



freenet

fertig, **los!**

H1/2024

**Half-year report
1 January – 30 June 2024**

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Please note that there may be arithmetical rounding differences in the subtotals and final totals due to the number format, as the figures have been rounded to one decimal place. Furthermore, the conversion of units of measurement (e.g. in '000s to millions) may lead to a result of 0.0 or -0.0 for reported items.

Key figures

Operational key figures¹

In EUR million/as indicated	H1/2024	H1/2023 (adjusted)	Change	
			absolute	relative
Revenues	1,197.9	1,159.7	38.2	3.3%
Gross profit	470.0	445.9	24.1	5.4%
EBITDA	252.2	255.2	- 3.0	- 1.2%
Adjusted consolidated profit ²	159.8	132.8	27.0	20.3%
Adjusted earnings per share (in EUR) ^{2,3}	1.36	1.11	0.25	22.7%

Subscribers

In '000s	30.6.2024	31.12.2023	Change	
			absolute	relative
Postpaid customers	7,443.6	7,418.3	25.3	0.3%
App-based tariffs ⁴	122.0	121.3	0.7	0.6%
freenet TV subscribers (RGU)	543.5	583.8	- 40.3	- 6.9%
waiпу.tv subscribers	1,698.9	1,369.3	329.6	24.1%
Number of subscribers (Total)	9,808.0	9,492.7	315.3	3.3%

Balance sheet

As indicated	30.6.2024	31.12.2023	Change	
			absolute	relative
Equity ratio	41.8%	42.1%	- 0.3PP	- 0.7%
Leverage (x times EBITDA)	1.3	1.2	0.1	11.6%

Cash flow, investments and depreciation / amortisation¹

In EUR million	H1/2024	H1/2023 (adjusted)	Change	
			absolute	relative
Free cash flow	151.2	153.6	- 2.5	- 1.6%
Net investments (CapEx)	- 19.1	- 22.9	3.8	- 16.7%
Depreciation	- 72.0	- 171.9	99.9	- 58.1%
Thereof amortisation of the mobilcom-debitel trademark	0.0	- 98.5	n/a	n/a

Share

As indicated ⁵	30.6.2024	31.12.2023	Change	
			absolute	relative
Share price (in EUR)	24.80	25.34	- 0.54	- 2.1%
Market capitalisation (in EUR million)	2,949	3,010	- 61	- 2.1%

Employees

	30.6.2024	31.12.2023	Change	
			absolute	relative
Headcount	3,578	3,690	- 112	- 3.0%
FTE	3,022	3,040	- 18.1	- 0.6%

¹ Relates exclusively to continuing operations

² Adjusted for effects from the amortisation of the mobilcom-debitel trademark

³ Basic and diluted

⁴ Includes subscribers of freenet FUNK and freenet FLEX

⁵ Based on Xetra closing price

To our shareholders

Letter to our shareholders

Dear shareholders,

The time has come – since 1 July, the ancillary cost law (“Nebenkostenprivileg”) for cable TV has been abolished. Now over 12 million households in Germany are no longer tied to their landlord’s choice of TV reception. More and more people are now watching linear television via an Internet connection – so-called IPTV. This trend has been emerging for years and is now set to increase significantly. The customer growth of our waipu.tv product also confirms this development. In Q2 2024, we achieved another record quarter and grew by more than 190 thousand customers. Overall, our customer base increased by 330 thousand in the first half of the year. We now have almost 1.7 million waipu.tv customers and aim to grow to around 2 million by the end of 2024.

“We want to convince German TV households that there is a better alternative to cable TV – and we are obviously very successful in doing so!”

We realise how important it is to make people aware that there is an alternative to traditional cable TV in the first place. For this reason, we are investing in increasing brand awareness of waipu.tv this year by running targeted campaigns (including “Dieter an alle Mieter”). Although this will weaken our previously positive EBITDA development in the TV and Media segment in the short term, it will sustainably strengthen our TV customer base and thus our company in the future.

