4 23

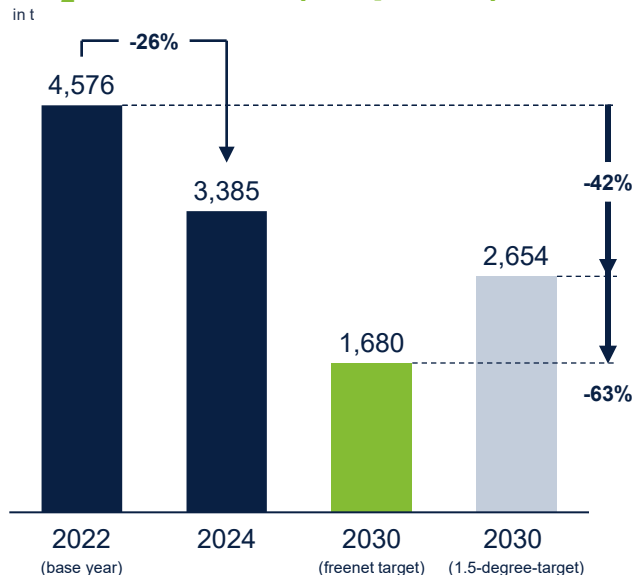
2025 Guidance
„TV subs“

waipu.tv: Noticeable growth
freenet TV: Noticeable decrease

ESG

Transition plan for Scope 1+2 adopted

CO₂e emissions (Scope 1+2)



- Transition plan for climate protection adopted for Scope 1+2 emissions
- Reduction target: around 63 % by 2030 (fully in line with the 1.5-degree target of the Paris Climate Agreement (reduction: -42 %))
- Main decarbonization levers:
 - Electrification vehicle fleet
 - Conversion of further locations to renewable energies
- 2024 main actions:
 - Implementation of eCar policy
 - Installation 99kWp photovoltaic system
- 2024 on track to meet 2030 target; further target: to set Scope 3 emissions reduction target based on newly collected Scope 3 inventory

Financial Update

Ingo Arnold
CFO

Remark regarding Gravis:

Gravis Computervertriebsgesellschaft mbH, Berlin (hereinafter referred to as "Gravis") discontinued its business operations as of 30 June 2024. In accordance with the IFRS 5 accounting standard, the activities of Gravis and certain business transactions directly related to the closure of Gravis in other freenet AG Group companies represent the discontinued operations of Gravis. In accordance with IFRS 5.34, the previous year's figures, as well as the 2024 figures, relate to continuing operations only.

Further remark regarding 2023/2024 financial figures:

Retrospective adjustments were made for 2023, resulting in an increase of EUR3.6m in EBITDA. Further information on the effects can be found in the appendix to this presentation.

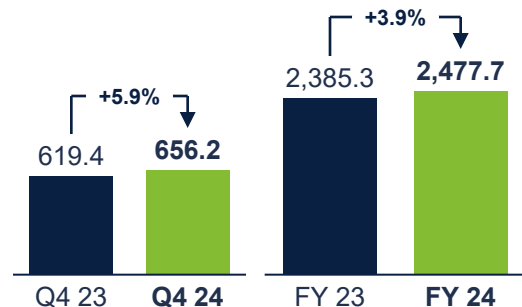


Group

Adj. EBITDA reflects announced 'transition year'

Revenues

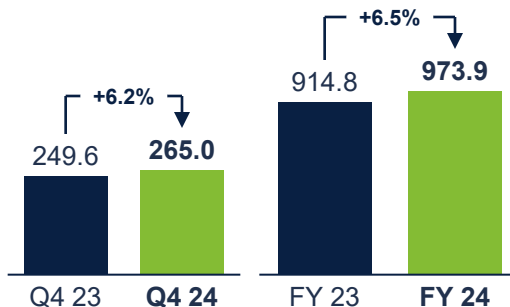
in EURm



- Revenue growth reflects strong waipu.tv growth supported by stable mobile service revenues
- Q4 24 increased mainly due to one-off effect of IP address sales (EUR18.4m, Segment Other/Holding)

Gross profit

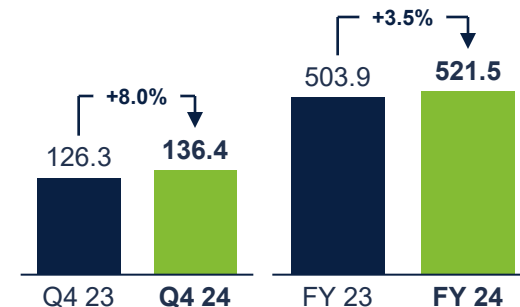
in EURm



- Gross profit improves due to phasing of MNO contracts and increasing TV contribution (in addition to IP addresses sale)

