Annual Financial Statements 2021

MANAGEMENT REPORT FOR THE GROUP AND PARENT COMPANY

ANNUAL FINANCIAL STATEMENTS OF THE PARENT COMPANY ACC. TO HGB

MANAGEMENT REPORT

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Notice of unaudited sections in the Combined Management Report of United Internet AG for the Company and the Group as of December 31, 2021

In addition to regular management report disclosures, it is possible that reporting may also include non-management report-related disclosures (those not required by law) which are not subject to a substantive audit by the auditor. Moreover, certain information may not be verifiable by the auditor: such "non-auditable information" cannot be assessed by the auditor due to the nature of the disclosures or the absence of suitable criteria.

In the Combined Management Report of United Internet AG for the Company and the Group as of December 31, 2021, the following chapters or disclosures were identified as "non-audited management report disclosures":

- The disclosures made in the subsection "1.4 Main focus areas for products and innovations" are "non-audited management report disclosures", as the content of "non-management report-related disclosures" is not audited.

- The "quarterly development" tables contained in the subsections "2.2 Business development" and "2.3 Position of the Group" with key financial figures on a quarterly basis for the segments and the Group are "non-audited management report disclosures" as United Internet does not subject its Interim Financial Statements to a review or audit.

- The disclosures made in chapter "7. Declaration on Company Management" are "non-audited management report disclosures" as an audit of the disclosures contained in the Declaration on Company Management in accordance with section 317 (2) sentence 6 HGB is limited to the fact that the information has been provided and the Corporate Governance Report in chapter 7 constitutes a "non-management report-related disclosure" which is not subject to a substantive audit.·

General notes

- Due to calculation processes, tables and references may produce rounding differences from the mathematically exact values (monetary units, percentage statements, etc.). For reasons of better readability, the additional use of the female form is omitted in this report. United Internet would like to stress that the use of the masculine form is to be understood purely as the gender-neutral form.

- These Annual Financial Statements are available in German and English. Both versions can also be downloaded at www.united-internet.de. In all cases of doubt, the German version shall prevail.

1. GROUP AND COMPANY PROFILE

1.1 Business model

Group structure

Founded in 1998 and based in Montabaur, Germany, United Internet AG is the **parent company** (hereinafter also referred to as "the Company") of the United Internet Group.

Together with its service company United Internet Corporate Services GmbH, United Internet AG focuses mainly on centralized functions such as Finance, Corporate Controlling & Accounting, Tax, Investment Management, Press Relations, Investor Relations, Legal, Corporate Governance, Compliance & Sustainability, Risk Management, Corporate Audit, HR Management, Facility Management, Procurement, and Corporate IT.

Compared to the previous year, the Group structure as of December 31, 2021 is largely unchanged from the previous year.

Operating activities in the **Consumer Access segment** are mainly managed by the companies Drillisch Online GmbH and 1&1 Telecom GmbH – under the umbrella of 1&1 AG (formerly: 1&1 Drillisch AG).

In its **Business Access segment**, United Internet mainly operates via 1&1 Versatel Germany GmbH – held by 1&1 Versatel GmbH.

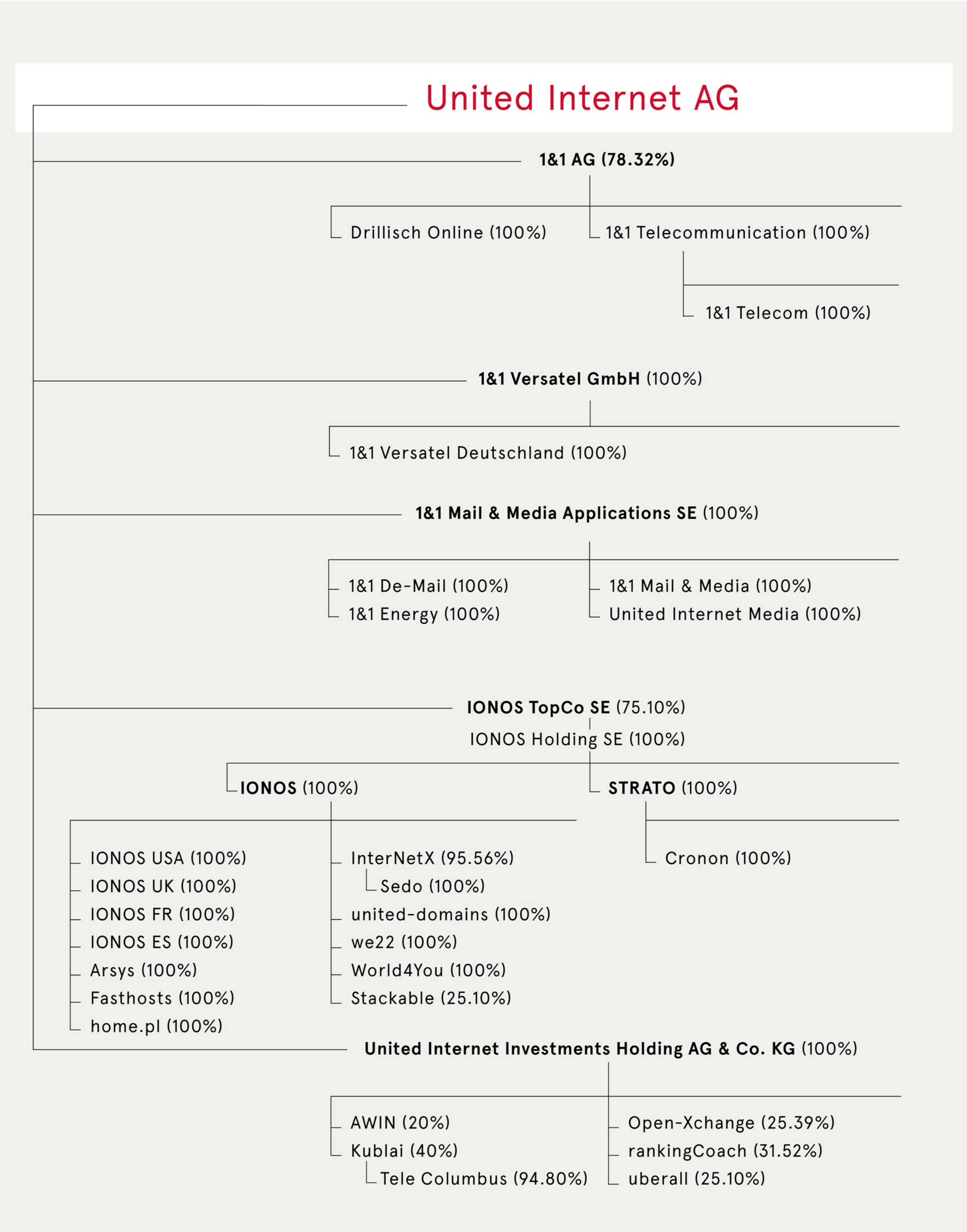
Operating activities in the **Consumer Applications segment** are primarily managed via the companies 1&1 De-Mail GmbH, 1&1 Energy GmbH, 1&1 Mail & Media GmbH, 1&1 Mail & Media Inc., and United Internet Media GmbH – pooled together under 1&1 Mail & Media Applications SE.

In its **Business Applications segment**, United Internet is primarily active via STRATO AG and its subsidiary Cronon GmbH – held by the holding companies IONOS TopCo SE (formerly: 1&1 IONOS TopCo SE) and IONOS Holding SE (formerly: 1&1 IONOS Holding SE) – as well as via IONOS SE (formerly: 1&1 IONOS SE) and its main domestic and foreign subsidiaries. These include – in addition to the foreign subsidiaries IONOS Inc. (USA; formerly: 1&1 IONOS Inc.), IONOS Cloud Ltd. (UK; formerly: 1&1 IONOS Ltd.), IONOS S.A.R.L. (France; formerly: 1&1 IONOS S.A.R.L.), and IONOS Cloud S.L.U. (Spain formerly: 1&1 IONOS España S.L.U.) – in particular Arsys Internet S.L.U. (Spain), Fasthosts Internet Ltd. (UK), home.pl S.A. (Poland), InterNetX GmbH, Sedo GmbH, united-domains AG, we22 AG (since February 2021), and World4You Internet Services GmbH (Austria).

In addition to these operating and fully consolidated subsidiaries, United Internet held a number of other **investments** as of December 31, 2021. These mainly consist of equity interests – held by United Internet Investments Holding AG & Co. KG – in Kublai GmbH, Frankfurt am Main (40.00%), which in turn holds 94.80% of shares in Tele Columbus AG, Berlin, and investments in the strategic partners Open-Xchange AG, Cologne (25.39%), rankingCoach International GmbH, Cologne (31.52%), uberall GmbH, Berlin (25.10%), and AWIN AG, Berlin (20.00%), as well as the investment (since December 2021) in Stackable GmbH, Pinneberg (25.10%) held by IONOS SE.

Further details on these investments and changes in investments are provided in chapter 2.2 "Business development" under "Group investments".

A simplified illustration of the Group structure of United Internet with its significant operating subsidiaries and investments – as of December 31, 2021 – is shown in the following chart.



Business operations

With 26.68 million fee-based customer contracts (prior year: 25.65 million) and 40.32 million ad-financed free accounts (prior year: 39.40 million), United Internet is a leading European internet specialist.

The Group's operating business is divided into the two business divisions "Access" and "Applications", which in turn are divided into the segments "Consumer Access" and "Business Access", as well as "Consumer Applications" and "Business Applications".

Consumer Access segment

The Consumer Access segment comprises landline-based broadband products as well as mobile internet products (including the respective applications, such as home networks, online storage, telephony, or IPTV) for private users.

These internet access products are offered as subscription contracts with fixed monthly fees (and variable, volume-based charges) and contractually fixed terms.

With its **broadband products** under the 1&1 brand (especially VDSL/vectoring and fiber-optic connections), United Internet is one of Germany's leading suppliers.

The Company uses its own fiber-optic network of 1&1 Versatel as the transport network for VDSL/vectoring connections and for direct fiber-optic connections (FTTH) it uses regional networks and the "last mile" via city carriers and Deutsche Telekom (mainly Layer-2). In the case of business with ADSL connections (currently being phased out), further advance service providers are used.

With its **mobile internet products**, United Internet is the leading Mobile Virtual Network Operator (MVNO) in Germany.

United Internet – indirectly via 1&1 AG – is the only MBA MVNO in Germany with long-term and guaranteed rights to up to 30% of the used network capacity of Telefónica Germany and thus extensive access to one of Germany's largest mobile networks. In addition to its privileged access to the Telefónica network, the Company also purchases standardized mobile advance services from Vodafone.

These purchased network services are enhanced with end-user devices of major manufacturers, as well as self-developed applications and services in order to differentiate the Company from its competitors.

The mobile internet products are marketed via the premium brand 1&1 and discount brands, such as yourfone and smartmobile.de, which enable the Company to offer a comprehensive range of wireless products while also targeting specific customer groups.

As part of the planned rollout of its own powerful mobile communications network – and following its successful bid for two frequency blocks of 2 x 5 MHz in the 2 GHz band and five frequency blocks of 10 MHz in the 3.6 GHz band during the 5G spectrum auction in 2019 – United Internet concluded long-term agreements in the fiscal year 2021 and now has all key elements in place to drive forward the rollout of its own 5G mobile communications network and thus extend its added value in this market – as in its landline market. These agreements include the national roaming agreement between 1&1 and Telefónica concluded on May 21, 2021, which secures nationwide mobile coverage for 1&1 customers during the construction phase of United Internet's own network through shared use of the Telefónica network, as well as the partnership announced on August 4, 2021 between 1&1 and Rakuten for the joint construction of Europe's first fully virtualized mobile network based on the innovative OpenRAN technology. In addition, 1&1 signed an intercompany agreement with its affiliate 1&1 Versatel on December 9, 2021, which in particular provides the access network (especially fiber-optic cables) and data centers for operating 1&1's mobile network on a rental basis, and on the same date an agreement was concluded between 1&1 AG and Vantage Towers AG, one of Europe's leading companies for radio tower infrastructure, which among other things includes the renting of Vantage antenna locations and the installation of 1&1's 5G high-performance antennas by Vantage.

Business Access segment

In its Business Access segment, United Internet offers a wide range of telecommunication products and services for business customers via the 1&1 Versatel brand.

The core of 1&1 Versatel's business model is a cutting-edge fiber-optic network with a length of over 52,000 km, which is one of the largest networks in Germany and is constantly being expanded.

1&1 Versatel uses this network to offer its business customers telecommunication products – from fiber-optic direct connections to tailored ICT solutions (voice, data and network solutions). In addition, the 1&1 fiber-optic network is offered for infrastructure services (wholesale) to national and international carriers and ISPs.

The fiber-optic network directly connects commercial buildings and local authority sites (FTTB = Fiber-to-the-Building).

Consumer Applications segment

United Internet's applications for home users are pooled in the Consumer Applications segment. In particular, these applications include Personal Information Management applications (e-mail, to-do lists, appointments, addresses), and online storage (cloud), as well as domains, website solutions tailored to consumer needs, and office software.

In the course of portfolio development over the past few years, the GMX and WEB.DE brands – the most widely used e-mail providers in Germany for many years now – have been expanded from pure e-mail service providers to complete command centers for the communication, information, and identity management needs of users.

Applications for home users are nearly all developed in-house (see 1.4 "Main focus areas for products and innovations") and operated at the Group's own data centers.

The products are offered as fee-based subscriptions (pay accounts) or – for free – in the form of ad-financed accounts (free accounts). These free accounts are monetized via classic – but increasingly also via data-driven – online advertising, which is marketed by United Internet Media.

United Internet markets its ad-financed applications and fee-based consumer applications via the GMX and WEB.DE brands primarily in Germany, Austria, and Switzerland, where it is among the leading players.

Since the acquisition of the US provider mail.com, United Internet has also been driving its international expansion in this segment. In addition to the USA, mail.com targets other countries, such as the UK, France, and Spain.

Business Applications segment

In the Business Applications segment, United Internet opens up online business opportunities for freelancers and SMEs, helping them digitize their processes. This involves offering a broad range of powerful applications, such as domains, websites, web hosting, servers, cloud solutions and e-shops, group work, online storage (cloud), and office software, which customers can use via subscription agreements.

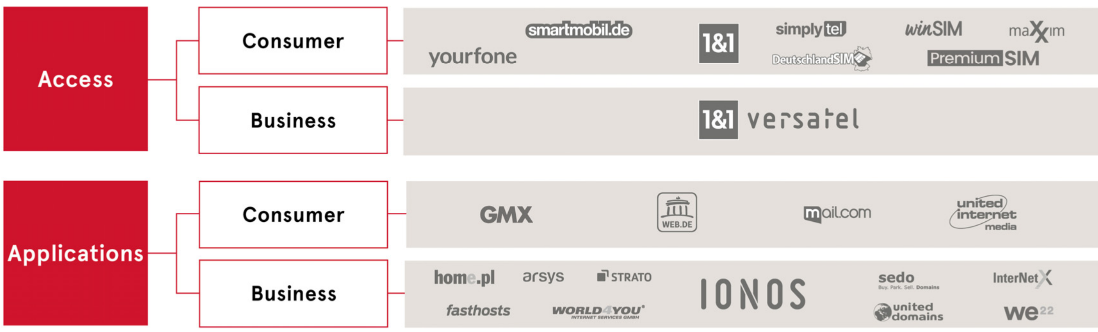
Based on its tried and tested, million-selling hosting packages, the Company has expanded its product range over the past few years with the addition of numerous cloud-based e-business solutions.

The applications are developed at the Company's own development centers or in cooperation with partner firms and operated on over 90,000 servers at 10 data centers.

In its Business Applications segment, United Internet is also a leading global player with activities in Europe (Germany, France, the UK, Italy, Spain, the Netherlands, Austria, Switzerland, Poland, Hungary, Romania, Bulgaria, Czech Republic, and Slovakia) and North America (Canada, Mexico, and the USA). Further countries are to be gradually added.

Business applications are marketed to specific target groups via the differently positioned brands IONOS, Arsys, Fasthosts, home.pl, InterNetX, Strato, united-domains, and World4You. Via the Sedo brand, United Internet also offers customers professional services in the field of active domain management, while we22 offers other hosting suppliers a white-label website builder for the creation of high-quality websites.

Divisions, segments and brands (as of: December 31, 2021)



Management

The **Management Board** of United Internet AG comprised the following members in the fiscal year 2021:

Management Board members as at December 31, 2021

- Ralph Dommermuth, founder and Chief Executive Officer
  (with the Company since 1988)

- Martin Mildner, Chief Financial Officer
  (with the Company since October 1, 2020)

The **Supervisory Board** of United Internet AG was re-elected in part by the Annual Shareholders' Meeting 2021 and comprised the following members in the fiscal year 2021:

Supervisory Board members as at December 31, 2021

- Philipp von Bismarck, chair
  (member since July 2020; chair since May 2021; member of the Audit and Risk Committee since May 2021)

- Dr. Claudia Borgas-Herold
  (member since May 2020)

- Dr. Manuel Cubero del Castillo-Olivares, deputy chair
  (member since May 2020; deputy chair since May 2021)

- Stefan Rasch
  (member since May 2021; member of the Audit and Risk Committee since May 2021)

- Prof. Dr. Andreas Söffing
  (member since May 2021; chair of the Audit and Risk Committee since May 2021)

- Prof. Dr. Yasmin Mei-Yee Weiß
  (member since July 2020)

Departed in the fiscal year 2021

- Kurt Dobitsch
  (from May 1998 to May 2021)

- Michael Scheeren
  (from May 2002 to March 2021)

Main markets and competitive standing

Germany is the most important **sales market** of the United Internet Group by far and accounted for around 91% of total global sales in the fiscal year 2021.

Besides Germany, the Group's most important sales markets are

- the USA,
- the UK,
- Spain,
- France,
- Poland, and
- Austria.

Competitive standing in the Consumer Access segment

Following the merger with Drillisch AG (now 1&1 AG) in 2017, United Internet is the fourth force in Germany's telecommunications market with landline and mobile products in its purely domestic Consumer Access segment – based on customer contracts, sales revenues and profitability – after Deutsche Telekom, Vodafone and Telefónica Germany.

Competitive standing in the Business Access segment

United Internet is also a leading company its Business Access segment, whose operations are also limited to Germany. With the fiber-optic network of 1&1 Versatel spanning over 52,000 km, United Internet operates one of Germany's largest fiber-optic networks.

Competitive standing in the Consumer Applications segment

In its Consumer Applications segment, United Internet operates in Germany, Switzerland, and Austria via the GMX and WEB.DE brands, as well as in countries such as the USA, UK, France, and Spain via the international brand mail.com. United Internet is the leading provider of e-mail services and one of the leaders in cloud services in its domestic German market – based on the number of users.

Competitive standing in the Business Applications segment

In the globally aligned Business Applications segment, United Internet is active in a total of 17 countries with its hosting and cloud applications. The Company has long been the market leader in the German hosting business – based on the number of managed country domains – and strengthened its position in 2017 with the takeover of its competitor STRATO. In other European countries, United Internet's hosting applications are now available in all major markets – either locally or from Germany. In addition to the domestic German market, these mainly include the major European economies of France, the UK, Italy, Poland, and Spain. With the exception of Italy, the Company is among the market leaders –

measured by the number of managed country domains – in the aforementioned countries. All in all, therefore, United Internet is also one of the leading European suppliers of hosting applications – based on the number of managed country domains. Further target markets outside Europe are the North American countries Canada, USA, and Mexico. In the most important of these markets, the USA, United Internet is also one of the leading players in this segment – based on the number of managed country domains.

From a global perspective, United Internet is thus also one of the leading companies in the hosting business.

Main locations

As of December 31, 2021, the United Internet Group employed a total of 9,975 people at over 30 domestic and foreign facilities.

Main locations (by headcount; > 50 employees)

Location	Segment	Main Company
Montabaur (HQ)	Corporate functions	United Internet
	Consumer Access	1&1
Karlsruhe	Corporate functions	United Internet
	Consumer Access	1&1
	Consumer Applications	1&1 Mail & Media Applications
	Business Applications	IONOS
Berlin	Consumer Access	1&1
	Business Access	1&1 Versatel
	Business Applications	IONOS, Strato, we22
Zweibrücken	Consumer Access	1&1
	Business Applications	IONOS
Cebu City (Philippines)	Business Applications	IONOS
Madrid / Logroño (Spain)	Business Applications	IONOS, Arsys
Munich	Consumer Access	1&1
	Consumer Applications	1&1 Mail & Media Applications
Dusseldorf	Business Access	1&1 Versatel
Szczecin (Poland)	Business Applications	home.pl
Essen	Business Access	1&1 Versatel
Flensburg	Business Access	1&1 Versatel
Gloucester (UK)	Business Applications	IONOS, Fasthosts
Krefeld	Consumer Access	1&1
Bucharest (Romania)	Business Applications	IONOS
Cologne	Business Applications	Sedo, we22
Maintal	Consumer Access	1&1
Regensburg	Business Applications	InterNetX
Chesterbrook / Lenexa (USA)	Business Applications	IONOS
Stuttgart	Business Access	1&1 Versatel
Starnberg	Business Applications	united-domains
Linz / Vienna (Austria)	Business Applications	World4You
Dortmund	Business Access	1&1 Versatel
Frankfurt am Main	Business Access	1&1 Versatel

1.2 Strategy

United Internet's business model is based predominantly on customer contracts (electronic subscriptions) with fixed monthly amounts and contractually agreed terms. Such a business model ensures generally stable and plannable revenue and cash flows, protects against macroeconomic effects, and provides the financial scope to grasp opportunities in new/extended business fields and new/extended markets – organically, or via acquisitions and investments.

The large number of customer relationships helps the Company to utilize so-called economies of scale: the more customers using the products created by our development teams and operated at our own data centers, and/or transport data via our own networks, the greater our profit will be. These profits can then be invested in new customers, new developments, and new or extended business fields.

From the current perspective, Cloud Applications and Mobile Internet will be the growth markets over the coming years. With its clear positioning in the Access and Applications segments, United Internet is well placed to exploit the expected market potential.

In view of the dynamic market development of Cloud Applications and Mobile Internet, the Company's growth opportunities are clearly apparent: universally accessible, increasingly powerful broadband connections are enabling new and more sophisticated cloud applications. These internet-based programs for private users and companies will also be United Internet's growth drivers in the years ahead – both as stand-alone products in the Applications division, as well as in combination with landline and mobile access products in the Access division.

With its many years of experience as an access and application provider, its expertise in software development and data center operation, marketing, sales and customer support, as well as its strong and well-known brands (such as 1&1, GMX and WEB.DE), and customer relationships with millions of private users, freelancers, and small companies in Germany and abroad (currently over 67 million user accounts world-wide), the Company is excellently positioned.

In order to leverage this positioning for further sustainable growth, United Internet will also invest heavily in new customers, new products, and new or extended business fields in the future, as well as in its further internationalization.

In addition to organic growth, United Internet also continuously seeks possibilities for company acquisitions, investments, and partnerships in order to extend its market positions, vertical integration levels, and competencies.

Thanks to its high and plannable level of free cash flow, United Internet has a strong source of internal funding as well as good access to debt financing markets. Further information on the Company's equity strength and external financing is presented in the chapters 2.2 "Business development" and 2.3 "Position of the Group".

Further information on strategy, opportunities and targets is included in the "Risk, Opportunity and Forecast Report" in chapter 4.

1.3 Control systems

The internal control systems help management steer and monitor the Group and its segments. The systems consist of planning, actual situation, and forecast calculations based on the Group's annually revised strategic planning. Particular attention is paid to market developments, technological developments, and trends, as well as their impact on the Group's own products and services, and the Group's financial possibilities. The corporate control system's aim is the continuous and sustainable development of United Internet and its subsidiaries.

The Group's reporting system comprises the monthly profit calculations and quarterly IFRS-compliant reports for all consolidated subsidiaries. It presents the financial position and performance of the Group and all divisions. Financial reporting also includes other detailed information which is required for the assessment and control of the operating business.

Quarterly reports on significant risks for the Company represent a further component of the control systems.

The above mentioned reports are discussed at meetings of the Management Board and Supervisory Board and provide the fundamental basis for assessments and decisions.

In order to steer the Group's performance, United Internet AG uses in particular the key figures of the income statement (sales, EBITDA, EBIT, EPS), of the statement of cash flows (free cash flow), and of the statement of financial position (asset items, financial liabilities). Information on the use and definition of the relevant key financial figures is presented in chapter 2.2 "Business development".

The Management Board of United Internet AG steers the segments mainly on the basis of key performance figures. It measures the success of each segment primarily according to sales, earnings before interest, taxes, depreciation and amortization (EBITDA), and earnings before interest and taxes (EBIT).

The main non-financial key figures used are the number and growth of fee-based customer contracts, as well as ad-financed free accounts.

The performance indicators of the United Internet Group for top management are also presented in "Segment reporting" under note 5 of the Notes to the Consolidated Financial Statements.

The **key performance indicators (KPIs)** used by top management at Group level are sales and EBITDA. These figures are also used in forecast reporting.

As the holding company, United Internet AG (parent company) focuses on the key operating figures of the Group.

The number of customer contracts, the gross and net sales figures, and the related customer acquisition costs in particular – compared to the Company's plans and forecast calculations – serve as an early warning system.

The key performance indicators used in the fiscal year 2021 were unchanged from the previous year.

A comparison of the KPIs stated in the forecast and the actual figures is provided in this Management Report in chapter 2.2 "Business Development" in the section "Actual and Forecast Development" as well as in chapter 2.3 "Position of the Group".

1.4 Main focus areas for products and innovations

As an internet service provider, the United Internet Group does not engage in research and development (R&D) on a scale comparable with manufacturing companies. Also within the context of its own sector, research and development expenditures play a fairly subordinate role. Against this backdrop, United Internet does not disclose key figures for R&D.

At the same time, the United Internet brands stand for high-performance internet access, solutions, and innovative web-based products and applications which are mostly developed in-house. The success of United Internet is rooted in an ability to develop, combine, or adapt innovative products and services, and launch them on major markets.

Thanks to its high-performance development teams, United Internet is able to react swiftly and flexibly to new ideas and trends, and to continuously enhance its established products by adapting them to changing market needs – a key success factor in the fast-moving internet market. The Company's expertise in product development, enhancement, and rollout minimizes its reliance on third party development work and supplies in many areas, and thus ensures decisive competitive and time-to-market advantages.

At United Internet's own development centers (especially in Karlsruhe, Berlin, and Bucharest), around 3,350 programmers, product managers, and technical administrators (corresponding to around 34% of all employees) use mainly open source code in clearly defined and modeled development environments. Third-party programming services are also used to swiftly and efficiently implement specific projects. This enables the Company to quickly develop products and adapt them to changing customer needs. United Internet also procures solutions from partners, which are then modified according to needs and integrated into its systems. With the aid of its self-developed applications, United Internet has a set of modules which can be easily combined and provided with product-specific or country-specific user interfaces in order to create a variety of powerful and integrated applications – a huge benefit when tailoring products to varying target groups, or for international rollouts.

Due to the steady growth in customer figures, the demands placed on reliability and availability are constantly rising. In addition to the further development of existing products and continuous optimization of back-end operations, the Company also focuses on continuously enhancing existing processes in order to raise system reliability, and thus also customer satisfaction.

Focus areas 2021

Consumer Access

- FTTH/VDSL cooperation with 1&1 Versatel / Deutsche Telekom
- Participation in broadband and landline test of Europe's largest specialist magazine "connect", once again rated "very good"

Business Access

- Conclusion of wholesale cooperation with Deutsche Glasfaser for B2B fiber-optic products

Consumer Applications

- Expansion of "letter notification" service with addition of "digital copy", i.e., customers receive an email with additional PDF of letter content
- Expansion of Smart Data Analytics platform based on cloud technology, enabling GDPR-compliant data-driven decision making (DDDM) based on company-wide data sets
- Automated generation of TGP advertising target groups using state-of-the-art AI processes and connection to central Mail & Media data platform

Business Applications

- Launch of "Managed Nextcloud" based on IONOS Cloud as "turnkey" groupware platform for storage, management and collaboration aimed at small and mid-sized enterprises
- New Mac client for the use of HiDrive on Apple PCs
- Integration of an e-commerce offering into "MyWebsite NOW" for the creation of small and mid-sized webshops
- Launch of Deploy Now, a "static site deployment" offering for developers to manage their website projects directly via GitHub
- IONOS wins six Gaia-X lighthouse projects in funding competition of the German Federal Ministry for Economic Affairs and Energy (BMWi)

- Launch of Managed Network Load Balancer for automatic load balancing and managed NAT gateway for IONOS Cloud products
- Implementation of DDos Protection Service in IONOS Cloud to ensure high availability and resilience
- Launch of Monitoring-as-a-Service (MaaS)
- Launch of “MyDefender” as a cross-device security and back-up suite

2. ECONOMIC REPORT

2.1 General economic and sector conditions

General economic development

Following the sharp downturn in the global economy in 2020 as a result of the coronavirus pandemic, the figures published by the International Monetary Fund (IMF) in its latest economic outlook (World Economic Outlook, Update January 2022) indicate a return to economic growth in 2021, which was ultimately higher than expected at the beginning of the year (January 2021 outlook).

Specifically, the IMF reported growth of 5.9% for the **global economy** in 2021, based on preliminary calculations. Growth was thus significantly above the prior-year level (-3.1%) and also 0.4 percentage points higher than the IMF's original outlook in January 2021 (5.5%).

This economic recovery is also reflected by the development of the United Internet Group's target markets in North America. The IMF anticipates growth of 5.6% for the **USA** (prior year: -3.4%), and thus 0.5 percentage points more than in its January outlook. The forecast of 4.7% for **Canada** (prior year: -5.2%) is 1.1 percentage points more than originally expected. And for **Mexico**, the IMF forecasts an increase in economic output of 5.3% (prior year: -8.2%), and thus 1.0 percentage points more than at the beginning of the year.

The picture is similar in United Internet's important **eurozone** region. The IMF now expects growth of 5.2% (prior year: -6.4%) and thus 1.0 percentage point more than it forecast in January. Growth of 6.7% was calculated for **France** (prior year: -8.0%), 6.2% for **Italy** (prior year: -8.9%), and 4.9% for **Spain** (prior year: -10.8%). This corresponds to an increase of 1.2 percentage points for France, and 3.2 percentage points for Italy, but a decrease of 1.0 percentage point for Spain compared to the January outlook.

For the **UK**, the IMF now expects growth of 7.2% (prior year: -9.4%), and thus 2.7 percentage points more than at the beginning of the year.

The economic recovery in **Germany** – United Internet's most important market by far (sales share 2021: around 91%) – was slower than anticipated in 2021. The IMF has calculated that economic output increased by 2.7% (prior year: -4.6%) and thus 0.8 percentage points less than expected at the beginning of the year.

The IMF's calculations for Germany are in line with the preliminary figures of the country's Federal Statistics Office (Destatis), which – at its "GDP 2021" press conference on January 14, 2022 – forecast a 2.7% increase in (price-adjusted) gross domestic product (GDP) for 2021 (prior year: -4.6%). Following the sharp fall in GDP as a result of the coronavirus pandemic in 2020, the Federal Statistics Office had also forecast stronger growth and thus a faster recovery at the beginning of 2021. However, supply bottlenecks, increased prices for raw materials and energy, and generally high inflation had a negative impact on companies and consumers. The third and fourth coronavirus waves with rising infection rates also dampened trade, tourism and the hospitality industry, thus preventing the expected faster recovery.

Changes in growth forecasts made during 2021 for United Internet's key target countries and regions

	January forecast 2021	April forecast 2021	June forecast 2021	October forecast 2021	Actual 2021	Change on January forecast
World	5.5%	6.0%	6.0%	5.9%	5.9%	+0.4%-points
USA	5.1%	6.4%	7.0%	6.0%	5.6%	+0.5%-points
Canada	3.6%	5.0%	6.3%	5.7%	4.7%	+1.1%-points
Mexico	4.3%	5.0%	6.3%	6.2%	5.3%	+1.0%-points
Eurozone	4.2%	4.4%	4.6%	5.0%	5.2%	+1.0%-points
France	5.5%	5.8%	5.8%	6.3%	6.7%	+1.2%-points
Spain	5.9%	6.4%	6.2%	5.7%	4.9%	-1.0%-points
Italy	3.0%	4.2%	4.9%	5.8%	6.2%	+3.2%-points
UK	4.5%	5.3%	7.0%	6.8%	7.2%	+2.7%-points
Germany	3.5%	3.6%	3.6%	3.1%	2.7%	-0.8%-points

Source: International Monetary Fund, World Economic Outlook (Update), January 2022

Multi-period overview: GDP trend in United Internet's key target countries and regions

	2017	2018	2019	2020	2021	YoY change
World	3.7%	3.6%	2.8%	-3.1%	5.9%	+9.0%-points
USA	2.3%	2.9%	2.2%	-3.4%	5.6%	+9.0%-points
Canada	3.0%	1.9%	1.9%	-5.2%	4.7%	+9.9%-points
Mexico	2.0%	2.1%	-0.1%	-8.2%	5.3%	+13.5%-points
Eurozone	2.4%	1.9%	1.3%	-6.4%	5.2%	+11.6%-points
France	1.8%	1.7%	1.5%	-8.0%	6.7%	+14.7%-points
Spain	3.1%	2.4%	2.0%	-10.8%	4.9%	+15.7%-points
Italy	1.6%	0.8%	0.3%	-8.9%	6.2%	+15.1%-points
UK	1.7%	1.3%	1.4%	-9.4%	7.2%	+16.6%-points
Germany	2.5%	1.5%	0.6%	-4.6%	2.7%	+7.3%-points

Source: International Monetary Fund, World Economic Outlook (Update), January 2022

Multi-period overview: development of price-adjusted GDP in Germany

	2017	2018	2019	2020	2021	YoY change
GDP	2.7%	1.1%	1.1%	-4.6%	2.7%	+7.3%-points

Source: Destatis, January 2022

Development of sector / core markets

At its annual press conference on January 11, 2022, the industry association Bitkom assumed growth of 3.9% (prior year: -0.6%) to € 178.4 billion for the German **ICT market** in 2021. At the beginning of 2021, the association had anticipated revenue growth of 2.7%.

The increase in the overall ICT market resulted in particular from strong growth in sales of **information technology**. According to Bitkom's 2021 forecast, sales in this largest submarket rose by 6.3% (prior year: 1.3%) to € 102.5 billion – after growth of 4.2% had been expected at the beginning of the year. All segments of this sub-market made good progress, especially the IT hardware and software segments – of particular importance for United Internet's cloud business (Infrastructure-as-a-Service/IaaS and Software-as-a-Service/SaaS). IT hardware grew by 8.3% (prior year: 3.1%), software by 8.0% (prior year: 5.1%), and IT services by 3.7% (prior year: -2.4%).

There was also good progress in the **telecommunications** submarket. For this second core market of United Internet, the industry association expects growth of 1.2% (prior year: -1.1%) to € 66.7 billion – compared its forecast of 1.0% at the beginning of the year. The individual segments of the telecommunications market developed quite differently: telecommunication services grew by 1.7% (prior year: -1.9%) and user devices by 0.2% (prior year: 3.0%), while the infrastructure business declined by -0.9% (prior year: -2.1%).

The smallest sub-market, **consumer electronics** (of no significance for United Internet) is in decline again and decreased by -1.6% (prior year: +6.3%) to € 9.2 billion.

The most important ICT markets for United Internet's business model are the German telecommunications market (broadband connections and mobile internet) in its mostly subscription-financed Access division, as well as the global cloud computing market, and the German online advertising market for its subscription- and ad-financed Applications division.

(Stationary) broadband market in Germany

In view of the high level of household coverage already achieved and the strong trend toward mobile internet usage, demand for new landline broadband connections in Germany has slowed in recent years. With expected growth of 1.2 million, or 3.3%, to 37.4 million in 2021, the number of new connections was again well below earlier record years. These figures were calculated by the Association of Telecommunications and Value-Added Service Providers (Verband der Anbieter von Telekommunikations- und Mehrwertdiensten – VATM) and Dialog Consult in their joint "23rd TC Market Analysis for Germany 2021" (October 2021). Within the above mentioned growth, the connections of relevance for United Internet in the two technology fields of DSL and FTTB/FTTH grew by 0.3 million to 25.9 million and by 0.6 million to 2.5 million. The number of cable connections rose by 0.3 million to 9.0 million. A further <0.05 million connections in Germany are still operated via satellite/powerline.

At € 33.0 billion, revenues generated in the landline business in 2021 were up 1.2% on the previous year (€ 32.6 billion). In addition to retail sales, these revenue figures also include wholesale, interconnection, and terminal device revenues.

According to calculations of Dialog Consult/VATM, the average volume of data used is rising much more strongly than the number of newly activated connections and landline revenues – as an indicator of continued growth in usage of e.g., IPTV and cloud applications – with growth of 30.2% to 230.7 GB (per connection and month).

As a result, demand for more powerful broadband connections also developed strongly. For example, the proportion of switched broadband connections with speeds of at least 50 Mbit/s increased by 3.5 percentage points, from 48.9% in the previous year to 52.4% in 2021. Fixed-line connections with speeds of at least 1 Gbit/s almost doubled their share to 5.3% (of all broadband connections).

Key market figures: fixed-line in Germany

	2021	2020	Change
Fixed-line revenues (in € billion)	33.0	32.6	+ 1.2%

Source: Dialog Consult / VATM, TC Market Analysis for Germany 2021, October 2021

Mobile internet market in Germany

According to estimates of Dialog Consult/VATM, the number of active SIM cards in the German mobile communications market increased by 7.8 million, or 5.2%, to 157.8 million in 2021. This growth is partly attributable to so-called M2M SIM cards (machine-to-machine SIM cards), which are used, for example, for the automated exchange of information between machines, vending machines, vehicles, etc. and/or with a central control station, which increased by 4.1 million to 40.2 million. The number of personal SIMs rose by 3.7 million to 117.6 million.

At the same time, mobile revenues rose by 0.8% to € 26.1 billion. In addition to retail sales, these revenue figures also include interconnection, wholesale, and user device sales.

According to forecasts of Dialog Consult/VATM, the average volume of data used (per connection and month) – as an indicator of the growing use of mobile data services – grew much faster than the number of SIM cards and mobile revenues by 26.5% to 3.27 GB.

In line with this growing usage, the number of (personal) SIM cards suitable for use in the faster 4G/5G networks also rose by 16.7 million to 86.6 million, while 2G/3G SIM cards fell by 13.0 million to 31.0 million.

Key market figures: mobile communications in Germany

	2021	2020	Change
Mobile revenues (in € billion)	26.1	25.9	+ 0.8%

Source: Dialog Consult / VATM, TC Market Analysis for Germany 2021, October 2021

Global cloud computing market

There was also further dynamic growth in the cloud computing market in 2021. Gartner Inc. forecasts global growth for public cloud services of 23.1% in 2021, from USD 270.03 billion to USD 332.35 billion.

Over the past ten years, cloud technology has evolved from a useful and competitive business tool to a key enterprise enabler.

The coronavirus pandemic in particular has accelerated the digitalization process across numerous sectors since 2020. Most companies now regard new technologies as essential tools for coping with the crisis. Within just a short period of time, for example, thousands of employees working from home were connected, new digital channels for sales and support were opened, and a large number of systems and data were moved to the cloud.

As a result, the migration of data, applications, and infrastructure to the cloud has become an integral part of most digital transformation strategies, with the aim of creating more agile and adaptable operations. While many organizations had already made good progress with their cloud migration efforts, the events surrounding the pandemic were a serious wake-up call for those still lagging behind. This pent-up demand, as well as the additional digitalization steps required by companies and public authorities, is also reflected in Gartner's figures for 2021.

Key market figures: cloud computing worldwide

in $ billion	2021	2020	Change
Global sales of public cloud services	332.35	270.03	+ 23.1%
thereof Application Infrastructure Services (PaaS)	59.45	46.34	+ 28.3%
thereof Application Services (SaaS)	122.63	102.80	+ 19.3%
thereof Business Process Services (BPaaS)	50.17	46.13	+ 8.7%
thereof Desktop as a Service (DaaS)	2.05	1.22	+ 67.7%
thereof Management and Security Services	16.03	14.32	+ 11.9%
thereof System Infrastructure Services (IaaS)	82.02	59.23	+ 38.5%

Source: Gartner, April 2021

German online advertising market

In its study "German Entertainment and Media Outlook 2021 – 2025" (September 2021), the auditing and consultancy company PricewaterhouseCoopers forecasts an increase in revenues of the German online advertising market (mobile advertising and desktop advertising) of 6.5% to a total of € 9.50 billion in 2021 – following the dip in growth of desktop advertising in 2020 and resulting slowdown of the overall market trend.

The increase was primarily attributable to mobile advertising, which grew by 12.1% to € 4.97 billion. Desktop advertising, on the other hand, rose by "just" 1.0% to € 4.53 billion.

In terms of advertising formats, video advertising (18.4%) and display advertising (6.2%) achieved the strongest growth of the overall market.

Key market figures: online advertising in Germany (mobile advertising & desktop advertising)

in € billion	2021	2020	Change
Online advertising revenues	9.50	8.92	+ 6.5%
thereof search marketing	3.61	3.55	+ 1.7%
thereof display advertising	3.08	2.90	+ 6.2%
thereof video advertising	2.06	1.74	+ 18.4%
thereof affiliate / classifieds	0.75	0.73	+ 2.7%

Source: PricewaterhouseCoopers, German Entertainment and Media Outlook 2021 – 2025, November 2021

Legal conditions / significant events

Legal conditions

Amendment of the German Telecommunications Act

The modernized German Telecommunications Act ("Telekommunikationsgesetz" -TKG) came into force on December 1, 2021. The TKG amendment transposes Directive (EU) 2018/1972 of December 11, 2018 on the European Electronic Communications Code into national law.

The modernized legislation focuses on the faster rollout of FTTH and mobile networks as well as consumer protection. For example, the legislature has enshrined in law for the first time the right of citizens to high-speed internet connections and is encouraging faster network rollout with new framework conditions and simplified approval procedures. In the interests of consumer protection, the terms of contracts in particular have been regulated, meaning that contracts can be terminated with one month's notice at any time after expiry of the minimum contract term, unless an extension of the contract is actively requested.

These legal changes represent both opportunities and risks for United Internet. Improved provision of fast FTTH or mobile access offers potential for customer growth. Making it easier for consumers to terminate contracts offers both growth opportunities for all market players, but also the risk of losing customers more quickly. The specific impact on individual market players cannot be predicted at present.

The other legal parameters for United Internet's business activities remained largely unchanged from the previous year in 2021 and thus had no significant influence on the development of the United Internet Group

Significant events

National roaming agreement with Telefónica

On February 15, 2021, 1&1 AG accepted Telefónica Germany's improved offer – following review by the EU Commission – for national roaming and thus also retroactively as of July 1, 2020 for the related MBA MVNO advance services. The offer accepted by 1&1 was transposed into a long-term national roaming agreement with Telefónica on May 21, 2021. The national roaming agreement has a basic term until June 30, 2025, which 1&1 can extend unilaterally until June 30, 2029, after which a further extension of up to 5 years is possible by negotiation.