“freenet secures long-term business relationships with all network operators.”

We recently strengthened the future of our mobile communications business by concluding new agreements with the German mobile network operators Deutsche Telekom, Vodafone and Telefónica Deutschland for a longer-term period. The new contract situation gives us access to an even more comprehensive range of tariffs. Since the beginning of July, we have been offering 5G tariffs in all three major German mobile networks. We expect the increase in customers to continue in the coming quarters. In the past half year, customer growth was comparatively restrained – as in the total German mobile



communications market. Nevertheless, we now have almost 7.57 million mobile communications subscribers (year-end 2023: 7.54 million) and continue to expect moderate growth in net new subscribers over the course of the year.

“First half of 2024 confirms our guidance for the year as a whole – EBITDA and free cash flow moving sideways.”

After we closed our Gravis shops in the middle of this year with a heavy heart, our current reporting figures and those of the prior year relate exclusively to continuing operations. As a result, all effects relating to Gravis are excluded. These include expenses for severance payments to Gravis employees. These effects are reported under discontinued operations.

At EUR 1.198 billion, our revenues from continuing operations increased slightly compared to the first half of 2023 (EUR 1.160 billion). Customer growth at waipu.tv in particular contributed to this. After the first six months of this year, our EBITDA totalled EUR 252.2 million, which is slightly below the prior year’s level (EUR 255.2 million). The reasons for this sideways movement are the deliberately temporary increase in marketing investments for waipu.tv in light of the abolition of the ancillary cost law (“Nebenkostenprivileg”) as well as the planned salary increases for our employees compared to the prior year. Our free cash flow from continuing operations also showed a sideways movement compared to the prior year (EUR 153.6 million) and, at EUR 151.2 million, continued to show a high level of cash conversion. All results are within our expectations and confirm our 2024 guidance, which we communicated to the capital market at the beginning of the year. As a result, we continue to expect EBITDA of between EUR 495 million and EUR 515 million and free cash flow of between EUR 260 million and EUR 280 million for the continuing operations for the year as a whole. For the 2025 financial year, we continue to expect EBITDA of at least EUR 520 million and free cash flow of more than EUR 260 million.







“This year we are creating the basis for further successful years for freenet.”

We look forward to giving you an insight into our ambitions beyond 2025 in late autumn. As part of the presentation of our results for the nine-month period 2024, we will once again offer you a longer-term outlook on the future of our TV and mobile business. We are already setting the course for this future: By securing our position in the mobile TV market through long-term agreements with the three leading network operators, while at the same time inspiring as many cable TV customers as possible with the benefits of modern, internet-based linear television. Our promise to our customers, “freenet – always the right choice”, remains our credo. We are convinced that freedom of choice, whether for TV reception or the mobile network, is indispensable and makes a valuable contribution to competition in Germany!

Make your choice and stay with us.

Sincerely

Your freenet Executive Board

 Christoph Vilanek (CEO)	 Ingo Arnold (CFO)	 Nicole Engenhardt-Gillé (CHRO)
 Stephan Esch (CTO)	 Antonius Fromme (CCE)	 Rickmann v. Platen (CCO)