EBITDA

in EURm



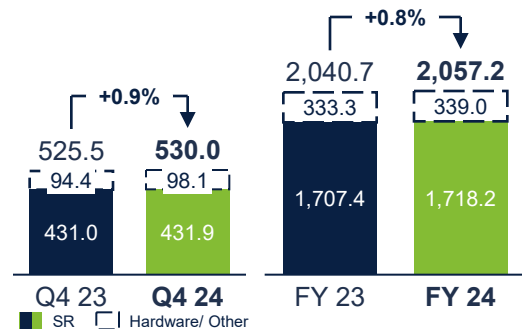
- Record EBITDA due to one-off effect of IP address sales (EUR18.4m)
- Adjusted EBITDA (EUR503.1m) on prior year's level (EUR503.9m) due to high marketing invest in IPTV

Mobile Communications

EBITDA in FY24 increased by 1.7%

Revenues

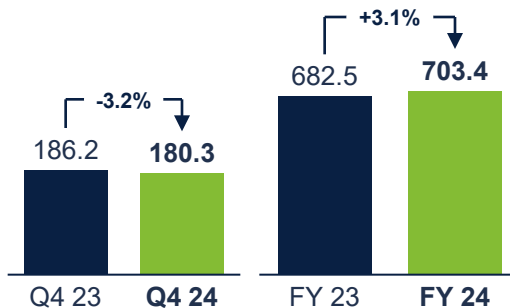
in EURm



- Service revenues (+0.6%) in line with expectations, not fully reflecting strong customer intake in H2 24

Gross profit

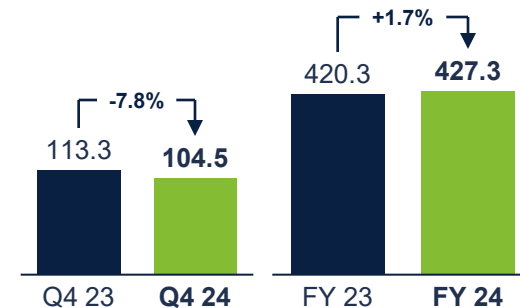
in EURm



- Gross profit increased due to phasing of new MNO contracts (level effect)
- Q4 24 gross profit in line with previous quarters, but below Q4 23 due to one-off effects related to Q4 23 (e.g., exceptional performance bonus)

EBITDA

in EURm

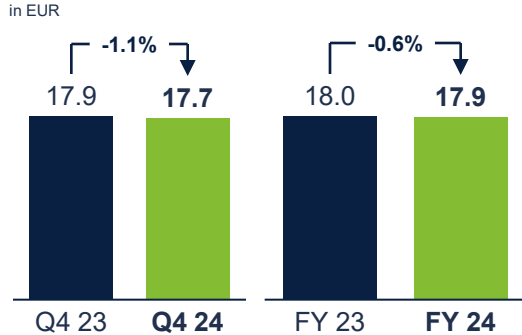


- EBITDA sustainably increased in line with gross profit
- EBITDA decreased in Q4 24 due to Q4 23 gross profit effects and normalizing bad debt (as expected)

Mobile Communications

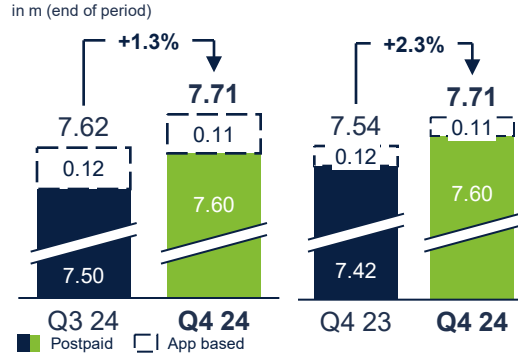
Stable Postpaid ARPU and DLS business

Postpaid ARPU



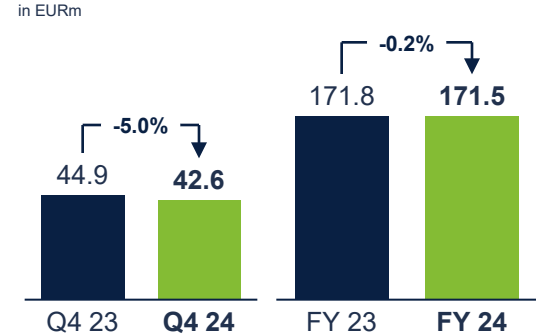
- Overall stable Postpaid ARPU development as expected
- Slight decline in H2 24 due to adjusted channel mix; no market disruption observable