The national roaming agreement includes annually decreasing prices, which are determined according to fixed rules in the first extension option until June 2029. After this, Telefónica is still is obliged to offer non-discriminatory prices. These advance service conditions are thus based again on pricing mechanisms comparable to those of the first five years of the MBA MVNO agreement. 1&1 can reduce or increase the required capacities several times a year in the future within contractually defined bandwidths.

The conclusion of this agreement and its retroactive effect had a positive earnings effect of € 39.4 million for 1&1 and thus also for United Internet – based on the period July 1 to December 31, 2020 – which was recognized as non-period income in the fiscal year 2021.

The national roaming agreement marks a further milestone on the way to the Company's own 5G mobile network, as it ensures – during the rollout phase of the Company's own network – the necessary nationwide mobile coverage for 1&1 customers by enabling them to use the Telefónica network.

New combined VDSL/FTTH agreement with Deutsche Telekom

Apart from the aforementioned national roaming negotiations, the first months of 2021 were dominated by measures for the expansion of the Company's fixed network coverage. These include DSL and VDSL connections, but in future also an increasing number of fiber-optic household connections (fiber-to-the-home/FTTH).

In this connection, 1&1 AG entered into an agreement with its affiliate 1&1 Versatel regarding the long-term purchase of FTTH and VDSL complete packages including voice and IPTV effective from April 1, 2021. At the same time, 1&1 Versatel signed a long-term agreement with Deutsche Telekom on the use of the latter's FTTH and VDSL connections for households. These enable 1&1 Versatel to provide FTTH/VDSL complete packages for 1&1, as 1&1 Versatel's nationwide fiber-optic transport network is largely connected to the local broadband networks of Deutsche Telekom.

In addition to its existing access to FTTH connections of well-known city carriers, 1&1 Versatel will thus have initial access to approx. 750,000 additional FTTH connections. The number of marketable FTTH connections of Deutsche Telekom is expected to increase by an average of 2 million households per year in future. FTTH connections for private households enable bandwidths of up to 1 Gbit/s. Households not yet equipped with FTTH will be supplied with VDSL connections (up to 250 Mbit/s).

The existing pure VDSL advance service agreement between 1&1 and Deutsche Telekom was prematurely terminated by mutual agreement in view of the advantages of the new combined VDSL/FTTH agreement. As a result of the reassessment of the term of the agreement, prepaid expenses for existing VDSL customer contingents still available amounting to € 129.9 million were already written off in the Annual Financial Statements 2020. As a result, the derecognition already had a negative impact on earnings in the fiscal year 2020.

Technology partnership with Rakuten for 5G network rollout

After concluding the national roaming agreement with Telefónica, a strong technology partner was also found for the rollout of the Company's own 5G network with the company Rakuten.

On August 4, 2021, 1&1 AG and the Rakuten Group, Inc. announced a long-term partnership for the construction of Germany's fourth mobile communications network. Together with Rakuten, 1&1 will build Europe's first fully virtualized mobile network based on innovative OpenRAN technology.

Rakuten is a pioneer of OpenRAN technology and, after several years of preparation and development work, launched the world's first commercial fully virtualized Open-RAN in Japan as a newcomer to the market in April 2020. 1&1 will now benefit from this experience and expertise. Specifically, Rakuten will be responsible for the installation of the active network equipment and also for the overall performance of the 1&1 mobile network. 1&1 will have access to the Rakuten Communications Platform (RCP) with its access, core, cloud, and operating solutions, as well as to Rakuten's partner network. In this connection, Rakuten will also provide access to its specially developed orchestration software, enabling the 1&1 network to be operated with a high degree of automation.

In contrast to traditional network architectures, the OpenRAN approach makes a strict separation between software and hardware. By using commercially available computers, so-called "COTS hardware (commercial off-the-shelf)", a wide variety of software and antenna manufacturers can be combined as needed. This means that 1&1 is not dependent on the dominant providers and has the possibility to cooperate flexibly with various manufacturers. All network functions are located in the cloud and controlled by software. This means that time-consuming retrofits or maintenance at the antenna base stations are no longer necessary as they can be carried out efficiently and inexpensively via software updates. Four central data centers are planned for the core network. Hundreds of decentralized data centers throughout Germany will be connected to this core network, which in turn will be linked via fiber-optic cable to thousands of antenna sites.

Vantage Towers first partner for passive network infrastructure

On December 9, 2021, 1&1 AG signed a long-term agreement with Vantage Towers AG, one of Europe's leading radio tower companies, for the renting of antenna locations.

Vantage Towers is one of the largest owners of radio towers in Germany. Under the new partnership, the company will therefore play a major role in providing the passive infrastructure for 1&1's mobile communications network. This means that during the network construction phase, 1&1 will be able to access several thousand existing towers of Vantage Towers, as well as new antenna locations still to be developed. Specifically, it was agreed that 3,800 roof and mast locations can be shared until the end of 2025. In addition, there is a possible expansion to 5,000 locations. The individual location leases have terms of at least 20 years and can be prolonged by 1&1 several times.

Vantage Towers will also be responsible for installing 1&1's 5G high-performance antennas on its towers as well as for services relating to approval procedures, preparatory work and the construction of new antenna sites.

Renting of fiber-optic lines and data centers from 1&1 Versatel

Also on December 9, 2021, 1&1 AG signed a long-term intercompany agreement with 1&1 Versatel Germany GmbH, an indirect subsidiary of United Internet AG, regarding cooperation on the construction and operation of its completely virtualized mobile communications network based on the new OpenRAN technology.

All 1&1 antennas of the planned 1&1 5G network will be connected to fiber-optic lines. Four central data centers are planned for the core network, with more than five hundred decentralized data centers connected to them, which in turn will be linked to the antenna sites. This architecture enables extremely short transmission paths, which are essential for real-time applications.

Among other things, the intercompany agreement specifies that 1&1 Versatel will provide its access network (especially fiber-optic cables) and data centers for operating the 1&1 mobile network on a rental basis. The agreement has an initial term until the end of 2050.

There were no other significant events in fiscal 2021 which had a material effect on the development of business.

2.2 Business development

Use and definition of relevant financial performance measures

In order to ensure the clear and transparent presentation of United Internet's business trend, the Group's Annual Financial Statements and Interim Financial Statements include key financial performance measures – in addition to the disclosures required by International Financial Reporting Standards (IFRS) – such as EBITDA, the EBITDA margin, EBIT, the EBIT margin, and free cash flow.

United Internet defines these measures as follows:

- **EBIT:** Earnings before interest and taxes represents the operating result disclosed in the statement of comprehensive income.

- **EBIT margin:** Presents the ratio of EBIT to sales.

- **EBITDA:** Earnings before interest, taxes, depreciation, and amortization are calculated as EBIT/operating result plus the depreciation and amortization (disclosed in the Consolidated Financial Statements) of intangible assets and property, plant, and equipment, as well as assets capitalized in the course of company acquisitions.

- **EBITDA margin:** Presents the ratio of EBITDA to sales.

- **Free cash flow:** Calculated as cash flow from operating activities (disclosed in the consolidated financial statement), less capital expenditure for intangible assets and property, plant, and equipment, plus payments from the disposal of intangible assets and property, plant, and equipment.

Insofar as necessary for a clear and transparent presentation, these indicators are adjusted for special items and disclosed as "key operating figures" (e.g., operating EBITDA, operating EBIT and operating EPS).

Such special items usually refer solely to those effects capable of restricting the validity of the key financial performance measures with regard to the Group's financial and earnings performance – due to their nature, frequency, and/or magnitude. All special items are presented and explained for the purpose of reconciliation from the unadjusted key financial figures to the key operating figures in the relevant section of the financial statements.

One-off amounts (such as one-offs for integration projects) or other effects (e.g., from regulation topics or growth initiatives) in the fiscal years 2020 and 2021 are not adjusted but are disclosed – if there were any – in the respective sections.

Currency-adjusted sales and earnings figures are calculated by converting sales and earnings figures with the average exchange rates of the comparative period, instead of the current period.

Actual and forecast development 2021

United Internet AG maintained its growth trajectory in the fiscal year 2021 and reached its forecast of March 2021 and its upgrade of August 2021.

Forecast development

United Internet published its guidance for the fiscal year 2021 together with its Annual Financial Statements 2020 and adjusted it during 2021 as follows:

	Forecast 2021 (March 2021)	Increase of forecast (August 2021)
Sales	approx. € 5.5 billion	approx. € 5.6 billion
EBITDA	approx. € 1.22 billion[(1)]	approx. € 1.25 billion[(1)]

(1) This figure includes initial costs of approx. € 30 million (prior year: approx. € 14 million) for the 5G network rollout of 1&1 and an amount of approx € 40 million for the product and sales drive of IONOS; EBITDA forecast excluding a non-period positive effect of € 39.4 million

Actual development

In the fiscal year 2021, **consolidated sales** rose by 5.2%, from € 5.367 billion in the previous year to € 5.646 billion and were thus above the last forecast (August guidance: approx. € 5.6 billion) and well above the original forecast (March guidance: approx. € 5.5 billion).

Without consideration of a (non-period) positive effect on earnings (€ +39.4 million) in connection with the conclusion of the national roaming agreement with Telefónica, and additionally adjusted for a positive non-cash valuation effect from derivatives (€+ 4.9 million), **operating EBITDA for the Group** in the fiscal year 2021 amounted to € 1.259 billion and was thus slightly above the last forecast (August guidance: approx. € 1.25 billion) and at the same time well above the original forecast (March guidance: approx. € 1.22 billion).

EBITDA includes initial costs of € 37.9 million for the construction of 1&1's 5G network (March guidance: approx. € 30 million), as well as € 36.8 million for a product and sales drive of IONOS (March guidance: approx. € 40 million).

Summary: actual and forecast development of business in 2021

	Forecast 2021 (March 2021)	Increase of forecast (August 2021)	Actual 2021
Sales	approx. € 5.5 billion	approx. € 5.6 billion	€ 5.646 billion
EBITDA	approx. € 1.22 billion	approx. € 1.25 billion	€ 1.259 billion

Further information on the above mentioned (non-period) positive effect on earnings is provided in chapter 2 "Economic report" under "Legal conditions / significant events".

Development of divisions and segments

The Group's operating activities are divided into the two business divisions Access and Applications, which in turn are divided into the segments Consumer Access and Business Access, as well as Consumer Applications and Business Applications.

Details on the business models of the individual segments are presented in chapter 1.1 "Business model".

Consumer Access segment

In addition to preparations for the establishment of its own mobile communications network, the Consumer Access segment once again focused on adding further valuable broadband and mobile internet contracts in the fiscal year 2021. The total number of **fee-based contracts** in the Consumer Access segment rose by a further 600,000 contracts to 15.43 million in 2021. Broadband connections decreased by 70,000 to 4.24 million, while mobile internet contracts increased by 670,000 to 11.19 million.

Development of Consumer Access contracts in the fiscal year 2021

in million	Dec. 31, 2021	Dec. 31, 2020	Change
Consumer Access, total contracts	15.43	14.83	+ 0.60
thereof Mobile Internet	11.19	10.52	+ 0.67
thereof broadband connections	4.24	4.31	- 0.07

Development of Consumer Access contracts in the fourth quarter of 2021

in million	Dec. 31, 2021	Sept. 30, 2021	Change
Consumer Access, total contracts	15.43	15.27	+ 0.16
thereof Mobile Internet	11.19	11.01	+ 0.18
thereof broadband connections	4.24	4.26	- 0.02

Sales of the Consumer Access segment rose by 3.3% in 2021, from € 3,759.0 million in the previous year to € 3,883.0 million.

High-margin **service revenues** – which represent the core business of this segment – improved by 3.6% from € 3,020.0 million to € 3,127.9 million. Low-margin **other revenues** (mostly smartphone sales) rose by 2.2% from € 739.0 million to € 755.1 million.

EBITDA improved strongly from € 601.2 million in the previous year (excluding write-off of VDSL contingents still available (EBITDA and EBIT effect 2020: € -129.9 million)) to € 714.0 million and EBIT from € 448.7 million to € 549.9 million. Key earnings figures for 2021 include a **(non-period) positive effect on earnings** from the fiscal year 2020 totaling € 39.4 million, of which the third quarter of 2020 accounted for € 19.2 million and the fourth quarter of 2020 for € 20.2 million. On February 15, 2021, 1&1 accepted Telefónica Germany's improved offer – following review by the EU Commission – for national roaming and thus also retroactively as of July 1, 2020 for the related MBA MVNO advance services. The prices offered include annually decreasing data prices again, similar to the pricing mechanisms in the first five years of the MBA MVNO agreement. The offer accepted by 1&1 was transposed into a long-term national roaming agreement with Telefónica on May 21, 2021.

Since the conclusion of the national roaming agreement, 1&1 is also entitled to decrease or increase the ordered advance service capacities within contractually agreed ranges. This has resulted in positive effects for cost of sales.

Details on the above mentioned special items are also provided in chapter 2 "Economic report" under "Legal conditions / significant events".

After allocating the above mentioned effects to the respective periods, **operating segment EBITDA** improved by 5.3% from € 640.6 million in the previous year to € 674.6 million. Operating EBITDA includes initial costs for the construction of the Company's own 5G network of € -37.9 million (prior year: € -13.9 million).

Operating segment EBITDA was also burdened by these costs and – due to increased depreciation and amortization – rose less strongly by 4.6% from € 488.1 million to € 510.5 million.

There was a corresponding improvement in the **operating EBITDA margin** from 17.0% to 17.4% and in the **operating EBIT margin** from 13.0% to 13.1%.

The number of **employees** in this segment fell slightly by 0.8% to 3,167 (prior year: 3,191).

Key sales and earnings figures in the Consumer Access segment (in € million)

	2021	2020	
Sales	3,883.0	3,759.0	+ 3.3 %
thereof service sales	**3,127.9**	**3,020.0**	**+ 3.6 %**
thereof other sales[1]	755.1	739.0	+ 2.2 %
EBITDA	674.6[2]	640.6[3]	+ 5.3 %
EBIT	510.5[2]	488.1[3]	+ 4.6 %

(1) Mainly hardware sales
(2) Excluding the non-period positive effect on earnings attributable to the second half of 2020 (EBITDA and EBIT effect: € +39.4 million)
(3) Including the non-period positive effect on earnings in 2021 attributable to the second half of 2020 (EBITDA and EBIT effect: € +39.4 million); excluding write-off of VDSL contingents that are still available (EBITDA and EBIT effect: € -129.9 million)

Quarterly development; change over prior-year quarter

in € million	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q4 2020	Change
Sales	965.9	950.3	964.3	1,002.5	966.2	+ 3.8%
thereof service sales	**762.2**	**779.5**	**794.1**	**792.1**	**762.3**	**+ 3.9%**
thereof other sales[1]	203.7	170.8	170.2	210.4	203.9	+ 3.2%
EBITDA	168.4[2]	168.6[3]	176.9	160.7	162.8[4]	- 1.3%
EBIT	128.9[2]	129.3[3]	134.9	117.4	123.2[4]	- 4.7%

(1) Mainly hardware sales
(2) Excluding the non-period positive effect on earnings from the second half of 2020 (EBITDA and EBIT effect: € +34.4 million)
(3) Excluding the non-period positive effect on earnings from the second half of 2020 (EBITDA and EBIT effect: € +5.0 million)
(4) Including the non-period positive effect on earnings in 2021, partly attributable to the fourth quarter of 2020 (EBITDA and EBIT effect: € +20.2 million); excluding non-cash write-off of VDSL contingents still available (EBITDA and EBIT effect: € -129.9 million)

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

in € million	2017 (IAS 18)	2018 (IFRS 15)	2019 (IFRS 16)	2020	2021
Sales	2,781.6	3,600.8	3,647.5	3,759.0	3,883.0
thereof service sales	**2,631.0**	**2,854.4**	**2,943.0**	**3,020.0**	**3,127.9**
thereof other sales(1)	150.6	746.4	704.5	739.0	755.1
EBITDA	541.2(2)	719.3	686.6	640.6(3)	674.6(4)
EBITDA margin	19.5%	20.0%	18.8%	17.0%	17.4%
EBIT	471.4(2)	560.6	536.1	488.1(3)	510.5(4)
EBIT margin	16.9%	15.6%	14.7%	13.0%	13.1%

(1) Mainly hardware sales
(2) Excluding the extraordinary income from revaluation of Drillisch shares (EBITDA and EBIT effect: € +303.0 million) and excluding restructuring charges in offline sales (EBITDA and EBIT effect: € -28.3 million)
(3) Including the non-period positive effect on earnings in 2021 attributable to the second half of 2020 (EBITDA and EBIT effect: € +39.4 million); excluding write-off of VDSL contingents that are still available (EBITDA and EBIT effect: € -129.9 million)
(4) Excluding the non-period positive effect on earnings attributable to the second half of 2020 (EBITDA and EBIT effect: € +39.4 million)

In addition to its good operating results, further progress was achieved with the planned mobile communications network in 2021. After its successful bid for two frequency blocks of 2 x 5 MHz in the 2 GHz band and five frequency blocks of 10 MHz in the 3.6 GHz band during the 5G spectrum auction in 2019, 1&1 concluded long-term agreements in the fiscal year 2021 and now has all key elements in place to drive forward the rollout of its own 5G mobile communications network and thus extend its added value in this market – as in its landline market.

These agreements include the national roaming agreement between 1&1 and Telefónica concluded on May 21, 2021, which secures nationwide mobile coverage for 1&1 customers during the construction phase of its own network through shared use of the Telefónica network, as well as the partnership announced on August 4, 2021 between 1&1 and Rakuten for the joint construction of Europe's first fully virtualized mobile network based on the innovative OpenRAN technology. In addition, 1&1 signed an intercompany agreement with its affiliate 1&1 Versatel on December 9, 2021, which in particular provides the access network (especially fiber-optic cables) and data centers for operating 1&1's mobile network on a rental basis, and on the same date an agreement was concluded with Vantage Towers AG, one of Europe's leading companies for radio tower infrastructure, which among other things includes the renting of Vantage antenna locations and the installation of 1&1's 5G high-performance antennas by Vantage.

Further information on the above mentioned agreements is also provided in chapter 2 "Economic report" under "Legal conditions / significant events".

In the fiscal year 2021, activities were also dominated by measures for the expansion of long-term fixed network coverage. These include DSL and VDSL connections, but in future also an increasing number of fiber-optic household connections (fiber-to-the-home/FTTH). In this connection, 1&1 AG entered into an agreement with its affiliate 1&1 Versatel regarding the long-term purchase of FTTH and VDSL complete packages including voice and IPTV as of April 1, 2021. At the same time, 1&1 Versatel entered into an agreement with Deutsche Telekom on the use of its FTTH and VDSL connections for households. These enable 1&1 Versatel to provide FTTH/VDSL complete packages for 1&1, as 1&1 Versatel's nationwide fiber-optic transport network is largely connected to the local broadband networks of Deutsche Telekom.

Further information on the above mentioned agreements is also provided in chapter 2 "Economic report" under "Legal conditions / significant events".

Business Access segment

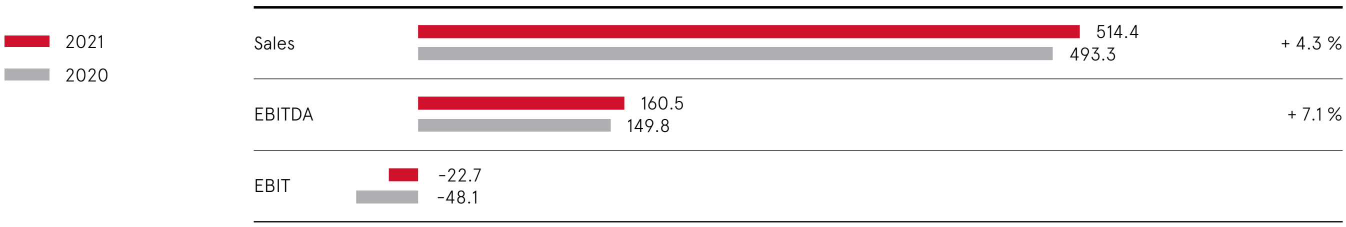
Despite the almost complete absence of one-off revenues (€ 9.4 million in 2020 vs. € 0.6 million in 2021), **sales in the Business Access** segment rose by 4.3% in the fiscal year 2021, from € 493.3 million in the previous year to € 514.4 million.

At the same time, **segment EBITDA** improved by 7.1% from € 149.8 million in the previous year to € 160.5 million. This figure includes a one-off burden of € 1.1 million in connection with the new advance service agreement with Deutsche Telekom. Despite this one-off burden, the **EBITDA margin** rose from 30.4% to 31.2%.

Although burdened by high writedowns for network infrastructure, **segment EBIT** improved from € -48.1 million in the previous year to € -22.7 million.

The number of **employees** in this segment rose by 4.2% to 1,238 in 2021 (prior year: 1,188).

Key sales and earnings figures in the Business Access segment



Quarterly development; change over prior-year quarter

in € million	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q4 2020	Change
Sales	128.3	130.1	124.3	131.7	126.7	+ 3.9%
EBITDA	38.2	40.9	39.7	41.7	35.5	+ 17.5%
EBIT	-6.9	-4.5	-6.1	-5.3	-13.5	

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

in € million	2017 (IAS 18)	2018 (IFRS 15)	2019 (IFRS 16)	2020	2021
Sales	447.9	465.9	476.6	493.3	514.4
EBITDA	81.5	72.6	147.2	149.8	160.5
EBITDA margin	18.2%	15.6%	30.9%	30.4%	31.2%
EBIT	-40.2	-58.1	-51.2	-48.1	-22.7
EBIT margin	-	-	-	-	-

Consumer Applications segment

In the Consumer Applications segment, the number of fee-based pay accounts (contracts) rose by 100,000 to 2.47 million in the fiscal year 2021. Ad-financed free accounts increased by 0.92 million to 40.32 million. The total number of **Consumer Applications accounts** therefore increased by 1.02 million to 42.79 million.

Development of Consumer Applications accounts in the fiscal year 2021

in million	Dec. 31, 2021	Dec. 31, 2020	Change
Consumer Applications, total accounts	42.79	41.77	+ 1.02
thereof with Premium Mail subscription	1.72	1.63	+ 0.09
thereof with Value-Added subscription	0.75	0.74	+ 0.01
thereof free accounts	40.32	39.40	+ 0.92

Development of Consumer Applications accounts in the fourth quarter of 2021

in million	Dec. 31, 2021	Sept. 30, 2021	Change
Consumer Applications, total accounts	42.79	41.74	+ 1.05
thereof with Premium Mail subscription	1.72	1.70	+ 0.02
thereof with Value-Added subscription	0.75	0.75	0.00
thereof free accounts	40.32	39.29	+ 1.03

In the fiscal year 2021, activities in the Consumer Applications segment continued to focus on the establishment of data-driven business models. In addition to the further increase in customer accounts, this transformation is also reflected in the growing success of the segment's key financial figures.

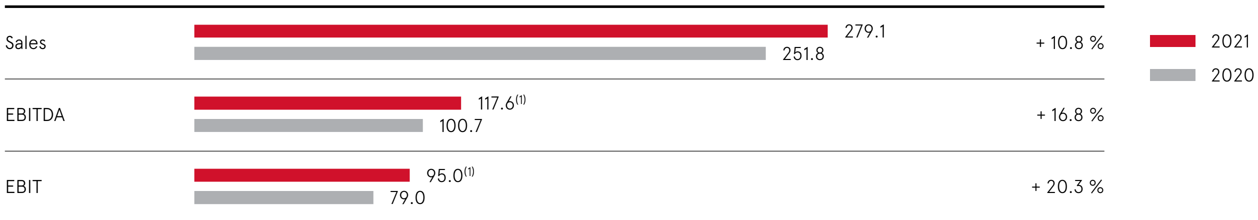
Sales of the Consumer Applications segment, for example, improved by 10.8% from € 251.8 million in the previous year to € 279.1 million in the fiscal year 2021.

EBITDA improved from € 100.7 million in the previous year to € 122.5 million and EBIT from € 79.0 million to € 99.9 million. The segment's key earnings figures include a non-cash positive valuation effect from derivatives of € 4.9 million (prior year: insignificant). Adjusted for this valuation effect, **operating segment EBITDA** rose by 16.8% from € 100.7 million to € 117.6 million and **operating segment EBIT** by 20.3% from € 79.0 million to € 95.0 million.

As a result, there were also significant improvements in the **EBITDA margin** from 40.0% to 42.1% and in the **EBIT margin** from 31.4% to 34.0%.

The number of **employees** in this segment was largely unchanged at 1,004 (prior year: 1,005).

Key sales and earnings figures in the Consumer Applications segment (in € million)



(1) Excluding a non-cash valuation effect from derivatives (EBITDA and EBIT effect: € +4.9 million)

Quarterly development; change over prior-year quarter

in € million	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q4 2020	Change
Sales	65.3	68.9	65.9	79.0	70.9	+ 11.4%
EBITDA	25.7(1)	29.5(1)	25.3(1)	37.1(1)	31.2	+ 18.9%
EBIT	20.3(1)	23.7(1)	19.6(1)	31.4(1)	24.6	+ 27.6%

(1) Excluding a non-cash valuation effect from derivatives (EBITDA and EBIT effect: € +0.2 million in Q1 2021; € +0.7 million in Q2 2021; € +2.1 million in Q3 2021; € +1.9 million in Q4 2021)

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

in € million	2017 (IAS 18)	2018 (IFRS 15)	2019 (IFRS 16)	2020	2021
Sales(1)	284.2	274.2	247.2 (255.0)	251.8	279.1
EBITDA	124.0	112.8	103.6	100.7	117.6(2)
EBITDA margin	43.6%	41.1%	41.9%	40.0%	42.1%
EBIT	112.1	100.8	85.9	79.0	95.0(2)
EBIT margin	39.4%	36.8%	34.7%	31.4%	34.0%

(1) Sales in 2019 after changing from gross to net presentation of third-party marketing revenues in 2020; the gross amount disclosed in 2019 is shown in brackets; 2017 - 2018 reported unchanged on a gross statement
(2) Excluding a non-cash valuation effect from derivatives (EBITDA and EBIT effect: € +4.9 million)

Business Applications segment

The number of **fee-based Business Applications contracts** was increased by a further 330,000 contracts in the fiscal year 2021. This growth resulted from 200,000 contracts in Germany and 130,000 contracts abroad. As a result, the total number of contracts rose to 8.78 million. This growth includes around 7,500 contracts from the takeover of we22 (consolidated since February 1, 2021).

Development of Business Applications contracts in the fiscal year 2021

in million	Dec. 31, 2021	Dec. 31, 2020	Change
Business Applications, total contracts	8.78	8.45	+ 0.33
thereof in Germany	4.26	4.06	+ 0.20
thereof abroad	4.52	4.39	+ 0.13

Development of Business Applications contracts in the fourth quarter of 2021

in million	Dec. 31, 2021	Sept. 30, 2021	Change
Business Applications, total contracts	8.78	8.69	+ 0.09
thereof in Germany	4.26	4.21	+ 0.05
thereof abroad	4.52	4.48	+ 0.04

Sales of the Business Applications segment rose by 12.0% in the fiscal year 2021, from € 948.6 million in the previous year to € 1,062.8 million, and thus passed the 1-billion-euro-mark for the first time. The Sedo business (domain trading platform and domain parking) contributed 5.2 percentage points to this sales growth.

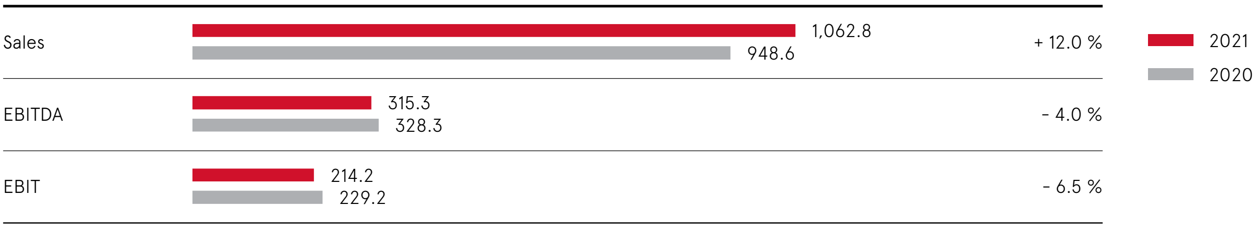
As expected, **segment EBITDA** fell by 4.0% from € 328.3 million to € 315.3 million due to the "investments" made by IONOS amounting to € -36.8 million for the announced product and sales drive focusing on cloud business and further international expansion.

Segment EBIT was also burdened by these investments and decreased more strongly by 6.5% from € 229.2 million to € 214.2 million due to higher depreciation and amortization.

There was a corresponding decline in the **EBITDA margin** and **EBIT margin** from 34.6% to 29.7% and from 24.2% to 20.2%, respectively.

The number of **employees** in this segment rose by 10.1% to 3,998 in 2021 (prior year: 3,631). This strong increase was mainly due to the takeover of we22 AG and its approx. 160 employees (as of February 1, 2021), as well as the significant increase in headcount in the segment's international business.

Key sales and earnings figures in the Business Applications segment (in € million)



Quarterly development; change over prior-year quarter

in € million	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q4 2020	Change
Sales	256.2	258.2	260.5	287.9	241.3	+ 19.3%
EBITDA	79.2	84.1	78.9	73.1	73.7	- 0.8%
EBIT	54.1	60.0	53.9	46.2	50.2	- 8.0%

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

in € million	2017 (IAS 18)	2018 (IFRS 15)	2019 (IFRS 16)	2020	2021
Sales	762.1	841.8	890.6	948.6	1,062.8
EBITDA	247.3	290.4	306.2	328.3	315.3
EBITDA margin	32.4%	34.5%	34.4%	34.6%	29.7%
EBIT	175.4	202.1	201.4 (1)	229.2	214.2
EBIT margin	23.0%	24.0%	22.6%	24.2%	20.2%

(1) Excluding trademark writeups Strato (EBIT effect: € +19.4 million)

In addition to its successful operating business, IONOS continued to strengthen its position with the acquisition of we22 AG in early 2021. we22 develops software for the creation, maintenance, and hosting of websites. The company is best-known for its white-label website builder CM4all. With over 25 language versions, CM4all has been an essential part of the product offering of over 50 hosting providers worldwide since 2000. Under its Web4Business brand, we22 also offers website creation and online marketing services for small businesses and freelancers in Germany. we22's products and services will also be made available to IONOS customers in the future. CM4all will continue to be offered as a white-label solution for other internet providers and business customers.

Group investments

United Internet continued to optimize its investment portfolio in the fiscal year 2021.

In the course of these optimization measures, United Internet acquired a 40% stake in Kublai GmbH and in this connection contributed the shares it held in the (at that time still) listed Tele Columbus AG to Kublai. In the Business Applications segment, a 25.10% stake in Stackable GmbH was acquired (via IONOS SE).

Significant changes in investments

Investment in Kublai and contribution of Tele Columbus shares
As the former anchor investor in Tele Columbus AG, United Internet AG announced on December 21, 2020 that, together with Morgan Stanley Infrastructure Partners, it would provide sustained support for the implementation of Tele Columbus's Fiber Champion strategy.

In a first step, Kublai GmbH (a bidding company backed by Morgan Stanley) submitted a voluntary public takeover offer for Tele Columbus shares. After the successful completion of the takeover bid, United Internet contributed its Tele Columbus shares to Kublai in April 2021 and raised its stake in Kublai to 40%.

After closing the transaction and the delisting of Tele Columbus, Kublai currently holds around 94.8% of the Tele Columbus shares.

In addition, 1&1 has signed a binding preliminary agreement with Tele Columbus to use the latter's cable/fiber-optic network as a pre-service for its broadband products, enabling it to tap further target groups via fiber-optic and, for the first time, also via cable connections.

Investment in Stackable
In December 2021, the United Internet subsidiary IONOS SE acquired a 25.10% stake in Stackable GmbH as part of a strategic partnership.

Stackable was founded by Sönke Liebau and Lars Franke in Wedel, Schleswig-Holstein, in 2020. It has developed an open source-based platform for analyzing and processing large data volumes. Stackable's software can be used in the cloud, on the premises, or as a hybrid.

Unlike other Big Data solutions, the company's software platform is a free and open distribution of numerous open source projects for modern data platforms. It is based on the "Infrastructure as Code" concept: users do not have to worry about the hardware platform on which their Big Data applications run.

IONOS is already using Stackable's Big Data platform for internal applications and is planning a managed Stackable offering for its cloud customers in 2022.

IONOS and Stackable are also collaborating on the European cloud initiative Gaia-X. Both companies are consortium members of the MARISPACE-X project funded by the German Federal Ministry for Economic Affairs and Energy.

In addition to its (fully consolidated) core operating companies, and the above mentioned new investments, United Internet had the following other minority shareholdings as of December 31, 2021.

Minority holdings in partner companies

In July 2013, United Internet acquired a stake in **Open-Xchange AG** (main activity: e-mail and collaboration solutions). United Internet has already been working successfully with the company for many years in its Applications business. As of December 31, 2021, United Internet's share of voting rights amounted to 25.39%. Due to realignments and restructuring by the new management, sales of Open-Xchange fell slightly in the fiscal year 2021. As a result, EBITDA is also expected to be slightly negative.

In April 2014, United Internet acquired a stake in **uberall GmbH** (main activity: online listings). In addition, uberall and IONOS agreed a long-term cooperation contract for the use of uberall solutions. As of December 31, 2021, the share of voting rights held by United Internet amounted to 25.10%. The decrease in the investment compared to a stake of 27.56% as of December 31, 2020 resulted on the one hand from a funding round held in 2021 which also included new shareholders, and on the other hand from the takeover of US competitor Momentfeed Inc. which also involved the granting of new shares. There was also a corresponding improvement in the company's EBITDA, although it remained slightly negative as a result of the expansion of business in the USA.

In April 2017, United Internet acquired a stake in **rankingCoach International GmbH** (main activity: online marketing solutions). In addition to the equity stake, rankingCoach and IONOS signed a long-term cooperation agreement for IONOS SE to use the online marketing solutions of rankingCoach as part of its hosting and cloud products marketed in Europe and North America. As of December 31, 2021, the share of voting rights amounted to 31.52%. rankingCoach also achieved a noticeable increase in sales in its fiscal year 2021. There was also an improvement in the company's EBITDA – although it also remained slightly negative.

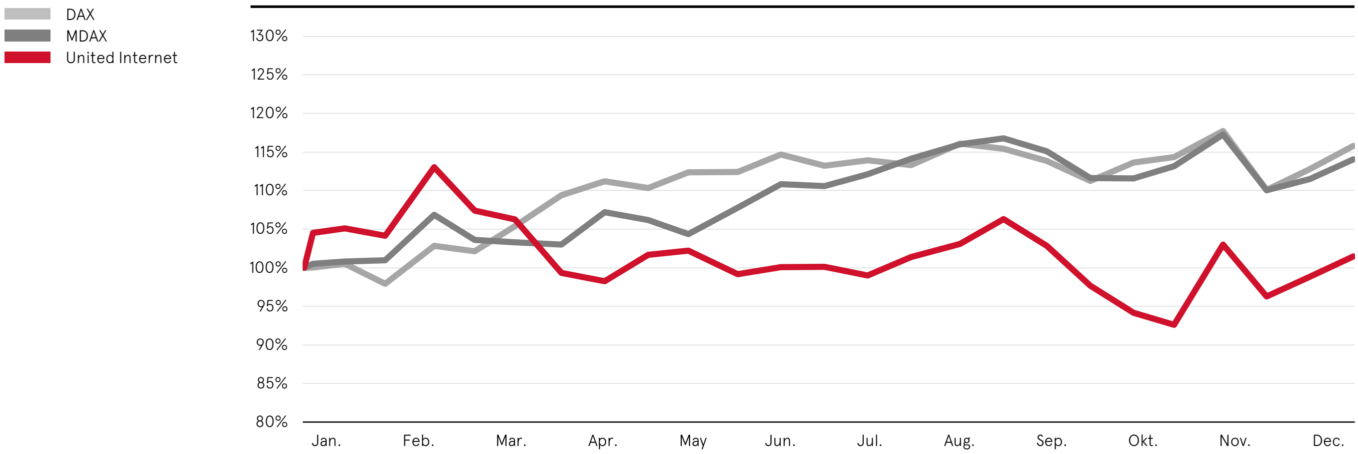
Following the contribution of affilinet GmbH to AWIN in October 2017, United Internet also holds a stake in **AWIN AG** (main activity: affiliate marketing). Several United Internet subsidiaries are currently working together with AWIN and using the company's affiliate network as part of their marketing mix. As of December 31, 2021, United Internet's share of voting rights amounted to 20.00%. AWIN once again closed its fiscal year 2021 with strong sales growth and a further improved and strongly positive EBITDA result.

Share and dividend

Share

In the fiscal year 2021, the United Internet share price rose only slightly by 1.5% to € 34.94 as of December 31, 2021 (December 31, 2020: € 34.43). The share thus performed much worse than its comparative indices, which grew strongly year on year (DAX +15.8%; MDAX +14.1%).

Share performance 2021, indexed



The **market capitalization** of United Internet AG rose from around € 6.68 billion in the previous year to around € 6.78 billion as of December 31, 2021.

In the fiscal year 2021, average daily trading via the XETRA electronic computer trading system amounted to around 230,000 shares (prior year: around 414,000) with an average value of € 8.1 million (prior year: € 13.4 million).

Multi-period overview: share performance (in €; all stock exchange figures are based on Xetra trading)

	2017	2018	2019	2020	2021
Closing price	57.34	38.20	29.28	34.43	34.94
Performance	+ 54.6%	-33.4%	-23.4%	+ 17.6%	+ 1.5%
Year-high	59.17	59.80	40.42	43.88	39.34
Year-low	37.01	34.14	24.21	20.76	31.63
Average daily turnover	19,666,155	19,261,114	16,415,087	13,355,218	8,149,290
Average daily turnover (units)	418,771	404,956	522,809	414,786	233,717
Number of shares (units)	205 million	205 million	205 million	194 million	194 million
Market value	11.75 billion	7.83 billion	6.00 billion	6.68 billion	6.78 billion
EPS[1]	3.06	0.94	2.13	1.55	2.23
Adjusted EPS[2]	2.02	1.96	1.88	1.87	2.10

(1) EPS from continued operations
(2) EPS from continued operations and without special items

Share data

Share type	Registered common stock
Notional share of capital stock	€ 1.00
German Securities Identification Number (WKN)	508903
International Securities Identification Number (ISIN)	DE0005089031
Ticker symbol Xetra	UTDI
Reuters ticker symbol	UTDI.DE
Bloomberg ticker symbol	UTDI.GR
Segment	Prime Standard
Index	MDAX, TecDAX
Sector	Software

Shareholder structure (as of: February 16, 2022)

Shareholder	Shareholding
Ralph Dommermuth – Ralph Dommermuth GmbH & Co. KG Beteiligungsgesellschaft (49.23%) – RD Holding GmbH & Co. KG (1.03%)	50.26%
United Internet (treasury stock)	3.75%
Flossbach von Storch	4.99%
Allianz Global Investors	4.99%
BlackRock	3.34%
Wellington	3.06%
Free float	29.61%

Presentation of the total positons shown above based on the most recent notification of voting rights in accordance with Sections 33 ff. of the German Securities Trading Act. Accordingly, only voting rights notifications that have reached at least the first notification threshold of 3% are taken into account. In addition, any directors' dealings announcements available to the Company have been taken into account accordingly.

Dividend

United Internet’s **dividend policy** aims to pay a dividend to shareholders of approx. 20-40% of adjusted consolidated net income after minority interests (adjusted consolidated net income attributable to the “shareholders of United Internet AG” – according to the consolidated statement of comprehensive income), provided that funds are not needed for further Company development.

At the (virtual) Annual Shareholders' Meeting of United Internet AG held on May 27, 2021, the proposal of the Management Board and Supervisory Board to pay a **dividend** of € 0.50 per share (prior year: € 0.50) for the fiscal year 2020, was approved with a majority of 99.91% of votes cast. As a consequence, a total of € 93.6 million (prior year: € 93.6 million) was distributed on June 1, 2021. The **payout ratio** was therefore 26.7% of the adjusted consolidated net income after minority interests for 2020 (€ 351.0 million) and thus – in view of the investments due to be made in the Company’s own mobile communications network – within the medium range of the dividend policy.

For the fiscal year 2021, the Management Board of United Internet AG will propose to the Supervisory Board a dividend of € 0.50 per share (prior year: € 0.50). The Management Board and Supervisory Board will discuss this **dividend proposal** at the Supervisory Board meeting on March 16, 2022 (and thus after the preparation deadline for this Management Report). The Annual Shareholders' Meeting of United Internet AG on May 19, 2022 will then vote on whether to adopt the joint proposal of the Management Board and Supervisory Board.

On the basis of around 186.7 million shares with dividend entitlement (as of December 31, 2021), the total dividend payment for fiscal year 2021 would amount to € 93.4 million. The dividend payout ratio would therefore be 23.8% of adjusted consolidated net income after minority interests for 2021 (€ 392.4 million) and thus lie – in view of the investments due to be made in the Company's own mobile communications network – within the lower range of the dividend policy. Based on the closing price of the United Internet share on December 31, 2021, the dividend yield would be 1.4%.

Multi-period overview: dividend development

	For 2017	For 2018	For 2019	For 2020	For 2021[1]
Dividend per share (in €)	0.85	0.05	0.50	0.50	0.50
Dividend payment (in € million)	169.9	10.0	93.9	93.6	93.4
Payout ratio	26.2%	5.3%	22.2%	32.2%	22.4%
Adjusted payout ratio[2]	42.1%	2.5%	23.6%	26.7%	23.8%
Dividend yield[3]	1.5%	0.1%	1.7%	1.5%	1.4%

(1) Subject to approval of Supervisory Board and Annual Shareholders' Meeting 2022
(2) Without special items
(3) As of: December 31

Annual Shareholders' Meeting 2021

The (virtual) Annual Shareholders' Meeting of United Internet AG was held in Frankfurt am Main on May 27, 2021. A total of 71.26% of capital stock (or 73.83% of capital stock less treasury shares) was represented. The shareholders adopted all resolutions on the agenda requiring voting with large majorities.

Capital stock and treasury shares

In an ad-hoc disclosure issued on August 6, 2021, United Internet AG announced its intention to launch a **new share buyback program** with a volume of up to € 160 million. The program commenced on August 10, 2021 and was to expire no later than on April 30, 2022. On September 13, 2021, the Management Board of United Internet AG resolved to prematurely suspend the share buyback program on expiry of September 13, 2021. In the course of the share buyback program, the Company purchased a total of 514,972 treasury shares at an average price of € 36.35 and with a total volume of € 18.7 million.