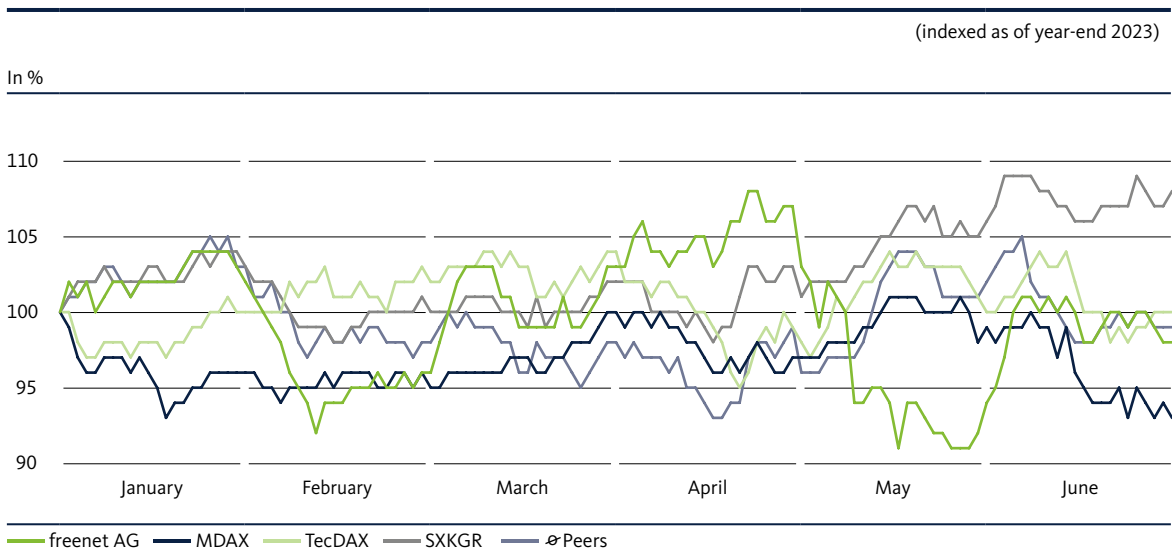
freenet share during the period under review

freenet share performance

Taking into account the dividend payment of EUR 1.77 per share, the freenet share recorded an increase in value (total shareholder return; TSR) of 4.9% in the first six months. If the dividend payment is not taken into account, the share price fell slightly by 2.1% compared to the end of 2023. The major German benchmark indices (MDax; TecDax), to which freenet also belongs, lost -7.2% and -0.3% in value compared to the end of 2023 in the same period. The SXXGR, which tracks the 32 largest European telecommunications companies, recorded a significant increase of around 7.8%. freenet is proving to be a reliable dividend stock overall in challenging times.

The freenet share opened at EUR 25.76 in 2024 and performed rather volatile at EUR 25.34 until the Annual General Meeting on 8 May 2024. Less than a month earlier, freenet reached its highest level of the year so far at EUR 27.30. Following the Annual General Meeting and as a result of the dividend deduction, freenet recorded its lowest value of the year to date at EUR 23.02. The share price recovered to EUR 24.80 at the end of the first half of the year. In particular, the announcement of the conclusion of long-term contracts with the three leading mobile network operators in Germany led to positive comments from analysts and consequently to a positive share price reaction. As of 30 June 2024, freenet's market capitalisation amounted to EUR 2.95 billion (year-end 2023: EUR 3.01 billion).

Figure 1: Performance of freenet share in the first half of 2024 vs. the market

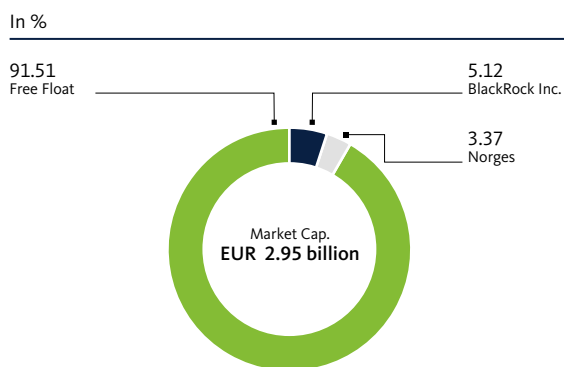


Shareholder structure

The free float of freenet AG in accordance with the German Securities Trading Act (WpHG) increased to 91.5% as of 30 June 2024 compared to the end of 2023 (end of 2023: 88.2%). The main reason for this is that J.P. Morgan fell below the threshold of 3% of the voting rights, which was reported to freenet AG on 10 April 2024 in a voting rights notification. As a result, there were two shareholders as of the reporting date (year-end 2023: three shareholders) who each held more than 3% of the voting rights in freenet AG. BlackRock Inc. holds the largest share of voting rights with 5.1%. This is followed by Norges Bank with 3.4%.