Mobile subs



- Mobile subs growth continued
- Target for FY24 of >100k mobile net adds far exceeded: New tariff portfolio and strong sales platform leveraged

DLS revenues



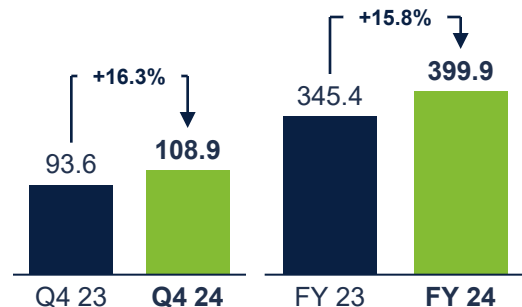
- DLS revenues stable at high level as expected
- Q4 24 declined due to focus on online customer acquisition

TV and Media

Customer intake leads to gross profit growth

Revenues

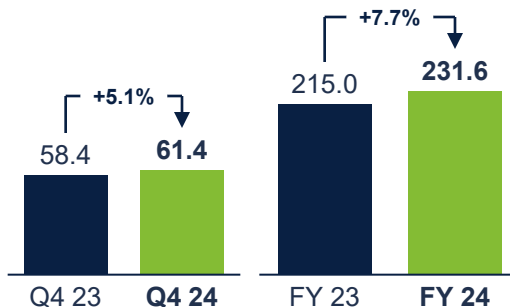
in EURm



- Double digit revenue growth driven by waipu.tv growth
- waipu.tv now accounting for approx. 50 % of TV and Media revenues
- waipu.tv / freenet TV ARPU remain stable amid high promotional activity

Gross profit

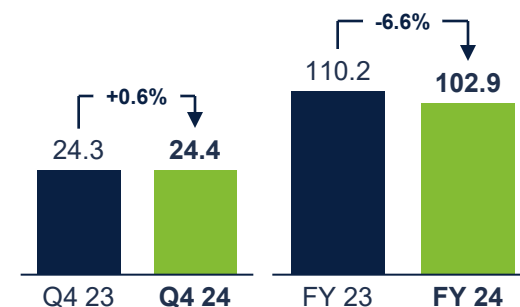
in EURm



- Gross margin slightly reduced as visibility of waipu.tv increases (waipu.tv GM < MB GM)
- Programmatic adv expenses now included in gross profit to increase transparency as business grows

EBITDA

in EURm



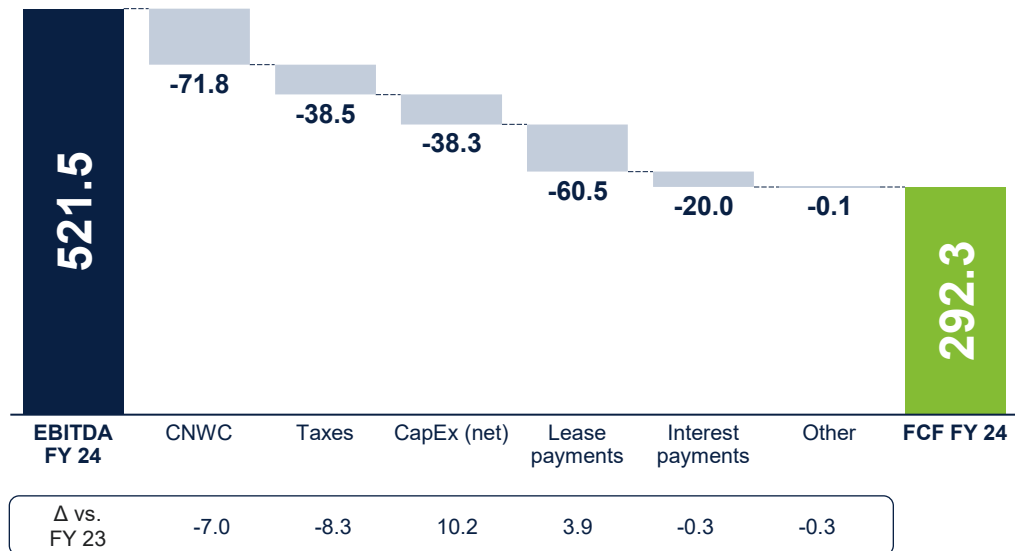
- Increased marketing activities for waipu.tv impact EBITDA as anticipated
- MB restructuring charges weigh further on EBITDA
- In 2025, waipu.tv focuses on a more balanced strategy (growth vs. EBITDA contribution)