As at the balance sheet date of December 31, 2021, United Internet AG therefore held 7,284,109 **treasury shares** (approx. 3.75% of the capital stock of 194,000,000 shares) – compared to 6,769,137 treasury shares as at December 31, 2020.

Investor Relations

Continuous and transparent corporate communication with all capital market participants is important for United Internet. The Company aims to provide all target groups with timely information without discrimination. To this end, the Management Board and the Investor Relations department continued their regular discussions with institutional and private investors in the fiscal year 2021. However, the coronavirus pandemic meant that this intensive exchange was not possible to the same extent or in the same way as before. The capital market was informed via the quarterly statements, half-year financial report and annual report, press and analyst conferences, as well as via various webcasts, whereby all conferences were held virtually. This was also the case for the Annual Shareholders' Meeting, for the second year in a row. The Company's management and Investor Relations department explained the

Company's strategy and financial results in numerous one-on-one discussions at the Company's offices in Montabaur, as well as at virtual roadshows with mainly European and North American investors.

Apart from one-on-one meetings, shareholders and potential future investors can also receive the latest news around the clock via the Company's extensive and bilingual website (www.united-internet.de). In addition to the publication dates of financial reports, the dates and venues of investor conferences and roadshows are made publicly available at https://www.united-internet.de/investor-relations/finanzkalender.html. Online versions of the Annual Report and Sustainability Report are also provided on the corporate website.

Personnel report

As a telecommunications and internet company, United Internet is subject to the defining characteristics of the industry: rapid change, short innovation cycles, and fierce competition. United Internet AG has risen to these challenges with great success over many years now. One of the key factors for the success and growth of the United Internet Group are its dedicated and highly competent employees and executives with their entrepreneurial and autonomous approach to work. The Company therefore attaches great importance to a sustainable and balanced strategy across all aspects of its HR activities: from employee recruitment, to targeted entry-level and vocational training formats, tailored skills training programs, support with individual career paths, through to sustainable management development programs, and the long-term retention of executives, high potentials and top performers.

United Internet AG was once again recognized as a top employer in 2021. Based on an independent study of the "Top Employers Institute", United Internet received the "TOP Employers Germany" award – as in the preceding years. Certification is only awarded to organizations which offer staff attractive working conditions. Assessment is based on career opportunities, employer benefits, and working conditions, as well as training and development opportunities.

Headcount and personnel expenses

In the highly competitive market for skilled workers in the ICT sector, United Internet once again succeeded in recruiting top staff for its key positions and thus meeting the needs of its growing business. In addition to targeted employer branding, partnerships with education and training providers, and the positive impact of the Company's product brands, our successful recruitment efforts center around a candidate-friendly, highly competitive acquisition and selection process.

In the fiscal year 2021, the number of employees increased year on year by 3.5%, or 337 employees, to 9,975 (prior year: 9,638). This increase was mainly due to the Business Applications segment as a result of the takeover of we22 AG and its approx. 160 employees (as of February 1, 2021), as well as the significant increase in headcount in the segment's international business.

Headcount in Germany rose by 3.4%, or 270 employees, to 8,199 as of December 31, 2021 (prior year: 7,929). The number of employees at the Group's non-German subsidiaries grew by 3.9%, or 67 employees, to 1,776 (prior year: 1,709).

Multi-period overview: headcount development by location[1]; year-on-year change

	2017	2018	2019	2020	2021	Change
Employees, total	9,414	9,093	9,374	9,638	9,975	+ 3.5%
thereof in Germany	7,890	7,567	7,761	7,929	8,199	+ 3.4%
thereof abroad	1,524	1,526	1,613	1,709	1,776	+ 3.9%

(1) Active employees as December 31 of the respective fiscal year

From the segment perspective, there were 3,167 employees in the Consumer Access segment (prior year: 3,191), 1,238 in the Business Access segment (prior year: 1,188), 1,004 in the Consumer Applications segment (prior year: 1,005), and 3,998 in the Business Applications segment (prior year: 3,631). A further 568 people were employed at the Group's headquarters (Corporate/HQ) (prior year: 623).

Multi-period overview: headcount development by segment[(1)] ; year-on-year change

	2017	2018	2019	2020	2021	Change
Employees, total	9,414	9,093	9,374	9,638	9,975	+ 3.5%
thereof Consumer Access	3,457	3,150	3,163	3,191	3,167	- 0.8%
thereof Business Access	1,069	1,095	1,184	1,188	1,238	+ 4.2%
thereof Consumer Applications	961	947	1,007	1,005	1,004	- 0.1%
thereof Business Applications	3,586	3,355	3,416	3,631	3,998	+ 10.1%
thereof Corporate/HQ	341	546	604	623	568	- 8.8%

(1) Active employees as December 31 of the respective fiscal year

Personnel expenses rose by 9.0% to € 645.4 million in the fiscal year 2021 (prior year: € 592.3 million). The **personnel expense ratio** thus amounted to 11.4% (prior year: 11.0%).

Multi-period overview: development of personnel expenses; year-on-year change

in € million	2017	2018	2019	2020	2021	Change
Personnel expenses	489.0	538.8	552.8	592.3	645.4	+ 9.0%
Personnel expense ratio	11.6%	10.5%	10.6%	11.0%	11.4%	

Sales per employee, based on annual average headcount, amounted to approx. € 576k in fiscal year 2021 (prior year: approx. € 565k).

Diversity

Respect for diversity is a core aspect of United Internet's corporate culture. The reason for this is simple: only a workforce that mirrors the many different facets of society offers the best possible conditions for creativity and productivity, and makes employees – and the organization itself – unique. This unique diversity creates an incomparable wealth of potential ideas and innovations, increasing the Company's competitiveness and providing opportunities for all.

All United Internet employees are to be treated with respect and should receive the same opportunities, regardless of their nationality, ethnic origin, religion, ideological beliefs, gender and gender identity, age, disability, or sexual orientation and identity. Each employee should be able to find the area of activity and function in which they can make the most of their individual potential and talents.

Multi-period overview: employees by gender[(1)]

	2017	2018	2019	2020	2021
Women	31%	32%	32%	32%	33%
Men	69%	68%	68%	68%	67%

(1) Active employees as December 31 of the respective fiscal year

The average age of the United Internet Group's employees at the end of fiscal year 2021 was around 40 (prior year: 39).

Multi-period overview: employee age profile[1]

	2017	2018	2019	2020	2021
< 30	24%	26%	23%	23%	22%
30 – 39	36%	38%	34%	33%	33%
40 – 49	27%	25%	27%	27%	27%
≥ 50	13%	11%	16%	17%	18%

(1) Active employees as December 31 of the respective fiscal year

Employees of United Internet AG work in an international environment at over 30 sites around the world.

Multi-period overview: employees by country[1]

	2017	2018	2019	2020	2021
Employees, total	9,414	9,093	9,374	9,638	9,975
thereof Germany	7,890	7,567	7,761	7,929	8,199
thereof France	3	3	3	3	4
thereof UK	232	216	233	251	251
thereof Austria	5	37	43	44	65
thereof Philippines	366	351	360	395	392
thereof Poland	251	270	309	299	333
thereof Romania	174	176	195	217	229
thereof Spain	319	331	330	340	381
thereof USA	174	142	140	160	121

(1) Active employees as December 31 of the respective fiscal year

For further information on topics such as "HR Strategy and HR Organization", "Training and Education", "Diversity and Equal Opportunities" and "Occupational Health and Safety", please refer to the chapter "United Internet as an Employer" in the Sustainability Report 2021 of United Internet AG, which will be published in April 2022 (at https://www.united-internet.de/en/investor-relations/publications/reports.html).

Liquidity and finance

The Group's financial strategy is primarily geared to the strategic business plans of its operating business units. In order to provide sufficient flexibility for further growth, United Internet therefore constantly monitors trends in funding opportunities arising on the financial markets. Various options for funding and potential for optimizing existing financial instruments are regularly reviewed. The main focus is on ensuring sufficient liquidity and the financial independence of the Group at all times. In addition to its own financial strength, the Group maintains sufficient liquidity reserves with core banks. The flexible use of these liquidity reserves enables efficient management of Group liquidity, optimal debt management to reduce interest costs, and the avoidance of negative interest on deposits.

At the end of the reporting period on December 31, 2021, the Group's bank liabilities amounted to € 1,822.7 million (prior year: € 1,466.1 million) and mainly comprise promissory note loans and syndicated loans.

Promissory note loans

As in 2014 and 2017, United Internet successfully placed a promissory note loan ("Schuldscheindarlehen") in its fiscal year 2021. As the transaction was significantly oversubscribed, the Company decided to raise the originally planned placement volume to an ultimate amount of € 750 million. The proceeds from this transaction are used for general company funding. The five tranches in total with terms from July 2024 to July 2027 were placed at the issuance amount and are 100% repayable. By placing mainly fixed-interest tranches, the Group naturally hedged the risk of rising interest rates and optimized the maturity profile with maturities of up to six years. The average interest rate is 0.79% p.a. The new promissory note loan is not tied to any so-called covenants.

At the end of the reporting period on December 31, 2021, total liabilities from promissory note loans with maximum terms until July 2027 amounted to € 1,297.5 million (prior year: € 547.5 million).

Syndicated loan facilities & syndicated loans

On December 21, 2018, a banking syndicate granted United Internet AG a revolving syndicated loan facility totaling € 810 million until January 2025. In the fiscal year 2020, the Company made use of a contractually agreed prolongation option and extended the term of the revolving syndicated loan facility for the period from January 2025 to January 2026. A credit facility of € 690 million was agreed for this prolongation period. As of December 31, 2021, € 250 million of the revolving syndicated loan facility had been drawn (prior year: € 550 million). As a result, funds of € 560 million (prior year: € 260 million) were still available to be drawn from the credit facility as at the balance sheet date.

A syndicated loan totaling € 200 million still outstanding in the previous year was paid back on schedule in August 2021.

In addition, bilateral credit agreements with several banks totaling € 170 million (prior year: € 0) are available to the Company. The terms expire at the latest on January 31, 2023. These bilateral credit agreements were used in full as at the balance sheet date.

Furthermore, various bilateral credit facilities of € 375 million (prior year: € 280 million) are available to the Company. These have been granted in part until further notice and in part have terms until July 2, 2023. Drawings of € 100 million (prior year: € 165 million) had been made from the credit facilities as at the end of the reporting period.

At the end of the reporting period on December 31, 2021, United Internet therefore had free credit lines totaling € 835 million (prior year: € 375 million).

Further disclosures on the various financial instruments, drawings, interest rates, and maturities are provided under note 31 of the Notes to the Consolidated Financial Statements.

2.3 Position of the Group

There were **no significant acquisition or divestment effects** on consolidated and segment sales and EBITDA in the fiscal year 2021. There were also only **minor negative currency effects** at Group and segment level (Business Applications segment) amounting to € -4.1 million for sales and € -0.1 million for EBITDA. The same applies to the Group's asset position, for which there were no significant effects from currency fluctuations.

Group's earnings position

In the fiscal year 2021, the total number of **fee-based customer contracts** in the United Internet Group was raised by 1.03 million to 26.68 million contracts. At the same time, ad-financed free accounts rose by 0.92 million to 40.32 million.

Consolidated sales increased by 5.2% in the fiscal year 2021, from € 5,367.2 million in the previous year to € 5,646.2 million. Despite currency losses of € 4.1 million, **sales outside Germany** improved by 12.1% from € 458.5 million to € 513.8 million.

The **cost of sales** fell from € 3,769.3 million to € 3,684.9 million during the reporting period. As a result, the cost of sales ratio fell from 70.2% (of sales) in the previous year to 65.3% (of sales). This improvement was due in part to a (non-period) positive effect of € +39.4 million in 2021 (for further details, please refer to the comments on earnings below), whereas in the previous year there was a write-off of VDSL contingents amounting to € -129.9 million. In addition, since the conclusion of the national roaming agreement, 1&1 is entitled to decrease or increase the ordered advance service capacities within contractually agreed ranges. This has resulted in positive effects for cost of sales. There was a corresponding improvement in the **gross margin** from 29.8% to 34.7%. This enabled **gross profit** to rise faster than sales (5.2%) by 22.7% from € 1,597.9 million to € 1,961.2 million.

Due in part to the IONOS sales drive, **sales and marketing expenses** increased slightly faster than sales, from € 767.9 million (14.3% of sales) in the previous year to € 835.7 million (14.8% of sales).

There was a strongly disproportionate increase in **administrative expenses** from € 206.0 million (3.8% of sales) to € 243.0 million (4.3% of sales), due to increased legal and consultancy costs (for preparations and negotiations in connection with the rollout of the Company's own 5G network).

Multi-period overview: Development of key cost items

in € million	2017 (IAS 18)	2018 (IFRS 15)	2019 (IFRS 16)	2020	2021
Cost of sales	2,691.1	3,350.1	3,427.0	3,769.3	3,684.9[(1)]
Cost of sales ratio	64.0%	65.7%	66.0%	70.2%	65.3%
Gross margin	36.0%	34.3%	34.0%	29.8%	34.7%
Selling expenses	638.3	678.2	741.8	767.9	835.7
Selling expenses ratio	15.2%	13.3%	14.3%	14.3%	14.8%
Administrative expenses	185.1	218.9	205.9	206.0	243.0
Administrative expenses ratio	4.4%	4.3%	4.0%	3.8%	4.3%

(1) Including the non-period positive effect on earnings attributable to the second half of 2020 (EBITDA and EBIT effect: € +39.4 million)

Other operating expenses fell from € 30.9 million to € 21.2 million and **other operating income** from € 74.5 million in the previous year to € 54.8 million. **Impairment losses on receivables and contract assets** amounted to € -86.3 million (prior year: € -92.9 million).

Key earnings figures were influenced by various **special items** in the fiscal years 2020 and 2021, which in total had a net positive effect in the fiscal year 2021 and a strong net negative effect in the fiscal year 2020.

Special items 2021

- The special item **"non-period effect from lower MBA MVNO prices in 2021"** results from retroactively more favorable advance service prices for mobile communications in the second half of 2020 in connection with the national roaming agreement with Telefónica concluded on May 21, 2021 and had a non-period **positive** impact on EBITDA, EBIT, EBT, net income and EPS for the first time in the fiscal year 2021.

  Details are provided in chapter 2 "Economic report" under "Legal conditions / significant events".

- The special item **"non-cash valuation effect from derivatives in 2021"** results from the quarterly revaluations of derivatives and had a **positive** impact on EBITDA, EBIT, EBT, net income and EPS in the fiscal year 2021. This effect was insignificant in the fiscal year 2020.

Special items 2020

- The special item **"allocation of the non-period effect in 2021 to the correct period in 2020"** results from correctly allocating the above mentioned earnings effect in 2021 and had a **positive** impact on EBITDA, EBIT, EBT, net income and EPS.

  Details are provided in chapter 2 "Economic report" under "Legal conditions / significant events".

- The special item **"write-off of VDSL contingents in 2020"** results from the derecognition of accrued assets for VDSL contingents still available. In the fiscal year 2020, it had a **negative** effect on EBITDA, EBIT, EBT, net income, and EPS.

- The special item **"Impairment reversals Tele Columbus in 2020"** results from the impairment reversal of shares in Tele Columbus AG held by United Internet and disclosed in the result from associated companies. In the fiscal year 2020, it had a **positive** effect on EBT, net income, and EPS.

Reconciliation of EBITDA, EBIT, EBT, net income, and EPS with figures adjusted for special items

in € million; EPS in €	Fiscal year 2021	Fiscal year 2020
EBITDA	1,303.7	1,048.9
Non-period effect from lower MBA MVNO prices in 2021	-39.4	
Non-cash valuation effect from derivatives in 2021	-4.9	
Allocation of the non-period effect in 2021 to the correct period in 2020		39.4
Write-off VDSL contingents in 2020		129.9
EBITDA adjusted for special items (operating)	**1,259.4**	**1,218.2**
EBIT	829.9	574.9
Non-period effect from lower MBA MVNO prices in 2021	-39.4	
Non-cash valuation effect from derivatives in 2021	-4.9	
Allocation of the non-period effect in 2021 to the correct period in 2020		39.4
Write-off VDSL contingents in 2020		129.9
EBIT adjusted for special items (operating)	**785.6**	**744.2**
EBT	773.3	556.2
Non-period effect from lower MBA MVNO prices in 2021	-39.4	
Non-cash valuation effect from derivatives in 2021	-4.9	
Allocation of the non-period effect in 2021 to the correct period in 2020		39.4
Write-off VDSL contingents in 2020		129.9
Impairment reversals Tele Columbus in 2020		-29.2
EBT adjusted for special items (operating)	**729.0**	**696.3**
Net income	523.2	368.8
Non-period effect from lower MBA MVNO prices in 2021	-27.0	
Non-cash valuation effect from derivatives in 2021	-3.4	
Allocation of the non-period effect in 2021 to the correct period in 2020		27.0
Write-off VDSL contingents in 2020		91.5
Impairment reversals Tele Columbus in 2020		-29.2
Net income adjusted for special items (operating)	**492.8**	**458.1**
Net income "Shareholders United Internet"	416.5	290.5
Non-period effect from lower MBA MVNO prices in 2021	-20.7	
Non-cash valuation effect from derivatives in 2021	-3.4	
Allocation of the non-period effect in 2021 to the correct period in 2020		20.8
Write-off VDSL contingents in 2020		68.9
Impairment reversals Tele Columbus in 2020		-29.2
Net income "Shareholders United Internet" adjusted for special items	**392.4**	**351.0**
EPS	2.23	1.55
Non-period effect from lower MBA MVNO prices in 2021	-0.11	
Non-cash valuation effect from derivatives in 2021	-0.02	
Allocation of the non-period effect in 2021 to the correct period in 2020		0.11
Write-off VDSL contingents in 2020		0.37
Impairment reversals Tele Columbus in 2020		-0.16
EPS adjusted for special items (operating)	**2.10**	**1.87**

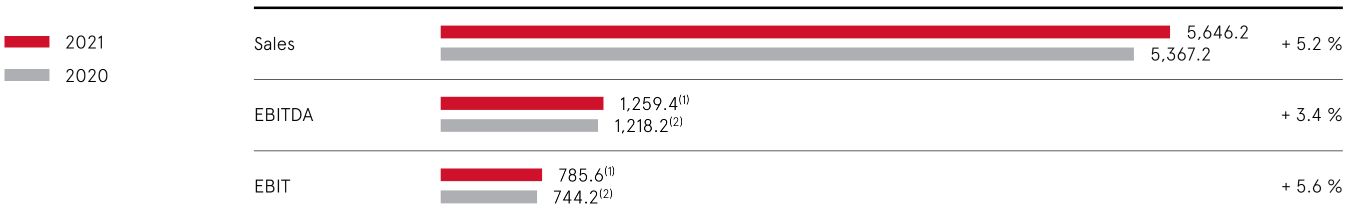
Without consideration of the above mentioned opposing special items, the key performance measures EBITDA, EBIT, EBT, net income, and EPS for the fiscal year 2021 developed as follows:

In the fiscal year 2021, **consolidated operating EBITDA** rose by 3.4% from € 1,218.2 million in the previous year to € 1,259.4 million and **consolidated operating EBIT** by 5.6% from € 744.2 million to € 785.6 million.

These EBITDA and EBIT figures include **initial costs for the construction of the 5G network** of € -37.9 million (prior year: € -13.9 million) for 1&1 as well as announced **investments for a product and sales drive** of IONOS amounting to € -36.8 million focusing on its cloud business and further international expansion.

As a result, the **operating EBITDA margin** of 22.3% was below the prior-year figure (22.7%), while the **operating EBIT margin** was unchanged at 13.9%.

Key sales and earnings figures of the Group (in € million)



(1) Excluding the non-period positive effect on earnings attributable to the second half of 2020 (EBITDA and EBIT effect: € +39.4 million) and excluding a non-cash valuation effect from derivatives (EBITDA and EBIT effect: € +4.9 million)
(2) Including the non-period positive effect on earnings in 2021 attributable to the second half of 2020 (EBITDA and EBIT effect: € +39.4 million) and excluding write-off of VDSL contingents that are still available (EBITDA and EBIT effect: € -129.9 million)

Quarterly development; change over prior-year quarter

in € million	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q4 2020	Change
Sales	1,392.2	1,383.4	1,392.3	1,478.3	1,382.5	+ 6.9%
EBITDA	311.9[1]	321.0[2]	319.2[3]	307.3[4]	302.6[5]	+ 1.6%
EBIT	196.0[1]	205.6[2]	199.9[3]	184.1[4]	183.3[5]	+ 0.4%

(1) Excluding the non-period positive effect on earnings from the second half of 2020 (EBITDA and EBIT effect: € +34.4 million) and excluding a non-cash valuation effect from derivatives (EBITDA and EBIT effect: € +0.2 million)
(2) Excluding the non-period positive effect on earnings from the second half of 2020 (EBITDA and EBIT effect: € +5.0 million) and excluding a non-cash valuation effect from derivatives (EBITDA and EBIT effect: € +0.7 million)
(3) Excluding a non-cash valuation effect from derivatives (EBITDA and EBIT effect: € +2.1 million)
(4) Excluding a non-cash valuation effect from derivatives (EBITDA and EBIT effect: € +1.9 million)
(5) Including the non-period positive effect on earnings in 2021, partly attributable to the fourth quarter of 2020 (EBITDA and EBIT effect: € +20.2 million) and excluding non-cash write-off of VDSL contingents that are still available (EBITDA and EBIT effect: € -129.9 million)

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

in € million	2017 (IAS 18)	2018 (IFRS 15)	2019 (IFRS 16)	2020	2021
Sales	4,206.3	5,102.9	5,194.1	5,367.2	5,646.2
EBITDA	979.6(1)	1,201.3	1,244.2(2)	1,218.2(3)	1,259.4(4)
EBITDA margin	23.3%	23.5%	24.0%	22.7%	22.3%
EBIT	704.0(1)	811.0	770.2(2)	744.2(3)	785.6(4)
EBIT margin	16.7%	15.9%	14.8%	13.9%	13.9%

(1) Excluding the extraordinary income from revaluation of Drillisch shares (EBITDA and EBIT effect: € +303.0 million) and revaluation of ProfitBricks shares (EBITDA and EBIT effect: € +16.1 million), as well as without M&A transaction costs (EBITDA and EBIT effect: € -17.1 million), without restructuring charges in offline sales (EBITDA and EBIT effect: € -28.3 million) and without trademark writedowns Strato (EBIT effect: € -20.7 million)

(2) Excluding extraordinary income from the sale of virtual minds shares (EBITDA and EBIT effect: € +21.5 million) and excluding trademark writeups Strato (EBIT effect: € +19.4 million)

(3) Including the non-period positive effect on earnings in 2021 attributable to the second half of 2020 (EBITDA and EBIT effect: € +39.4 million) and excluding write-off of VDSL contingents that are still available (EBITDA and EBIT effect: € -129.9 million)

(4) Excluding the non-period positive effect on earnings attributable to the second half of 2020 (EBITDA and EBIT effect: € +39.4 million) and excluding a non-cash valuation effect from derivatives (EBITDA and EBIT effect: € +4.9 million)

Despite the above mentioned burdens on earnings, **operating earnings before taxes (EBT)** and **operating consolidated net income** rose by 4.7% from € 696.3 million to € 729.0 million and by 7.6% from € 458.1 million to € 492.8 million, respectively.

The **operating consolidated net income attributable to shareholders of United Internet AG** also improved by 11.8% from € 351.0 million to € 392.4 million.

There was also a corresponding increase in **operating earnings per share (EPS)** of 12.3%, from € 1.87 in the previous year to € 2.10, and in **operating EPS before PPA** of 8.2% from € 2.32 to € 2.51.

Group's financial position

Thanks to the Company's positive development and based on consolidated net income of € 523.2 million (prior year: € 368.8 million), **operative cash flow** rose from € 954.1 million to € 987.8 million in 2021.

At € 887.6 million, **cash flow from operating activities** in the fiscal year 2021 was below the prior-year figure (€ 925.7 million). This resulted in particular from prepayments made to advance service providers.

Cash flow from investing activities in the reporting period led to a net outflow of € 527.3 million (prior year: € 361.1 million). This resulted mainly from capital expenditures of € 289.8 million (prior year: € 447.0 million, of which € 165.0 million for the extension phase of the MBA MVNO agreement), from payments to acquire shares in associated companies totaling € 226.3 million (especially for the stake in Kublai GmbH), as well as from payments of € 20.6 million for the purchase of shares in affiliates (especially for the acquisition of we22 AG). In addition to capital expenditures, cash flow from investing activities in the previous year was also dominated by payments received for the disposal of financial assets (especially the sale of shares in Afilias Inc.) amounting to € 77.5 million.

United Internet's free cash flow is defined as cash flow from operating activities, less capital expenditures, plus payments from disposals of intangible assets and property, plant, and equipment. Due to the much lower level of capital expenditures, **free cash flow** increased from € 483.8 million to € 600.8 million. The redemption share of lease liabilities is disclosed in cash flow from financing activities. After deducting the cash flow item "Redemption of finance lease liabilities and rights of use", free cash flow rose from € 376.6 million to € 495.2 million in the fiscal year 2021.

Cash flow from financing activities in the fiscal year 2021 was dominated by the net assumption of loans totaling € 353.0 million (prior year: loan repayments of € 272.3 million), the redemption of frequency liabilities of € 61.3 million (prior year: € 61.3 million), the redemption of lease liabilities of € 105.6 million (prior year: € 107.2 million), the dividend payment of € 93.6 million (prior year: € 93.6 million), as well as the payment of € 456.8 million to minority shareholders for increased shareholdings in IONOS TopCo SE and 1&1 AG.

Cash and cash equivalents amounted to € 110.1 million as of December 31, 2021 – due to closing-date effects – compared to € 131.3 million on the same date in the previous year.

Development of key cash flow figures

in € million	2021	2020	Change
Operative cash flow	987.8	954.1	+ 33.7
Cash flow from operating activities	887.6	925.7	- 38.1
Cash flow from investing activities	-527.3	-361.1	- 166.2
Free cash flow(1)	495.2(2)	376.6(3)	+ 118.6
Cash flow from financing activities	-386.1	-549.1	+ 163.0
Cash and cash equivalents on December 31	110.1	131.3	- 21.2

(1) Free cash flow is defined as cash flow from operating activities, less capital expenditures, plus payments from disposals of intangible assets and property, plant and equipment

(2) 2021 including the repayment portion of lease liabilities (€ 105.6 million), which have been reported under cash flow from financing activities since the fiscal year 2019 (IFRS 16)

(3) 2020 including the repayment portion of lease liabilities (€ 107.2 million), which have been reported under cash flow from financing activities since the fiscal year 2019 (IFRS 16)

Multi-period overview: Development of key cash flow figures

in € million	2017 (IAS 18)	2018 (IFRS 15)	2019 (IFRS 16)	2020	2021
Operative cash flow	656.4	889.5	935.0	954.1	987.8
Cash flow from operating activities	655.7(2)	482.3	828.9	925.7	887.6
Cash flow from investing activities	-897.7	-350.9	87.2	-361.1	-527.3
Free cash flow(1)	424.4(2)	254.6(3)	496.0(4)	376.6(5)	495.2(5)
Cash flow from financing activities	312.2	-312.6	-857.6	-549.1	-386.1
Cash and cash equivalents on December 31	238.5	58.1	117.6	131.3	110.1

(1) Free cash flow is defined as cash flow from operating activities, less capital expenditures, plus payments from disposals of intangible assets and property, plant and equipment

(2) 2017 without consideration of a capital gains tax refund originally planned for the fourth quarter of 2016 (€ 70.3 million)

(3) 2018 without tax payment from fiscal year 2016 (€ 34.7 million)

(4) 2019 without capital gains tax payment (€ 56.2 million) and without tax payments from fiscal year 2017 and previous years (€ 27.2 million) and including the repayment portion of lease liabilities, which have been reported under cash flow from financing activities since the fiscal year 2019 (IFRS 16)

(5) 2020 and 2021 including the repayment portion of lease liabilities, which have been reported under cash flow from financing activities since the fiscal year 2019 (IFRS 16)

Group’s asset position

The **balance sheet total** increased from € 9.231 billion as of December 31, 2020 to € 9.669 billion on December 31, 2021.

Development of current assets

in € million	Dec. 31, 2021	Dec. 31, 2020	Change
Cash and cash equivalents	110.1	131.3	- 21.2
Trade accounts receivable	380.5	344.8	+ 35.6
Contract assets	619.7	577.6	+ 42.1
Inventories	96.5	85.4	+ 11.1
Prepaid expenses	214.0	214.4	- 0.4
Other financial assets	119.0	82.3	+ 36.7
Income tax claims	46.4	64.8	- 18.5
Other non-financial assets	8.1	12.4	- 4.3
Total current assets	**1,594.2**	**1,512.9**	**+ 81.3**

Current assets rose from € 1,512.9 million as of December 31, 2020 to € 1,594.2 million on December 31, 2021. However, **cash and cash equivalents** disclosed under current assets decreased from € 131.3 million to € 110.1 million due to closing-date effects and M&A transactions. By contrast, **trade accounts receivable** rose slightly from € 344.8 million to € 380.5 million due to closing-date effects and the expansion of business. As a result of customer growth and increased hardware sales, the item **contract assets** rose from € 577.6 million to € 619.7 million and includes current claims against customers due to accelerated revenue recognition from the application of IFRS 15. Due to loans granted to associated companies and acquired derivatives, current **other financial assets** rose from € 82.3 million to € 119.0 million. By contrast, **income tax claims** fell from € 64.8 million to € 46.4 million. **Inventories**, current **prepaid expenses,** and **other non- financial assets** were virtually unchanged.

Development of non-current assets

in € million	Dec. 31, 2021	Dec. 31, 2020	Change
Shares in associated companies	431.6	89.6	+ 342.1
Other financial assets	11.6	9.9	+ 1.7
Property, plant and equipment	1,379.6	1,271.6	+ 108.1
Intangible assets	2,059.4	2,197.8	- 138.4
Goodwill	3,627.8	3,609.4	+ 18.4
Trade accounts receivable	47.3	54.0	- 6.7
Contract assets	206.0	196.5	+ 9.4
Prepaid expenses	287.7	144.8	+ 142.9
Deferred tax assets	23.8	20.4	+ 3.4
Total non-current assets	**8,074.9**	**7,594.0**	**+ 480.9**
Assets held for sale	0.0	124.0	- 124.0

Non-current assets rose strongly from € 7,594.0 million as of December 31, 2020 to € 8,074.9 million on December 31, 2021. This was mainly due to the increase in **shares in associated companies** from € 89.6 million to € 431.6 million – resulting in particular from the acquisition of a stake in Kublai GmbH and the reclassification of assets previously classified as held-for-sale (Tele Columbus). As a result of capital expenditure in fiscal year 2021, **property, plant, and equipment** rose from € 1,271.6 million to € 1.379.6 million, while **intangible assets** declined from € 2,197.8 million to € 2,059.4 million mainly due to amortization. **Goodwill** increased from € 3,609.4 million to € 3,627.8 million, primarily as a result of the acquisition of we22 AG. The strong increase in **prepaid expenses** from € 144.8 million to € 287.7

million was due to closing-date effects and the long-term portion of payments under the contingent agreement with Deutsche Telekom. Non-current **other financial assets**, **trade accounts receivable, contract assets**, and **deferred tax assets** were all largely unchanged.

Development of current liabilities

in € million	Dec. 31, 2021	Dec. 31, 2020	Change
Trade accounts payable	583.4	532.8	+ 50.6
Liabilities due to banks	325.4	370.4	- 45.1
Income tax liabilities	58.4	114.6	- 56.2
Contract liabilities	157.9	152.1	+ 5.8
Other accrued liabilities	16.2	9.3	+ 6.9
Other financial liabilities	329.2	278.6	+ 50.5
Other non-financial liabilities	135.7	46.7	+ 89.0
Total current liabilities	**1,606.2**	**1,504.6**	**+ 101.6**

Current liabilities increased from € 1,504.6 million as of December 31, 2020 to € 1,606.2 million on December 31, 2021. Due to closing-date effects, current **trade accounts payable** increased from € 532.8 million to € 583.4 million. Current **liabilities due to banks** fell from € 370.4 million to € 325.4 million. **Income tax liabilities** declined from € 114.6 million to € 58.4 million. Current **other financial liabilities** rose from € 278.6 million to € 329.2 million as a result of closing-date effects. Due to a change in legislation (reverse charge of sales tax for TC services), current **other non-financial liabilities** increased from € 46.7 million to € 135.7 million and mainly include liabilities due to tax authorities. The item current **contract liabilities**, which mainly includes payments received from customer contracts for which the performance has not yet been completely rendered, and the item current **other accrued liabilities** were largely unchanged.

Development of non-current liabilities

in € million	Dec. 31, 2021	Dec. 31, 2020	Change
Liabilities due to banks	1,497.4	1,095.7	+ 401.7
Deferred tax liabilities	290.5	331.6	- 41.1
Trade accounts payable	2.5	6.0	- 3.5
Contract liabilities	32.2	33.6	- 1.5
Other accrued liabilities	66.0	69.3	- 3.3
Other financial liabilities	1,251.2	1,278.7	- 27.6
Total non-current liabilities	**3,139.7**	**2,815.0**	**+ 324.7**

Non-current liabilities increased from € 2,815.0 million as of December 31, 2020 to € 3,139.7 million on December 31, 2021. This was mainly due to long-term **liabilities due to banks**, which rose from € 1,095.7 million to € 1,497.4 million following the assumption of long-term loans in connection with M&A transactions. For details on M&A financing, please refer to the comments on net bank liabilities on the following page.

As in 2014 and 2017, United Internet AG successfully placed a promissory note loan ("Schuldscheindarlehen") in its fiscal year 2021. As the transaction was significantly oversubscribed, the Company decided to raise the originally planned placement volume to an ultimate amount of € 750 million. The promissory note loan comprises several tranches with terms of three to six years and largely fixed interest rates with an average interest rate of 0.79% p.a. The transaction was closed in July 2021.

The items **deferred tax liabilities**, non-current **trade accounts payable**, non-current **contract liabilities** (which mainly include payments received from customer contracts for which the performance has not yet been completely rendered), as well as non-current **other accrued liabilities** and **other financial liabilities** were all largely unchanged.

Development of equity

in € million	Dec. 31, 2021	Dec. 31, 2020	Change
Capital stock	194.0	194.0	0.0
Capital reserves	1,954.7	2,322.8	- 368.1
Accumulated profit	2,562.6	2,240.5	+ 322.1
Treasury shares	-231.5	-212.7	- 18.7
Revaluation reserves	0.6	-4.4	+ 5.0
Currency translation adjustment	-12.9	-21.1	+ 8.2
Equity attributable to shareholders of the parent company	**4,467.4**	**4,519.1**	**- 51.6**
Non-controlling interests	455.7	392.1	+ 63.6
Total equity	**4,923.2**	**4,911.2**	**+ 12.0**

The Group's **equity capital** rose from € 4,911.2 million as of December 31, 2020 to € 4,923.2 million on December 31, 2021. There was a decrease in capital reserves which was offset in part by an increase in accumulated profit. The decline in capital reserves from € 2,322.8 million to € 1,954.7 million was due to the increase in shares in IONOS TopCo SE and in shares in 1&1 AG. By contrast, the Group's **accumulated profit** rose from € 2,240.5 million to € 2,562.6 million and contains the past profits of the consolidated companies, insofar as they were not distributed. Due to the even stronger increase in total assets, the consolidated **equity ratio** fell from 53.2% to 50.9%.

In an ad-hoc disclosure issued on August 6, 2021, United Internet AG announced its intention to launch a share buyback program with a volume of up to € 160 million. The program commenced on August 10, 2021 and was to expire no later than on April 30, 2022. On September 13, 2021, the Management Board of United Internet AG resolved to prematurely suspend the share buyback program on expiry of September 13, 2021. In the course of the share buyback program up to September 10, 2021, the Company purchased a total of 514,972 treasury shares at an average price of € 36.35 and with a total volume of € 18.7 million. As at the balance sheet date of December 31, 2021, United Internet AG therefore held 7,284,109 **treasury shares** (approx. 3.75% of the capital stock of 194,000,000 shares) – compared to 6,769,137 treasury shares as at December 31, 2020.

Net bank liabilities (i.e., current and non-current bank liabilities less cash and cash equivalents) increased from € 1,334.8 million as of December 31, 2020 to € 1,712.6 million on December 31, 2021. This rise was due to the assumption of new loans for funding, among other things, the investment in Kublai GmbH (€ 220 million), the increased stakes in IONOS TopCo SE (€ 310 million) and 1&1 AG (€ 149 million), and the acquisition of we22 AG (€ 21 million).

Multi-period overview: development of relative indebtedness

	2017 (IAS 18)	2018 (IFRS 15)	2019 (IFRS 16)	2020	2021
Net bank liabilities(1) / EBITDA	1.37	1.57	1.28	1.27	1.31
Net bank liabilities(1) / free cash flow(2)	4.04	7.39	3.27	3.54	3.46

(1) Net bank liabilities = balance of bank liabilities and cash and cash equivalents

(2) Free cash flow without consideration of a capital gains tax refund originally planned for the fourth quarter of 2016 of € 70.3 million (2017), a tax payment from fiscal year 2016 of € 34.7 million (2018) and tax payments from fiscal year 2017 and previous years of € -22.1 million (2019); Free cash flow 2019, 2020 and 2021 incl. the repayment portion of lease liabilities, which have been reported under cash flow from financing activities since the financial year 2019 (IFRS 16)

Further details on the objectives and methods of the Group's financial risk management are provided under note 43 of the Notes to the Consolidated Financial Statements.

Multi-period overview: development of key balance sheet items

in € million	Dec. 31, 2017 (IAS 18)	Dec. 31, 2018 (IFRS 15)	Dec. 31, 2019 (IFRS 16)	Dec. 31, 2020	Dec. 31, 2021
Total assets	7,605.2	8,173.8	9,128.8	9,230.8	9,669.1
Cash and cash equivalents	238.5	58.1	117.6	131.3	110.1
Shares in associated companies	418.0	206.9[1]	196.0	89.6[1]	431.6[1]
Other financial assets	333.7	348.1[2]	90.4[2]	9.9[2]	11.6
Property, plant and equipment	747.4	818.0	1,160.6[3]	1,271.6	1,379.6
Intangible assets	1,408.4	1,244.6	2,167.4[4]	2,197.8	2,059.4
Goodwill	3,564.1	3,612.6[5]	3,616.5	3,609.4	3,627.8
Liabilities due to banks	1,955.8	1,939.1	1,738.4	1,466.1	1,822.7
Capital stock	205.0	205.0	205.0	194.0[6]	194.0
Equity	4,048.7	4,521.5[7]	4,614.7	4,911.2	4,923.2
Equity ratio	53.2%	55.3%	50.6%	53.2%	50.9%

(1) Decrease due to Tele Columbus impairment charges (2018); decrease due to reclassification Tele Columbus (2019); increase due to stake in Kublai (2021)

(2) Increase due to subsequent valuation of shares in listed companies (2018); decrease due to sale of Rocket Internet shares (2019); decrease due to sale of Afilias shares (2020)

(3) Increase due to initial application of IFRS 16 (2019)

(4) Increase due to initial recognition of acquired 5G frequencies (2019)

(5) Increase due to World4You takeover (2018)

(6) Decrease due to withdrawal of treasury shares (2020)

(7) Increase due to transitional effects from initial application of IFRS 15 (2018)

Management Board's overall assessment of the Group's business situation

Following the sharp downturn in the global economy in 2020 as a result of the coronavirus pandemic, the International Monetary Fund (IMF) indicate a return to economic growth in 2021, which was ultimately higher than expected at the beginning of the year.

By contrast, the economic recovery in Germany – United Internet's most important market by far – was slower than anticipated in 2021. The IMF has calculated that economic output increased by 2.7%, and thus 0.8 percentage points less than expected at the beginning of the year. The IMF's calculations for Germany are in line with the preliminary figures of the country's Federal Statistics Office (Destatis), which forecast a 2.7% increase in (price-adjusted) gross domestic product (GDP) for 2021. Following the sharp fall in GDP as a result of the coronavirus pandemic in 2020, the Federal Statistics Office had also forecast stronger growth and thus a faster recovery at the beginning of 2021.

Thanks to its stable and largely non-cyclical business model, United Internet made good progress again in the fiscal year 2021. The Company was able to achieve the targets it set itself with an increase in customer contracts of 1.03 million to 26.68 million and sales growth of 5.2% to € 5.646 billion. At the same time, there was a further improvement in operating earnings – despite increased investment in future topics – with 3.4% growth in EBITDA to around € 1,259 million and 5.6% growth in EBIT to around € 786 million. These figures include initial costs for the construction of 1&1's own 5G mobile communications network of € -37.9 million (prior year: € -13.9 million), and investments of € -36.8 million for a product and sales drive of IONOS focusing on its cloud business and further international expansion.

This positive performance once again highlights the benefits of United Internet's business model based predominantly on electronic subscriptions with fixed monthly payments and contractually fixed terms. This ensures stable and predictable revenues and cash flows, offers protection against cyclical influences and provides the financial scope to win new customers, expand existing customer relationships, and grasp opportunities in new business fields and new markets – organically or via investments and acquisitions.

In the fiscal year 2021, the Company once again invested heavily in gaining and expanding customer relationships, as well as in developing new products – thus laying the basis for future growth.

The Group's financial position also remained strong in fiscal 2021. At € 600.8 million (or € 495.2 million after leasing), free cash flow remained high (prior year: € 483.8 million, or € 376.6 million after leasing, including a one-off payment of € 165 million for the extension phase of the MBA MVNO agreement). This once again underlines the Group's ability to generate very healthy levels of cash while at the same time achieving stable and qualitative growth.

As of the reporting date for the Annual Financial Statements 2021, and at the time of preparing this Management Report, the Management Board believes that the United Internet Group as a whole is well placed for its further development. It regards the financial position and performance – subject to possible special items – as positive and is optimistic about the Group's future prospects.

2.4 Position of the Company

Earnings of United Internet AG

As a pure holding company, the earnings position of United Internet AG is usually dominated by its investment and financial result. In the fiscal year 2021, **sales** of the parent company amounted to € 0.5 million (prior year: € 0.6 million) and result mainly from services rendered to the Group's subsidiaries.

Other operating income amounted to € 12.6 million (prior year: € 12.3 million) and mainly results from income from the disposal of financial assets amounting to € 8.8 million, relating in particular to the sale of MIP Multimedia Internet Park GmbH.

Adjusted for effects from employee stock ownership programs, **personnel expenses** amounted to € 1.1 million (prior year: € 1.0 million).

Other operating expenses amounted to € 12.4 million (prior year: € 19.8 million) and mostly comprise expenses relating to internal charges for services rendered to Group companies of € 5.2 million, as well as legal, auditing and consulting fees of € 3.6 million.

Income from profit transfer agreements of € 317.5 million (prior year: € 87.2 million) resulted from profit transfers of 1&1 Mail & Media Applications SE amounting to € 314.7 million, United Internet Corporate Services GmbH amounting to € 2.7 million, and United Internet Service SE amounting to € 0.2 million. The profit transfer of 1&1 Mail & Media Applications SE includes one-off effects of € 77.1 million from the sale of an investment within the Group and € 140.0 million from a capital reduction and subsequent special dividend of a subsidiary.

Income from investments amounted to € 6.7 million (prior year: € 6.7 million) and mainly comprises the dividend of 1&1 AG.

Expenses for loss assumptions of € 0.6 million (prior year: € 0.1 million) mainly relate to the compensation expense of United Internet Investments Holding SE, United Internet Management Holding SE, and United Internet Corporate Holding SE.

The parent company's **result before taxes** amounted to € 403.5 million (prior year: € 167.9 million).

Income taxes of € 54.1 million (prior year: € 57.2 million) comprise current taxes of € 56.1 million for 2021 (of which € 28.2 million corporation tax and the solidarity surcharge, and € 27.9 million trade tax), as well as € 3.0 million from previous years. In addition, deferred taxes liabilities of € 2.0 million were formed. The release of tax accruals amounting to € 7.1 million had an opposing effect.

Net income in the separate financial statements of United Internet AG for the fiscal year 2021 amounted to € 349.4 million (prior year: € 110.6 million).

Assets and financial position of United Internet AG

The parent company's **balance sheet total** rose from € 5,618.2 million as of December 31, 2020 to € 6,445.3 million on December 31, 2021.

Non-current assets of the parent company amounting to € 5,636.9 million (prior year: € 5,331.0 million) were dominated by **financial assets**. Due to the increased shareholdings in subsidiaries IONOS TopCo SE and 1&1 AG, **shares in affiliated companies** increased to € 4,221.9 million (prior year: € 3,763.4 million). **Loans to affiliated companies** declined to € 1,415.0 million (prior year: € 1,567.6 million) due to the redemption of loans within the Group.

Current assets of the parent company amounting to € 808.4 million (prior year: € 287.2 million) comprise receivables due from affiliated companies and other assets. The **receivables due from affiliated companies** rose to € 725.9 million (prior year: € 234.9 million). These mainly comprise receivables within the United Internet Group's internal cash management system as well as from profit transfer agreements and services received within the United Internet Group. **Other assets** amounting to € 33.8 million (prior year: € 36.3 million) consist mainly of receivables due from the tax office relating to audits of previous years.

Shareholders' equity of the parent company amounted to € 3,594.3 million as of December 31, 2021 (prior year: € 3,357.3 million). The increase in equity during the reporting period is mainly due to net income of € 349.4 million, with an opposing effect from the dividend payout of € 93.6 million and the buyback of treasury shares of € 18.2 million, which are subtracted from equity. The equity ratio fell from 59.8% in the previous year to 55.8% as of December 31, 2021.

The parent company's **accruals** of € 9.7 million (prior year: € 97.6 million) mainly comprise **accrued taxes** amounting to € 1.6 million (prior year: € 87.4 million), as well as **other accrued liabilities** for employee stock ownership plans, legal, auditing and consulting fees, bonuses, and other items totaling € 8.1 million (prior year: € 10.2 million).

The **liabilities of the parent company** are shaped in particular by liabilities to banks and liabilities due to affiliated companies. **Liabilities to banks** increased to € 1,825.4 million in the fiscal year 2021 (prior year: € 1,467.9 million). Bank liabilities comprise three promissory note loans totaling € 1,297.5 million, syndicated loans totaling € 250 million, drawings from bilateral credit agreements of € 170 million, drawings from bilateral credit facilities of € 100 million, and interest of € 8 million. **Liabilities to affiliated companies** rose to € 998.9 million (prior year: € 672.6 million) and mainly comprise liabilities from balances within the United Internet Group's cash pooling system (€ 989.4 million), from service arrangements (€ 8.4 million), and from profit transfer agreements (€ 0.6 million). **Other liabilities** of € 4.6 million (prior year: € 12.0 million) are mainly sales tax liabilities.

Cash flow of the parent company's financial statements is dominated by cash flows from the profit transfer agreements, as well as the dividends of investments. There was an opposing effect under financial activities from the treasury shares purchased in the fiscal year 2021, from the dividend payment, and from the increased shareholdings in subsidiaries IONOS TopCo SE and 1&1 AG.

Management Board's overall assessment of the current business situation of the parent company

Due to its role as the Group's holding company, the economic position of United Internet AG at parent company level is mainly influenced by its investment and financial result. The above statements on the Group's economic position therefore also apply qualitatively for United Internet AG itself.

2.5 Corporate Responsibility

United Internet AG's Management Board and Supervisory Board consider it their responsibility to ensure the Company's continued existence and create sustainable value through responsible corporate management that takes a long-term perspective. For United Internet, running a business involves more than pursuing economic goals – it also has an obligation to society, the environment, employees, and other stakeholders.

United Internet AG fulfills its disclosure obligations pursuant to the German CSR Directive Implementation Act (CSR-Richtlinie-Umsetzungsgesetz – CSR-RUG) (sections 315b and 315c in conjunction with section 289c of the German Commercial Code (Handelsgesetzbuch – HGB)) and publishes a combined non- financial statement as part of a separate sustainability report. In the Sustainability Report, the Company also complies with its reporting obligation under the EU Taxonomy Regulation 2020/852 of the European Parliament and discloses its proportion of sustainable business activities accordingly.

The Company's Sustainability Report 2021 will be published in April 2022 (at https://www.united-internet.de/en/investor-relations/publications/reports.html) and thus fulfills the disclosure requirements of the CSR-RUG and the transparency requirements of stakeholders.

This non- financial statement published within the sustainability report contains the statutory and supplementary disclosures for the material aspects for United Internet: environmental matters (chapter: Climate and Environmental Protection), employee-related matters (chapter: United Internet as an Employer), social matters (chapter: Our Social Commitment), respect for human rights (chapter: United Internet as a Business Partner), and anti-corruption and bribery matters (chapter: Responsible Corporate Management). This list of the minimum aspects required by the CSR-RUG has been supplemented by the chapter "Customer-Related Matters and Product Responsibility". These are material for United Internet and must therefore be reported. In addition to customer satisfaction, customer-related matters include information security, data protection, and digital transformation in general – all of which are particularly relevant to the sector. This is why these topics are presented in a separate chapter entitled "Corporate Digital Responsibility."

In addition to the CSR-RUG, reporting is based on the internationally recognized Sustainability Reporting Standards published by the Global Reporting Initiative (GRI). The non- financial statement is prepared in accordance with the GRI Standards: Core option. Both the CSR-RUG and the GRI Standards expect information to be presented on how the material topics and their impacts are managed, and in particular the associated goals and measures, and the procedures used for risk identification and mitigation. The CSR-RUG uses the term "policy" ("Konzept") in this context, whereas the GRI talks about the "management approach." The latter term is also used in the non- financial statement of United Internet and thus also comprises the CSR-RUG's "policies". In addition, the European Commission's Guidelines on non-financial reporting are applied, which build on Directive 2014/95/EU on disclosure of non-financial and diversity information by certain large undertakings and groups – the European Directive underlying the CSR-RUG.

When defining the content of the non- financial statement, the materiality principle was applied and the expectations of United Internet's stakeholders were taken into consideration. The main requirements used to define the material topics were those set out in the GRI Standards, the CSR-RUG, and the above mentioned EU Guidelines. The GRI Reporting Principles of Stakeholder Inclusiveness, Sustainability Context, Materiality, and Completeness were observed during the definition process. The Company's Supervisory Board is responsible for examining the content of sustainability reporting.

3. SUBSEQUENT EVENTS

There were no significant events subsequent to the end of the reporting period on December 31, 2021 which had a material effect on the financial position and performance or the accounting and reporting of the parent company or the Group.

Information on the economic position of the Group and Company at the time of preparing this Management Report are provided in chapter 4.3 "Forecast report"

The full-scale attack on the entire territory of Ukraine launched by Russia (with the support of Belarus) on February 24, 2022, marked the beginning of the Ukrainian War of 2022.

The EU, the USA, the UK, and other states reacted to the attack by imposing stringent sanctions against Russia, Belarus, and the separatist regions of eastern Ukraine. With an overwhelming majority, the United Nations and its 193 member countries (UN General Assembly) also condemned Russia for the attack on Ukraine and called for an immediate withdrawal and an end to the aggression.

The United Internet Group does not actively pursue any business activities in the countries involved in the war. Ukraine, Russia, and Belarus are not target countries for United Internet companies and there are no locations in the aforementioned countries.

Against this backdrop, United Internet does not currently expect any significant impact on the business performance and position of the Company or the Group, especially as the Group's business model is based on a large number of electronic subscriptions with fixed and moderate monthly amounts and contractually fixed terms. This ensures stable and predictable revenues and cash flows and provides protection against cyclical influences.

Nevertheless, the economic consequences of the war and the sanctions imposed (humanitarian crises, influx of refugees, shortages/price rises of oil, gas, and raw materials) for the target countries of United Internet companies and for United Internet itself cannot be accurately estimated as yet. The same applies to the potential danger of war spreading to other countries.

4. RISK, OPPORTUNITY AND FORECAST REPORT

The risk and opportunity policy of the United Internet Group is based on the objective of maintaining and sustainably enhancing the Company's values by utilizing opportunities while at the same time recognizing and managing risks from an early stage in their development. A risk and opportunity management system which is "lived" ensures that the United Internet Group ("United Internet") can exercise its business activities in a controlled company environment. The risk and opportunity management system regulates the responsible handling of those uncertainties which are always involved with economic activity.

4.1 Risk report

Risk management

The concept, organization, and task of United Internet's risk management system are defined by the Management Board and Supervisory Board of United Internet AG, and documented in a risk management strategy and risk management manual which is valid for and available to all members of the Group. These requirements are regularly adapted to changing legal conditions and continuously developed. Corporate Risk Management coordinates the implementation and ongoing development of the risk management system and is responsible for the centrally managed risk management process on behalf of the Management Board. The risk management system covers only the Group's risks, while responsibility for the early and ongoing identification, evaluation, and management of opportunities lies directly with the Group Management Board and the operating management levels of the respective segments.

Corporate Risk Management is supported by the risk management teams of the respective segments (Company Risk Management). In order to support Company Risk Management, additional local risk managers have been installed in business fields of particular importance for the Company's business success (such as the areas "Technology & Development"). In order to facilitate the Group-wide exchange and comparison of risk information, regular Risk Manager Meetings are held between the various risk managers and also with the Company-wide, cross-functional managers.

The Corporate Audit department regularly examines the functioning and efficiency of the risk management system. As part of his statutory auditing obligations for the Annual Financial Statements and Consolidated Financial Statements, the external auditor also examines whether the risk early recognition system is generally suitable for the early identification of risks and developments which might endanger the Company so that suitable countermeasures can be swiftly introduced. The system complies with statutory requirements regarding risk early recognition systems, as well as with the version of the German Corporate Governance Code valid at the time of the last Declaration of Conformity of United Internet AG. Its design is based on the specifications of the international ISO standard ISO/IEC 31000:2018. In accordance with the regulations of the German Stock Corporation Act, the Supervisory Board also examines the efficacy of the risk management system.

Methods and objectives of risk management

The risk management system comprises those measures which enable United Internet to identify, classify in terms of money and scenario, steer, and monitor from an early stage all possible risks for the attainment of its corporate objectives with the aid of assessments and early warning systems. The aim of the Group-wide and IT-supported risk management system is to provide maximum transparency for management regarding the actual risk situation, its changes, and the available options for action so that a conscious decision can be taken to accept or avoid such risks. Risks endangering the Company must be avoided as a matter of principle. There is always an established indirect connection to central Group-wide risk management via the regular reporting channels throughout the Group and a direct connection for all major divisions. This ensures the completeness of registered risks in the risk management system.

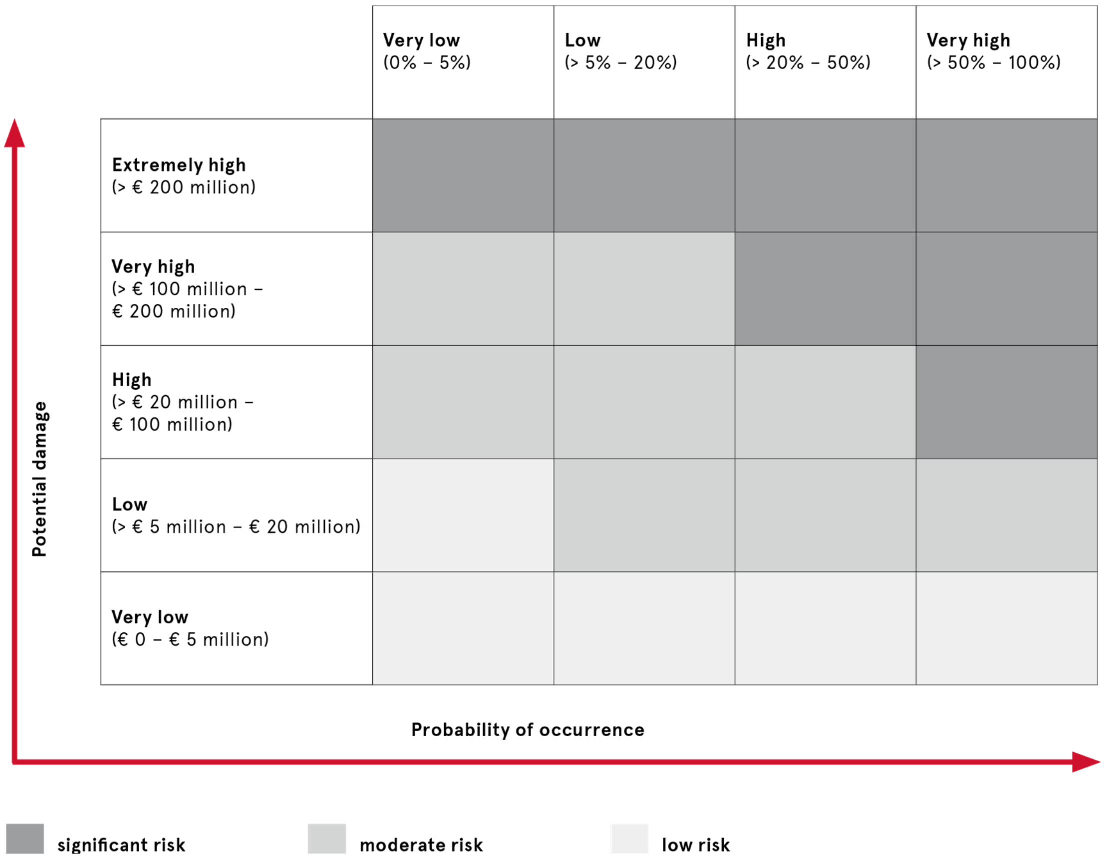
The current status of the main risks is communicated to the Management Board and Supervisory Board four times per year. Identified important risks with an immediate impact or significant changes in the risk situation trigger an ad-hoc reporting obligation. The respective risk is then communicated immediately to the CFO of United Internet AG, who in turn reports it to the Supervisory Board where necessary. In this way, significant risks can be addressed as quickly as possible.

Risks are assessed with their net impact, i.e., effects from mitigating (corrective) measures are only considered in the risk assessment after implementation.

Risks for the United Internet Group

The assessment of the overall risk situation is the result of a consolidated examination of all known material risks. Of the total risks identified for the Group, the following sections describe the main risk categories from the Company's point of view.

The starting point for assessing the materiality of risks is provided by the characteristics "probability of occurrence" and "potential damage". The potential damage comprises the potential loss of revenue, as well as potential external and internal expenses. Based on the combination of probability of occurrence and potential damage, the risks are assigned as follows to one of three risk categories: „significant", „moderate", and „low" risks.



Specific assessments of the Company's Management Board regarding the Group's risk situation, as well as the probability of occurrence, potential damage, and resulting categorization of the risks described below are provided at the end of this Risk Report.

Strategy

Shareholdings and investments
The acquisition and holding of shares in other companies and the making of strategic investments represent a key success factor for United Internet AG. In addition to improved access to existing and new growth markets, as well as to new technologies and know-how, investments also serve to exploit synergy and growth potential. However, these opportunities involve risks. For example, there is a risk that the targeted potential cannot be exploited as forecast or that acquired shareholdings will not develop as expected (non-scheduled write-downs/impairments, disposal losses, absence of dividend, or reduction of hidden reserves).

All investments are therefore subject to a continuous monitoring process by the Investment Management and are supported promptly if required. This risk is largely without relevance for EBITDA as, in the event of an incident, predominantly non-cash-effective impairments are incurred. The value of investments is continuously monitored by management and the Controlling division.

Business development and innovations
A further key success factor for United Internet is the development of new and constantly improved products and services in order to enhance sales and earnings, attract new customers, and expand existing customer relationships. There is always a risk, however, that new developments might be launched too late on the market or not be accepted by the target group as expected.

United Internet counters such risks by constantly and closely observing market, product, and competition trends, as well as by undertaking product development which constantly responds to customer feedback.

As part of its efforts to diversify the business model or expand its value chain, United Internet enters certain new, upstream or downstream markets. On January 24, 2019, the management board of 1&1 AG, a subsidiary of United Internet AG, decided with the approval of its supervisory board to apply for admission to the auction on the allocation of mobile frequencies in the 2 GHz and 3.6 GHz frequency bands and, in the event of a successful acquisition of spectrum at the auction, to establish and operate a 5G mobile network. At present, the company's mobile offerings are based on the use of third-party networks. Following its admission by the Federal Network Agency ("Bundesnetzagentur") on February 25, 2019, the 5G spectrum auction began on March 19, 2019. 1&1 successfully completed its participation in the 5G spectrum auction on June 12, 2019 and purchased two frequency blocks of 2 x 5 MHz in the 2 GHz band and five frequency blocks of 10 MHz in the 3.6 GHz band. The total auction price amounted to € 1.07 billion. By acquiring these frequencies, the company plans to gradually develop its own powerful mobile communications network, to further expand its value added in mobile communications, and to tap new business fields. With the conclusion of the national roaming agreement with Telefónica on May 27, 2021, a further step was taken toward the Group's own network. In August 2021, 1&1 was also able to gain the Japanese technology group and acclaimed OpenRAN expert Rakuten as its partner for the rollout of its mobile communications network. There are still risks that the network rollout will not progress at the expected speed. A delay could be caused by delivery problems with the necessary hardware or delays in the search for sites. Meanwhile, established and leading companies in Europe for radio tower infrastructure have also been found as partners for the passive technology. 1&1 will be able to benefit from their existing infrastructure.

In addition to the opportunities resulting from diversification, such an entrepreneurial decision also entails risks. These may include, for example, the risk areas "technical plant operation", "procurement market", "financing", and "liquidity". The Company attempts to minimize these risks by, among other things, cooperating with specialized partner companies as well as by preparing detailed and long-term plans in the risk areas "financing" and "liquidity". On September 5, 2019, for example, 1&1 signed an agreement with the German Federal Ministry of Transport and Digital Infrastructure (BMVI) and the German Federal Ministry of Finance (BMF) regarding the construction of mobile communication sites in so-called "not-spots". 1&1 is thus helping to close existing supply gaps and improve the provision of mobile communications in rural regions by building hundreds of base stations. In return, 1&1 is allowed to pay the license fees to the German government for the 5G spectrum in installments, spread over the period up to 2030.

Cooperation and outsourcing

Some operating divisions of United Internet work together with specialized cooperation and outsourcing partners in certain areas of the Company. The focus here is on objectives such as focusing on the actual core business, reducing costs, or leveraging the expertise of partners. These opportunities also involve risks in the form of dependencies on external service providers, as well as contractual and default risks.

In order to reduce these risks, detailed market analyses and due diligence reviews are carried out before major contracts are concluded with external service providers, and close and cooperative relationships are maintained with the cooperation and outsourcing partners after the contracts have been concluded.

Organizational structure and decision-making

The choice of the appropriate organizational structure is essential for the efficiency and success of the Company. In addition to the organizational structure, business success depends to a large extent on making the right decisions. The basis for such decisions can be negatively influenced by various factors, such as limited flexibility offered by existing business processes and structures, or misunderstandings caused by ambiguities in the definition of key figures. If efficiency is jeopardized by one or several factors, this represents a strategic risk for United Internet which should be avoided wherever it makes economic sense.

Due to the high degree of agility within the organization, United Internet considers itself to be generally well positioned in this respect and undertakes a number of measures to standardize and optimize processes, structures, and key figures.

Personnel development and retention

Highly skilled and well trained employees form the basis for the economic success of United Internet. In addition to the successful recruitment of qualified personnel (see also the "personnel recruitment" risk), personnel development and the long-term retention of top performers within the Company are strategically important. If the Company fails to develop and retain executives and employees with specialist or technological knowledge, there is the danger that United Internet may not be able to effectively conduct its business and achieve its growth targets. The concentrated accumulation of strategic knowledge and skills (so-called head monopoly) can have a considerable impact on the performance of the Company if the corresponding employee is no longer available.

United Internet counteracts this risk by continuously nurturing employee and management skills. For example, it offers targeted measures for professional development, mentoring and coaching programs, as well as special offers for high potentials geared to talent development and retention and leadership skills.

For further information on topics such as "HR Strategy and HR Organization", "Training and Education", "Diversity and Equal Opportunities", as well as "Occupational Health and Safety", please refer to the chapter "United Internet as an Employer" in the Sustainability Report 2021 of United Internet AG, which will be published in April 2022 (at https://www.united-internet.de/en/investor-relations/publications/reports.html).

Market

Sales market and competition

The markets in which United Internet operates are characterized by strong and sustained competition. Depending on the strategy of the parties involved in the market, different effects may occur which may lead also involve adjustments to the Company's own business models or pricing policy. The entry of new competitors might also jeopardize market shares, growth targets, or margins. In addition, United Internet itself occasionally enters new, additional markets with large competitors. Such an entrepreneurial decision is always associated with new risks.

United Internet attempts to minimize these risks by means of detailed planning based on internal experience and external market studies, as well as by constantly monitoring the market and the competition.

Procurement market

A gap in the procurement or delivery of resources required for business operations may also lead to bottlenecks or outages at United Internet. This applies both to the purchase of hardware and the purchase of wholesale services. Increases in the price of purchased products and services represent a risk for the targeted margins. Planned positive effects from contractually fixed price adjustment rounds can become a risk for the achievement of the Company's periodic targets due to time delays.

United Internet counters these risks by cooperating with several long-term service providers and suppliers, contractual obligations, and – where it makes economic sense – by expanding its own value chain.

Financial market

United Internet's activities are fundamentally exposed to risks on the financial market. In particular, these include risks from changes in interest rates and exchange rates.

- **Interest**
  The Company is exposed to interest risks as the major share of its borrowing bears variable interest rates with varying terms. As part of its liquidity planning, the Company constantly monitors the various investment possibilities and debt conditions. Any borrowing requirements are met by using suitable instruments to manage liquidity. Surplus cash is invested on the money market to achieve the best possible return. Due to developments on the global finance markets, the interest risk remained largely unchanged. Market interest rate changes might have an adverse effect on the interest result and are included in our calculation of sensitive factors affecting earnings. In order to present market risks, United Internet has developed a sensitivity analysis which shows the impact of hypothetical changes to relevant risk variables on pre-tax earnings. The reporting period effects are illustrated by applying these hypothetical changes in risk variables to the stock of financial instruments as of the balance sheet date.

- **Currency**
  The currency risk mainly results from operations (if revenue and/or expenses are in a currency other than the Group's functional currency) and its net investments in foreign subsidiaries.

Personnel recruitment

It is therefore essential that human resources are effectively controlled so that the Company can ensure its short- and long-term needs for staff and the requisite expertise. If United Internet is not able to attract managers and employees with specialist and technological knowledge, it would not be able to effectively conduct its business and achieve its growth targets.

As an attractive employer, the United Internet believes it is well placed to hire highly skilled specialists and managers with the potential to drive its business success in the future. This was confirmed in the past years by the Top Employers Institute, which awarded United Internet the accolade "Top Employer 2021".

For further information on topics such as "HR Strategy and HR Organization", "Training and Education", "Diversity and Equal Opportunities", as well as "Occupational Health and Safety", please refer to the chapter "United Internet as an Employer" in the Sustainability Report 2021 of United Internet AG, which will be published in April 2022 (at https://www.united-internet.de/en/investor-relations/publications/reports.html).

Provision of services

Work processes
In view of the ever-increasing complexity and interoperability of the products offered, there are steadily growing demands placed on the development of internal work processes. This also involves an ever-higher degree of coordination The particular challenge is to ensure quality standards especially in view of fast-changing market events – and on numerous differing domestic and foreign markets.

The Company counters these risks by continuously developing and enhancing its internal processes, pooling and retaining its experts and key personnel, and continuously optimizing its organizational structures.

Information security
United Internet generates its commercial success largely in the telecommunications market and within the environment of the internet. In order to provide products and services, the Company uses information and telecommunication technologies (data centers, transmission systems, connection nodes, etc.) in its business processes which are closely networked with the internet and whose availability may be endangered by threats from the internet.

In order to continue to deal with such risks quickly, the existing monitoring, building access, and alarm system, together with the necessary processes and documentation, is continuously optimized.

There is also the risk of hacker attacks with the aim of stealing or deleting customer data, or using services fraudulently. In the fiscal year 2021, an increasing professionalization of the attackers and their attack methods was observed once again. According to the German Federal Office for Information Security (BSI), the number of known new malicious program variants amounted to around 144 million in the period June 1, 2020 to May 31, 2021.

United Internet counters this risk with the aid of virus scanners, firewalling concepts, self-initiated tests, and various technical monitoring mechanisms.

The threat potential of the internet is one of the largest threat groups for United Internet with regard to its effects, which are all monitored by numerous technical and organizational measures. Of particular relevance in this respect are the operation and continuous improvement of the security management system and the steady enhancement of system resilience.

Capacity bottlenecks
Due to temporary or permanent shortages of technical resources, e.g., due to the temporary overloading of systems or a lack of resources to operate data centers, existing capacities might be exceeded and consequently the planned provision of services could be jeopardized, threatening a

corresponding loss of sales. Risks from the procurement of resources, such as products or services on the market, are not taken into account here.

In order to counter these risks, several internal stores are maintained. In addition, the Company is in close contact with energy suppliers, for example, in order to coordinate emergency concepts regarding the data centers. In the case of outages, these can be compensated for at short notice by implementing the aforementioned measures.

Projects
The classic project objectives of quality, time, and budget are defined before or at the start of a project and are thus the subject of entrepreneurial planning. If potential risks already become apparent in the course of planning or project design (e.g., in the case of the planned construction of the Company's own mobile communications network) or if negative deviations from these plans become apparent in the course of a project's implementation, these are recorded as risks. Moreover, projects may also involve risks that do not affect the project itself but arise after the project has been completed (e.g., security vulnerabilities in new software code).

Active project management ensures that risk-reducing measures are already implemented during the project. In addition to maintaining the current professional project management, the Company reduces the aforementioned risks by holding regular specialist project management training courses, in order to improve such aspects as security or data privacy requirements. Project objectives are also closely monitored by management and the Controlling division

Technical plant operation
United Internet's products and related business processes are based on a complex technical infrastructure and a number of success-critical software systems (servers, customer relationship databases, and statistics systems, etc.). Constantly adapting this infrastructure to changing customer needs leads to greater complexity and regular changes. In addition to major events, like the migration of databases, this may lead to various disruptions or defects. Should this affect our business systems or their databases, for example, daily account debiting may be delayed or no longer possible. Should this affect our performance systems, for example, United Internet may not be able to provide its customers with the promised service, on a temporary or longer-term basis.

The Company meets these risks by making targeted adjustments to the architecture, introducing quality assurance measures, and establishing spatially separated (geo-redundant) core functionalities.

For the operation of systems, there is a risk of targeted attacks from inside and outside the Company, e.g., from hackers or manipulation by staff with access rights, which may result in non-availability or a deterioration of services.

In order to counter this risk, the Company takes a wide variety of software- and hardware-based safety precautions to protect the infrastructure and its availability. By dividing responsibilities, the Company has made sure that activities or business transactions involving risks are not carried out by single employees but on the basis of the "double-check principle". Manual and technical access restrictions also ensure that employees may only operate within their particular area of responsibility. As an additional precautionary measure against data loss, all data are regularly backed up and stored in separate, i.e., geo-redundant, data centers.

Compliance

Data privacy
It can never be fully ruled out that data privacy regulations may be contravened, e.g., by human error or technical weaknesses. In such cases, United Internet faces fines and the loss of customer confidence.

United Internet stores the data of its customers on servers according to international security standards at its own and at rented data centers. The handling of these data is subject to extensive legal regulations.

The Company is aware of this great responsibility and attaches a high degree of importance and care to data privacy. By using state-of-the-art technologies, continuously monitoring all data-privacy and other legal regulations, providing extensive staff training on data protection regulations, and involving data protection aspects and requirements as early as possible in product development, United Internet continuously invests in improving the standard of its data privacy.

The new rules of the EU General Data Protection Regulation (GDPR) came into force in May 2018. Due to increased sanctions for breaches of duty, data protection risks have increased. In addition to higher sanctions, GDPR also includes new regulations regarding consent declarations, as well as new obligations for reporting to authorities and those affected in the case of data loss. With the Telecommunications Telemedia Data Protection Act ("Telekommunikation-Telemedien-Datenschutz-Gesetz" - TTDSG), the data protection regulations of the Telecommunications Act ("Telekommunikationsgesetz" - TKG) and Telemedia Act ("Telemediengesetz" - TMG) have been transferred to a separate law as of December 1, 2021.

Misconduct and irregularities
Non-compliance or non-observance of social norms, trends, and peculiarities can lead to misconduct and wrong decisions and thus to a loss of revenue. As an internationally operating company, United Internet also faces the challenge of countering such negative factors through adequate management in the area of internal processes and procedures. Not every decision or business practice that is unobjectionable from a legal point of view is also acceptable in the respective cultural, ethical, or social context.

United Internet counters the risks arising from misconduct and breaches of rules with its "culture of togetherness", the provision of a Code of Conduct, country-specific management, and compliance as an integral part of corporate culture.

United Internet is not aware of any significant risks in this field at present.

Legislation and regulation
Changes in existing legislation, the enactment of new laws, and changes in government regulation issues may have unexpected negative effects on the business models pursued by United Internet and their further development. In the Consumer Access segment in particular, the decisions of the Federal Network Agency and the Federal Cartel Office have an influence on network access and the pricing of internet access tariffs. Price increases of network providers from whom United Internet purchases pre-services for its own customers can have a negative impact on the profitability of tariffs. In the same way, there is also the possibility that a lack of regulation may lead to a deterioration of market circumstances for United Internet.

United Internet attempts to counter this tendency toward an increasing regulation risk by cooperating with various pre-service providers and by actively participating in the activities of industry associations.

Litigation
United Internet is currently involved in various legal disputes and arbitration proceedings arising from its normal business activities. The outcome is by definition uncertain and thus represents a risk. Insofar as the size of the obligation can be reliably estimated, accruals are formed for such risks from litigation, where permissible.

In 2019, an advance service provider filed claims in the low three-digit million range (for the purposes of internal classification, amounts of up to € 333 million are defined as being in the low three-digit million range, and the claims filed do not exceed this amount in total).

Tax risks
As an internationally operating company, United Internet is subject to the tax laws applicable in the respective countries. Risks may arise from changes in tax laws and double taxation agreements, or case law, as well as from differences in the interpretation of existing regulations.

United Internet counters these risks by continuously expanding its existing tax management system.

Finance

Financing
The main financial liabilities incurred by United Internet AG for the financing of its activities include bank loans, overdraft facilities, and other financial liabilities. United Internet AG holds various financial assets which result directly from its business activities. They consist mainly of shares in affiliated companies and investments, as well as receivables from affiliated companies. As of the balance sheet date, the Company almost exclusively held primary financial instruments.

The aim of financial risk management is to limit risks through ongoing operating and financial activities.

Fraud and credit default
In order to meet the requirements of dynamic customer growth and provide services as quickly as possible in the interests of its customers, United Internet has largely automated its order and provision processes – as have many other companies in such mass market businesses. The nature of such automated processes provides possibilities for attacks from fraudsters. Due to the strong appeal of the products and services offered, not only the number of customers is increasing but also the number of non-payers and fraudsters. Consequently, the amount of credit default has risen.

United Internet attempts to prevent such fraud attacks – or at least to recognize and end them at an early stage – by permanently expanding its fraud management capabilities, working closely with pre-service providers, and taking account of such risks in the design of its products.

Liquidity
The general liquidity risk of United Internet AG consists of the possibility that the Company may not be able to meet its financial obligations, such as the redemption of financial debts. The Company’s objective is to continuously cover its financial needs and secure flexibility, for example by using overdraft facilities and loans.

Group-wide cash requirements and surpluses are managed centrally by the cash management system. By netting these cash requirements and surpluses within the Group, the amount of external bank transactions can be minimized. This is managed, e.g., by using cash pooling processes. The Company has established standardized processes and systems to manage its bank accounts and internal netting accounts, as well as for the execution of automated payment transactions. In addition to operating liquidity, United Internet AG also holds other liquidity reserves, which are available at short notice.

Acts of God

External events such as natural disasters (earthquakes, floods, tsunamis, etc.), personnel crises (pandemics, strikes, etc.), infrastructure crises (power outages, road damage, etc.), or violent incidents (rampage, terrorist attacks, war, etc.) may affect United Internet's operations.

United Internet counters these risks as far as possible with a variety of measures. Examples include the establishment of building access restrictions, the operation of georedundant data centers, or (as in the current case of the coronavirus) hygiene precautions, location-independent workplaces, the use of modern communication media to avoid travel, and the elaboration of emergency concepts.

Additional disclosures on risks, financial instruments, and financial risk management

Further details on risks, financial instruments, and financial risk management are provided in note 43 "Objectives and methods of financial risk management" in the Notes to the Consolidated Financial Statements.

Management Board’s overall assessment of the Group’s risk position

The assessment of the overall level of risk is based on a consolidated view of all significant risk fields and individual risks, also taking account of their interdependencies.

- From the current perspective, the main challenges are the risk fields “Legislation & regulation”, “Litigation”, and “Information security”.

- The conclusion of the national roaming agreement between 1&1 and Telefónica Germany in 2021 (after the acquisition of the necessary 5G spectrum in 2019) laid the foundation for the transformation of 1&1’s business model from a virtual mobile communications network operator to a real mobile communications network operator. The expansion of the value chain and the tapping of this business field involves significant risks, which are typical for a network operator. The most significant current risk in this connection is in the risk field “Legislation & regulation”, which rose from Moderate to Significant in the fiscal year 2021. Among other things, this is because the Federal Network Agency may consider postponing its scheduled low-band spectrum awarding (800 MHz) or prolonging the corresponding spectrum allocations. The lack of access to low-band spectrum as of 2026 would represent a significant risk for 1&1 AG and thus also for United Internet AG. Due to their physical properties, low-band frequencies have a longer range and better penetration (than high-band frequencies) and thus enable cost-effective coverage in rural areas with widely spaced cell towers, while also improving reception inside buildings.

- The risk assessment of the risk field “Business development & innovations” was reduced from Significant to Moderate due to the progress of measures taken.

- Otherwise, the risk classifications of the risk fields of United Internet AG as at December 31, 2021 were unchanged from December 31, 2020.

The continuous expansion of its risk management system enables the United Internet Group to limit risks to a minimum, where economically sensible, by implementing specific measures.

Compared to the previous year, the overall risk has risen in total. This is due to the update regarding the transformation of 1&1 AG to a mobile communications network operator and the risks associated with the construction of its own high-performance mobile communications network, which are accompanied by appropriate risk-reducing measures.

In the assessment of the overall risk situation, the existing opportunities in the United Internet Group were not taken into consideration. There were no risks which directly jeopardized the continued existence of the United Internet Group in the fiscal year 2021, nor as of the preparation date for this Management Report, neither from individual risk positions nor from the overall risk situation.

Probability of occurrence, potential damage, and the classification of risks from the Group's perspective and their relevance for the various segments/divisions:

	Main segment relevance	Probability of occurrence	Potential damage	Risk classification	Change over previous year
Risks in the field of "Strategy"					
Shareholdings & investments	Corporate	Low	Low	Moderate	→
Business development & innovations	Consumer Access	Low	Low	Moderate	↘
Cooperation & outsourcing	Business Applications	Low	Very low	Low	→
Organizational structure & decision-making	Business Applications	Low	Very low	Low	→
Personnel development & retention	Business Applications	High	Low	Moderate	→
Risks in the field of "Market"					
Sales market & competition	Consumer Applications Business Applications	Low	High	Moderate	→
Procurement market	Business Access	Low	High	Moderate	→
Financial market	Business Applications	Very high	Very low	Low	→
Personnel recruitment	Business Access Business Applications	High	Very low	Low	→
Risks in the field of "Service Provision"					
Work processes	Business Applications	Low	Low	Moderate	→
Information security	Business Applications	Very low	Extremely high	Significant	→
Capacity bottlenecks	Business Applications	High	Very low	Low	→
Projects	Consumer Access	Low	High	Moderate	→
Technical plant operation	Business Applications Corporate	Very low	Very high	Moderate	→
Risks in the field of "Compliance"					
Data privacy	Consumer Applications	Low	Very high	Moderate	→
Misconduct & irregularities	Currently no significant risks			Low	
Legislation & regulation	Consumer Access	Low	Extremely high	Significant	↗
Litigation	Consumer Access	Low	Extremely high	Significant	→
Tax risks	Business Applications	High	Very low	Low	→
Risks in the field of "Finance"					
Financing	Business Applications	Very low	Very low	Low	→
Fraud & credit default	Consumer Access	Very high	Low	Moderate	→
Liquidity	Business Applications	High	Very low	Low	→
Risks in the field of "Acts of God"					
Acts of God	Consumer Access	Low	High	Moderate	→

Legend: ↘ improved → unchanged ↗ worsened

4.2 Opportunity report

Opportunity management

Opportunity management is based on strategic planning and the resulting measures for the development of products and their positioning for various target groups, markets, and countries during the product life cycle.

The Group Management Board, as well as the operative management level of the respective business segments, have the direct responsibility for the early and continuous identification, assessment, and steering of opportunities.

The management team of United Internet AG makes extensive use of detailed evaluations, models, and scenarios on current and future trends regarding sectors, technologies, products, markets/market potential, and competitors in the Group's fields of activity. The potential opportunities identified during these strategic analyses are then examined with regard to the critical success factors and existing external conditions and possibilities of United Internet AG in planning discussions between the Management Board, Supervisory Board, and operational managers before being implemented in the form of specific measures, targets, and milestones.

The progress and success of these measures is continuously monitored by operational management, as well as the managing directors and management board members of the respective companies.

Opportunities for United Internet

United Internet's stable and largely non-cyclical business model ensures predictable revenues and cash flows, thus providing the financial flexibility to grasp opportunities in new business fields and markets – organically or via investments and acquisitions.

Broad strategic positioning in growth markets

In view of its broad positioning in current growth markets, the Company's purely strategic growth opportunities are clearly apparent: universally accessible, permanently available, and increasingly powerful broadband connections are enabling new and more sophisticated cloud applications. From the current perspective, these internet-based programs for home users, freelancers, and small companies are likely to be United Internet's growth drivers over the coming years – both as stand-alone products in the Consumer Applications and Business Applications segments, as well as in combination with landline and mobile access products in our Consumer Access segment.

Participation in market growth

Despite the uncertain macroeconomic conditions, United Internet – as well as many of the sector's leading analysts – expects further progress in those markets of importance to the Company. United Internet is one of the leading players in these markets. At home and abroad. With its highly competitive Access products, its growing portfolio of cloud applications, its strong and specialized brands, its high sales strength, and already established business relationships with millions of private and business customers (cross-selling and up-selling potential), United Internet is also well positioned to participate in the expected market growth of both its business divisions.

Expansion of market positions

United Internet AG is now one of the leaders in many of its business fields. Based on its existing technological know-how, its high level of product and service quality, the widespread popularity of Group brands such as 1&1, GMX or WEB.DE, its business relationships with millions of private and business customers, and its high customer retention ratio, United Internet sees good opportunities to build on its current market shares.

Entry into new business fields

One of United Internet's core competencies is to recognize customer wishes, trends, and thus new markets at an early stage. With its broadly based value chain (from product development and data center operation, to effective marketing, powerful sales organization, and active customer support), United Internet is often faster at placing innovations on the market and – thanks to the high level of cash generation in its existing business fields – capable of providing them with strong marketing support.

When new opportunities appear on the horizon, United Internet is well prepared and also capable of financing many years of cost-intensive preparation thanks to its strong cash generation in existing business fields.

In 2018, for example, United Internet established the European netID Foundation (EnID) together with the media group RTL Germany and ProSiebenSat.1. The initiative's goal is to establish a European alternative to US providers with the single sign-on product netID. The Foundation has developed an open standard that enables users to access all partner websites of the European netID Foundation using the same login data. The Foundation reviews all standards, partners, and providers of user accounts within the initiative. With the open login standard netID, the Foundation focuses on the data sovereignty of each individual user. With the aid of netID, users can organize their consent to the use of online services via a privacy center which guarantees transparency and compliance with data protection regulations. netID is available to GMX and WEB.DE customers, as well as to customers of other netID partners, with the same log-in data. New users can create a netID account free of charge by using a combination of e-mail address and password. As part of the development of NetID, the United Internet brands GMX and WEB.DE have greatly reduced their ad space on the respective portals and at the same time are driving the expansion of data-driven business models for better advertising monetization.

Own landline infrastructure

Since its acquisition of 1&1 Versatel (2014), United Internet operates its own telecommunications network. With a length of over 50,000 km, it is one of Germany's largest fiber-optic networks. This network infrastructure gives United Internet the opportunity to extend its vertical integration and also gradually reduce its purchases of wholesale broadband services.

In addition, having its own network also offers United Internet the opportunity to systematically expand its B2B data and infrastructure business with SMEs and large corporations. The scale of this opportunity is underlined by the considerable pent-up demand for direct fiber-optic connections in Germany. According to the latest survey of the OECD (Organization for Economic Co-operation and Development) in December 2020, only 5.4% (end of 2019: 4.4%) of all broadband connections in Germany are fiber-optic connections. An increase of just 2.2 percentage points compared to 2018 (3.2%). Germany thus lags well behind in 34th place among the 38 OECD countries surveyed, and is also well below the OECD leaders Korea (84.8%), Japan (81.6%), and Lithuania (76.6%), as well as below the OECD average of 30.6% (end of 2019: 28.0%).