Group

Strong free cash flow leads to record dividend

EBITDA-to-FCF bridge – incl. IP address sales (EUR18.4m)

in EURm



Dividend & SBB potential

80

% of
FCF dividend payout

1.97

EUR
DPS proposal

thereof:

0.12

EUR
related to IP address sales

≤100

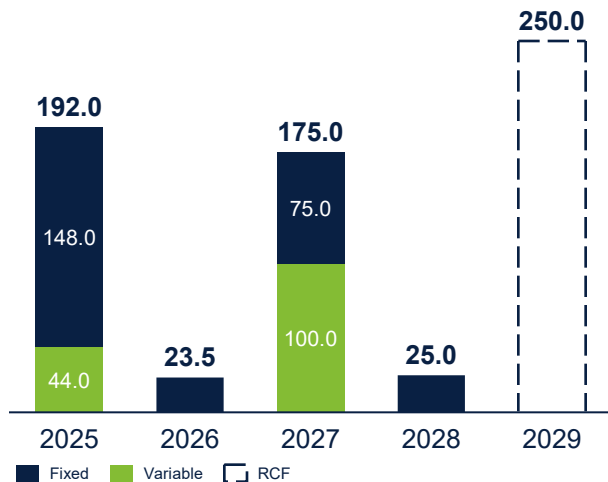
EURm
SBB potential FY 25

Group

Financial structure as of YE 24

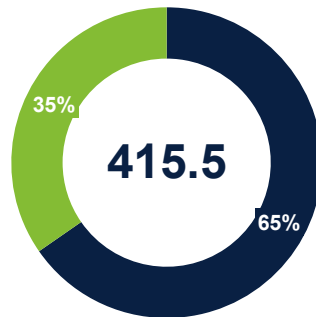
Debt maturity

in EURm



Gross debt (excl. accrued interest)

in EURm



B/S KPIs

Cash

in EURm



181.6

Equity ratio



44.4%

Leverage



0.9x

Leverage (w/o leases)



0.5x

Group

2025 Guidance fully in line with ambitions

freenet Group	Unit	2024 Actuals	2025 Guidance
Revenue	EURm	2,477.7	Moderate growth
Adj. EBITDA	EURm	503.1	520 - 540
Free cash flow	EURm	292.3	300 - 320
Segment Mobile	Unit	2024 Actuals	2025 Guidance
Revenue	EURm	2,057.2	Moderate growth
Adj. EBITDA	EURm	427.3	420 - 440
Postpaid customers	m	7.60	Moderate growth
Postpaid ARPU	EUR	17.9	Stable development
Segment TV/ Media	Unit	2024 Actuals	2025 Guidance
Revenue	EURm	399.9	Noticeable growth
Adj. EBITDA	EURm	102.9	115 - 135
freenet TV RGU	k	496	Noticeable decrease
waipu.tv subs	m	1.94	Noticeable growth



freenet

fertig, los!

Q&A

Contact

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Upcoming events

06.03.2025	Frankfurt aM (GER)	Roadshow FY 24 (Warburg)
11.03.2025	London (UK)	BNP Paribas Exane TMT Conference
03.04.2025	Munich (GER)	Munich Capital Market Conference 2025



freenet

fertig, los!