Access to Telefónica mobile network

Following the merger with Drillisch (2017), United Internet – indirectly via 1&1 – is the only MBA MVNO in Germany with a long-term claim to a specific share (rising to 30%) of the used network capacity of Telefónica Germany, and thus has extensive access to one of Germany's largest mobile networks. As a result, United Internet has contractually assured, unrestricted access not only to LTE (4G), but also to all further future technologies such as 5G. This will not fundamentally change after the switch to national roaming. When the 1&1 mobile network goes live, all new 1&1 customers and all existing customers who have migrated to the 1&1 network will have access to 1&1's 5G network and, in areas that have not yet been rolled out, will automatically receive non-discriminatory access to Telefónica Germany's mobile network via national roaming. From January 1, 2026, restrictions on access to Telefónica's 4G national roaming network will apply in certain urban areas to be covered by 1&1's 5G network by then.

As a consequence of the merger between 1&1 Telecommunication and Drillisch, United Internet can use its coordinated branding and customer targeting to address the German premium and discount segments more precisely, while achieving a high and comprehensive reach among its target groups with its differently positioned brands.

Establishment of own mobile communications network

As part of the planned rollout of its own powerful mobile communications network – and following its successful bid for two frequency blocks of 2 x 5 MHz in the 2 GHz band and five frequency blocks of 10 MHz in the 3.6 GHz band during the 5G spectrum auction in 2019 – United Internet concluded long-term agreements in the fiscal year 2021 and now has all key elements in place to drive forward the rollout of its own 5G mobile communications network and thus extend its added value in this market – as in its landline market. These agreements include the national roaming agreement between 1&1 and Telefónica concluded on May 21, 2021, which secures nationwide mobile coverage for 1&1 customers during the construction phase of United Internet's own network through shared use of the Telefónica network, as well as the partnership announced on August 4, 2021 between 1&1 and Rakuten for the joint construction of Europe's first fully virtualized mobile network based on the innovative OpenRAN technology. In addition, 1&1 signed an intercompany agreement with its affiliate 1&1 Versatel on December 9, 2021, which in particular provides the access network (especially fiber-optic cables) and data centers for operating 1&1's mobile network on a rental basis, and on the same date an agreement was concluded with Vantage Towers AG, one of Europe's leading companies for radio tower infrastructure, which among other things includes the renting of Vantage antenna locations and the installation of 1&1's 5G high-performance antennas by Vantage.

With over 11.2 million mobile and over 4.2 million broadband customers, one of Germany's largest fiber-optic networks, and a leading European position in app development, the United Internet Group is well placed to exploit the tremendous potential of 5G in Germany.

High degree of vertical integration for applications

In its Applications segment, United Internet covers the entire value creation chain. Applications are developed at the Company's own "Internet Factories" or in cooperation with partner firms and operated on around 90,000 servers at the Company's 10 data centers. This enables United Internet to maintain high quality standards and to respond quickly to customer needs and changing market situations in order to win new customers and retain existing ones.

Internationalization

Cloud applications can be used anywhere in the world and work on the same principle in Frankfurt as they do in London, Rome, or New York. In the past, United Internet has already successfully adapted cloud products – such as 1&1 MyWebsite – to various languages and country-specific features and gradually rolled them out in different nations.

Thanks to the high degree of exportability which these products offer, United Internet is already active in its Applications segment in numerous European countries (Germany, France, the UK, Italy, Spain, the Netherlands, Austria, Switzerland, Poland, Hungary, Romania, Bulgaria, the Czech Republic, and Slovakia), as well as in North America (USA, Canada, and Mexico). Further countries and product rollouts will gradually follow.

Acquisitions and investments

In addition to organic growth, United Internet also constantly examines the possibility of company acquisitions and strategic investments. Thanks to its high and plannable level of free cash flow, United Internet also has a strong source of internal funding and good access to debt financing markets in order to utilize opportunities in the form of acquisitions and investments.

United Internet has enhanced its market standing in Germany and abroad, for example, by making several acquisitions and strategic investments while gaining considerable expertise in the field of mergers and acquisitions (M&A) and company integration.

The most important M&A activities of the past include the acquisition of WEB.DE's portal business (in 2005), the acquisitions of Fasthosts (2006) and united-domains (2008), the acquisition of freenet's broadband business (2009), and the acquisitions of mail.com (2010), Arsys (2013), Versatel (2014; now 1&1 Versatel), home.pl (2015), STRATO (2017), ProfitBricks (2017; now IONOS Cloud), Drillisch (2017; now 1&1), World4You (2018), and we22 (2021). The most important strategic investments include the investments in Open-Xchange (2013), uberall (2014), Tele Columbus (2016), rankingCoach (2017), AWIN (2017; via the contribution of affilinet), and Stackable (2021).

4.3 Forecast report

Expectations for the economy

In its global economic outlook published in January 2022, the International Monetary Fund (IMF) updated its forecasts for the development of the global economies in 2022 and 2023. The IMF now expects the **global economy** to continue its recovery in the current and following year – albeit at a slower pace than in 2021. In its global economic outlook, the Fund forecasts global growth of 4.4% and 3.8% for the years 2022 and 2023 – following an increase of 5.9% in 2021.

The IMF is thus more pessimistic than in its outlook of October 2021. Although the direct impact of the Omicron wave is still limited, the IMF believes that the consequences of the corona crisis, such as fragile supply chains, high inflation and record debt, are still weighing on the global economy and dampening its recovery. Against this backdrop, the IMF has now downgraded its economic outlook. It forecasts that the global economy will grow by 0.5 percentage points less in 2022 than it had assumed in October.

The latest IMF forecasts for United Internet's target markets in North America (the USA, Canada, and Mexico) are as follows: the **US economy** is expected to grow by 4.0% in 2022 and 2.6% in 2023 (after 5.6% in 2021); in **Canada**, economic growth of 4.1% and 2.8% is anticipated in 2022 and 2023 (after 4.7% in 2021); and the economy in **Mexico** is also expected to grow, by 2.8% in 2022 and 2.7% in 2023 (after 5.3% in 2021).

The IMF anticipates growth of 3.9% and 2.5% in the **eurozone** for 2022 and 2023 (after 5.2% in 2021).

The IMF also expects positive economic trends in United Internet's main European markets (France, Spain, Italy, and the non-EU country UK): the Fund forecasts growth of 3.5% in 2022 and 1.8% in 2023 for **France** (after 6.7% in 2021); growth in **Spain** is expected to reach 5.8% and 3.8% in 2022 and 2023 (after 4.9% in 2021); growth of 3.8% and 2.2% is forecast for **Italy** in 2022 and 2023 (after 6.2% in 2021); and for the **UK**, the IMF anticipates growth in 2022 and 2023 of 4.7% and 2.3% (after 7.2% in 2021).

For United Internet's most important market, **Germany**, the IMF forecasts economic growth of 3.8% in 2022 and 2.5% in 2023 (after 2.7% in 2021). With expected growth of 3.8% for 2022, the Fund is above the German government's own forecast of 3.6% growth in price-adjusted GDP, as published in its Annual Economic Report 2022 on January 26, 2022 – after forecasting 4.1% in fall 2021. The reason for these lowered expectations are the consequences of the coronavirus pandemic and the associated supply bottlenecks. These shortages, especially for intermediate goods such as semiconductors, continue to be a main reason for higher prices. The German government does not expect a gradual easing of the situation until later in 2022. Overall, consumer prices are expected to rise again significantly this year, by an annual average of 3.3% (2021: 3.1%).

Market forecast: GDP development of most important economies for United Internet

	2023e	2022e	2021
World	3.8%	4.4%	5.9%
USA	2.6%	4.0%	5.6%
Canada	2.8%	4.1%	4.7%
Mexico	2.7%	2.8%	5.3%
Eurozone	2.5%	3.9%	5.2%
France	1.8%	3.5%	6.7%
Spain	3.8%	5.8%	4.9%
Italy	2.2%	3.8%	6.2%
UK	2.3%	4.7%	7.2%
Germany	2.5%	3.8%	2.7%

Source: International Monetary Fund, World Economic Outlook (Update), January 2022

Sector/market expectations

Despite the challenges posed by the pandemic, supply bottlenecks, inflation and the shortage of skilled workers, the industry association Bitkom expects the **German ICT market** as a whole to grow by 3.6% (prior year: 3.9%) to € 184.9 billion in 2022.

As in the previous year, the **IT market** is expected to grow at an above-average rate in 2022 and will continue to strengthen its importance as the largest segment of the industry. Sales exceeded the 100 billion-euro-mark for the first time in 2021 and Bitkom expects further growth of 5.9% (prior year: 6.3%) to € 108.6 billion this year. Driven in particular by its cloud business, software is likely to be the fastest-growing segment with a strong increase of 9.0% (prior year: 8.0%) to € 32.4 billion. Sales of IT hardware are also expected to increase significantly by 5.7% (prior year: 8.3%) to € 33.2 billion. Stable growth of 3.9% (prior year: 3.7%) to € 43.0 billion is expected for the IT services business, which also includes IT consulting.

By contrast, the **consumer electronics** market remains under pressure. According to a Bitkom forecast, sales will decline again in 2022 after rising temporarily in 2020 due to special corona-related effects. This smallest ICT sub-market is expected to shrink by 2.3% to € 9.0 billion.

The most important ICT markets for United Internet’s business model are the German telecommunications market (broadband connections and mobile internet) for its mostly subscription-financed Access division, and the global cloud computing and German online advertising markets for its subscription- and ad-financed Applications division.

Telecommunications market in Germany

The industry association Bitkom expects that the moderate growth of the previous year will continue for the German telecommunications market. Total sales are likely to grow by 0.9% (prior year: 1.2%) to € 67.3 billion in 2022.

According to Bitkom calculations, revenues from telecommunication services are expected to increase by 1.7% (prior year: 1.7%) to € 49.2 billion. Sales of user devices, and especially smartphones, are likely to fall significantly by -3.1% (prior year: 0.2%) to € 11.2 billion. Investments in telecommunication infrastructure are expected to grow by 2.2% (prior year: -0.9%) to € 6.9 billion.

Market forecast: telecommunications market in Germany

in € billion	2022e	2021	Change
Sales	67.3	66.7	+ 0.9%

Source: Bitkom, January 2022

Global cloud computing market

Following the very strong growth of 2021 (23.1%), Gartner forecasts global growth for public cloud services of 19.6% from USD 332.35 billion to USD 397.50 billion in 2022.

Market forecast: global cloud computing

in $ billion	2022e	2021	Change
Global sales of public cloud services	397.50	332.35	+ 19.6%
thereof Application Infrastructure Services (PaaS)	71.53	59.45	+ 20.3%
thereof Application Services (SaaS)	145.38	122.63	+ 18.5%
thereof Business Process Services (BPaaS)	53.12	50.17	+ 5.9%
thereof Desktop as a Service (DaaS)	2.67	2.05	+ 30.4%
thereof Management and Security Services	18.01	16.03	+ 12.3%
thereof System Infrastructure Services (IaaS)	106.80	82.02	+ 30.2%

Source: Gartner, April 2021

Online advertising market in Germany

After the strong rise in online advertising in 2021 (6.5%), PricewaterhouseCoopers expects a further increase in 2022 with total market growth (mobile advertising and desktop advertising) of 7.5% to € 10.21 billion.

The strongest growth is expected for video advertising and display advertising with increases of 16.5% and 9.7%, respectively.

Market forecast: online advertising in Germany (mobile advertising & desktop advertising)

in € billion	2022e	2021	Change
Online advertising revenues	10.21	9.50	+ 7.5%
thereof search marketing	3.66	3.61	+ 1.4%
thereof display advertising	3.38	3.08	+ 9.7%
thereof video advertising	2.40	2.06	+ 16.5%
thereof affiliate / classifieds	0.77	0.75	+ 2.7%

Source: PricewaterhouseCoopers, September 2021

Expectations for the Company in 2022

Forecast for the fiscal year 2022

With an ad-hoc announcement on December 9, 2021, United Internet AG published its guidance for the fiscal year 2022:

- United Internet AG forecasts an increase in consolidated sales to approx. € 5.8 billion for its fiscal year 2022 (prior year: around € 5.646 billion).

- Despite additional investments, EBITDA is expected to be on a par with 2021 and reach approx. € 1.25 billion again in 2022 (prior year: around € 1.259 billion). EBITDA includes initial costs for 1&1's 5G network rollout of approx. € 70 million (compared to around € 38 million in 2021), as well as approx. € 30 million for additional marketing activities of IONOS to further raise brand awareness in its most important European markets.

- In the coming year, the Company plans significantly higher capital expenditures (capex), especially for the construction of its 5G network, as well as for the expansion of its fiber-optic network to connect the 5G antennas and provide coverage in additional expansion areas. The exact capex amount will depend in part on the availability of hardware and civil engineering services and is likely to be between € 800 million and € 1 billion (prior year: around € 290 million).

Due to its role as a holding company, the earnings of United Internet AG at **parent company level** are mainly influenced by its investment result (profit transfers and dividends) and the interest result. Against this backdrop, the Management Board expects strongly positive net income for fiscal year 2022 (subject to possible special items).

United Internet AG intends to maintain its shareholder-friendly **dividend policy** based on continuity in the coming years. Dividend payouts will continue to represent approx. 20-40% of adjusted net income from continued operations after minority interests (adjusted net income attributable to "shareholders of United Internet AG" – according to the consolidated statement of comprehensive income) in the future. The prerequisite, however, is that funds are not required for further Company development.

Management Board's overall statement on the anticipated development

The Management Board of United Internet AG is upbeat about its prospects for the future. Thanks to a business model based predominantly on electronic subscriptions, United Internet believes it is largely stable enough to withstand cyclical influences. And with the investments made over the past few years in customer relationships, new business fields and internationalization, as well as via acquisitions and investments, the Company has laid a broad foundation for its planned future growth.

United Internet will continue to pursue this sustainable business policy in the coming years. In addition to the above mentioned investments in future-oriented topics in of 1&1 and IONOS, the segments will focus on the following topics.

- In addition to the construction of the Group's own 5G mobile communications network, the Consumer Access segment will focus in particular on marketing mobile internet products and winning high-quality customer relationships in the fiscal year 2021.

- In the Business Access segment, the Company's own fiber-optic network is to be expanded in 2022 with the connection of further locations. Activities for business and wholesale customers will also be expanded.

- In fiscal year 2022, the key topics in the Consumer Applications segment will again be increasing fee-based customer relationships and the further expansion of data-driven business models.

- As well as raising brand awareness, the Business Applications segment will continue to focus on expanding business with existing customers and gaining new high-quality customer relationships in 2022. In addition, the segment will strengthen its cloud business in particular and drive its international expansion.

Following a successful start to the year (at the time of preparing this Management Report), the Company's Management Board believes that the Company is on track to reach the forecast presented above in the section "Forecast for the fiscal year 2022".

Forward-looking statements

This Management Report contains forward-looking statements based on current expectations, assumptions, and projections of the Management Board of United Internet AG and currently available information. These forward-looking statements are subject to various risks and uncertainties and are based upon expectations, assumptions, and projections that may not prove to be accurate. United Internet AG does not guarantee that these forward-looking statements will prove to be accurate and does not accept any obligation, nor have the intention, to adjust or update the forward-looking statements contained in this report.

5. ACCOUNTING-RELATED INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

In accordance with section 289 (4) and section 315 (4) German Commercial Code (HGB), United Internet AG is obliged to describe the main features of its accounting-related internal control and risk management system in its Management Report.

United Internet AG regards risk management as part of its internal control system (ICS). The ICS is understood as an ongoing process comprising organizational, controlling, and monitoring structures to ensure permanent compliance with legal and corporate requirements.

The Management Board of United Internet AG is responsible for the scope and structure of its ICS and takes account of the Company's specific requirements. The monitoring of the ICS's effectiveness is one of the duties of the Supervisory Board of United Internet AG, which is regularly informed by the Management Board about the status of the ICS and the findings of the Company's Internal Audit system. Within the United Internet Group, the Corporate Audit department is responsible for independently auditing the appropriateness, effectiveness, and functionality of the ICS and has been granted extensive rights with regard to information, examination, and access in order to exercise its duties. Its audits are based on a risk-oriented audit plan which also includes regular audits of subsidiaries. In addition, the Corporate Audit department conducts fundamental audits regarding the proper functioning of important asset and inventory stock-taking. In addition, those areas of ICS of relevance for financial reporting are audited with regard to efficiency by the external auditors as part of their risk-oriented audit approach.

The accounting-related ICS is continuously being developed and comprises principles, procedures, and measures to secure the effectiveness, economic efficiency, and compliance of the accounting system and to ensure that the relevant laws and standards are observed. During preparation of the Consolidated Financial Statements, the ICS is used in particular to ensure the application of International Financial Reporting Standards (IFRS), as endorsed by the European Union, and the additional provisions under commercial law pursuant to section 315e of the German Commercial Code (HGB). When preparing the Annual Financial Statements and Management Report, the ICS also helps ensure that regulations under commercial law are observed.

However, a fundamental aspect of every ICS, irrespective of its particular design, is that it cannot provide absolute safety that material misstatements in accounting are avoided or detected. This may be due, e.g., to incorrect discretionary decisions of individuals, faulty controls, or criminal acts.

The following statements refer solely to the fully consolidated subsidiaries included in the Annual Financial Statements of United Internet AG, for which United Internet AG has the direct or indirect possibility of determining their financial and monetary policy in order to derive a benefit from the activity of these companies.

The task of United Internet AG's risk management system includes setting measures to detect and assess risks, reduce them to an acceptable level, and monitor recognized risks. A risk management system requires organized action to deal suitably with uncertainty and threats and urges employees to utilize the regulations and instruments required to ensure compliance with the risk management principles. In addition to operative risk management, it also includes the systematic early recognition, management, and monitoring of risks. The accounting-related risk management system focuses on the risk of false statements in accounting and external reporting.

Specific accounting-related risks may arise, for example, from the conclusion of unusual or complex transactions. Business transactions which cannot be processed in a routine manner are also exposed to latent risks. It is necessary to grant a limited circle of people certain scope for discretion in the recognition and measurement of assets and liabilities, which may result in further accounting-related risks.

The accounting-related ICS comprises internal controls, defined on the basis of risk aspects, for those processes which are relevant for financial reporting as well as those processes that support the IT systems. Special emphasis is placed on IT security, change management, and operational IT processes. Organizational, preventive, and detective controls are applied, which can be conducted manually or with the aid of IT. The effectiveness and efficiency of the accounting-related ICS requires highly developed employee skills. Regular training, the "four-eye principle", and the functional separation of administrative, executive, and approval processes are indispensable for the United Internet Group. The Corporate Accounting division and other accounting departments are responsible for the management of the accounting processes. Laws, accounting standards, and other pronouncements are continuously analyzed with regard to their relevance and impact on accounting. The Group's accounting policy sets out and communicates relevant requirements and forms the basis for the financial statement preparation process. In addition, supplementary procedural instructions such as the intercompany guideline, standardized reporting formats, IT systems and computer-aided reporting and consolidation processes support the standardized and compliant Group accounting process. The Corporate Accounting division ensures that these requirements are implemented uniformly throughout the Group. The Group companies are responsible for the orderly and timely execution of the accounting-related processes and systems and are supported by the accounting departments accordingly.

If significant control weaknesses or opportunities for improvement are detected, they are assessed and countermeasures are developed with the persons responsible to improve the effectiveness of the ICS. Implementation of the measures is monitored by the Corporate Audit department and may be the subject of subsequent audits. In order to ensure the high quality of the accounting-related ICS, the Corporate Audit department is closely involved during all stages.

6. DISCLOSURES REQUIRED BY TAKEOVER LAW

The following disclosures according to sections 289a and 315a German Commercial Code (HGB) represent conditions as of the balance sheet date. As required by section 176 (1) sentence 1 AktG, the disclosures are explained in the sections below.

Composition of capital

The subscribed capital of United Internet AG as of December 31, 2021 amounts to € 194,000,000 divided into 194,000,000 no-par value, registered shares. Each share entitles the owner to one vote. There are no other share categories. In the case of a capital increase, the commencement of dividend entitlement for new shares may be determined separately from the moment of contribution. All shares are listed on the stock exchange.

Limitations affecting voting rights or the transfer of shares

There are legal limitations affecting voting rights of certain shares pursuant to section 71b AktG and section 71d S. 4 in conjunction with section 71b AktG. At the end of the reporting period on December 31, 2021, United Internet holds 7,284,109 treasury shares representing 3.75% of capital stock.

There are also legal limitations affecting voting rights regarding a conflict of interests pursuant to section 136 (1) AktG for shares held by the Management Board and Supervisory Board.

Among the current members of the Management Board, Mr. Ralph Dommermuth indirectly held 97,200,000 shares of United Internet AG (50.10% of capital stock) as of December 31, 2021. Mr. Dommermuth increased this shareholding to 97,500,000 shares (50.26% of capital stock) on February 14, 2022. Moreover, Mr. Martin Mildner held 2 shares of the Company (0.00% of capital stock) as of December 31, 2021.

As of December 31, 2021, no current members of the Supervisory Board held shares in United Internet AG.

There are no limitations affecting the transfer of shares.

Direct and indirect participations in capital with over 10% of voting rights

On December 31, 2021, the Company's CEO, Mr. Ralph Dommermuth, residing in Germany, indirectly held 97,200,000 shares or 50.10% of the 194,000,000 shares in United Internet AG. The Management Board is not aware of further participations in capital exceeding 10% of voting rights.

Special rights

Mr. Ralph Dommermuth is personally entitled to nominate two members of the Supervisory Board. This right is exercised by naming a person for the Supervisory Board to the Company's Management Board. The nomination becomes effective as soon as the nominated person declares his acceptance of the

Supervisory Board seat to the Management Board. A requirement for the aforementioned nomination right is that Mr. Ralph Dommermuth holds shares himself or via affiliated companies pursuant to section 15ff. German Stock Corporation Law (AktG) representing at least 25% of the Company's voting capital and can prove as much to the Management Board on nomination of the Supervisory Board member by providing depository account statements or similar documents. Mr. Dommermuth has so far not made use of this nomination right.

The Management Board is not aware of any further shares with special rights.

Appointment and dismissal of Management Board members, amendments to Company articles

The appointment and dismissal of Management Board members is determined by sections 84, 85 AktG in conjunction with section 1 of the rules of procedure for the Supervisory Board. According to section 6 (1) of the Company's articles, the Management Board consists of at least one person. The Supervisory Board appoints and dismisses the members of the Management Board, determines their number and can appoint one member of the Management Board as Chairman.

Each amendment of the Company's articles requires the adoption of a shareholders' meeting resolution with a majority of at least three quarters of capital represented at the vote. Pursuant to section 22 of the Company's articles in conjunction with section 179 (1) sentence 2 AktG (Changes in capital stock and number of shares), the Supervisory Board is authorized to make amendments to the Company's articles insofar as they only concern formulation.

Powers of the Management Board to issue new shares

The Management Board is entitled to issue new shares under the following circumstances:

The Management Board is authorized, subject to the approval of the Supervisory Board, to increase the capital stock in the period ending August 31, 2023, by a maximum of € 77,500,000.00 by issuing on one or more occasions new no-par shares for cash and/or non-cash contributions (**Authorized Capital 2020**).

Subject to the following restrictions, shareholders shall be granted subscription rights.

The Management Board is authorized, subject to the approval of the Supervisory Board, to exclude fractional amounts from the shareholders' subscription rights and to also exclude subscription rights to the extent that this is necessary in order to grant subscription rights for new shares to bearers of warrants and convertible bonds issued by the Company or its subsidiaries in the amount to which they would be entitled on exercise of their warrant or conversion rights or fulfillment of their conversion obligation. In the case of a capital increase in return for cash contribution, the Management Board is further authorized, subject to the approval of the Supervisory Board, to exclude shareholders' subscription rights for an amount of up to 10% of the capital stock existing at the time Authorized Capital 2020 becomes effective, or – if this amount is lower – at the time the resolution to use Authorized Capital 2020 is adopted, if the new shares are issued at an issuance price which is not substantially below the market price of those Company shares already listed at the time of the final determination of the issuance price, which shall be as near in time as possible to the share issuance date. This maximum amount of 10% of the capital stock includes the proportionate share of capital stock attributable to treasury shares sold on or after the effective date of this authorization in direct or analogous application of section 186 (3) sentence 4 German Stock Corporation Act (AktG), as well as the proportionate share of the capital stock attributable to shares subject to conversion and/or warrant rights or conversion obligations from bonds issued pursuant to the authorization of the Annual Shareholders' Meeting of May 20, 2020, with the exclusion of subscription rights in accordance with section 186 (3) sentence 4 AktG. The Management Board is further authorized, subject to the approval of the Supervisory Board, to exclude shareholders' subscription rights in the case of capital increases in return for non-cash contribution in order to grant shares for the purpose of acquiring companies, parts of companies, interests in companies or other assets, including rights and receivables, or as part of business combinations. The above mentioned authorizations to exclude subscription rights are limited in total to an amount of up 20% of the capital stock existing at the time Authorized Capital 2020 becomes effective, or – if this amount is lower – at the time the resolution to use Authorized Capital 2020 is adopted. This maximum amount of 20% of the capital stock includes the proportionate share of capital stock attributable to shares subject to conversion and/or warrant rights or conversion obligations from bonds issued pursuant to the authorization of the Annual Shareholders' Meeting of May 20, 2020, with the exclusion of subscription rights, as well as the proportionate share of capital stock attributable to treasury shares sold on or after the effective date of this authorization in a manner other than via the stock exchange or by means of an offer to all shareholders.

The Management Board is further authorized, subject to the approval of the Supervisory Board, to determine the further details of the capital increase and its execution.

Capital stock is conditionally increased by up to € 25,000,000.00, divided into up to 25,000,000 no-par value registered shares (**Conditional Capital 2020**). The conditional capital increase shall only be implemented to the extent that the bearers or holders of warrant rights or conversion rights or obligations from bonds with warrants or convertible bonds that have been issued or guaranteed by the Company or a subordinated Group company in the period ending August 31, 2023, on the basis of the Management Board's authorization resolved by the Annual Shareholders' Meeting of May 20, 2020, exercise their warrant or conversion rights or, to the extent that they are obligated to convert their bonds, fulfill their obligation, or to the extent that the Company exercises a right to grant shares in the Company, instead of paying the cash amount due (or parts thereof), and to the extent that cash compensation is not granted or treasury shares or shares in another listed company are not used to service bonds. The new shares shall be issued at the warrant or conversion price to be determined in accordance with the above authorizing resolution. The new shares shall participate in profits from the beginning of the fiscal year in which they are created; to the extent that it is legally permissible, the Management Board may, with the approval of the Supervisory Board, determine the profit participation of new shares and, notwithstanding section 60 (2) AktG, also for a fiscal year already expired.

The Management Board is authorized, subject to the approval of the Supervisory Board, to determine the further details concerning the execution of the conditional capital increase.

Powers of the Management Board to buy and use treasury shares

The authorization to acquire and use treasury shares that was granted by the Annual Shareholders' Meeting on May 18, 2017 in accordance with section 71 (1) number 8 AktG expired on September 18, 2020. Against this background, the Annual Shareholders' Meeting of May 20, 2020 issued a new authorization pursuant to section 71 (1) number 8 AktG, to acquire and use treasury shares. This authorization is valid from September 19, 2020 to August 31, 2023.

The authorization is limited to an amount of 10% of the capital stock existing at the time the Annual Shareholders' Meeting adopts the resolution or – if this amount is lower – at the time the authorization is exercised. The authorization can be exercised directly by the Company, or by a dependent or majority-owned corporation of the Company, or by third parties commissioned by dependent or majority-owned corporations of the Company, and permits the purchase of treasury shared in their entirety or in parts on one or more occasions.

Treasury shares may be acquired via the stock exchange or by means of a public purchase offer made to all shareholders or by means of a public request made to all shareholders to submit sales offers or by granting tender rights to shareholders.

- If acquisition is made via the stock exchange or by means of a public purchase offer, the per share purchase price (excluding ancillary acquisition costs) paid by the Company must not be more than 10% above or below the arithmetic mean of the closing auction prices of the Company's no-par value shares in the Frankfurt Stock Exchange's Xetra trading system (or an equivalent successor system) over the last ten stock exchange trading days before the conclusion of any transaction imposing an obligation (if the acquisition is made via the stock exchange) or before the publication of the decision to submit a public purchase offer (if the acquisition is made by means of a public purchase offer). Should the share price deviate significantly from the offered purchase price or from the limits of the offered purchase price range after a public purchase offer is published, the offer may be adjusted. In this case, the relevant purchase price shall be determined based on the corresponding stock exchange price on the last trading day before the announcement of the adjustment and must not be more than 10% higher or lower than that amount.

  The volume of a public purchase offer may be limited. If, in the case of a public purchase offer, the volume of the tendered shares exceeds the volume intended to be bought back, tender rights, if any, may be partially excluded so that shares may be acquired based on the proportions of tendered shares (percentages of tendered shares) rather than based on the proportions of the tendering shareholders' shareholdings in the Company (shareholding percentages). Tender rights, if any, may also be partially excluded such that priority is given to smaller lots of up to 100 shares offered per shareholder and such that the number of shares is rounded in accordance with commercial rounding principles in order to avoid fractions of shares.

  If acquisition is made by means of a public request made to all shareholders to submit sales offers, the Company will stipulate a purchase price range per share within which sales offers may be submitted. The purchase price range may be adjusted if, during the submission period, the share price deviates significantly from the share price prevailing at the time of publication of the request to submit sales offers. The purchase price per share (excluding ancillary acquisition costs) to be paid by the Company and that the Company calculates on the basis of the received sales offers must not be more than 10% above or below the arithmetic mean of the closing auction prices of the Company's no-par value shares in the Frankfurt Stock Exchange's Xetra trading system (or an equivalent successor system) over the last three stock exchange trading days before the cutoff date described below. The cutoff date is the date on which the Company`s Management Board makes its final and formal decision on the publication of the request to submit sales offers or the adjustment thereof.

  The volume of offers that may be accepted may be limited. If, due to the limited volume, not all of several equal sales offers can be accepted, tender rights, if any, may be partially excluded so that shares may be acquired based on the percentages of tendered shares rather than based on the shareholding percentages. Tender rights, if any, may also be partially excluded such that priority is given to smaller lots of up to 100 shares tendered per shareholder and such that the number of shares is rounded in accordance with commercial rounding principles in order to avoid fractions of shares.

- If acquisition is made by granting tender rights to the shareholders, the rights may be allocated per Company share. A number of tender rights determined based on the ratio of the Company's capital stock to the volume of shares to be bought back by the Company will entitle a tendering shareholder to sell one Company share to the Company. Tender rights may also be allocated in such a way that one tender right is allocated for a certain number of shares determined based on the ratio of the capital stock to the buyback volume. Fractions of tender rights will not be allocated; in case thereof, partial tender rights are excluded. The price or the limits of the offered purchase price range (in each case excluding ancillary acquisition costs) at which a share may be sold to the Company when a tender right is exercised will be determined in accordance with the provisions of the sub-section above, with the relevant cutoff date being the date of publication of the buyback offer with the granting of tender rights, and adjusted if necessary also in accordance with the provisions of the sub-section above, with the relevant cutoff date being the date of publication of the adjustment. The Company's Management Board will determine the further details of the tender rights, in particular their conditions, term and, where appropriate, tradability.

In addition, the Management Board is authorized to sell treasury shares in a manner other than via the stock exchange or by means of an offer to all shareholders if the shares are sold for cash at a price that is not substantially below the stock exchange price of the Company's shares at the time of sale. The shareholders' subscription rights are excluded in this context. However, this authorization is subject to the condition that the shares sold with the exclusion of subscription rights pursuant to section 186 (3) sentence 4 AktG must not exceed in aggregate 10% of the capital stock either at the time the authorization becomes effective or – if this is lower – at the time the authorization is exercised. This limit of 10% of the capital stock includes those shares that are issued during the term of this authorization until the sale of treasury shares from authorized capital with the exclusion of subscription rights pursuant to section 186 (3) sentence 4 AktG. This limit of 10% of the capital stock also includes those shares that are issued or are to be issued in order to service warrant and/or conversion rights and/or conversion obligations provided that the bonds were issued during the term of this authorization in analogous application of section 186 (3) sentence 4 AktG with the exclusion of subscription rights.

The Management Board is also authorized, in addition to a sale via the stock exchange or a use in another manner that complies with the principle of equal treatment of all shareholders, to use treasury shares for the following purposes:

- As (partial) consideration in connection with the acquisition of companies or interests in companies or parts of companies or in connection with business combinations.

- To float shares of the Company on foreign stock exchanges on which they were previously not admitted to trading. The price at which these shares are floated on foreign stock exchanges (excluding ancillary acquisition costs) must not be more than 5% below the arithmetic mean of the prices of the Company's no-par value shares in the closing auctions of the Frankfurt Stock Exchange's Xetra trading system (or an equivalent successor system) over the last three stock exchange trading days before the day of their flotation on the foreign stock exchange.

- To grant United Internet shares as part of remuneration and/or employee stock ownership programs such that United Internet shares are offered or transferred to members of the Management Board of United Internet AG and/or to individuals who are or were in an employment relationship with the Company and/or to members of the management of affiliated companies. Insofar as United Internet shares are to be transferred to members of the Company's Management Board, the decision on this is incumbent upon the Company's Supervisory Board.

Shareholders' statutory subscription rights with regard to these treasury shares will be excluded in accordance with sections 71 (1) no. 8 and 186 (3) and (4) AktG to the extent that these shares are used pursuant to the above authorizations. Furthermore, the Managing Board is authorized to exclude shareholders' subscription rights for fractional shares if treasury shares are sold by means of an offer to all shareholders.

The authorizations to exclude subscription rights are in aggregate limited to an amount of up 20% of the capital stock existing at the time these authorizations become effective or – if this amount is lower – at the time the resolution to sell treasury shares is adopted. This maximum amount of 20% of the capital stock includes the proportionate share of capital stock attributable to shares that are subject to conversion and/or warrant rights or conversion obligations under bonds issued pursuant to the authorization of the Annual Shareholders' Meeting of May 20, 2020, with the exclusion of subscription rights, as well as the proportionate share of the capital stock attributable to shares issued from Authorized Capital 2020 on the basis of the authorization of the Annual Shareholders' Meeting of May 20, 2020, with the exclusion of subscription rights.

In addition, the Management Board is authorized to redeem treasury shares without any further resolution of the Annual Shareholders' Meeting being required either for the redemption or the implementation thereof. The redemption may also be implemented in accordance with section 237 (3) no. 3 AktG without a capital reduction and in such a manner that, as a result of the redemption, the proportionate share of the Company's remaining no-par value shares in the capital stock is increased in accordance with section 8 (3) AktG. In accordance with section 237 (3) no. 3 2nd half-sentence AktG, the Management Board is authorized to amend the number of shares specified in the Articles of Association accordingly. The redemption may also be implemented in combination with a capital reduction, in which case the Management Board is authorized to reduce the capital stock by the proportionate share of capital stock attributable to the redeemed shares. The Supervisory Board is authorized to amend the number of shares and the capital stock amount specified in the Articles of Association.

The foregoing authorizations are granted for the period beginning September 19, 2020. They may be exercised once or several times, in their entirety or partially, individually or collectively. They also cover the use of treasury shares that have been acquired on the basis of previous authorizations to acquire treasury shares and treasury shares that have been acquired in accordance with section 71d sentence 5 AktG or (i) by any company controlled or majority-owned by the Company or (ii) by third parties acting for the account of the Company or of any company controlled or majority-owned by the Company.

Material agreements conditional to a change of control following a takeover bid

A bank consortium has granted United Internet AG a syndicated loan facility of € 810 million until January 2025. In fiscal 2020, the Company exercised a contractually agreed extension option and extended the term of the revolving syndicated credit facility entered into on December 21, 2018 for the period January 2025 to January 2026. A credit facility of € 690 million was agreed for this extension period.

- The members of the consortium were granted the right to terminate their share of the syndicated loan facility or the syndicated loan if a third party or a group of third parties acting in concert acquired a majority of the shares in United Internet AG or held the majority of voting shares at an Annual Shareholders' Meeting of the Company. The right of termination is available to each member of the bank consortium individually within 30 days of the announcement of the change of control by the Company. However, this right of termination does not apply if the majority of shares or voting rights at an Annual Shareholders' Meeting are acquired by Mr. Ralph Dommermuth or his direct relatives.

Furthermore, several promissory note loans of United Internet AG totaling € 1,297.5 million are outstanding at the end of the reporting period on December 31, 2021.

- The lenders of the promissory notes were granted the right to terminate their share of the respective promissory note loans if a third party or a group of third parties acting in concert acquired a majority interest in United Internet AG. The right of termination is available to each lender individually within 30 days of the announcement of the change of control by the Company. However, this right of termination does not apply if the majority of the shares are acquired by Mr. Ralph Dommermuth.

Compensation agreements in the event of a change of control following a takeover bid

No compensation agreements have been concluded with members of the Management Board or employees of the Company in the event of a change of control following a takeover bid.

7. DECLARATION ON COMPANY MANAGEMENT

Principles of corporate governance

As a German public company listed on the stock exchange, the management of United Internet AG is primarily determined by the German Stock Corporation Act (AktG) and the rules of the German Corporate Governance Code (the "Code").

The term Corporate Governance stands for responsible corporate management and control geared to sustainable value creation. Efficient cooperation between Management Board and Supervisory Board, respect for stockholder interests, openness and transparency of corporate communications are key aspects of good corporate governance.

The Management Board and Supervisory Board of United Internet AG regard it as their duty to secure the Company's continued existence and sustainable value creation through responsible corporate governance focused on the long term.

The following report contains the "Declaration on company management", in accordance with section 289f HGB for the parent company and in accordance with section 315d HGB for the Group, of the Management Board and Supervisory Board pursuant to Principle 22 of the Code.

Management and corporate structure

In accordance with its legal status, United Internet AG operates a dual management and monitoring structure comprising two corporate bodies: the Management Board and the Supervisory Board. The third body is the Shareholders' Meeting. All three bodies are committed to serving the Company's interests.

Management Board

Working procedures of the Management Board

The Management Board is the body charged with managing the Group's operations. In fiscal year 2021, it consisted of two persons. The Management Board conducts operations in accordance with its legal and statutory obligations, as well as the rules of procedure adopted by the Supervisory Board, and the corresponding recommendations of the Code – unless deviations are declared pursuant to section 161 AktG.

The Management Board is responsible for preparing the Interim and Annual Financial Statements as well as for appointing key managers within the Company.

Decisions of fundamental importance require the approval of the Supervisory Board. The Management Board reports to the Supervisory Board in accordance with the statutory provisions of section 90 AktG and provides the Chairman of the Supervisory Board at least once a month with an oral overview – and at the request of the Chairman of the Supervisory Board also in writing – of the current status of relevant reporting items pursuant to section 90a AktG. The Chairman of the Supervisory Board is thus informed without delay by the Chairman or Speaker of the Management Board, or the Chief Financial Officer, about important events that are essential for assessing the Company's situation and development, as well as for the management of the Company. Important items also include any substantial deviation from the budget or other forecasts of the Company. The Chairman or Speaker of the Management Board, or Chief Financial Officer, shall also inform the Chairman of the Supervisory Board, in advance where possible otherwise immediately thereafter, about all ad hoc announcements of the Company pursuant to Art. 17 MAR.

There is an age limit of 70 for members of the Management Board. This requirement is currently complied with in full.

The Management Board conducts the Company's business with joint responsibility and according to common objectives, plans, and policies. Irrespective of the joint responsibility of the Management Board, each member bears responsibility for his assigned division, but is required to subordinate the interests of his assigned division to the overall good of the Company.

The full Executive Board regulates the division of responsibilities in a business distribution plan.

The Management Board members inform each other about important events within their divisions. Matters of greater importance which are not approved in the budget must be discussed and decided by at least two Management Board members, whereby one of the two Management Board members must be responsible for the Finance division.

Irrespective of their areas of responsibility, all Management Board members constantly monitor those data which are crucial for the Company's business development so they are always able to help avert potential disadvantages, or implement desirable improvements and expedient changes by drawing them to the attention of the full Management Board.

The full Management Board resolves on all matters of particular importance and scope for the Company or its subsidiaries and investment companies.

Resolutions are adopted by the full Management Board with a simple majority. Should the vote result in a tie, the Chairman of the Management Board has a casting vote. The resolutions of the Management Board are recorded in the minutes.

The full Management Board meets regularly once a month and otherwise as required.

Each Management Board member immediately discloses any conflict of interest to the Chairman of the Supervisory Board and the Chairman of the Management Board or Speaker of the Management Board and informs the other Management Board member about it where necessary.

Current composition of the Management Board

The Management Board of United Internet AG comprised the following members in the fiscal year 2021:

Management Board members on December 31, 2021

- Ralph Dommermuth Company founder and Chief Executive Officer
  (with the Company since 1988)

- Martin Mildner, Chief Financial Officer
  (with the Company since October 1, 2020)

Supervisory Board

Working procedures of the Supervisory Board

The Supervisory Board elected by the Annual Shareholders' Meeting consisted of six members until the end of the Supervisory Board meeting on March 25, 2021. In the period from March 25, 2021 to May 26, 2021 it comprised five members, and since May 27, 2021 the Supervisory Board consists of six members again, in accordance with the resolutions of the Annual Shareholders' Meeting of May 26, 2021. The members of the Supervisory Board are generally elected for a period of five years.

In accordance with German law, the Company’s articles, its rules of procedure, and the corresponding recommendations of the Code – unless deviations are declared pursuant to section 161 AktG – the Supervisory Board is in regular contact with the Management Board and monitors and advises it with regard to the management of business, and the Company’s risk and opportunity management system.

The Supervisory Board meets at regular intervals to discuss with the Management Board all matters of relevance to the Company regarding strategy and its implementation, as well as planning, the development of business, the risk position, risk management, and compliance. Together with the Management Board, it discusses the quarterly statements and half-year reports before publication and approves annual budgets. It examines the Annual Financial Statements of the parent company and the Group and adopts them if it has no reservations. In doing so, it also takes the reports of the Company’s external auditors into account.

The Supervisory Board’s responsibilities also include appointing members of the Management Board, as well as determining and regularly monitoring their remuneration in compliance with the latest legal regulations and recommendations of the Code – unless deviations are declared pursuant to section 161 AktG.

When appointing members of the Management Board, the Supervisory Board strives to achieve the best possible, diverse and mutually complementary composition for the Company and pays attention to long-term succession planning. Experience and industry knowledge as well as professional and personal qualifications play a particularly important role.

As part of its long-term succession planning, the Supervisory Board, with the involvement of the Management Board, regularly discusses highly skilled executives who could be considered as potential candidates for Management Board positions.

The Supervisory Board conducts regular tests to assess its own efficiency. In accordance with Recommendation D.13 of the German Corporate Governance Code, the Supervisory Board regularly assesses how effectively it performs its duties as a body. For this purpose, the Supervisory Board carries out a self-assessment by means of questionnaires every two years or so. The results of the survey are evaluated anonymously and then discussed in a plenary meeting. Any need for improvement revealed in the process is addressed. The last self-assessment was conducted and evaluated in the fourth quarter of 2019.

The members of the Supervisory Board complete the training and further education measures required for their tasks on their own, but receive appropriate support in this context from the Company.