Appendix

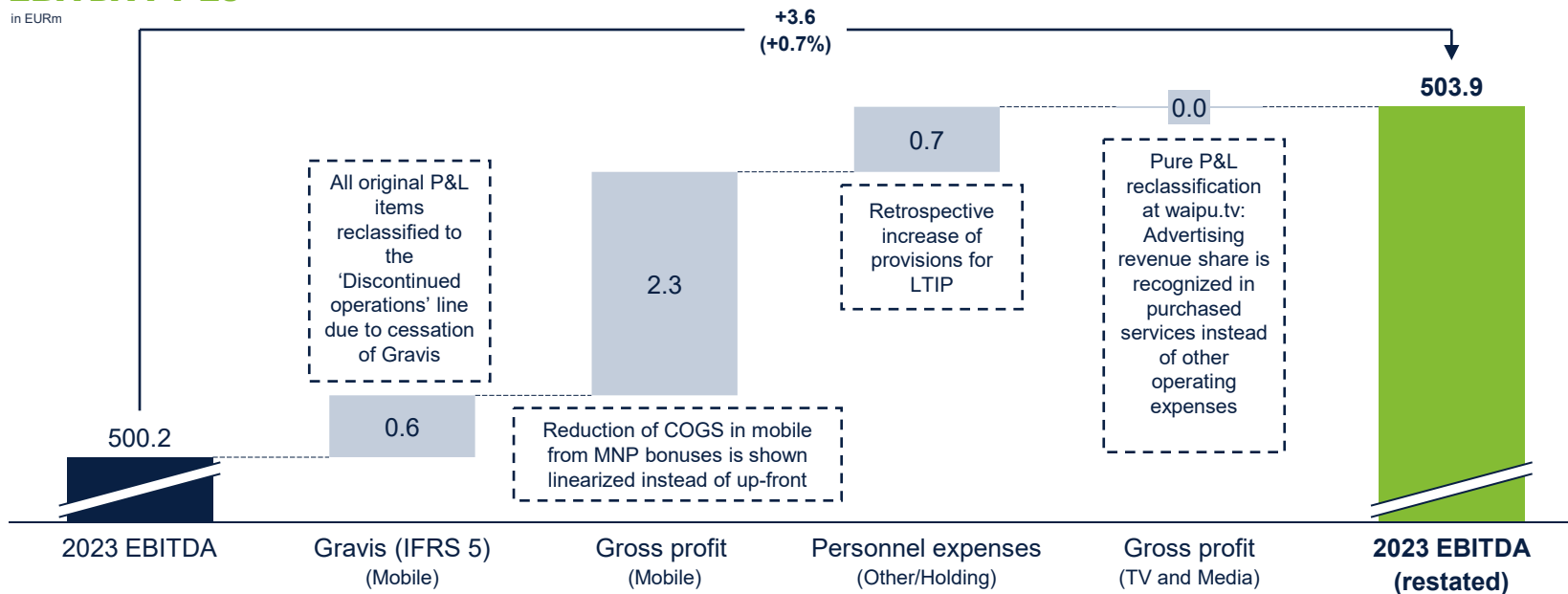
- Retrospective restatements for FY 23
- 2025 Guidance vs. Consensus
- 2025 Adj. EBITDA-to-FCF bridge (expected)
- freenet 2028 Financial ambition

Group

Retrospective restatements for FY 23

EBITDA FY 23

in EURm



Group

2025 Guidance fully in line with consensus

freenet Group	Unit	2024 Actuals	2025 Guidance	2025 Consensus
Revenue	EURm	2,477.7	Moderate growth	2,529.7
Adj. EBITDA	EURm	503.1	520 - 540	531.4
Free cash flow	EURm	292.3	300 - 320	310.2

Segment Mobile	Unit	2024 Actuals	2025 Guidance	2025 Consensus
Revenue	EURm	2,057.2	Moderate growth	2,075.3
Adj. EBITDA	EURm	427.3	420 - 440	431.2
Postpaid customers	m	7.60	Moderate growth	7.66
Postpaid ARPU	EUR	17.9	Stable development	17.9