The Supervisory Board is convened at least twice every half of a calendar year. Supervisory Board meetings are convened in writing by its Chairman at least 14 days in advance.

When meetings are convened, the Supervisory Board members are informed of the agenda items. If an agenda item has not been properly announced, a resolution concerning it may only be adopted if no Supervisory Board member objects prior to the vote.

Resolutions of the Supervisory Board are generally adopted at meetings held with physical attendance. However, it is permissible for meetings of the Supervisory Board to be held in the form of a video or telephone conference call or for individual members of the Supervisory Board to be connected by video or telephone call and, in such cases, for resolutions to be adopted or votes to be cast by video or telephone conference call. Meetings are chaired by the Chairman of the Supervisory Board. If so arranged by the Chairman, resolutions may also be adopted outside of meetings by other means, for example by phone or e-mail, if no member objects to this procedure.

The Supervisory Board has a quorum if all members have been officially invited and at least three members participate in the resolution. A member shall also be deemed to participate in a resolution if he abstains from voting.

Unless the law prescribes otherwise, resolutions of the Supervisory Board are adopted with a simple majority.

Minutes are kept of the Supervisory Board's discussions and resolutions.

The Chairman of the Supervisory Board is authorized to submit on behalf of the Supervisory Board the declarations of intent required for the implementation of the Supervisory Board's resolutions.

At its meeting in December 2020, the Supervisory Board resolved to set up an Audit and Risk Committee. At its subsequent meeting in March 2021, the Supervisory Board resolved on the necessary changes to the Supervisory Board's rules of procedure, determined the tasks of the Audit and Risk Committee, and adopted the corresponding rules of procedure for the Audit and Risk Committee.

The Audit and Risk Committee assists the Supervisory Board in its monitoring of accounting practices and the integrity of the accounting process, as well as in monitoring the effectiveness and functionality of the internal control system, the risk management system, the compliance system, and the internal auditing system. Moreover, it supports the Supervisory Board in monitoring the auditing of the financial statements, the services provided by the auditor, the auditing fees, and the additional services provided by the auditor.

The Audit and Risk Committee closely examines the Annual Financial Statements and Consolidated Financial Statements, the Combined Management Report for the Company and the Group, the non-financial statement and the non-financial Group statement, and the Management Board's proposal for the appropriation of balance sheet profit. It discusses with the Management Board and the auditors the audit reports, the audit process, the audit focus areas and methodology, as well as the audit results, also with regard to the internal control system relating to the accounting process, and makes recommendations to the Supervisory Board. It regularly assesses the quality of the audit. Prior to their publication, it discusses the quarterly statements and the half-year financial report with the Management Board.

The Audit and Risk Committee prepares the negotiations and resolutions of the Supervisory Board for the election proposal of the auditor to the Annual Shareholders' Meeting and decisions on corporate governance issues, as well as resolving on the approval of related party transactions in accordance with section 111b (1) AktG.

The Chairman of the Audit and Risk Committee regularly reports to the Supervisory Board on the activities of the Audit and Risk Committee. In the event of significant occurrences and findings by the Audit and Risk Committee, its chair must inform the Chairman of the Supervisory Board without delay.

Targets for the composition of the Supervisory Board / status of implementation

The Company's Supervisory Board aims to achieve a composition of the Supervisory Board that enables qualified supervision and advice for the Company's Management Board.

In view of

- the size of the Supervisory Board,
- the business in which the Company operates,
- the size and structure of the Company,
- the scope of the Company's international activities, and
- its current shareholder structure,

the Company's Supervisory Board has adopted the following targets for its future composition. These take into account the statutory requirements both with regard to the requirements placed on individual Supervisory Board members and with regard to the composition of the entire Supervisory Board and – unless expressly stated otherwise – the requirements of the Code. In particular, a skills profile is planned with regard to the overall body.

The Supervisory Board will take these targets into account in the case of nomination proposals and make sure that the candidates meet the respective requirements. The specific situation of the Company must be taken into consideration.

Requirements for individual members

The Company's Supervisory Board aims to ensure that each Supervisory Board member meets the following requirements:

General requirement profile
Each member of the Supervisory Board should have the requisite knowledge and experience to enable them to carefully monitor and advise the Company and to assess any risks for the Company's business. Moreover, the Supervisory Board will ensure that all its members have a personal profile that enables them to maintain the Company's public reputation.

Time availability
All members of the Supervisory Board must have sufficient time to exercise their duties with due care throughout the entire period of office. In particular, the members of the Supervisory Board should observe the legal requirements and those of the Code regarding the permissible number of Supervisory Board mandates.

Conflicts of interest

Supervisory Board members should not engage in any other activities likely to cause frequent conflicts of interest. These include management positions with key competitors.

Age limit for Supervisory Board members

As a rule, members of the Supervisory Board should not have reached the age of 70 at the time of their election or re-election.

Requirements regarding the composition of the Supervisory Board as a whole

In addition to the individual requirements for Supervisory Board members, the Company's Supervisory Board aims to ensure that the Supervisory Board as a whole meets the following requirements:

Skills profile for the Supervisory Board as a whole

The members of the Supervisory Board must collectively have the knowledge, skills, and professional experience necessary for them to carry out their tasks as required. The Supervisory Board strives to ensure that the Supervisory Board as a whole covers the widest possible range of knowledge and experience relevant to the Company, and in particular meets the following requirements:

- In-depth knowledge and experience of the telecommunications and internet sector;
- Expertise or experience from other sectors of the economy;
- Entrepreneurial or operational experience;
- At least one member with several years of experience working abroad or working for a company with international activities;
- At least one member with special knowledge and experience in the application of accounting principles and internal control processes;
- In-depth knowledge and experience of controlling and risk management;
- In-depth knowledge and experience in the field of governance and compliance.

With the coming into force of the German Act to Strengthen Financial Market Integrity (FISG), the requirements for the skills profile of the Supervisory Board and the Audit and Risk Committee in the event of a subsequent appointment will increase once again.

Diversity

The Supervisory Board aims to ensure that the Supervisory Board is composed of a wide variety of members so that the Supervisory Board as a whole has sufficient diversity of opinion and knowledge. In its nominations, the Supervisory Board will take into account the diversity concept established by the Company.

Independence

The Supervisory Board aims to ensure that at least four of its six members are also independent within the meaning of the criteria set out in the recommendations of the Code.

Current composition of the Supervisory Board/implementation status

The Supervisory Board of United Internet AG comprised the following members in the fiscal year 2021:

Supervisory Board members as at December 31, 2021

- Philipp von Bismarck,
  Chairman of the Supervisory Board since May 2021, member of the Audit and Risk Committee since May 2021
  (since July 2020)

- Dr. Manuel Cubero del Castillo-Olivares,
  Deputy Chairman of the Supervisory Board since May 2021
  (since May 2020)

- Prof. Dr. Andreas Söffing,
  Chairman of the Audit and Risk Committee since May 2021
  (since May 2021)

- Dr. Claudia Borgas-Herold,
  (since May 2020)

- Stefan Rasch,
  Member of the Audit and Risk Committee since May 2021
  (since May 2021)

- Prof. Dr. Yasmin Mei-Yee Weiß
  (since July 2020)

Departed in the fiscal year 2021

- Kurt Dobitsch
  (from May 1998 to May 2021)

- Michael Scheeren
  (from May 2002 to March 2021)

The Supervisory Board believes that all six members of the current Supervisory Board, Ms. Borgas-Herold and Ms. Weiß as well as Mr. von Bismarck, Mr. Cubero del Castillo-Olivares, Mr. Söffing, and Mr. Rasch are also independent within the meaning of Recommendation C.7 of the German Corporate Governance Code.

Subject to the formation of short fiscal years, the current term of office of the Supervisory Board members ends on expiry of the Annual Shareholders' Meeting of the year 2025.

Targets for the share of women on the Supervisory Board, Management Board, and in management positions / implementation status

The "Law on Equal Participation of Men and Women in Private-Sector and Public-Sector Management Positions" (FührposGleichberG) of April 24, 2015 resulted in amendments to the German Stock Corporation Law and a number of other laws.

The new legislation has led to the following obligations in particular for United Internet AG:

- setting of targets by the Supervisory Board for the share of women on the Supervisory Board of United Internet AG
- setting of targets by the Supervisory Board for the share of women on the Management Board of United Internet AG
- setting of targets by the Management Board for the share of women on the first and second management levels below the Management Board of United Internet AG

The first targets had to be set by September 30, 2015 for a period ending no later than June 30, 2017, during which time the targets should be met. The following targets are to be set for a period of no more than five years.

After careful examination, the Supervisory Board and Management Board of United Internet AG adopted the following based on a resolution of March 16, 2021:

- The Supervisory Board set the deadline for the attainment of the current targets for the share of women on the Supervisory Board and Management Board as the expiry of the Annual Shareholders' Meeting that decides on the discharge of the Supervisory Board for the fiscal year 2024 (May 2025).
- After a target of "0" had previously been set for the Supervisory Board, a target of 30% has now been set for the share of women. The Supervisory Board now comprises two women and four men in accordance with a resolution of the Annual Shareholders' Meeting 2021.
- The two-member Management Board currently comprises only men. After previously setting a target of "0" for the Management Board, the target for the share of women has now been set at 30% in the event of an increase in the size of the Management Board.
- With regard to the share of women on the Supervisory Board and Management Board, the Supervisory Board reserves the right to resolve again on the target should there be any indication of a new appointment.

No target was set for the first and second management levels as United Internet AG does not have any management levels below the Management Board due to its holding structure.

The Supervisory Board and Management Board of United Internet AG believe that the above mentioned target for the Supervisory Board has been met at present. The above mentioned target for the Management Board has not been met at present (in view of the current size of the Management Board), but will be taken into account accordingly in the event of an expansion of the Management Board.

Diversity concept (sections 289f (2) number 6, 315d HGB)

The Company aims to ensure that the Management Board and Supervisory Board are composed of many different types of people and that the bodies as a whole have a sufficiently wide variety of opinions and knowledge.

In particular, the following criteria should be taken into account:

- The members of the Management Board and Supervisory Board should complement each other within their respective committees with regard to their experience, education, and professional background in order to develop a good understanding of the current status and the longer term opportunities and risks associated with the Company's business activities.

- At the Annual Shareholders' Meeting that decided on the discharge of the Supervisory Board for the fiscal year 2019, the Supervisory Board was re-elected and expanded to six members. The Company's aim is thus to achieve a more diverse composition of the Supervisory Board. Since this time, the Supervisory Board has comprised six members, of which two are women. United Internet has thus achieved its targeted share of women on the Supervisory Board of 30%. The Company's two-member Management Board currently comprises only men, whereby an increase in the share of women to 30% is targeted in the event of a future expansion of the Management Board. In principle, both sexes should be treated equally on the basis of their qualifications.

- With the exception of an age limit of 70, no differentiation is made according to age for the members of the Management Board and Supervisory Board, and the sole differentiation should be according to the required knowledge and experience.

- In view of the current size of the Management Board and Supervisory Board, consisting of just two and six members respectively, no targets have been set with regard to geographical origin. In order to ensure international experience, the Supervisory Board already stipulates that at least one member of the Supervisory Board should have several years of experience abroad or have gained operational experience with an internationally active company.

The Management Board and Supervisory Board believe that the above diversity requirements for the Management Board and Supervisory Board are currently fulfilled. The Company considers additional or more specific criteria to be inappropriate. In view of the size of the Management Board and Supervisory Board, consisting of two and six members respectively, more or more specific diversity aspects would create considerable difficulties to fill the positions taking into account all diversity criteria.

Annual Shareholders' Meeting

The Annual Shareholders' Meeting is the body which formulates and expresses the interests of the shareholders of United Internet AG. At the ordinary Annual Shareholders' Meeting, the Annual Financial Statements of the parent company and Consolidated Financial Statements are presented to the shareholders. The shareholders decide on the appropriation of the balance sheet profit and vote on resolutions concerning other statutory topics, such as releasing the Management Board members from their responsibility for the past fiscal year and appointing external auditors. Each share entitles the owner to one vote. All shareholders who register in time and are listed in the Share Register on the day of the Annual Shareholders' Meeting are entitled to attend. Shareholders may also exercise their rights at the Annual Shareholders' Meeting by means of a proxy vote. The Company provides a proxy who votes according to the shareholder's instructions, providing he receives the required order.

Compliance

Compliance is an integral component of corporate and management culture throughout the United Internet Group. For United Internet AG, compliance means ensuring its activities comply with all relevant laws for its business, as well as with its own principles and regulations.

This includes open and fair communication with our employees, customers, business partners, shareholders, and the public. As an internet service provider with several million customers and a large number of business partners, United Internet's legally and ethically compliant behavior is vital for retaining the trust of its customers and business associates.

To ensure conduct in line with our corporate culture, the Management Board has created a binding framework for the Company's ethical principles and values. Moreover, it has defined values and management guidelines, and compiled the most important rules of behavior in a Code of Conduct. This "culture of cooperation" provides guidance for employees in their everyday work and creates a secure framework for making the correct decisions. The framework applies equally to the Management Board, directors, managers, and all employees.

The Management Board has established a Compliance Organization to ensure adherence to the legal and internal regulations.

The Compliance Organization is part of an holistic risk management system which not only includes the "**GRC"** functions Corporate **G**overnance, **R**isk Management & **C**ompliance, but also the Corporate Audit and Legal Department. These risk-mitigating functions are headed by the Group General Counsel, who reports directly to the CFO of United Internet AG.

The Compliance Organization is responsible for the creation of suitable structures and processes to support the implementation of compliance throughout the Company and to align measures with the respective risks. The compliance processes include release procedures in the field of corruption prevention and trustworthy reporting paths that give employees the possibility to highlight possible misconduct or legal violations within the Company.

The compliance organization is present and anchored in the business units via functional and local Compliance Managers (FCMs and LCMs). In addition to their normal functions, the FCMs and LCMs support the area of compliance.

The overarching element of the compliance system remains the responsibility of all managers for compliance. This includes acting as a role model, as enshrined in the Company's management guidelines, and goes beyond this: all managers of the Company must set an example with regard to compliance and ensure that decisions and actions in their area of responsibility are always in line with the relevant legal provisions and the Company's own values and rules.

Financial disclosures / transparency

It is the declared aim of United Internet to inform institutional investors, private shareholders, financial analysts, employees, and the public simultaneously and with equal treatment about the Company's situation by means of regular, open, and up-to-date communication.

To this end, all important information, such as press releases, ad-hoc announcements, and other mandatory disclosures (e.g., directors' dealings and notifications of voting rights), as well as all financial reports, are published in accordance with statutory regulations. In addition, United Internet provides extensive information on its corporate website (www.united-internet.de), where documents and information on Annual Shareholders' Meetings and other economically relevant facts can be found.

United Internet provides shareholders, analysts, and the press with four reports each fiscal year on the Company's business development and its financial and earnings position. The publication dates of these reports are stated in a binding financial calendar, which the Company posts on its website and regularly updates in accordance with legal obligations.

The Management Board also provides immediate information in the form of ad-hoc announcements about any events not known to the public which might significantly affect the share price.

As part of its investor relations activities, the Company's management team regularly meets with analysts and institutional investors. We also hold analyst conferences to announce our semi-annual and annual figures, which investors and analysts can also participate in via telephone.

Accounting and auditing

The Group's accounts are drawn up according to the principles of the International Financial Reporting Standards (IFRS, as applicable in the EU) with consideration of section 315e HGB. However, the Annual Financial Statements of the parent company – relevant for all dividend and tax matters – are drawn up according to the rules of the German Commercial Code (HGB). The Annual Financial Statements and the Consolidated Financial Statements are audited by independent auditors. The respective auditing company is selected by the Annual Shareholders' Meeting. Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Eschborn/Frankfurt am Main, was elected to audit the Annual Financial Statements for the fiscal year 2021. The Supervisory Board issues the auditing mandate, determines auditing focal points, approves the auditing fee, and examines the independence of the auditors.

Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft has audited the Annual Financial Statements of United Internet AG and the Group since the fiscal year 2002. Mr. Jens Kemmerich has been the chief auditor since fiscal year 2019.

Remuneration of Management Board and Supervisory Board

The remuneration system and the disclosure of remuneration for members of the Management Board and Supervisory Board for the fiscal year 2021 in accordance with section 162 of the German Stock Corporation Act (AktG) can be found in the "Remuneration Report 2021", which is published on the Company's website at https://www.united-internet.de/en/investor-relations/publications/reports.html.

Information on Management Board and Supervisory Board remuneration can also be found in note 42 of the Notes to the Consolidated Financial Statements.

Stock option plans

The principles of the stock-based compensation plan of United Internet AG can be found in the "Remuneration Report 2021", which is published on the Company's website at https://www.united-internet.de/en/investor-relations/publications/reports.html.

Further details can also be found in note 36 of the Notes to the Consolidated Financial Statements.

Declaration of conformity with regard to the recommendations of the German Corporate Governance Code in accordance with section 161 German Stock Corporation Act (AktG)

The corporate governance of United Internet is based on the German Corporate Governance Code (the "Code"), which the Government Commission set up by the Federal Justice Minister in September 2001 published for the first time on February 26, 2002.

The Code aims to make the dual German corporate governance system transparent and understandable. It contains **principles, recommendations** and **suggestions** governing the management and monitoring of German listed companies that are accepted nationally and internationally as standards of good and responsible governance. It aims to promote confidence in the management and supervision of German listed companies by investors, customers, employees and the general public. The Government Commission reviews the Code annually to check whether it still complies with current corporate governance best practice and, where necessary, adjusts it accordingly.

The **principles** reflect material legal requirements for responsible governance, and are used here to inform investors and other stakeholders.

Recommendations of the Code are indicated in the text by using the word **"shall"**. Companies may depart from recommendations, but in this case they are obliged to disclose and explain any departures each year ("comply or explain"). This enables companies to take into account sector- or company-specific special characteristics. Well-justified departures from recommendations of the Code may be in the best interests of good corporate governance.

Finally, the Code contains **suggestions** from which companies may depart without disclosure; suggestions are indicated in the text by using the word **"should"**.

On December 21, 2021, the Management Board and Supervisory Board of United Internet AG submitted their current annual declaration of conformity (presented below) in accordance with section 161 AktG and immediately published it on the Company's website (www.united-internet.de), as well as in the Federal Gazette ("Bundesanzeiger").

In accordance with section 161 German Stock Corporation Act (AktG), the Management Board and Supervisory Board of United Internet AG declare that:

United Internet AG has complied with the recommendations of the German Corporate Governance Code (the "Code") as last revised on December 16, 2019, on which the last Declaration of Conformity issued on May 27, 2021 was based, with the declared exceptions, and will continue to comply with the recommendations of the Code as most recently revised on December 16, 2019, which became effective upon publication in the Federal Gazette on March 20, 2020, with the following exceptions in future:

Formation of a nomination committee
(Recommendation D.5)
The Supervisory Board does not form any other committees in addition to the Audit and Risk Committee, but performs all other tasks as a whole. The Supervisory Board considers this to be appropriate, as efficient plenary discussions and an intensive exchange of opinions are possible even with a six-member Supervisory Board. Accordingly, the Supervisory Board sees no need to establish a Nomination Committee.

Management Board remuneration - Remuneration system
(Recommendations G.1 to G.5 inclusive of the Code)
Taking into account the Act Implementing the Second Shareholders` Rights Directive ("ARUG II") and the new German Corporate Governance Code (the "Code"), the Supervisory Board developed and agreed changes to the remuneration system for members of the Management Board.

With the recommendation to the Annual Shareholders' Meeting in May 2021, the remuneration system became the basis for service agreements with Management Board members concluded in the future. The remuneration system developed takes into account the recommendations in G.1 up to and including G.5 of the Code without any restrictions. Existing service agreements with Management Board members remain unaffected by this, which is why the deviation from the recommendations in G.1 up to and including G.5 of the Code is explained.

Management Board remuneration – Long-term variable remuneration
(Recommendation G.10 of the Code)
According to G.10 of the Code, variable remuneration granted to members of the Management Board is to be predominantly invested in company shares or granted correspondingly as share-based remuneration. Moreover, the respective Management Board member should only be able to receive such amounts after a period of four years. As a long-term variable remuneration program for the Management Board, the Company provides share-based remuneration in the form of its Stock Appreciation Rights (SARs) program. This program has a total term in each case of six years. Within these six years, the respective Management Board member can already exercise a part (25%) of the allocated SARs at specified times – no earlier, however, than after two years. Thus, Management Board members can already receive part of their long-term variable remuneration after two years. After 5 years, full exercising of all SARs is possible for the first time.

The Supervisory Board believes that this long-term variable remuneration system has proved effective and sees no reason to further postpone the granting of remuneration earned under this program. By linking remuneration to the share price of United Internet AG and the possibility to add shares in order to meet claims arising from the program, the Supervisory Board believes that Management Board members already participate adequately in the risks and opportunities of United Internet AG as a company. Since the program has a term of six years and the SARs are allocated pro rata over this period, and no earlier than after two years, the Supervisory Board believes that the program is ideally suited to maintaining loyalty and steering incentives in the interests of United Internet AG, and thus does not require any alteration.

Management Board remuneration – Retaining/reclaiming variable remuneration (Recommendation G.11 of the Code)
According to G.11 of the Code, the Supervisory Board shall have the possibility to withhold or reclaim variable remuneration in justified cases. The current service agreements of Management Board members do not include such provisions. A claw-back clause for the reclaim of variable compensation has been included in the new remuneration system and will be taken into account in future service agreements to be concluded with Management Board members.

Management Board remuneration – Benefits on contract termination (Recommendation G.13 of the Code)
According to G.13 of the Code, any payments made to Management Board members due to early termination of their Management Board activity shall not exceed twice the annual remuneration and shall not constitute remuneration for more than the remaining term of the employment contract. If post-contractual non-compete clauses apply, such severance payments shall be taken into account in the calculation of any compensation payments. The current service agreements of Management Board members do not include an option to take this into account. This was included in the new remuneration system and in future will be taken into account in new service agreements to be concluded with Management Board members (and any related termination agreements).

8. REMUNERATION REPORT

The German Act Implementing the Second Shareholder Rights Directive (ARUG II) transposed Directive (EU) 2017/828 of the European Parliament and of the Council of May 17, 2017 into national law. As a result, new statutory requirements for remuneration reporting were introduced for listed companies, which apply to fiscal years beginning on or after January 1, 2021.

The "new" Remuneration Report has been removed from financial reporting to create a separate report. Significant disclosures which were previously required, in particular individualized reporting on Management Board compensation and the main features of the remuneration system, have been transferred from the (Group) Management Report to the new Remuneration Report in accordance with section 162 of the German Stock Corporation Act (AktG).

The remuneration system and disclosure of compensation for members of the Management Board and Supervisory Board for the fiscal year 2021 pursuant to section 162 AktG can be found in the "Remuneration Report 2021", which is published on the corporate website at www.united-internet.de/en/investor-relations/publications/reports.html.

Disclosures on Management Board and Supervisory Board remuneration are also provided in note 42 of the Notes to the Consolidated Financial Statements.

9. DEPENDENT COMPANY REPORT

In compliance with section 312 (1) AktG, the Management Board declares that the Company received adequate compensation (quid pro quo) for all legal transactions and measures listed in the report on relations with affiliated companies, in accordance with the circumstances known at the time when such transactions or measures were carried out, or the measure involved was executed or omitted, and that the Company was not disadvantaged by such measures being executed or omitted.

Montabaur, March 11, 2022

The Management Board

Ralph Dommermuth

Martin Mildner

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BALANCE SHEET

As of December 31, 2021

Assets		December 31, 2021	December 31, 2020
		EUR	EUR
A. Non-current assets			
I. Intangible Assets			
Concessions, industrial and similar rights and assets, as well as licenses in such rights, and assets acquired for consideration		51,263.00	0.00
		51,263.00	**0.00**
I. Property, plant and equipment			
Concessions, industrial and similar rights and assets, as well as licenses in such rights, and assets acquired for consideration		988.00	1,361.00
II. Financial assets			
1. Shares in affiliated companies	4,221,863,087.68		3,763,419,888.73
2. Loans to affiliated companies	1,415,000,000.00		1,567,550,000.00
		5,636,863,087.68	**5,330,969,888.73**
		5,636,915,338.68	**5,330,971,249.73**
B. Current Assets			
I. Accounts receivable and othe assets			
1. Receivables due from affiliated companies	725,868,761.73		234,885,635.68
2. Other assets	33,777,074.20		36,291,526.48
		759,645,835.93	**271,177,162.16**
II. Securities			
Other securities		0.00	3,742,322.96
III. Cash in hand and bank balances		**48,740,723.40**	**12,253,725.87**
		808,386,559.33	**287,173,210.99**
C. Prepaid expenses		**19,992.00**	**82,455.32**
		6,445,321,890.01	**5,618,226,916.04**

Equity and liabilities		December 31, 2021	December 31, 2020
		EUR	EUR
A. Equity			
I. Capital stock (conditional capital: EUR 25,000,000.00)		**194,000,000.00**	**194,000,000.00**
less treasury shares	-7,284,109.00		-6,769,137.00
		186,715,891.00	**187,230,863.00**
II. Capital reserve		**468,976,677.74**	**468,976,677.74**
III. Revenue reserves			
Other revenue reserves		447,843,896.69	416,048,980.67
IV. Balance sheet profit		**2,490,793,286.11**	**2,284,993,832.81**
		3,594,329,751.54	**3,357,250,354.22**
B. Accruals			
1. Accrued taxes	1,570,584.40		87,408,319.96
2. Other accrued liabilities	8,099,449.15		10,232,855.15
		9,670,033.55	**97,641,175.11**
C. Liabilities			
1. Liabilities due to bank	1,825,363,233.00		1,467,931,217.00
2. Trade accounts payable	79,308.93		500,063.59
3. Liabilities due to affiliated companies	998,866,484.09		672,603,407.57
4. Other liabilities	4,675,621.82		12,003,921.47
thereof from taxes EUR 4,675,621.82 (prior year: EUR 12,003,041.72)			
		2,828,984,647.84	**2,153,038,609.63**
D. Deferred tax liabilities		**12,337,457.08**	**10,296,777.08**
		6,445,321,890.01	**5,618,226,916.04**

INCOME STATEMENT

From January 1 to December 31, 2021

		2021	2020
	EUR	EUR	EUR
1. Sales	519,694.17		584,588.27
2. Other operating income	12,582,042.13		12,273,540.12
		13,101,736.30	**12,858,128.39**
3. Personnel expenses			
a) Wages and salaries	3,844,942.67		2,014,862.62
b) Social security contributions	37,530.44		26,093.73
4. Depreciations and amortization of intangible assets and property, plant and equipment	20,090.00		227.00
5. Other operating expenses	12,394,553.05		19,846,104.98
		16,297,116.16	**21,887,288.33**
6. Income from profit transfer agreements	317,507,140.96		87,177,867.53
7. Income from investments thereof from affiliated companies EUR 6,732,882.60 (prior year: EUR 6,637,318.90)	6,732,882.60		6,705,427.18
8. Income from loans in financial assets thereof from affiliated companies EUR 93,119,130.20 (prior Year: EUR 103,345,239.58)	93,119,130.20		103,345,239.58
9. Other interest and similar income thereof from affiliated companies EUR 5,714,688.30 (prior year: EUR 3,170,205.58)	7,053,660.47		7,552,072.59
10. Expenses from loss transfer	556,809.25		74,601.47
11. Interest and similar expenses thereof to affiliated companies EUR 1,215,508.87 (prior year: EUR 1,383,901.37)	17,161,592.58		27,807,553.30
		406,694,412.40	**176,898,452.11**
12. Taxes on income thereof income from the change in disclosed deferred taxes 2,040,680.00 (prior year: EUR 1,223,663.00)		54,082,695.24	57,232,609.92
13. Result after taxes		**349,416,337.30**	**110,636,682.25**
14. Other taxes		1,452.50	2,689.10
15. Net profit for the year		**349,414,884.80**	**110,633,993.15**
16. Profit carried forward		2,141,378,401.31	2,235,359,839.66
17. Transfer to other revenue reserves		0.00	-50,000,000.00
18. Transfer to capital reserves		0.00	-11,000,000.00
19. Balance sheet profit		**2,490,793,286.11**	**2,284,993,832.81**

NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR 2021

General provisions

The annual financial statements for the fiscal year 2021 were prepared in accordance with sections 242ff. and sections 264ff. German Commercial Code (HGB), as well as with the respective provisions of the German Stock Corporation Law (AktG).

United Internet AG, Montabaur, is registered under number 5762 in Commercial Register B of the Local Court of Montabaur and is classified as a large corporation pursuant to section 267 (3) HGB due to its capital market orientation.

The annual financial statements are based on the provisions of the German Commercial Code and Stock Corporation Act, as amended.

The income statement is prepared according to the cost summary method.

In order to enhance the clarity of presentation, disclosures on the composition of line items, and in some cases "thereof" references, are included in these notes.

Reference is made to the fact that consolidated financial statements have been prepared according to International Financial Reporting Standards (IFRS), as applied in the EU, to comply with the listing requirements for the Prime Standard segment of the Frankfurt Stock Exchange and have been disclosed in accordance with section 325 HGB with reference to section 315e HGB.

Information about the Company

The business activities of United Internet AG (United Internet) go back to "Eins & Eins EDV Marketing GmbH", which was founded by Mr. Ralph Dommermuth and two other shareholders in 1988. The name of this marketing company was changed to "1&1 EDV Marketing GmbH", before being finally renamed as "1&1 Holding GmbH" in 1993.

United Internet AG was founded on January 29, 1998 as a new holding company for the 1&1 Group, with the name 1&1 Aktiengesellschaft & Co. Kommanditgesellschaft auf Aktien, a partnership limited by shares. The Company was entered into the commercial register at the Local Court of Montabaur against HRB 5762 on February 16, 1998. 1&1 Holding GmbH was subsequently merged into the Company with effect from January 1, 1998.

On March 20, 1998 the Company's shares were admitted to the Regulated Market of the Frankfurt Stock Exchange with a listing in the Neuer Markt segment. The shares were traded for the first time on March 23, 1998.

The extraordinary shareholders' meeting on February 22, 2000 adopted a resolution to change the name of the Company to United Internet Aktiengesellschaft & Co. KGaA. The new name was entered in the commercial register on February 23, 2000.

The change of legal form to a stock corporation by the name of United Internet AG, also decided on February 22, 2000, was entered in the commercial register on March 23, 2000.

Purpose of the Company

The purpose of the Company is to provide marketing, selling, and other services, especially in the fields of telecommunications, information technology, including the internet, and data processing, or related areas. The Company's purpose also includes the acquisition, holding, and management of investments in other companies, especially those operative in the aforementioned business segments. The Company is entitled to bring companies in which it holds an investment under its common control and may restrict itself to the management or administration of its investments.

The Company is authorized to acquire or hold investments in all types of companies in Germany and other countries and to transact all business that is conducive to its purpose. The Company is also authorized to conduct its business through subsidiaries, associated companies, and joint ventures. It may outsource or transfer all or part of its operations to affiliated companies.

Management and representation of the Company

The Company's Management Board manages and represents the Company. According to its by-laws, the Management Board has one or more members, the number of which is determined by the Supervisory Board. If the Management Board has only one member, the Company is represented by this person. If it has more than one member, the Company is represented by two members of the Management Board or by one member of the Management Board collectively with a person holding power of attorney; however, the Supervisory Board may authorize particular members of the Management Board to represent the Company on their own.

Accounting and valuation methods

All figures are in € (€), thousand € (€k), million € (€m), or billion € (€bn).

The following accounting and valuation methods continued to be used in the preparation of the annual financial statements.

Purchased **intangible assets** are carried at cost and amortized in scheduled amounts over their useful lives (3 years, straight-line method) insofar as they are subject to wear and tear.

Property, plant, and equipment are carried at cost and depreciated over their expected useful lives using the straight-line method. Depreciation of additions to property, plant, and equipment is always made pro rata temporis. Individual items with a low net value of up to € 250.00 are fully expensed in the year of acquisition; it is assumed that they are disposed of immediately.

Operational equipment is usually depreciated over 4 to 5 years. Leasehold improvements are generally written off over a period of 10 years or the shorter lease period. The expected useful life of office furniture and equipment is 8 to 13 years, that of the vehicles is 6 years.

Shares in affiliated companies disclosed under **financial assets** are reported at the lower of cost or – in the case of permanent impairment – market value, while loans are always stated at the lower of nominal or – in the case of permanent impairment – market value.

Receivables and other assets are stated at nominal value. All risk-bearing items, which are significant in terms of amount, are covered by reasonable allowances.

The **other securities** held as current assets were measured at cost or, if applicable, in accordance with section 253 (4) of the German Commercial Code (HGB), at the lower of stock exchange and market price on the reporting date. Reversals of impairment losses are mandatory up to the upper limit of amortized cost pursuant to section 253 (4) HGB.

Tax accruals and **other accruals** consider all contingent liabilities, recognizable risks, and impending losses. They are carried at the expected settlement amount computed in accordance with prudent commercial practice (i.e., including future cost and price increases). Accruals with a remaining term of more than one year are discounted. As of the balance sheet date, the employee stock ownership program of the United Internet Group is carried at the prorated fair value of the obligation. The obligations are measured on each balance sheet date from the grant date until their settlement. Fair value is calculated with the aid of recognized financial models and is recognized pro rata temporis as a personnel expense over the vesting period.

Liabilities are stated at their settlement amount.

Deferred taxes are calculated due to temporary or quasi-permanent differences between the commercial law valuation of assets, liabilities, and prepaid expenses and their tax valuation, or due to tax loss carryforwards. They are measured using the Company's individual tax rates at the point in time when the differences reverse. The amounts of the resulting tax burden or relief are not discounted. Deferred tax assets and liabilities are netted.

Assets and liabilities denominated in foreign currencies are translated at the average spot rate on the balance sheet date. In the case of remaining terms of over one year, the realization principle (section 252 (1) number 4 half-sentence 2 HGB) and the acquisition cost principle (section 253 (1) sentence 1 HGB) are applied. The "thereof-currency-translation" comments stated in the notes include both recognized and unrecognized exchange rate differences.

Notes to balance sheet items

NON-CURRENT ASSETS

Reference is made to the non-current asset movement schedule (exhibit 1 of the notes) for the classification and development of non-current assets and disclosure of depreciation and amortization in the fiscal year.

Financial assets

Information on the equity situation and results of operations of the affiliated companies, stating the respective shareholding, is included in the list of shareholdings (exhibit 2 of the notes).

During the reporting period, the stake held in the subsidiary IONOS TopCo SE (formerly: 1&1 IONOS TopCo SE) was increased from 66.67% to 75.10% for an amount of € 309.8m, and in the subsidiary 1&1 AG (formerly: 1&1 Drillisch AG) from 75.10% to 78.32% for an amount of € 148.7m.

CURRENT ASSETS

Receivables and other assets

The classification and maturities of receivables and other assets are shown in the following table:

€k	December 31, 2021		December 31, 2021		31.12.2020
			Remaining term		
		up to 1 year	of 1 to 5 years	over 5 years	
	Total				Gesamt
Accounts receivable from affiliated companies	725,869	725,869	0	0	234,886
Other assets	33,777	33,777	0	0	36,292
	759,646	**759,646**	**0**	**0**	**271,178**

Receivables from affiliated companies mainly comprise receivables from the United Internet Group's internal cash management system due from United Internet Investment Holding AG & Co. KG amounting to € 274,361k, due from 1&1 Versatel GmbH amounting to € 93,484k, due from United Internet Corporate Services GmbH amounting to € 29,205k, and due from IONOS Holding SE (formerly: 1&1 IONOS Holding SE) amounting to € 3,886k.

Moreover, receivables from affiliated companies result from profit transfer agreements due from 1&1 Mail & Media Applications SE amounting to € 314,678k, due from United Internet Corporate Services GmbH amounting to € 2,676k, and from United Internet Service SE amounting to € 153k.

Receivables from affiliated companies from the purchase of services are mainly due from United Internet Media GmbH amounting to € 3,151k, from 1&1 Mail & Media GmbH amounting to € 2,532k, from United Internet Corporate Services GmbH amounting to € 760k, from A1 Marketing Kommunikation und neue Medien GmbH amounting to € 358k, from 1&1 Energy GmbH amounting to € 320k, from United Internet Source & Apprenticeship GmbH amounting to € 93k, and from 1&1 Telecom GmbH and IONOS Holding SE (formerly: 1&1 IONOS Holding SE) amounting to € 58k each.

Other assets consist mostly of income tax receivables of previous years due from the tax office (€ 26,939k). These include expected tax refunds, and the related refund interest, for the year 2009 of € 12,394k in connection with pending tax court proceedings. For the calculation of refund interest, the decision of the Federal Constitutional Court of July 8, 2021 regarding the tax interest rate, pursuant to section 233a of the German Fiscal Code ("Abgabenordnung" - AO) was taken into account in such a way that an interest rate of 0% was assumed for interest periods from 2019 onwards. This item also includes expected tax refund claims from follow-up effects of the completed tax audit for the years 2012 to 2015 not yet assessed as of the balance sheet date amounting to € 8,652k and related refund interest amounting to € 1,524k. Finally, there are receivables of € 4,370k from the outstanding 2020 assessment.

There are receivables from the tax authorities of € 5,543k for corporation tax and of € 762k for sales tax relating to the past fiscal year 2021.

EQUITY

The Company has the legal form of a stock corporation ("Aktiengesellschaft").

Capital stock and shares

The fully paid-in capital stock as of December 31, 2021 amounted to €194,000,000 (prior year: € 194,000,000) divided into 194,000,000 registered no-par shares having a theoretical share in the capital stock of € 1.00 each.

As of December 31, 2021, the Company held 7,284,109 treasury shares, which in accordance with section 272 (1)a HGB are deducted from capital stock on the face of the balance sheet.

Authorized capital

The Management Board is authorized, subject to the approval of the Supervisory Board, to increase the capital stock in the period ending August 31, 2023, by a maximum of € 77,500,000.00 by issuing on one or more occasions new no-par shares for cash and/or non-cash contributions (Authorized Capital 2020).

Shareholders are to be granted subscription rights with the following restrictions. The Management Board is authorized, subject to the approval of the Supervisory Board, to exclude the right to subscribe in the case of fractional amounts and also to exclude subscription rights to the extent that this should be necessary in order to grant subscription rights for new shares to bearers of warrants and convertible bonds issued by the Company or its subsidiaries in the amount to which they would be entitled on exercise of their warrant or conversion rights or fulfillment of their conversion obligation.

In the case of a capital increase in return for cash contribution, the Management Board is further authorized, subject to the approval of the Supervisory Board, to exclude shareholders' subscription rights for an amount of up to 10% of the capital stock existing at the time Authorized Capital 2020 becomes effective, or – if this amount is lower – at the time the resolution to use Authorized Capital 2020 is adopted, if the new shares are issued at an issuance price which is not substantially below the market price of those Company shares already listed at the time of the final determination of the issuance price, which shall be as near in time as possible to the share issuance date. This maximum amount of 10% of the capital stock includes the proportionate share of capital stock attributable to treasury shares sold on or after the effective date of this authorization in direct or analogous application of section 186 (3) sentence 4 German Stock Corporation Act (AktG), as well as the proportionate share of the capital stock attributable to shares subject to conversion and/or warrant rights or conversion obligations from bonds issued pursuant to the authorization of the Annual Shareholders' Meeting of May 20, 2020, with the exclusion of subscription rights in accordance with section 186 (3) sentence 4 AktG.

The Management Board is further authorized, subject to the approval of the Supervisory Board, to exclude shareholders' subscription rights in the case of capital increases in return for non-cash contribution in order to grant shares for the purpose of acquiring companies, parts of companies, interests in companies or other assets, including rights and receivables, or as part of business combinations.

The above mentioned authorizations to exclude subscription rights are limited in total to an amount of up 20% of the capital stock existing at the time Authorized Capital 2020 becomes effective, or – if this amount is lower – at the time the resolution to use Authorized Capital 2020 is adopted. This maximum amount of 20% of the capital stock includes the proportionate share of capital stock attributable to shares subject to conversion and/or warrant rights or conversion obligations from bonds issued pursuant to the authorization of the Annual Shareholders' Meeting of May 20, 2020, with the exclusion of subscription rights, as well as the proportionate share of capital stock attributable to treasury shares sold on or after the effective date of this authorization in a manner other than via the stock exchange or by means of an offer to all shareholders.

The Management Board is further authorized, subject to the approval of the Supervisory Board, to determine the further details of the capital increase and its execution.

Conditional capital

Capital stock is conditionally increased by up to € 25,000,000.00, divided into up to 25,000,000 no-par value registered shares (Conditional Capital 2020). The conditional capital increase shall only be implemented to the extent that the bearers or holders of warrant rights or conversion rights or obligations from bonds with warrants or convertible bonds that have been issued or guaranteed by the Company or a subordinated Group company in the period ending August 31, 2023, on the basis of the Management Board's authorization resolved by the Annual Shareholders' Meeting of May 20, 2020, exercise their warrant or conversion rights or, to the extent that they are obligated to convert their bonds, fulfill their obligation, or to the extent that the Company exercises a right to grant shares in the Company, instead of paying the cash amount due (or parts thereof), and to the extent that cash compensation is not granted or treasury shares or shares in another listed company are not used to service bonds. The new shares shall be issued at the warrant or conversion price to be determined in accordance with the above authorizing resolution. The new shares shall participate in profits from the beginning of the fiscal year in which they are created; to the extent that it is legally permissible, the Management Board may, with the approval of the Supervisory Board, determine the profit participation of new shares and, notwithstanding section 60 (2) AktG, also for a fiscal year already expired. The Management Board is authorized, subject to the approval of the Supervisory Board, to determine the further details concerning the execution of the conditional capital increase.

Authorization of Annual Shareholders' Meeting to acquire treasury shares

Pursuant to section 71 (1) number 8 AktG, the Management Board is authorized to acquire treasury shares for every permissible purpose within the scope of legal restrictions and subject to the provisions set out in agenda item 15. This authorization is limited in total to an amount of 10% of the capital stock existing at the time the Annual Shareholders' Meeting adopts the resolution or – if this amount is lower – at the time the authorization is exercised. As of the balance sheet date 7,284,109 treasury shares were held.

Total shareholders' equity developed as follows (€):

Capital stock		
Capital stock - December 31, 2020		194,000,000.00
Purchase of treasury shares	-514,972.00	
Open deduction of treasury shares acc. to section 272 (1)a HGB December 31, 2021		-7,284,109.00
Balance as of December 31, 2021		**186,715,891.00**
Capital reserves		
Balance as of December 31, 2020		468,976,677.74
Balance as of December 31, 2021		**468,976,677.74**
Other revenue reserves		
Balance as of December 31, 2020		416,048,980.67
Transfer to other revenue reserves	50,000,000.00	
Purchase of treasury shares	-18,205,083.98	
Balance as of December 31, 2021		**447,843,896.69**
Net profit for the year		
Balance as of December 31, 2020		2,284,993,832.81
Dividend payments	-93,615,431.50	
Transfer to other revenue reserves	-50,000,000.00	
Net profit for the year	349,414,884.80	
Balance as of December 31, 2021		**2,490,793,286.11**
Total shareholders' equity		**3,594,329,751.54**

Treasury shares are treated in the same way as a capital reduction. The nominal amount is deducted from subscribed capital on the face of the balance sheet and the difference is offset with other revenue reserves. The nominal value of shares held on the balance sheet date December 31, 2021, amounting to € 7,284,109.00, was therefore deducted from capital stock and disclosed in a sub-column on the face of the balance sheet.

At the (virtual) Annual Shareholders' Meeting of United Internet AG held on May 27, 2021, the proposal of the Management Board and Supervisory Board to pay a dividend of € 0.50 per share (prior year: € 0.50) for the fiscal year 2020, was approved. As a consequence, a total of € 93.6m (prior year: € 93.6m) was distributed on June 1, 2021. Moreover, it was resolved to transfer a partial amount of € 50m to other revenue reserves.

As of the reporting date, the balance sheet profit amounts to € 2,490,793,286.11. The balance sheet profit contains a carryforward from the previous year amounting to € 2,284,993,832.81. Following the dividend paid in fiscal year 2020 and the transfer to other revenue reserves, this amount was reduced to € 2,141,378,401.31.

For the fiscal year 2021, the Management Board has proposed to the Supervisory Board the payment of a dividend of € 0.50 (see Dividend Proposal) per share. The Management Board and Supervisory Board will discuss this dividend proposal at the Supervisory Board meeting on March 16, 2022. According to section 21 of the by-laws of United Internet AG, the Annual Shareholders' Meeting decides on the appropriation of the balance sheet profit.

Pursuant to section 71b AktG, the Company does not accrue any rights from treasury shares and thus has no pro-rated dividend rights.

Treasury shares

As of December 31, 2021 the Company held 7,284,109 treasury shares, representing 3.75% of the capital stock of 194,000,000 shares. The average purchase cost per share amounted to € 31.77.

ACCRUALS

As of December 31, 2021, tax accruals amounted to € 1,571k, of which expected trade tax arrears for the fiscal year 2021 accounted for € 1,501k.

Other accrued liabilities contain appropriate accruals formed for all foreseeable liabilities whose amount and nature are uncertain as well as for pending losses, including for the employee stock ownership plan (€ 3,449k), interest on taxes in connection with audits for the years 2012 to 2015 (€ 2,917k), legal, auditing and consulting fees (€ 643k), bonuses (€ 215k), and other items (€ 875k).

LIABILITIES

The classification and maturities of the liabilities are shown in the following table (in €k):

€k	December 31, 2021	31.12.2021			December 31, 2020		
		Remaining term				Remaining term	
	Total	up to 1 year	of 1 to 5 years	over 5 years	Total	up to 1 year	over 1 year
Liabilities due to banks	1,825,363	475,363	1,350,000	0	1,467,931	370,431	1,097,500
Trade accounts payable	79	79	0	0	500	500	0
Liabilities due to affiliated companies	998,866	998,866	0	0	672,603	672,603	0
Other liabilities thereof for taxes € 4,676k (prior year: € 12,003 k)	4,676	4,676	0	0	12,004	12,004	0
	2,828,984	**1,478,984**	**1,350,000**	**0**	**2,153,038**	**1,055,538**	**1,097,500**

As of December 31, 2021, bank liabilities amounted to € 1,825m. They comprise three promissory note loans totaling € 1,298m, various syndicated loans totaling € 250m, bilateral loan agreements of € 170m, and interest of € 8m. In addition, existing bilateral credit facilities of € 375m are available to United Internet AG. These facilities have been granted until further notice and bear interest at market rates. United Internet AG is the sole borrower of these facilities. Drawings of € 100m had been made from the credit facilities as at the end of the reporting period.

In the past fiscal year, United Internet placed a new promissory note loan ("Schuldscheindarlehen") with an amount of € 750 million. The proceeds from this transaction are used for general company funding. The five tranches in total with terms from July 2024 to July 2027 were placed at the issuance amount and are 100% repayable. By placing mainly fixed-interest tranches, the Group naturally hedged the risk of rising interest rates and optimized the maturity profile with maturities of up to six years. The average interest rate is 0.79% p.a. The new promissory note loan is not tied to any so-called covenants.

No collateral was provided for any of the loans.

Liabilities to affiliated companies mainly consist of liabilities from balances of the United Internet Group's cash management system (€ 989,354k), from services received from these companies (€ 8,405k), and from profit transfer agreements (€ 557k).

Other liabilities mainly consist of sales tax liabilities of € 4,649k as well as wage and church tax to be remitted of € 27k.

DEFERRED TAXES

Due to existing direct and indirect tax pooling, the measurement of deferred taxes is made across the entire tax pooling group of United Internet AG.

In the reporting period, there was a negative balance of deferred taxes of € 12,337k as of December 31, 2021 (prior year: € 10,297k). Deferred tax assets amount to € 5,752k (prior year: € 4,308k) and result as of the reporting date from deductible temporary differences relating to intangible assets, as well as accruals. Deferred tax liabilities in the reporting period result from temporary differences relating to valuation differences between the trade and tax balance sheets, especially from investments and intangible assets, and amount to € 18,089k (prior year: € 14,604k). The calculation is based on a tax rate of 31.08% (prior year: 31.05%).

Notes to the income statement

OTHER OPERATING INCOME

Other operating income mainly results from the disposal of financial assets amounting to € 8,797k (prior year: € 0k). This includes income of € 7,212k from the sale of an investment in MIP Multimedia Internet Park GmbH, Zweibrücken. In connection with the acquisition of shares in IONOS SE (formerly: 1&1 IONOS SE), a conditional purchase price receivable of € 1,599k – not recognized in the previous year – was recognized in profit or loss (see also "Financial instruments"). In addition, there is income from the reversal of accruals totaling € 1,162k (prior year: € 82k), internal Group charges of € 2,034k (prior year: € 953k), disposal gains on marketable securities of € 476k (prior year: € 0k), non-period income of € 68k (prior year: € 9,855k).

PERSONNEL EXPENSES

Adjusted for the effects from employee stock ownership plans, personnel expenses amounted to € 1,112k in the reporting period (prior year: € 1,021k).

OTHER OPERATING EXPENSES

Other operating expenses mainly relate to the invoicing of services rendered by the Group company United Internet Corporate Services GmbH to United Internet AG for internal services. In addition, other operating expenses include expenses for legal, consulting and audit fees (€ 3,553k; prior year: € 1,356k).

INCOME FROM PROFIT TRANSFER AGREEMENTS

Income from profit transfer agreements refers to the profit transfers of 1&1 Mail & Media Applications SE amounting to € 314,678k, of United Internet Corporate Services GmbH amounting to € 2,676k, and of United Internet Service SE amounting to € 153k.

The profit transfer of 1&1 Mail & Media Applications SE includes one-off effects in connection with the sale of an investment within the Group amounting to € 77,050k, as well as from a capital reduction and subsequent special dividend of a subsidiary amounting to € 140,000k.

INCOME FROM INVESTMENTS

Income from investments amounted to € 6,733k (prior year: € 6,705k) and mainly includes dividends of 1&1 AG (formerly: 1&1 Drillisch AG).

OTHER INTEREST AND SIMILAR INCOME

In addition to interest income from affiliated companies, other interest and similar income includes interest income from taxes of € 1,237k (prior year: € 4,382k) which mainly relates to expected interest on tax refunds due to tax audits.

INTEREST AND SIMILAR EXPENSES

In addition to interest expenses due to banks and affiliated companies, the item interest and similar expenses includes interest on taxes of € 2,805k (prior year:€ 10,800k) which mainly relates to expected interest on tax arrears due to tax audits.

EXPENSES FOR LOSS ASSUMPTIONS

Expenses for loss assumptions of € 557k (prior year: € 75k) comprise the compensation expense for United Internet Investments Holding SE (€ 461k), United Internet Management Holding SE (€ 48k), and United Internet Corporate Holding SE (€ 48k).

INCOME TAXES

Income taxes amount to € 54,083k. The tax expense of € 61,185k (€ 56,115k current taxes for 2021, of which € 26,701k for corporation tax and € 1,469k for the solidarity surcharge, as well as € 27,945k for trade tax, € 3,029k from previous years, and deferred tax liabilities of € 2,041k) was opposed by income from the reversal of deferred tax liabilities amounting to € 7,102k.

Other disclosures

Average number of employees

An average of 2 (prior year: 2) permanent salaried staff were employed in the past fiscal year (without Management Board members, apprentices, part-time staff, and employees on maternity leave).

Executive bodies of United Internet AG

As of December 31, 2021, the Management Board consisted of the following members:

- Ralph Dommermuth (CEO), Montabaur
- Martin Mildner (CFO), Hamburg

The members of the Management Board also belong to the supervisory boards of the following companies:

Ralph Dommermuth

- 1&1 Versatel GmbH, Düsseldorf, chair of the advisory committee
- 1&1 Mobilfunk GmbH (formerly: Drillisch Netz AG), Düsseldorf, chair of the supervisory board (since November 8, 2021)
- 1&1 Telecommunication SE, Montabaur, member of the supervisory board (since September 10, 2021)
- 1&1 Mail & Media Applications SE, Montabaur, member of the supervisory board (since March 9, 2021)
- IONOS Holding SE (formerly: 1&1 IONOS Holding SE), Montabaur, chair of the supervisory board (since October 1, 2021), member of the supervisory board (March 4, 2021 to September 30, 2021)
- Tele Columbus AG, Berlin, member of the supervisory board (since June 7, 2021)

Martin Mildner

- 1&1 Mail & Media Applications SE, Montabaur, member of the supervisory board
- 1&1 Versatel GmbH, Düsseldorf, member of the advisory committee
- IONOS Holding SE (formerly: 1&1 IONOS Holding SE), Montabaur, member of the supervisory board
- Uberall GmbH, Berlin, member of the advisory committee
- 1&1 Telecommunication SE, Montabaur, chair of the supervisory board (since September 10, 2021)
- Tele Columbus AG, Berlin, deputy chair of the supervisory board and the "risk and audit committee" (since May 28, 2021)
- AWIN AG, Berlin, member of the supervisory board (since March 11, 2021)
- RankingCoach GmbH, Cologne, member of the advisory committee (since January 1, 2021)

The Supervisory Board is responsible for determining the remuneration of the Management Board. The members of the Management Board are compensated according to performance. This compensation consists of a fixed and a variable element (bonus). A target remuneration figure is agreed for the fixed component and the bonus, which is regularly reviewed.

As agreed with the Company's Supervisory Board, Mr. Ralph Dommermuth has waived his claim to Management Board remuneration since the fiscal year 2016.

The fixed remuneration component is paid monthly as a salary. The size of the bonus depends on reaching certain, fixed financial targets agreed at the beginning of the fiscal year. These targets are based mainly on the sales and earnings figures. The target attainment corridor is generally between 90% to 120%. No bonus is paid below 90% of the agreed target and the bonus calculation ends at 120% of the agreed target. No subsequent amendment of the performance targets is allowed. As a rule, there is no minimum guaranteed bonus. Payment is made after the annual financial statements have been adopted by the Supervisory Board. During the first 12 months, the performance-related bonus is guaranteed on the basis of 100% target achievement. Of this, a partial amount of € 15k is paid out each month during the first 12 months.

In fiscal year 2021, total remuneration for the Management Board without share-based payments amounted in total to € 1,055k (prior year: € 636k). Of this total, € 650k or 62% was fixed, € 350k or 33 % was variable, and € 55k or 5 % were other special and fringe benefits.

There are no retirement benefits from the Company to members of the Management Board.

Share-based payments – Stock Appreciation Rights (SAR United Internet)

Stock Appreciation Right (SARs) refer to the Company's commitment to pay the beneficiary a cash amount equivalent to the difference between the share price on the date of granting the option (strike price) and as a rule the share price on exercising the option. The exercise hurdle is 120% of the share price of the average closing price in electronic trading (Xetra) of the Frankfurt Stock Exchange over the ten days preceding issuance of the option. Payment of value growth to the entitled person is limited to 100% of the strike price. In the case of the 2021 issue, the minimum payment amount under certain conditions as at the exercise date is € 25k per SAR.

An SAR corresponds to a virtual subscription right for one share of United Internet AG. However, it is not a share right and thus not a (genuine) option to acquire shares of United Internet AG. The Company retains the right, however, to fulfill its commitment to pay the SAR in cash by also transferring United Internet shares from its inventory of treasury shares to the beneficiary, at its own discretion.

Up to 25% of the option right may be converted at the earliest 24 months after the date of issue of the option; up to 50% at the earliest 36 months after the date of issue of the option. A total of up to 75% may be exercised at the earliest 48 months after the date of issue of the option; the full amount may be exercised at the earliest 60 months after the date of issue of the option.

The following table provides details on the compensation received by members of the Management Board (€k):

2021	Fixed €k	Variable €k	Special and fringe benefits	Total fixed, variable, special and frige benefits	Market value of share-based payments granted in 2021 €k *
Ralph Dommermuth	0	0	0	0	0
Martin Mildner	650	361	44	1,055	0
	650	**361**	**44**	**1,055**	**0**

2020	Fixed €k	Variable €k	Special and fringe benefits	Total fixed, variable, special and frige benefits	Market value of share-based payments granted in 2020 €k *
Ralph Dommermuth	0	0	0	0	0
Frank Krause	270	105	8	383	0
Martin Mildner	163	88	2	253	7,891
	433	**193**	**10**	**636**	**7,891**

* Share-based payments (so-called Stock Appreciation Rights) are compensation components with a long-term incentive and transferred over a total period of five years.

In the fiscal year 2021, a payment of € 120k was made for a departed member of the Management Board in accordance with section 285 no. 9 HGB.

In fiscal year 2021, the Supervisory Board of United Internet AG consisted of the following members:

- Kurt Dobitsch, chair (until May 27, 2021)
  resident in Markt Schwaben,
  Business owner, Chairman of the Supervisory Board of United Internet AG

- Michael Scheeren, deputy chair (until March 24, 2021)
  resident in Frankfurt am Main,
  Banker, Member of the Supervisory Board of United Internet AG

- Dr. Manuel Cubero del Castillo-Olivares
  resident in Munich,
  Self-employed advisory committee/supervisory board member

- Philipp von Bismarck, chair (since May 2021)
  resident in Königstein im Taunus,
  Lawyer

- Prof. Dr. Yasmin Mei-Yee Weiß
  resident in Gauting,
  Professor of business administration

- Prof. Dr. Andreas Söffing (since May 27, 2021)
  resident in Frankfurt am Main
  Partner at Flick Gocke Schaumburg

- Dr. Claudia Borgas-Herold
  resident in Kilchberg, Switzerland,
  Managing Director of borgas advisory GmbH, Lucerne

- Stefan Rasch (since May 27, 2021)
  resident in Grünwald,
  Senior Advisor at The Boston Consulting Group GmbH

In fiscal year 2021, the members of the Supervisory Board also held seats on supervisory boards or similar committees of the following companies:

Philipp von Bismarck

- No other seats

Kurt Dobitsch

- IONOS Holding SE (formerly: 1&1 IONOS Holding SE), Montabaur
- 1&1 Mail & Media Applications SE, Montabaur (chair)
- 1&1 AG (formerly: 1&1 Drillisch AG), Maintal (chair)
- Nemetschek SE, Munich (chair)
- Graphisoft S.E., Budapest / Hungary (until May 31, 2021)
- Vectorworks Inc., Columbia / USA (until May 31, 2021)
- Bechtle AG, Gaildorf
- Singhammer IT Consulting AG, Munich

Michael Scheeren

- IONOS Holding SE (formerly: 1&1 IONOS Holding SE), Montabaur (until February 23, 2021)
- 1&1 Telecommunication SE, Montabaur (chair, until February 23, 2021)
- 1&1 Mail & Media Applications SE, Montabaur (until February 23, 2021)
- 1&1 AG (formerly 1&1 Drillisch AG), Maintal (chair, until February 23, 2021)
- Tele Columbus AG, Berlin (until December 31, 2021)

Dr. Manuel Cubero del Castillo-Olivares

- Nürnberg Institut für Marktentscheidung e.V., Nuremberg (chair)
- Unicepta Holding GmbH, Cologne (chair of the advisory committee)

Prof. Dr. Yasmin Mei-Yee Weiß

- Zeppelin GmbH, Friedrichshafen
- Bayerische Beamten Lebensversicherung AG, Munich
- BLG Logistics Group AG & Co. KG, Bremen
- Börsenverein des deutschen Buchhandels, Frankfurt am Main (since March 2022)

Prof. Dr. Andreas Söffing

- Deutsche Oppenheim Family Office AG, Cologne (deputy chair of the advisory committee)
- Institut der Steuerberater Hessen e. V., Frankfurt (chair of the scientific committee)
- Nemetschek Innovationsstiftung, Munich (chair of the management board)
- Nemetschek Familienstiftung, Munich
- Capella GmbH, Hamburg

Dr. Claudia Borgas-Herold

- 1&1 AG, (formerly: 1&1 Drillisch AG), Maintal
- 1&1 Telecommunication SE, Montabaur (until September 10, 2021)
- Tele Columbus AG, Berlin (since May 28, 2021)

Stefan Rasch

- Tele Columbus AG, Berlin (until May 28, 2021)

The current remuneration system for Supervisory Board members was last amended by the Annual Shareholders' Meeting of May 20, 2020 and supplemented by the Annual Shareholders' Meeting of May 27, 2021 by section 13 of the Articles of Association of United Internet AG.

In addition to the reimbursement of cash expenses, each member of the Supervisory Board receives fixed annual remuneration of € 20,000.00. The chair receives € 30,000.00, the deputy chair receives € 22,500.00.

For serving on the Supervisory Board’s Audit and Risk Committee, the Chairman of the Audit and Risk Committee receives an additional € 20,000.00 per year, and each other member of the Audit and Risk Committee receives an additional € 15,000.00 per year. The Company shall support the members of the Audit and Risk Committee in taking part in necessary further training measures and shall also bear the costs incurred to a reasonable extent.

In addition, the Chairman of the Audit and Risk Committee receives further remuneration of up to € 15,000.00 per fiscal year, which may be used for the engagement of auditors and/or tax advisors whose support the Chairman requires to perform his duties as Chairman of the Audit and Risk Committee, provided that such support cannot be provided primarily by using the resources and advisory services already available to the Company.

A Supervisory Board member who only served as a member of the Supervisory Board or the Audit and Risk Committee for part of the fiscal year receives a lower amount of remuneration on a pro rata temporis basis for each month or part thereof.

In addition, each member of the Supervisory Board receives an attendance fee of € 1,000 for each time they attend a Supervisory Board meeting held in person. If the Supervisory Board meeting is not held in person but only virtually (in particular if a meeting is held only by telephone or only via videoconference), the members of the Supervisory Board receive no attendance fee if the meeting lasted no more than one hour; half the attendance fee if the meeting lasted more than one hour but no more than two hours; and the full attendance fee if the meeting lasted two hours or more. Members who do not personally attend meetings of the Supervisory Board held in person (e.g. by participating via telephone or videoconference) always receive only 25% of the attendance fee, and if they participate solely by submitting a voting rights message are not entitled to any attendance fee.

The following table provides details on the compensation received by members of the Supervisory Board of United Internet AG (€k):

2021	**Fixed €k**	**Attendance fee €k**	**Total €k**
Prof. Dr. Andreas Söffing	32	5	37
Kurt Dobitsch	13	1	14
Michael Scheeren	5	1	6
Stefan Rasch	20	5	25
Dr. Claudia Borgas-Herold	20	6	26
Dr. Manuel Cubero del Castillo-Olivares	21	6	27
Philipp von Bismarck	35	6	41
Prof. Dr. Yasmin Mei-Yee Weiß	20	6	26
	166	**36**	**202**

2020	**Fixed €k**	**Attendance fee €k**	**Total €k**
Kurt Dobitsch	30	4	34
Michael Scheeren	17	3	20
Kai-Uwe Ricke	8	1	9
Dr. Claudia Borgas-Herold	13	3	16
Dr. Manuel Cubero del Castillo-Olivares	13	3	16
Philipp von Bismarck	10	2	12
Prof. Dr. Yasmin Mei-Yee Weiß	10	2	12
	101	**18**	**119**

Contingent liabilities

The Company has guaranty facility in its name. As of the reporting date, guaranties totaling € 12,775k were outstanding from this facility.

In addition, the Company is jointly and severally liable for a guaranty facility granted by banks, which both the Company and various subsidiaries may use. As of the reporting date, guaranties totaling € 9,266k were outstanding from this facility.

As of the reporting date, no outstanding guaranty from one of the two guaranty facilities had been used. Due to the stable business position of the borrowing subsidiaries and United Internet AG, the risk involved in the contingent liabilities is currently regarded as very low.

United Internet AG has issued a letter of comfort for 1&1 Versatel GmbH. In this connection, United Internet AG has committed to accept responsibility for obligations received until December 31, 2021 in the following fiscal year and to ensure that 1&1 Versatel GmbH is managed and funded in such a way that it can meet the aforementioned obligations punctually and in full.

United Internet AG has issued a letter of comfort for IONOS TopCo SE (formerly: 1&1 TopCo SE). In this connection, United Internet AG has committed to accept responsibility for obligations received until December 31, 2021 in the following fiscal year and to ensure that IONOS TopCo SE (formerly: 1&1 TopCo SE) is managed and funded in such a way that it can meet the aforementioned obligations punctually and in full.

Dividend proposal

The Management Board and Supervisory Board propose to use the balance sheet profit for the fiscal year 2021, as disclosed in the Company's approved annual financial statements as of December 31, 2021, amounting to € 2,490,793,286.11 as follows:

- Payment of a dividend of € 0.50 per share for the past fiscal year 2021 for each no-par share with dividend entitlement (total of 186,715,891 dividend-entitled no-par shares) € 93,357,945.50
- Amount carried forward € 2,397,435,340.61

The dividend proposal takes into account the 7,284,109 treasury shares held by the Company when the Management Board prepared these annual financial statements, which are not entitled to dividends pursuant to section 71b AktG. The number of dividend-entitled shares may change before the Annual Shareholders' Meeting. In this case, a correspondingly adjusted dividend proposal will be submitted to the Annual Shareholders' Meeting with an unchanged dividend of € 0.50 per entitled share.

Pursuant to section 58 (4) sentence 2 AktG, the dividend payment is due on the third business day following the resolution of the Annual Shareholders' Meeting.

Transactions with related parties

In the period under review, no transactions were made with related parties at non-standard market conditions.

Disclosures on shareholdings

United Internet AG is the partner with unlimited liability (general partner) of United Internet Investments Holding AG & Co. KG.

Publication of voting right announcements acc. to section 26 WpHG

Please refer to Appendix 3 of the Notes for details on voting rights disclosures.

Financial instruments

In connection with an investment agreement, there are three derivatives not recognized at fair value (conditional purchase price receivables of United Internet AG). The fair values of the derivatives depend, among other things, on the performance of an investment or the development of the GBP/€ exchange rate and the occurrence of future events. The term is indefinite and ends upon termination of the investment agreement or no later than after seven years. The claims of United Internet AG are limited to € 41 million and € 25m or € 17m, respectively. No payment obligations of United Internet AG can result from the agreement. The carrying amount of the three derivatives is € 0 in each case; the fair values amount to € 37.97m, € 10.33m and € 16.87m, respectively. These valuations are based on a Black-Scholes model, a Monte Carlo simulation, and expected values using observable and unobservable input factors. The input factors include in particular the expected maturity, the volatility, the development of the GBP/€ exchange rate, and the planned IPO of IONOS TopCo SE (formerly: 1&1 IONOS TopCo SE).

Telefónica offer for national roaming

On February 15, 2021, the Management Board and Supervisory Board of 1&1 AG (formerly: 1&1 Drillisch) decided to accept Telefónica's offer – improved following review by the EU Commission – for national roaming and the related MBA MVNO advance services. The terms and conditions offered by Telefónica that will apply retroactively from July 2020 are based once again on the pricing mechanisms of the first five years of the MBA MVNO agreement. In particular, annually decreasing data prices are to be included again, which are lower than the fixed prices charged by Telefónica.

New combined VDSL/FTTH agreement with Deutsche Telekom

On February 15, 2021, United Internet announced that its subsidiary 1&1 AG (formerly: 1&1 Drillisch) planned to expand its fiber-optic offering and would in future receive VDSL and FTTH advance services (fiber to the home/FTTH) from its affiliate 1&1 Versatel. For this purpose, 1&1 AG (formerly: 1&1 Drillisch) entered into an agreement with 1&1 Versatel on the long-term purchase of FTTH and VDSL complete packages including Voice and IPTV effective from April 1, 2021.

At the same time, 1&1 Versatel entered into an agreement with Deutsche Telekom on the use of Deutsche Telekom's FTTH and VDSL connections for households. These enable 1&1 Versatel to provide FTTH/VDSL complete packages for 1&1 AG (formerly: 1&1 Drillisch), as 1&1 Versatel's nationwide transport network is largely connected to the local broadband networks of Deutsche Telekom.

In addition to the existing access to FTTH connections of well-known city carriers, 1&1 Versatel thus gets initial access to approx. 750,000 additional FTTH connections. The number of marketable FTTH connections of Deutsche Telekom is expected to increase by an average of 2 million households per year in the coming years.

FTTH connections for private households enable bandwidths of up to 1Gbit/s. Households not yet equipped with FTTH will be supplied with VDSL connections (up to 250 Mbit/s).

Auditing and consulting fees

The fees expensed for the auditing of the separate Annual Financial Statements of United Internet AG amounted to € 1,054k in the fiscal year 2021. These include fees for auditing services of € 696k, for other assurance services of € 18k, for tax consultancy services of € 165k, and for other services of € 175k. Other services were mainly in connection with due diligence.

At Group level, total fees of € 4,655k were expensed for the auditing of the Consolidated Financial Statements. These include auditing fees of € 3,589k, other assurance services of € 78k, tax consultancy services of € 369k, and other services of € 619k. Auditing fees comprise both statutory audits, as well as voluntary audits and audit reviews. Other services were mainly in connection with due diligence.

Corporate Governance Code

The declaration of conformity with the German Corporate Governance Code acc. to section 161 AktG was filed by the Management Board and Supervisory Board and is available to shareholders via the internet portal of United Internet AG (www.united-internet.de).

Subsequent events

There were no other significant events subsequent to the end of the reporting period on December 31, 2021 which had a material effect on the financial position and performance of the Company.

With the invasion of Ukrainian territories by the Russian army, war has broken out in Ukraine and represents a turning point for the whole of Europe. The EU, the USA, the UK and other countries reacted by imposing stringent sanctions against Russia, Belarus and the separatist regions of eastern Ukraine.

United Internet AG does not actively pursue any business activities in the countries involved in the war. Ukraine, Russia, and Belarus are not target countries for United Internet companies and there are no locations in the aforementioned countries.

Against this backdrop, United Internet does not currently expect any significant impact on its business performance and position.

Nevertheless, the economic consequences of the war and the sanctions imposed (humanitarian crises, influx of refugees, shortages/price rises of oil, gas, and raw materials) for the target countries of United Internet companies and for United Internet itself cannot be accurately estimated as yet. The same applies to the potential danger of war spreading to other countries.

Montabaur, March 11, 2022

The Management Board

Ralph Dommermuth

Martin Mildner

DEVELOPMENT OF NON-CURRENT ASSETS

	Acquisition and production costs			
	January 1, 2021	Additions	Disposals	December 31, 2021
	EUR	EUR	EUR	EUR
I. Immaterielle Vermögensgegenstände				
Concessions, industrial and similar rights and assets, as well as licenses in such rights, and assets acquired for consideration	0.00	70,980.00	0.00	70,980.00
I. Property, plant and equipment				
Concessions, industrial and similar rights and assets, as well as licenses in such rights, and assets acquired for consideration	45,862.54	0.00	0.00	45,862.54
II. Financial assets				
1. Shares in affiliated companies	3,763,369,888.73	458,518,798.95	25,600.00	4,221,863,087.68
2. Loans to affiliated companies	1,567,550,000.00	0.00	152,550,000.00	1,415,000,000.00
	5,330,919,888.73	**458,518,798.95**	**152,575,600.00**	**5,636,863,087.68**
	5,330,965,751.27	**458,589,778.95**	**152,575,600.00**	**5,636,979,930.22**

Accumulated depreciation				Net book value	
January 1, 2021	Additions	Disposals	December 31, 2021	December 31, 2021	December 31, 2020
EUR	EUR	EUR	EUR	EUR	EUR
0.00	19,717.00	0.00	19,717.00	51,263.00	0.00
44,501.54	373.00	0.00	44,874.54	988.00	1,361.00
0.00	0.00	0.00	0.00	4,221,863,087.68	3,763,419,888.73
0.00	0.00	0.00	0.00	1,415,000,000.00	1,567,550,000.00
0.00	**0.00**	**0.00**	**0.00**	**5,636,863,087.68**	**5,330,969,888.73**
44,501.54	**20,090.00**	**0.00**	**64,591.54**	**5,636,915,338.68**	**5,330,971,249.73**

STATEMENT OF INVESTMENTS

United Internet AG, Montabaur

Statement of investments as of December 31, 2021

	Capital share	Company equity as of Dec. 31, 2021	Net income / loss FY 2021
	in %	€k	€k
Shares held directly			
1&1 Mail & Media Applications SE, Montabaur (1)	100.00	968,685	0
1&1 Versatel GmbH, Düsseldorf	100.00	317,921	-32,829
CA BG AlphaRho AG, Vienna / Austria	100.00	65	-22
United Internet Corporate Holding SE, Montabaur (1)	100.00	120	0
United Internet Corporate Services GmbH, Montabaur (1)	100.00	25	0
United Internet Investments Holding AG & Co. KG, Montabaur (1) (14)	100.00	128,439	0
United Internet Management Holding SE, Montabaur (1)	100.00	120	0
United Internet Service SE, Montabaur (1)	100.00	120	0
1&1 AG, Maintal (formerly 1&1 Drillisch AG)	78.32	7,448,127	364,802
IONOS TopCo SE, Montabaur (formerly 1&1 IONOS TopCo SE)	75.10	519,479	-2,888
Shares held indirectly			
1&1 Cardgate LLC, Chesterbrook / USA (4)	100.00	214	204
1&1 De-Mail GmbH, Montabaur (1)	100.00	25	0
1&1 Energy GmbH, Montabaur	100.00	-2,139	-4,103
1&1 Internet Development SRL, Bucharest / Romania (4) (11)	100.00	2,445	2,106
1&1 IONOS (Philippines), Inc., Cebu City / Philippines (4) (12)	100.00	834	171
1&1 Logistik GmbH, Montabaur (2) (3)	100.00	25	0
1&1 Mail & Media Development & Technology GmbH, Montabaur (1)	100.00	1,748	0
1&1 Mail & Media GmbH, Montabaur (1)	100.00	72,665	0
1&1 Mail & Media Inc., Chesterbrook / USA	100.00	17,778	-558
1&1 Mail & Media Service GmbH, Montabaur (1)	100.00	25	0
1&1 Mobilfunk GmbH , Düsseldorf (2) (3) (formerly: Drillisch Netz AG)	100.00	944	0
1&1 Telecom GmbH, Montabaur (2) (3)	100.00	1,143	0
1&1 Telecom Holding GmbH, Montabaur (2) (3)	100.00	1,752,964	0
1&1 Telecom Sales GmbH, Montabaur (2) (3)	100.00	25	0
1&1 Telecom Service Montabaur GmbH, Montabaur (2) (3)	100.00	52	0
1&1 Telecom Service Zweibrücken GmbH, Zweibrücken (2) (3)	100.00	25	0
1&1 Telecommunication SE, Montabaur (2) (3)	100.00	638,357	0
1&1 Versatel Deutschland GmbH, Düsseldorf (5)	100.00	306,431	0
A 1 Marketing, Kommunikation und neue Medien GmbH, Montabaur (1)	100.00	1,152	0
A1 Media USA LLC, Chesterbrook / USA (4)	100.00	220	18
Arsys Internet E.U.R.L., Perpignan / France (4)	100.00	159	9
Arsys Internet S.L.U., Logroño / Spain (4)	100.00	100,940	787
AZ.pl Sp. z o.o., Stettin / Poland (4)	100.00	897	838
Blitz 17-665 SE, Maintal (2) (3)	100.00	120	0
Blitz 17-666 SE, Maintal (2) (3)	100.00	120	0
CA BG AlphaPi AG, Vienna / Austria	100.00	20	-17
CM4all GmbH, Cologne (4)	100.00	1,088	274
Content Management Support GmbH in Liquidation, Cologne (4) (10)	100.00	20	-2
Content Management Inc., USA (4)	100.00	115	12
Cronon GmbH, Berlin (4) (6) (18)	100.00	157	0
Domain Robot Enterprises Inc., Vancouver / Canada (9) (19)	100.00	0	0
DomCollect International GmbH, Montabaur (7) (19)	100.00	25	0
Drillisch Logistik GmbH, Maintal (3)	100.00	18,009	600
Drillisch Online GmbH, Maintal (2) (3)	100.00	145,699	0
Fasthosts Internet Ltd., Gloucester / Great Britain (4)	100.00	18,218	9,991
HBS Cloud Sp. z o.o., Stettin / Poland (4)	100.00	9	0
home.pl S.A., Stettin / Poland (4)	100.00	54,082	11,204
Immobilienverwaltung AB GmbH, Montabaur (4)	100.00	447	47
Immobilienverwaltung NMH GmbH in Liquidation, Montabaur (4) (10)	100.00	929	52
InterNetX, Corp., Miami / USA (19)	100.00	28	58

InterNetX GmbH, Regensburg (7) (19)	100.00	4,469	0
IONOS Inc., Chesterbrook / USA (4) (formerly: 1&1 IONOS Inc.)	100.00	20,656	3,419
IONOS S.A.R.L., Saargemünd / France (4) (formerly: 1&1 IONOS S.A.R.L.)	100.00	1,617	1,507
IONOS SE, Montabaur (4) (6) (formerly: 1&1 IONOS SE)	100.00	390,319	0
IONOS Cloud Inc., Newark / USA (4) (formerly: 1&1 IONOS Cloud Inc.)	100.00	1,318	-66
IONOS Cloud Ltd., Gloucester / Great Britain (4) (formerly: 1&1 IONOS Ltd.)	100.00	2,621	2,502
IONOS Cloud S.L.U., Madrid / Spain (4) (formerly: 1&1 IONOS España S.L.U.)	100.00	1,441	-1,244
IONOS Cloud Holdings Ltd., Gloucester / Great Britain (4) (formerly: 1&1 IONOS UK Holdings Ltd.)	100.00	76,106	44
IONOS Datacenter SAS, Niederlauterbach / France (4) (formerly: 1&1 IONOS Datacenter SAS)	100.00	1,990	13
IONOS Holding SE, Montabaur (4) (formerly: 1&1 IONOS Holding SE)	100.00	449,005	55,695
IONOS Service GmbH, Montabaur (4) (6) (formerly: 1&1 IONOS Service GmbH)	100.00	240	0
IQ-optimize Software AG, Maintal (2) (3)	100.00	87	0
PSI-USA, Inc., Las Vegas / USA (19)	100.00	431	98
Schlund Technologies GmbH, Regensburg (7) (19)	100.00	25	0
Sedo GmbH, Cologne (7) (19)	100.00	13,428	0
Sedo.com LLC, Cambridge / USA (19)	100.00	8,209	2,930
STRATO AG, Berlin (4) (6)	100.00	9,716	0
STRATO Customer Service GmbH, Berlin (4) (6) (18)	100.00	200	0
Tesys Internet S.L.U., Logroño / Spain (4)	100.00	1,961	528
TROPOLYS Netz GmbH, Düsseldorf	100.00	-32,695	-13
TROPOLYS Service GmbH, Düsseldorf	100.00	-20,297	-10
UIM United Internet Media Austria GmbH, Vienna / Austria	100.00	937	55
United Domains Inc., Cambridge / USA (4) (10)	100.00	415	-3
United Internet Media GmbH, Montabaur (1)	100.00	50	0
United Internet Sourcing & Apprenticeship GmbH, Montabaur (1)	100.00	25	0
united-domains AG, Starnberg (4) (6)	100.00	431	0
united-domains Reselling GmbH, Starnberg (4) (8)	100.00	25	0
Versatel Immobilien Verwaltungs GmbH, Düsseldorf	100.00	-4,024	-2
we22 Aktiengesellschaft, Cologne (4)	100.00	3,808	33
we22 Solutions GmbH, Berlin (4)	100.00	1,160	-124
World4You Internet Services GmbH, Linz / Austria (4)	100.00	9,991	1,694
InterNetX Holding GmbH, Regensburg (4) (13)	95.56	25,250	18,654
Tele Columbus AG, Berlin (17) (21)	94.80	435,683	-797
premium.pl Sp. z o.o., Stettin / Poland (4) (15)	75.00	432	76
DomainsBot S.r.l., Rom / Italy (19) (20)	49.00	1,105	485
Intellectual Property Management Company Inc., Dover / USA (17) (19)	49.00	1,487	344
Kublai GmbH, Frankfurt (17)	40.00	846,905	-1,099
rankingCoach International GmbH, Cologne (16)	31.52	0	-2,218
Open-Xchange AG, Cologne (17)	25.39	35,578	-2,383
Stackable GmbH, Pinneberg (4) (17)	25.10	30	-205
uberall GmbH, Berlin (22)	25.10	15,122	-11,732
AWIN AG, Berlin (17)	20.00	82,883	-816
High-Tech Gründerfonds III GmbH & Co. KG, Bonn (3)	< 20,00	-	-
POSpulse GmbH, Berlin (3)	< 20,00	-	-
MMC Investments Holding Company Ltd., Port Louis / Mauritius (10)	< 20,00	-	-
Worcester Six Management Company Ltd., Birmingham / United Kingdom (4)	< 20,00	-	-

(1) Profit transfer with United Internet AG (direct/indirect)
(2) Profit transfer with 1&1 AG (direct/indirect)
(3) Held directly/indirectly via 1&1 AG, Maintal
(4) Held directly/indirectly via IONOS TopCo SE, Montabaur
(5) Profit transfer with 1&1 Versatel GmbH (direct/indirect)
(6) Profit transfer with IONOS Holding SE (direct/indirect)
(7) Profit transfer with InterNetX Holding GmbH (direct/indirect)
(8) Profit transfer with united-domains AG
(9) No operating activities
(10) In liquidation
(11) United Internet Corporate Services GmbH (1.00%)
(12) Hüseyin Dogan (0.008%), Britta Schmidt (0.008%), Debra Sitoy (0.008%), Gelfa M. Lobitana (0.008%), Pierre Pauline M. Yrastorza (0.008%)
(13) Hakan Ali (2.96%), Thomas Mörz (1.48%)
(14) Of which 99.998% personally liable partner (general partner) UI AG and of which 0.002% limited partner UICS GmbH
(15) Przemyslaw Pawel Bojczuk (25.00%)
(16) Based on the published figures of the consolidated financial statements as of December 31, 2020
(17) Based on the published figures as of the reporting date September 30 / December 31, 2020
(18) Profit and loss transfer agreement with Strato AG, Berlin
(19) Held directly/indirectly via InterNetX Holding GmbH, Regensburg
(20) Includes DomainsBot Inc., Dover / USA
(21) Held directly/indirectly via Kublai GmbH, Frankfurt, Germany
(22) Based on published figures as of the reporting date December 31, 2019

VOTING RIGHT ANNOUNCEMENTS

Announcements acc. to sec. 26 WPHG

Publication on April 30, 2020

United Internet AG: Release according to Article 40, Section 1 of the WpHG [the German Securities Trading Act] with the objective of Europe-wide distribution

United Internet AG
30.04.2020 / 12:11
Dissemination of a Voting Rights Announcement transmitted by DGAP - a service of EQS Group AG.
The issuer is solely responsible for the content of this announcement.

Notification of Major Holdings

1. Details of issuer

Name:	United Internet AG
Street:	Elgendorfer Straße 57
Postal code:	56410
City:	Montabaur Germany
Legal Entity Identifier (LEI):	3VEKWPJHTD4NKMBVG947

2. Reason for notification

X	Acquisition/disposal of shares with voting rights
	Acquisition/disposal of instruments
	Change of breakdown of voting rights
	Other reason:

3. Details of person subject to the notification obligation

Legal entity: Allianz Global Investors GmbH City of registered office, country: Frankfurt/Main, Germany

4. Names of shareholder(s)
holding directly 3% or more voting rights, if different from 3.

5. Date on which threshold was crossed or reached:

28 Apr 2020

6. Total positions

	% of voting rights attached to shares (total of 7.a.)	% of voting rights through instruments (total of 7.b.1 + 7.b.2)	Total of both in % (7.a. + 7.b.)	Total number of voting rights pursuant to Sec. 41 WpHG
New	4.99 %	0.01 %	4.997 %	194000000
Previous notification	5.12 %	0.40 %	5.52 %	/

7. Details on total positions
a. Voting rights attached to shares (Sec. 33, 34 WpHG)

ISIN	Absolute		In %	
	Direct (Sec. 33 WpHG)	Indirect (Sec. 34 WpHG)	Direct (Sec. 33 WpHG)	Indirect (Sec. 34 WpHG)

DE0005089031		9680681	%	4.99 %
Total	9680681		4.99 %	

b.1. Instruments according to Sec. 38 (1) no. 1 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Voting rights absolute	Voting rights in %
				%
		Total		%

b.2. Instruments according to Sec. 38 (1) no. 2 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Cash or physical settlement	Voting rights absolute	Voting rights in %
Contract for Difference	n/a	n/a	Cash	13000	0.01 %
			Total	13000	0.01 %

8. Information in relation to the person subject to the notification obligation

	Person subject to the notification obligation is not controlled nor does it control any other undertaking(s) that directly or indirectly hold(s) an interest in the (underlying) issuer (1.).
X	Full chain of controlled undertakings starting with the ultimate controlling natural person or legal entity:

Name	% of voting rights (if at least 3% or more)	% of voting rights through instruments (if at least 5% or more)	Total of both (if at least 5% or more)
Allianz SE	%	%	%
Allianz Asset Management GmbH	%	%	%
Allianz Global Investors GmbH	4.99 %	%	%

9. In case of proxy voting according to Sec. 34 para. 3 WpHG
(only in case of attribution of voting rights in accordance with Sec. 34 para. 1 sent. 1 No. 6 WpHG)

Date of general meeting:
Holding total positions after general meeting (6.) after annual general meeting:

Proportion of voting rights	Proportion of instruments	Total of both
%	%	%

10. Other explanatory remarks:

Date

29 Apr 2020

30.04.2020 The DGAP Distribution Services include Regulatory Announcements, Financial/Corporate News and Press Releases.
Archive at www.dgap.de

Publication on August 27, 2021

United Internet AG: Release according to Article 40, Section 1 of the WpHG [the German Securities Trading Act] with the objective of Europe-wide distribution

United Internet AG
27.08.2021 / 12:39
Dissemination of a Voting Rights Announcement transmitted by DGAP - a service of EQS Group AG.
The issuer is solely responsible for the content of this announcement.