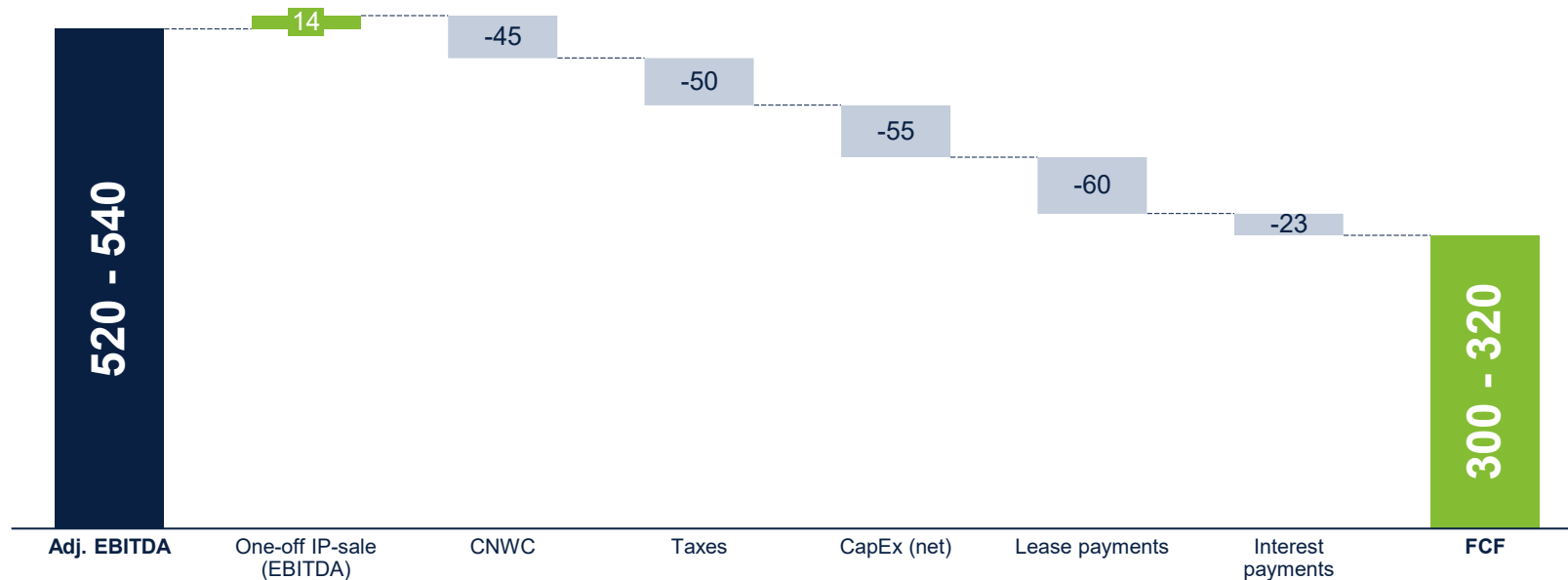
Segment TV/ Media	Unit	2024 Actuals	2025 Guidance	2025 Consensus
Revenue	EURm	399.9	Noticeable growth	444.0
Adj. EBITDA	EURm	102.9	115 - 135	125.1
freenet TV RGU	k	496	Noticeable decrease	424
waipu.tv subs	m	1.94	Noticeable growth	2.38

Group

2025 Adj. EBITDA-to-FCF bridge (expected)

Adj. EBITDA-to-FCF

in EURm

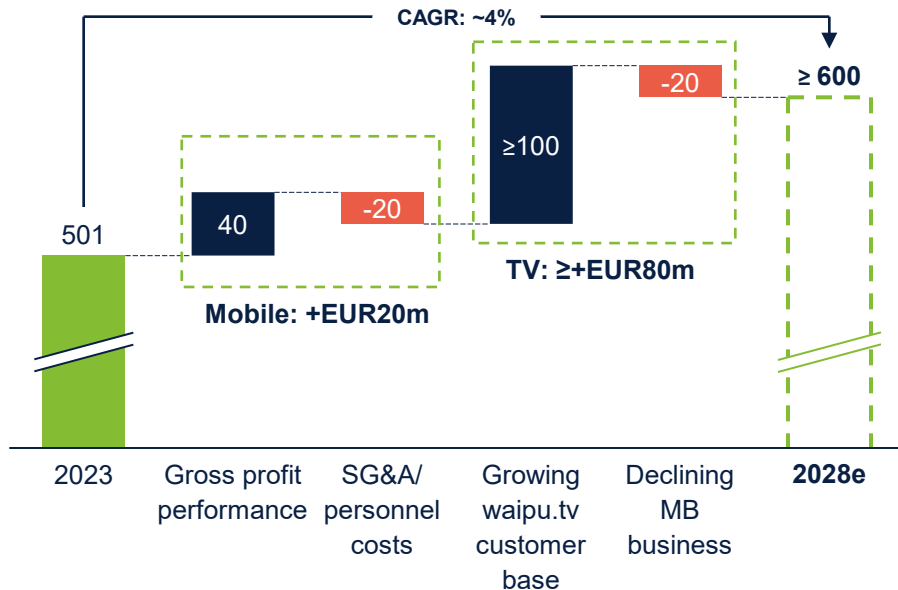


Group

freenet 2028 Financial ambition

EBITDA-to-EBITDA bridge

in EURm



General remarks on 2028 ambition

- Based on freenet's business performance up to September 2024
- No M&A or inorganic growth assumed
- No product portfolio extensions or additional new revenue streams assumed
- Ongoing shift from prepaid-to-postpaid assumed
- Rational mobile market assumed
- IPTV market outlook corresponds with assumptions made by other market participants
- No disruption in the cable and satellite market assumed