Notification of Major Holdings

1. Details of issuer

Name:	United Internet AG
Street:	Elgendorfer Straße 57
Postal code:	56410
City:	Montabaur Germany
Legal Entity Identifier (LEI):	3VEKWPJHTD4NKMBVG947

2. Reason for notification

X	Acquisition/disposal of shares with voting rights
	Acquisition/disposal of instruments
	Change of breakdown of voting rights
	Other reason:

3. Details of person subject to the notification obligation

Legal entity: Flossbach von Storch AG City of registered office, country: Cologne, Germany

4. Names of shareholder(s)
holding directly 3% or more voting rights, if different from 3.

Flossbach von Storch SICAV

5. Date on which threshold was crossed or reached:

23 Aug 2021

6. Total positions

	% of voting rights attached to shares (total of 7.a.)	% of voting rights through instruments (total of 7.b.1 + 7.b.2)	Total of both in % (7.a. + 7.b.)	Total number of voting rights pursuant to Sec. 41 WpHG
New	4.995819587629 %	0.00 %	4.995819587629 %	194000000
Previous notification	5.01 %	0.18 %	5.19 %	/

7. Details on total positions
a. Voting rights attached to shares (Sec. 33, 34 WpHG)

ISIN	Absolute		In %	
	Direct (Sec. 33 WpHG)	Indirect (Sec. 34 WpHG)	Direct (Sec. 33 WpHG)	Indirect (Sec. 34 WpHG)
DE0005089031	0	9691890	0.00 %	5.00 %
Total	9691890		4.995819587629 %	

b.1. Instruments according to Sec. 38 (1) no. 1 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Voting rights absolute	Voting rights in %
			0	0.00 %
		Total	0	0.00 %

b.2. Instruments according to Sec. 38 (1) no. 2 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Cash or physical settlement	Voting rights absolute	Voting rights in %
				0	0.00 %
			Total	0	0.00 %

8. Information in relation to the person subject to the notification obligation

	Person subject to the notification obligation is not controlled nor does it control any other undertaking(s) that directly or indirectly hold(s) an interest in the (underlying) issuer (1.).
X	Full chain of controlled undertakings starting with the ultimate controlling natural person or legal entity:

Name	% of voting rights (if at least 3% or more)	% of voting rights through instruments (if at least 5% or more)	Total of both (if at least 5% or more)
Flossbach von Storch AG	%	%	%
Flossbach von Storch Invest S.A.	5.00 %	%	%

9. In case of proxy voting according to Sec. 34 para. 3 WpHG
(only in case of attribution of voting rights in accordance with Sec. 34 para. 1 sent. 1 No. 6 WpHG)

Date of general meeting:
Holding total positions after general meeting (6.) after annual general meeting:

Proportion of voting rights	Proportion of instruments	Total of both
%	%	%

10. Other explanatory remarks:

Date

27 Aug 2021

Publication on September 06, 2021

United Internet AG: Release according to Article 40, Section 1 of the WpHG [the German Securities Trading Act] with the objective of Europe-wide distribution

United Internet AG
06.09.2021 / 16:13
Dissemination of a Voting Rights Announcement transmitted by DGAP - a service of EQS Group AG.
The issuer is solely responsible for the content of this announcement.

Notification of Major Holdings

1. Details of issuer

Name:	United Internet AG
Street:	Elgendorfer Straße 57
Postal code:	56410
City:	Montabaur Germany
Legal Entity Identifier (LEI):	3VEKWPJHTD4NKMBVG947

2. Reason for notification

X	Acquisition/disposal of shares with voting rights
	Acquisition/disposal of instruments
	Change of breakdown of voting rights
	Other reason:

3. Details of person subject to the notification obligation

Legal entity: Flossbach von Storch SICAV City of registered office, country: Luxembourg, Luxembourg

4. Names of shareholder(s)
holding directly 3% or more voting rights, if different from 3.

5. Date on which threshold was crossed or reached:

01 Sep 2021

6. Total positions

	% of voting rights attached to shares (total of 7.a.)	% of voting rights through instruments (total of 7.b.1 + 7.b.2)	Total of both in % (7.a. + 7.b.)	Total number of voting rights pursuant to Sec. 41 WpHG
New	2.98 %	0.00 %	2.98 %	194000000
Previous notification	3.19 %	0.00 %	3.19 %	/

7. Details on total positions
a. Voting rights attached to shares (Sec. 33, 34 WpHG)

ISIN	Absolute		In %	
	Direct (Sec. 33 WpHG)	Indirect (Sec. 34 WpHG)	Direct (Sec. 33 WpHG)	Indirect (Sec. 34 WpHG)
DE0005089031	5785867	0	2.98 %	0.00 %
Total	5785867		2.98 %	

b.1. Instruments according to Sec. 38 (1) no. 1 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Voting rights absolute	Voting rights in %

				0	0.00 %
			Total	0	0.00 %

b.2. Instruments according to Sec. 38 (1) no. 2 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Cash or physical settlement	Voting rights absolute	Voting rights in %
				0	0.00 %
			Total	0	0.00 %

8. Information in relation to the person subject to the notification obligation

X	Person subject to the notification obligation is not controlled nor does it control any other undertaking(s) that directly or indirectly hold(s) an interest in the (underlying) issuer (1.).
	Full chain of controlled undertakings starting with the ultimate controlling natural person or legal entity:

Name	% of voting rights (if at least 3% or more)	% of voting rights through instruments (if at least 5% or more)	Total of both (if at least 5% or more)

9. In case of proxy voting according to Sec. 34 para. 3 WpHG
(only in case of attribution of voting rights in accordance with Sec. 34 para. 1 sent. 1 No. 6 WpHG)

Date of general meeting:
Holding total positions after general meeting (6.) after annual general meeting:

Proportion of voting rights	Proportion of instruments	Total of both
%	%	%

10. Other explanatory remarks:

Date

06 Sep 2021

Publication on October 01, 2021

United Internet AG: Release according to Article 40, Section 1 of the WpHG [the German Securities Trading Act] with the objective of Europe-wide distribution

United Internet AG
01.10.2021 / 11:37
Dissemination of a Voting Rights Announcement transmitted by DGAP - a service of EQS Group AG.
The issuer is solely responsible for the content of this announcement.

Notification of Major Holdings

1. Details of issuer

Name:	United Internet AG
Street:	Elgendorfer Straße 57
Postal code:	56410
City:	Montabaur Germany
Legal Entity Identifier (LEI):	3VEKWPJHTD4NKMBVG947

2. Reason for notification

X	Acquisition/disposal of shares with voting rights
	Acquisition/disposal of instruments
	Change of breakdown of voting rights
	Other reason:

3. Details of person subject to the notification obligation

Legal entity: Wellington Management Group LLP City of registered office, country: Boston, United States of America (USA)

4. Names of shareholder(s)
holding directly 3% or more voting rights, if different from 3.

5. Date on which threshold was crossed or reached:

27 Sep 2021

6. Total positions

	% of voting rights attached to shares (total of 7.a.)	% of voting rights through instruments (total of 7.b.1 + 7.b.2)	Total of both in % (7.a. + 7.b.)	Total number of voting rights pursuant to Sec. 41 WpHG
New	2.99 %	0.07 %	3.06 %	194000000
Previous notification	3.03 %	0.07 %	3.10 %	/

7. Details on total positions
a. Voting rights attached to shares (Sec. 33, 34 WpHG)

ISIN	Absolute		In %	
	Direct (Sec. 33 WpHG)	Indirect (Sec. 34 WpHG)	Direct (Sec. 33 WpHG)	Indirect (Sec. 34 WpHG)
DE0005089031	0	5801464	0.00 %	2.99 %
Total	5801464		2.99 %	

b.1. Instruments according to Sec. 38 (1) no. 1 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Voting rights absolute	Voting rights in %
			0	0.00 %

		Total	0	0.00 %

b.2. Instruments according to Sec. 38 (1) no. 2 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Cash or physical settlement	Voting rights absolute	Voting rights in %
Equity Swap	22/05/2023	04/08/2020 to 22/05/2023	Cash settlement	51653	0.03 %
Equity Swap	22/05/2023	03/08/2020 to 22/05/2023	Cash settlement	46244	0.02 %
Equity Swap	15/05/2023	23/09/2020 to 15/05/2023	Cash settlement	39908	0.02 %
			Total	137805	0.07 %

8. Information in relation to the person subject to the notification obligation

	Person subject to the notification obligation is not controlled nor does it control any other undertaking(s) that directly or indirectly hold(s) an interest in the (underlying) issuer (1.).
X	Full chain of controlled undertakings starting with the ultimate controlling natural person or legal entity:

Name	% of voting rights (if at least 3% or more)	% of voting rights through instruments (if at least 5% or more)	Total of both (if at least 5% or more)
Wellington Management Group LLP	%	%	%
Wellington Group Holdings LLP	%	%	%
Wellington Investment Advisors Holdings LLP	%	%	%
Wellington Management Company LLP	%	%	%
-	%	%	%
Wellington Management Group LLP	%	%	%
Wellington Trust Company, NA	%	%	%
-	%	%	%
Wellington Management Group LLP	%	%	%
Wellington Group Holdings LLP	%	%	%
Wellington Investment Advisors Holdings LLP	%	%	%
Wellington Management Global Holdings, Ltd.	%	%	%
Wellington Management International Ltd.	%	%	%
-	%	%	%
Wellington Management Group LLP	%	%	%
Wellington Group Holdings LLP	%	%	%
Wellington Investment Advisors Holdings LLP	%	%	%
Wellington Management Canada LLC	%	%	%
Wellington Management Canada ULC	%	%	%
-	%	%	%
Wellington Management Group LLP	%	%	%
Wellington Group Holdings LLP	%	%	%
Wellington Investment Advisors Holdings LLP	%	%	%
Wellington Management Global Holdings, Ltd.	%	%	%

Wellington Management Australia Pty. Ltd.	%	%	%
-	%	%	%
Wellington Management Group LLP	%	%	%
Wellington Group Holdings LLP	%	%	%
Wellington Investment Advisors Holdings LLP	%	%	%
Wellington Management Global Holdings, Ltd.	%	%	%
Wellington Management Hong Kong Ltd.	%	%	%
-	%	%	%
Wellington Management Group LLP	%	%	%
Wellington Group Holdings LLP	%	%	%
Wellington Investment Advisors Holdings LLP	%	%	%
Wellington Management Global Holdings, Ltd.	%	%	%
Wellington Management Singapore Pte Ltd.	%	%	%
-	%	%	%
Wellington Management Group LLP	%	%	%
Wellington Group Holdings LLP	%	%	%
Wellington Management Funds Holdings LLP	%	%	%
Wellington Management Funds Inc	%	%	%
Wellington Management Funds LLC	%	%	%
-	%	%	%
Wellington Management Group LLP	%	%	%
Wellington Group Holdings LLP	%	%	%
Wellington Management Funds Holdings LLP	%	%	%
Wellington Management Funds (Luxembourg)	%	%	%
-	%	%	%
Wellington Management Group LLP	%	%	%
Wellington Group Holdings LLP	%	%	%
Wellington Management Funds Holdings LLP	%	%	%
Wellington Alternative Investments LLC	%	%	%
Elbe Master Investors (Cayman) L.P.	%	%	%
-	%	%	%
Wellington Management Group LLP	%	%	%
Wellington Group Holdings LLP	%	%	%
Wellington Management Funds Holdings LLP	%	%	%
Wellington Alternative Investments LLC	%	%	%
Elbe Investors (Cayman) L.P.	%	%	%
-	%	%	%

Wellington Management Group LLP	%	%	%
Wellington Group Holdings LLP	%	%	%
Wellington Management Funds Holdings LLP	%	%	%
Wellington Alternative Investments LLC	%	%	%
Elbe Partners, L.P.	%	%	%
-	%	%	%
Wellington Management Group LLP	%	%	%
Wellington Group Holdings LLP	%	%	%
Wellington Management Funds Holdings LLP	%	%	%
Wellington Alternative Investments LLC	%	%	%
International Research Equity Extended Master Fund, L.P.	%	%	%
-	%	%	%
Wellington Management Group LLP	%	%	%
Wellington Group Holdings LLP	%	%	%
Wellington Management Funds Holdings LLP	%	%	%
Wellington Alternative Investments LLC	%	%	%
International Research Equity Extended Fund, L.P.	%	%	%
-	%	%	%
Wellington Management Group LLP	%	%	%
Wellington Group Holdings LLP	%	%	%
Wellington Management Funds Holdings LLP	%	%	%
Wellington Alternative Investments LLC	%	%	%
Global Research Equity Extended Master Fund (Cayman) L.P.	%	%	%
-	%	%	%
Wellington Management Group LLP	%	%	%
Wellington Group Holdings LLP	%	%	%
Wellington Management Funds Holdings LLP	%	%	%
Wellington Alternative Investments LLC	%	%	%
Global Research Equity Extended Fund, L.P.	%	%	%
-	%	%	%
Wellington Management Group LLP	%	%	%
Wellington Group Holdings LLP	%	%	%
Wellington Management Funds Holdings LLP	%	%	%
Wellington Alternative Investments LLC	%	%	%
Wellington Master Emerging Alternatives Fund (Cayman) L.P.	%	%	%
-	%	%	%
Wellington Management Group LLP	%	%	%

Wellington Group Holdings LLP	%	%	%
Wellington Management Funds Holdings LLP	%	%	%
Wellington Alternative Investments LLC	%	%	%
Wellington Emerging Alternatives Fund (Cayman) L.P.	%	%	%
-	%	%	%
Wellington Management Group LLP	%	%	%
Wellington Group Holdings LLP	%	%	%
Wellington Management Funds Holdings LLP	%	%	%
Wellington Alternative Investments LLC	%	%	%
Wellington Emerging Alternatives Fund, L.P.	%	%	%

9. In case of proxy voting according to Sec. 34 para. 3 WpHG
(only in case of attribution of voting rights in accordance with Sec. 34 para. 1 sent. 1 No. 6 WpHG)

Date of general meeting:
Holding total positions after general meeting (6.) after annual general meeting:

Proportion of voting rights	Proportion of instruments	Total of both
%	%	%

10. Other explanatory remarks:

Date

30 Sep 2021

Publication on December 27, 2021

United Internet AG: Release according to Article 40, Section 1 of the WpHG [the German Securities Trading Act] with the objective of Europe-wide distribution

United Internet AG
27.12.2021 / 16:29
Dissemination of a Voting Rights Announcement transmitted by DGAP - a service of EQS Group AG.
The issuer is solely responsible for the content of this announcement.

Notification of Major Holdings

1. Details of issuer

Name:	United Internet AG
Street:	Elgendorfer Straße 57
Postal code:	56410
City:	Montabaur Germany
Legal Entity Identifier (LEI):	3VEKWPJHTD4NKMBVG947

2. Reason for notification

X	Acquisition/disposal of shares with voting rights
	Acquisition/disposal of instruments
	Change of breakdown of voting rights
	Other reason:

3. Details of person subject to the notification obligation

Legal entity: Zerena GmbH
City of registered office, country: Grünwald, Germany

4. Names of shareholder(s)
holding directly 3% or more voting rights, if different from 3.

5. Date on which threshold was crossed or reached:

22 Dec 2021

6. Total positions

	% of voting rights attached to shares (total of 7.a.)	% of voting rights through instruments (total of 7.b.1 + 7.b.2)	Total of both in % (7.a. + 7.b.)	Total number of voting rights pursuant to Sec. 41 WpHG
New	0.00 %	0.00 %	0.00 %	194000000
Previous notification	5.45 %	0.00 %	5.45 %	/

7. Details on total positions
a. Voting rights attached to shares (Sec. 33, 34 WpHG)

ISIN	Absolute		In %	
	Direct (Sec. 33 WpHG)	Indirect (Sec. 34 WpHG)	Direct (Sec. 33 WpHG)	Indirect (Sec. 34 WpHG)
DE0005089031	0	0	0.00 %	0.00 %
Total	0		0.00 %	

b.1. Instruments according to Sec. 38 (1) no. 1 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Voting rights absolute	Voting rights in %

				0	0.00 %
			Total	0	0.00 %

b.2. Instruments according to Sec. 38 (1) no. 2 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Cash or physical settlement	Voting rights absolute	Voting rights in %
				0	0.00 %
			Total	0	0.00 %

8. Information in relation to the person subject to the notification obligation

X	Person subject to the notification obligation is not controlled nor does it control any other undertaking(s) that directly or indirectly hold(s) an interest in the (underlying) issuer (1.).
	Full chain of controlled undertakings starting with the ultimate controlling natural person or legal entity:

Name	% of voting rights (if at least 3% or more)	% of voting rights through instruments (if at least 5% or more)	Total of both (if at least 5% or more)

9. In case of proxy voting according to Sec. 34 para. 3 WpHG
(only in case of attribution of voting rights in accordance with Sec. 34 para. 1 sent. 1 No. 6 WpHG)

Date of general meeting:
Holding total positions after general meeting (6.) after annual general meeting:

Proportion of voting rights	Proportion of instruments	Total of both
%	%	%

10. Other explanatory remarks:

Date

27 Dec 2021

27.12.2021 The DGAP Distribution Services include Regulatory Announcements, Financial/Corporate News and Press Releases.
Archive at www.dgap.de

Publication on January 07, 2022

United Internet AG: Release according to Article 40, Section 1 of the WpHG [the German Securities Trading Act] with the objective of Europe-wide distribution

United Internet AG
07.01.2022 / 15:40
Dissemination of a Voting Rights Announcement transmitted by DGAP - a service of EQS Group AG.
The issuer is solely responsible for the content of this announcement.

Notification of Major Holdings

1. Details of issuer

Name:	United Internet AG
Street:	Elgendorfer Straße 57
Postal code:	56410
City:	Montabaur Germany
Legal Entity Identifier (LEI):	3VEKWPJHTD4NKMBVG947

2. Reason for notification

X	Acquisition/disposal of shares with voting rights
	Acquisition/disposal of instruments
	Change of breakdown of voting rights
	Other reason:

3. Details of person subject to the notification obligation

Natural person (first name, surname): Ralph Dommermuth Date of birth: 19 Nov 1963

4. Names of shareholder(s)
holding directly 3% or more voting rights, if different from 3.

Ralph Dommermuth GmbH & Co. KG Beteiligungsgesellschaft

5. Date on which threshold was crossed or reached:

07 Jan 2022

6. Total positions

	% of voting rights attached to shares (total of 7.a.)	% of voting rights through instruments (total of 7.b.1 + 7.b.2)	Total of both in % (7.a. + 7.b.)	Total number of voting rights pursuant to Sec. 41 WpHG
New	50.10 %	0.00 %	50.10 %	194000000
Previous notification	48.94 %	1.16 %	50.10 %	/

7. Details on total positions
a. Voting rights attached to shares (Sec. 33, 34 WpHG)

ISIN	Absolute		In %	
	Direct (Sec. 33 WpHG)	Indirect (Sec. 34 WpHG)	Direct (Sec. 33 WpHG)	Indirect (Sec. 34 WpHG)
DE0005089031	0	97200000	0.00 %	50.10 %
Total	97200000		50.10 %	

b.1. Instruments according to Sec. 38 (1) no. 1 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Voting rights absolute	Voting rights in %

				0	0.00 %
		Total		0	0.00 %

b.2. Instruments according to Sec. 38 (1) no. 2 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Cash or physical settlement	Voting rights absolute	Voting rights in %
				0	0.00 %
			Total	0	0.00 %

8. Information in relation to the person subject to the notification obligation

	Person subject to the notification obligation is not controlled nor does it control any other undertaking(s) that directly or indirectly hold(s) an interest in the (underlying) issuer (1.).
X	Full chain of controlled undertakings starting with the ultimate controlling natural person or legal entity:

Name	% of voting rights (if at least 3% or more)	% of voting rights through instruments (if at least 5% or more)	Total of both (if at least 5% or more)
Ralph Dommermuth	%	%	%
Ralph Dommermuth Verwaltungs GmbH	%	%	%
Ralph Dommermuth GmbH & Co. KG Beteiligungsgesellschaft	50.10 %	%	50.10 %
-	%	%	%
Ralph Dommermuth	%	%	%
RD Holding-Verwaltungs GmbH	%	%	%
RD Holding GmbH & Co. KG	50.10 %	%	50.10 %

9. In case of proxy voting according to Sec. 34 para. 3 WpHG
(only in case of attribution of voting rights in accordance with Sec. 34 para. 1 sent. 1 No. 6 WpHG)

Date of general meeting:
Holding total positions after general meeting (6.) after annual general meeting:

Proportion of voting rights	Proportion of instruments	Total of both
%	%	%

10. Other explanatory remarks:

Date

07 Jan 2022

Publication on February 11, 2022

United Internet AG: Release according to Article 40, Section 1 of the WpHG [the German Securities Trading Act] with the objective of Europe-wide distribution

United Internet AG
11.02.2022 / 16:18
Dissemination of a Voting Rights Announcement transmitted by DGAP - a service of EQS Group AG.
The issuer is solely responsible for the content of this announcement.

Notification of Major Holdings

1. Details of issuer

Name:	United Internet AG
Street:	Elgendorfer Straße 57
Postal code:	56410
City:	Montabaur Germany
Legal Entity Identifier (LEI):	3VEKWPJHTD4NKMBVG947

2. Reason for notification

X	Acquisition/disposal of shares with voting rights
	Acquisition/disposal of instruments
	Change of breakdown of voting rights
X	Other reason: voluntary group notification with triggered threshold on subsidiary level

3. Details of person subject to the notification obligation

Legal entity: BlackRock, Inc. City of registered office, country: Wilmington, Delaware, United States of America (USA)

4. Names of shareholder(s)
holding directly 3% or more voting rights, if different from 3.

5. Date on which threshold was crossed or reached:

08 Feb 2022

6. Total positions

	% of voting rights attached to shares (total of 7.a.)	% of voting rights through instruments (total of 7.b.1 + 7.b.2)	Total of both in % (7.a. + 7.b.)	Total number of voting rights pursuant to Sec. 41 WpHG
New	3.14 %	0.20 %	3.34 %	194000000
Previous notification	3.06 %	0.23 %	3.29 %	/

7. Details on total positions
a. Voting rights attached to shares (Sec. 33, 34 WpHG)

ISIN	Absolute		In %	
	Direct (Sec. 33 WpHG)	Indirect (Sec. 34 WpHG)	Direct (Sec. 33 WpHG)	Indirect (Sec. 34 WpHG)
DE0005089031	0	6089033	0 %	3.14 %
Total	6089033		3.14 %	

b.1. Instruments according to Sec. 38 (1) no. 1 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Voting rights absolute	Voting rights in %
Lent Securities (right to recall)	N/A	N/A	382449	0.20 %
		Total	382449	0.20 %

b.2. Instruments according to Sec. 38 (1) no. 2 WpHG

Type of instrument	Expiration or maturity date	Exercise or conversion period	Cash or physical settlement	Voting rights absolute	Voting rights in %
-				0	0 %
			Total	0	0 %

8. Information in relation to the person subject to the notification obligation

	Person subject to the notification obligation is not controlled nor does it control any other undertaking(s) that directly or indirectly hold(s) an interest in the (underlying) issuer (1.).
X	Full chain of controlled undertakings starting with the ultimate controlling natural person or legal entity:

Name	% of voting rights (if at least 3% or more)	% of voting rights through instruments (if at least 5% or more)	Total of both (if at least 5% or more)
BlackRock, Inc.	%	%	%
Trident Merger LLC	%	%	%
BlackRock Investment Management, LLC	%	%	%
-	%	%	%
BlackRock, Inc.	%	%	%
BlackRock Holdco 2, Inc.	%	%	%
BlackRock Financial Management, Inc.	%	%	%
-	%	%	%
BlackRock, Inc.	%	%	%
BlackRock Holdco 2, Inc.	%	%	%
BlackRock Financial Management, Inc.	%	%	%
BlackRock Capital Holdings, Inc.	%	%	%
BlackRock Advisors, LLC	%	%	%
-	%	%	%
BlackRock, Inc.	%	%	%
BlackRock Holdco 2, Inc.	%	%	%
BlackRock Financial Management, Inc.	%	%	%
BlackRock International Holdings, Inc.	%	%	%
BR Jersey International Holdings L.P.	%	%	%
BlackRock (Singapore) Holdco Pte. Ltd.	%	%	%
BlackRock (Singapore) Limited	%	%	%
-	%	%	%
BlackRock, Inc.	%	%	%
BlackRock Holdco 2, Inc.	%	%	%
BlackRock Financial Management, Inc.	%	%	%
BlackRock Holdco 4, LLC	%	%	%
BlackRock Holdco 6, LLC	%	%	%
BlackRock Delaware Holdings Inc.	%	%	%
BlackRock Fund Advisors	%	%	%
-	%	%	%
BlackRock, Inc.	%	%	%
BlackRock Holdco 2, Inc.	%	%	%
BlackRock Financial Management, Inc.	%	%	%
BlackRock Holdco 4, LLC	%	%	%
BlackRock Holdco 6, LLC	%	%	%
BlackRock Delaware Holdings Inc.	%	%	%
BlackRock Institutional Trust Company, National Association	%	%	%
-	%	%	%

BlackRock, Inc.	%	%	%
BlackRock Holdco 2, Inc.	%	%	%
BlackRock Financial Management, Inc.	%	%	%
BlackRock International Holdings, Inc.	%	%	%
BR Jersey International Holdings L.P.	%	%	%
BlackRock Australia Holdco Pty. Ltd.	%	%	%
BlackRock Investment Management (Australia) Limited	%	%	%
-	%	%	%
BlackRock, Inc.	%	%	%
BlackRock Holdco 2, Inc.	%	%	%
BlackRock Financial Management, Inc.	%	%	%
BlackRock International Holdings, Inc.	%	%	%
BR Jersey International Holdings L.P.	%	%	%
BlackRock (Singapore) Holdco Pte. Ltd.	%	%	%
BlackRock HK Holdco Limited	%	%	%
BlackRock Asset Management North Asia Limited	%	%	%
-	%	%	%
BlackRock, Inc.	%	%	%
BlackRock Holdco 2, Inc.	%	%	%
BlackRock Financial Management, Inc.	%	%	%
BlackRock International Holdings, Inc.	%	%	%
BR Jersey International Holdings L.P.	%	%	%
BlackRock Holdco 3, LLC	%	%	%
BlackRock Canada Holdings LP	%	%	%
BlackRock Canada Holdings ULC	%	%	%
BlackRock Asset Management Canada Limited	%	%	%
-	%	%	%
BlackRock, Inc.	%	%	%
BlackRock Holdco 2, Inc.	%	%	%
BlackRock Financial Management, Inc.	%	%	%
BlackRock International Holdings, Inc.	%	%	%
BR Jersey International Holdings L.P.	%	%	%
BlackRock (Singapore) Holdco Pte. Ltd.	%	%	%
BlackRock HK Holdco Limited	%	%	%
BlackRock Lux Finco S. a r.l.	%	%	%
BlackRock Japan Holdings GK	%	%	%
BlackRock Japan Co., Ltd.	%	%	%
-	%	%	%
BlackRock, Inc.	%	%	%
BlackRock Holdco 2, Inc.	%	%	%
BlackRock Financial Management, Inc.	%	%	%
BlackRock International Holdings, Inc.	%	%	%
BR Jersey International Holdings L.P.	%	%	%
BlackRock Holdco 3, LLC	%	%	%
BlackRock Cayman 1 LP	%	%	%
BlackRock Cayman West Bay Finco Limited	%	%	%
BlackRock Cayman West Bay IV Limited	%	%	%
BlackRock Group Limited	%	%	%
BlackRock Finance Europe Limited	%	%	%
BlackRock Advisors (UK) Limited	%	%	%
-	%	%	%
BlackRock, Inc.	%	%	%
BlackRock Holdco 2, Inc.	%	%	%
BlackRock Financial Management, Inc.	%	%	%
BlackRock International Holdings, Inc.	%	%	%

BR Jersey International Holdings L.P.	%	%	%
BlackRock Holdco 3, LLC	%	%	%
BlackRock Cayman 1 LP	%	%	%
BlackRock Cayman West Bay Finco Limited	%	%	%
BlackRock Cayman West Bay IV Limited	%	%	%
BlackRock Group Limited	%	%	%
BlackRock Luxembourg Holdco S.a.r.l.	%	%	%
BlackRock (Luxembourg) S.A.	%	%	%
-	%	%	%
BlackRock, Inc.	%	%	%
BlackRock Holdco 2, Inc.	%	%	%
BlackRock Financial Management, Inc.	%	%	%
BlackRock International Holdings, Inc.	%	%	%
BR Jersey International Holdings L.P.	%	%	%
BlackRock Holdco 3, LLC	%	%	%
BlackRock Cayman 1 LP	%	%	%
BlackRock Cayman West Bay Finco Limited	%	%	%
BlackRock Cayman West Bay IV Limited	%	%	%
BlackRock Group Limited	%	%	%
BlackRock International Limited	%	%	%
BlackRock Life Limited	%	%	%
-	%	%	%
BlackRock, Inc.	%	%	%
BlackRock Holdco 2, Inc.	%	%	%
BlackRock Financial Management, Inc.	%	%	%
BlackRock International Holdings, Inc.	%	%	%
BR Jersey International Holdings L.P.	%	%	%
BlackRock Holdco 3, LLC	%	%	%
BlackRock Cayman 1 LP	%	%	%
BlackRock Cayman West Bay Finco Limited	%	%	%
BlackRock Cayman West Bay IV Limited	%	%	%
BlackRock Group Limited	%	%	%
BlackRock Finance Europe Limited	%	%	%
BlackRock Investment Management (UK) Limited	%	%	%
-	%	%	%
BlackRock, Inc.	%	%	%
BlackRock Holdco 2, Inc.	%	%	%
BlackRock Financial Management, Inc.	%	%	%
BlackRock International Holdings, Inc.	%	%	%
BR Jersey International Holdings L.P.	%	%	%
BlackRock Holdco 3, LLC	%	%	%
BlackRock Cayman 1 LP	%	%	%
BlackRock Cayman West Bay Finco Limited	%	%	%
BlackRock Cayman West Bay IV Limited	%	%	%
BlackRock Group Limited	%	%	%
BlackRock Luxembourg Holdco S.a.r.l.	%	%	%
BlackRock Investment Management Ireland Holdings Limited	%	%	%
BlackRock Asset Management Ireland Limited	%	%	%
-	%	%	%
BlackRock, Inc.	%	%	%
BlackRock Holdco 2, Inc.	%	%	%
BlackRock Financial Management, Inc.	%	%	%
BlackRock International Holdings, Inc.	%	%	%

BR Jersey International Holdings L.P.	%	%	%
BlackRock Holdco 3, LLC	%	%	%
BlackRock Cayman 1 LP	%	%	%
BlackRock Cayman West Bay Finco Limited	%	%	%
BlackRock Cayman West Bay IV Limited	%	%	%
BlackRock Group Limited	%	%	%
BlackRock Luxembourg Holdco S.a.r.l.	%	%	%
BlackRock UK Holdco Limited	%	%	%
BlackRock Asset Management Schweiz AG	%	%	%
-	%	%	%
BlackRock, Inc.	%	%	%
BlackRock Holdco 2, Inc.	%	%	%
BlackRock Financial Management, Inc.	%	%	%
BlackRock International Holdings, Inc.	%	%	%
BR Jersey International Holdings L.P.	%	%	%
BlackRock Holdco 3, LLC	%	%	%
BlackRock Cayman 1 LP	%	%	%
BlackRock Cayman West Bay Finco Limited	%	%	%
BlackRock Cayman West Bay IV Limited	%	%	%
BlackRock Group Limited	%	%	%
BlackRock Finance Europe Limited	%	%	%
BlackRock Investment Management (UK) Limited	%	%	%
BlackRock Fund Managers Limited	%	%	%
-	%	%	%
BlackRock, Inc.	%	%	%
BlackRock Holdco 2, Inc.	%	%	%
BlackRock Financial Management, Inc.	%	%	%
BlackRock International Holdings, Inc.	%	%	%
BR Jersey International Holdings L.P.	%	%	%
BlackRock Holdco 3, LLC	%	%	%
BlackRock Cayman 1 LP	%	%	%
BlackRock Cayman West Bay Finco Limited	%	%	%
BlackRock Cayman West Bay IV Limited	%	%	%
BlackRock Group Limited	%	%	%
BlackRock Finance Europe Limited	%	%	%
BlackRock (Netherlands) B.V.	%	%	%
BlackRock Asset Management Deutschland AG	%	%	%
-	%	%	%
BlackRock, Inc.	%	%	%
BlackRock Holdco 2, Inc.	%	%	%
BlackRock Financial Management, Inc.	%	%	%
BlackRock International Holdings, Inc.	%	%	%
BR Jersey International Holdings L.P.	%	%	%
BlackRock Holdco 3, LLC	%	%	%
BlackRock Cayman 1 LP	%	%	%
BlackRock Cayman West Bay Finco Limited	%	%	%
BlackRock Cayman West Bay IV Limited	%	%	%
BlackRock Group Limited	%	%	%
BlackRock Finance Europe Limited	%	%	%
BlackRock (Netherlands) B.V.	%	%	%
BlackRock Asset Management Deutschland AG	%	%	%
iShares (DE) I Investmentaktiengesellschaft mit Teilgesellschaftsvermögen	%	%	%

-	%	%	%

9. In case of proxy voting according to Sec. 34 para. 3 WpHG
(only in case of attribution of voting rights in accordance with Sec. 34 para. 1 sent. 1 No. 6 WpHG)

Date of general meeting:
Holding total positions after general meeting (6.) after annual general meeting:

Proportion of voting rights	Proportion of instruments	Total of both
%	%	%

10. Other explanatory remarks:

Date

11 Feb 2022

INDEPENDENT AUDITOR'S REPORT

To United Internet AG

Report on the audit of the annual financial statements and of the management report of the Company and the Group

Opinions

We have audited the annual financial statements of United Internet AG, Montabaur, which comprise the balance sheet as at 31 December 2021, and the income statement for the fiscal year from 1 January to 31 December 2021, and notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the management report of the Company and the Group of United Internet AG, for the fiscal year from 1 January to 31 December 2021. In accordance with the German legal requirements, we have not audited the content of the statement on corporate governance contained in section 7 of the management report of the Company and the Group that is a part of the management report of the Company and the Group. Furthermore, we have not audited the following disclosures extraneous to management reports:

- All information and comments relating to the "Main focus areas for products and innovation" contained in section 1.4 of the management report of the Company and the Group

- The quarterly figures at group and segment level as at 31 March, 30 June and 30 September in the reporting period and the prior year contained in sections 2.2 and 2.3 of the management report of the Company and the Group

- The corporate governance report pursuant to No. 22 of the German Corporate Governance Code contained in section 7 of the management report of the Company and the Group

Disclosures extraneous to management reports are such disclosures that are not required pursuant to Secs. 289, 289a or Secs. 289b to 285f HGB ["Handelsgesetzbuch": German Commercial Code].

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2021 and of its financial performance for the fiscal year from 1 January to 31 December 2021 in compliance with German legally required accounting principles, and

- the accompanying management report of the Company and the Group as a whole provides an appropriate view of the Company's position. In all material respects, this management report of the Company and the Group is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the management report of the Company and the Group does not cover the content of the aforementioned statement on corporate governance or the aforementioned extraneous information in sections 1.4, 2.2, 2.3 and 7 of the management report of the Company and the Group.

Pursuant to Sec. 322 (3) Sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report of the Company and the Group.

Basis for the opinions

We conducted our audit of the annual financial statements and of the management report of the Company and the Group in accordance with Sec. 317 HGB and the EU Audit Regulation (No 537/2014, referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's responsibilities for the audit of the annual financial statements and of the management report of the Company and the Group" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Art. 10 (2) f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Art. 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and on the management report of the Company and the Group.

Key audit matters in the audit of the annual financial statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the fiscal year from 1 January to 31 December 2021. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon; we do not provide a separate opinion on these matters.

Below, we describe what we consider to be the key audit matters:

Impairment of financial assets

Reasons why the matter was determined to be a key audit matter

The financial assets presented in the financial statements of United Internet AG amount to 87% of total assets and comprise shares in and loans to affiliated companies. The executive directors tested the shares in and loans to affiliated companies for impairment as of the reporting date, consulting an external expert in the process. The impairment test of shares in and loans to affiliated companies is based on the historical experience of each entity and the expectations as to their future development. These expectations are based on many assumptions, which means that judgment is used to determine the net realizable values. In light of this and in view of the significance for the asset, liabilities and financial performance of United Internet AG, the impairment of financial assets was key audit matter.

Auditor's response

As part of our audit procedures, we assessed the competence, capabilities and objectivity of the expert consulted by the executive directors, obtained an understanding of his work and assessed the suitability of the expert opinion commissioned for testing the impairment of the financial assets as audit evidence. We also assessed the valuations by United Internet AG and the expert with the aid of our internal valuation specialists with regard to the methodology used and checked whether the underlying business plans used for the valuations are consistent with the budget figures approved by the executive directors. In addition, we analyzed further assumptions and estimates subject to judgment (such as growth rates or cost of capital) used to determine the fair values of the financial assets to determine whether they are consistent with general and industry-specific market expectations. Furthermore, we checked the clerical accuracy of the models.

Our audit procedures did not lead to any reservations relating to the assessment of impairment of the financial assets by the executive directors.

Reference to related disclosures

The Company's information on the impairment of financial assets is contained in the section "Accounting and measurement principles" and in the section "Financial assets" in the notes to the financial statements.

Other information

The Supervisory Board is responsible for the report of the Supervisory Board pursuant to Sec. 171 (2) AktG ["Aktiengesetz": German Stock Corporation Act]. In all other respects, the executive directors are responsible for the other information. The other information comprises the aforementioned statement on corporate governance and the aforementioned extraneous information contained in sections 1.4, 2.2, 2.3 and 7 of the management report of the Company and the Group and in addition the following other parts to be included in the annual report, of which we received a version prior to issuing this auditor's report, in particular:

- the responsibility statement pursuant to Sec. 264 (2) Sentence 3, Sec. 289 (1) Sentence 5, Sec. 315 (1) Sentence 5 HGB
- the remuneration report pursuant to Sec. 162 AktG,

but not the annual financial statements, not the disclosures in the management report of the Company and the Group whose content is audited and not our auditor's report thereon.

Our opinions on the annual financial statements and on the management report of the Company and the Group do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the management report of the Company and the Group or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report with regard to the other information already provided to us.

Responsibilities of the executive directors and the Supervisory Board for the annual financial statements and the management report of the Company and the Group

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German legally required accounting principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German legally required accounting principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the management report of the Company and the Group that, as a whole, provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report of the Company and the Group that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report of the Company and the Group.

The Supervisory Board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the management report of the Company and the Group.

Auditor's responsibilities for the audit of the annual financial statements and of the management report of the Company and the Group

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report of the Company and the Group as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the annual financial statements and on the management report of the Company and the Group.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sec. 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this management report of the Company and the Group.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report of the Company and the Group, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the management report of the Company and the Group in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems of the Company.

- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report of the Company and the Group or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German legally required accounting principles.

- Evaluate the consistency of the management report of the Company and the Group with the annual financial statements, its conformity with [German] law, and the view of the Company's position it provides.

- Perform audit procedures on the prospective information presented by the executive directors in the management report of the Company and the Group. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Report on the assurance on the electronic rendering of the annual financial statements and the management report of the Company and the Group prepared for publication purposes in accordance with Sec. 317 (3a) HGB

Opinion

We have performed assurance work in accordance with Sec. 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the annual financial statements and the management report of the Company and the Group (hereinafter the "ESEF documents") contained in "Einzelabschluss_UI AG_2021-12-31.zip" (SHA-256 checksum: [e43d1a3eb4add2ac97957a97b40b4de7fb00ddd66add4228544cbb6ead088b36] and prepared for publication purposes complies in all material respects with the requirements of Sec. 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the annual financial statements and the management report of the Company and the Group into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the annual financial statements and the management report of the Company and the Group contained in the file identified above and prepared for publication purposes complies in all material respects with the requirements of Sec. 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinions on the accompanying annual financial statements and the accompanying management report of the Company and the Group for the fiscal year from 1 January to 31 December 2021 contained in the "Report on the audit of the annual financial statements and of the management report of the Company and the Group" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

Basis for the opinion

We conducted our assurance work on the rendering of the annual financial statements and the management report of the Company and the Group contained in the file identified above in accordance with Sec. 317 (3a) HGB and the IDW Assurance Standard: Assurance on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Sec. 317 (3a) HGB (IDW AsS 410) (10.2021). Our responsibility in accordance therewith is further described in the "Auditor's responsibilities for the assurance work on the ESEF documents" section. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in the Audit Firm (IDW QS 1).

Responsibilities of the executive directors and the Supervisory Board for the ESEF documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic rendering of the annual financial statements and the management report in accordance with Sec. 328 (1) Sentence 4 No. 1 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have determined necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Sec. 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Auditor's responsibilities for the assurance work on the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Sec. 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Sec. 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.

- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.

- Evaluate the technical validity of the ESEF documents, i.e., whether the file containing the ESEF documents meets the requirements of Commission Delegated Regulation (EU) 2019/815, in the version in force at the date of the financial statements, on the technical specification for this file.

- Evaluate whether the ESEF documents enable an XHTML rendering with content equivalent to the audited annual financial statements and to the audited management report of the Company and the Group.

Further information pursuant to Art. 10 of the EU Audit Regulation

We were elected as auditor by the Annual Shareholders' Meeting on 27 May 2021. We were engaged by the Supervisory Board on 22 October 2021. We have been the auditor of United Internet AG without interruption since fiscal year 2002.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Art. 11 of the EU Audit Regulation (long-form audit report).

Other matter – Use of the auditor's report

Our auditor's report must always be read together with the audited annual financial statements and the audited management report as well as the assured ESEF documents. The annual financial statements and the management report converted to the ESEF format – including the versions to be published in the *Bundesanzeiger* [German Federal Gazette] – are merely electronic renderings of the audited annual financial statements and the audited management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

German Public Auditor responsible for the engagement

The German Public Auditor responsible for the engagement is Jens Kemmerich.

Eschborn/Frankfurt am Main, 15 March 2022

Ernst & Young GmbH

Wirtschaftsprüfungsgesellschaft

Kemmerich	Reihl
Wirtschaftsprüfer [German Public Auditor]	Wirtschaftsprüfer [German Public Auditor]

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable accounting principles, the Annual Financial Statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Company, and the Management Report and Group Management Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal opportunities and risks associated with the expected development of the Company.

Montabaur, March 11, 2022

The Management Board

Ralph Dommermuth

Martin Mildner

United Internet AG

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Germany

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