The current shareholder structure of freenet AG is shown at fn.de/shareholders.

Figure 2: Shareholder structure according to the WpHG as of 30 June 2024¹



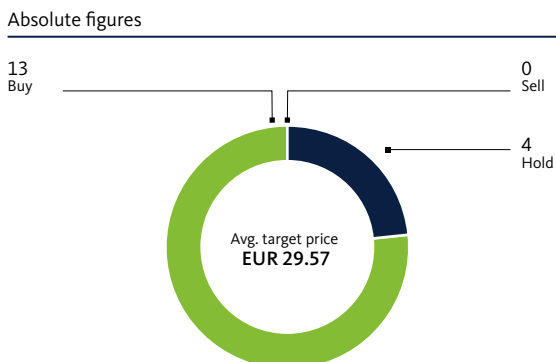
¹ including allocations according to the WpHG

Analysts

The number of sell-side analysts who regularly publish studies and recommendations on freenet AG remained unchanged compared to the prior year (year-end 2023: 17). This reflects the capital market's high and consistent interest in the freenet share. The distribution of analyst recommendations has not changed compared to the end of the prior year. 13 analysts recommend buying the share. Four analysts recommend holding the share and no analyst recommends selling. On average, the analysts calculated a target price of EUR 29.57, which is 0.6% higher than at the end of 2023 (EUR 29.39). Based on the share price as of 30 June 2024 (EUR 24.80), the analysts thus saw an average upside potential of around 19% for the freenet share. The highest price target as of the end of June 2024 was issued by Bernstein at EUR 33.40 (year-end 2023: EUR 30.70) and the lowest price target by Redburn Atlantic at EUR 25.14 (year-end 2023: EUR 25.14).

Current analysts' recommendations for the freenet share are available at fn.de/analysts.

Figure 3: Distribution of analysts' recommendations as of 30 June 2024



Annual General Meeting

The Annual General Meeting of freenet AG took place on 8 May 2024 as an in-person event at the Congress Center Hamburg (CCH). Just under 41% (prior year: 42%) of the share capital was represented at the event. A total of over 400 shareholders were present (prior year: around 350).

The Annual General Meeting confirmed the dividend proposal of EUR 1.77 per share outstanding (prior year: EUR 1.68). freenet is therefore continuing its dividend continuity with a 5.4% increase in the dividend and distributed around EUR 210 million (prior year: around EUR 200 million) to shareholders for the 2023 financial year. The Annual General Meeting also confirmed all other items on the agenda. The detailed voting results of the 2024 Annual General Meeting can be found [here](#). The dividend distribution of freenet AG in 2024 was fully paid from the tax contribution account. The payout was therefore made without deduction of capital gains tax and solidarity surcharge. In 2025, the dividend will be paid out with a partial deduction of capital gains tax – the amount has not yet been determined. From 2026, the dividend is expected to be paid out with full deduction of capital gains tax.

Interim Group Management Report

Primary Note

Gravis Computervertriebsgesellschaft mbH, Berlin (hereinafter referred to as “Gravis”) discontinued its business operations as of 30 June 2024. In accordance with the IFRS 5 accounting standard, the activities of Gravis and certain business transactions directly related to the closure of Gravis in other freenet AG Group companies represent the discontinued operations of Gravis. The result of this division is recognised separately in the income statement in the line “Consolidated profit from discontinued operations”. In accordance with IFRS 5.34, the prior year’s figures in the income statement, the statement of comprehensive income and the cash flow statement have been adjusted. In this context, please refer to the selected explanatory notes (Note 2).

In the first half of 2024, the Group concluded multi-year agreements with the Mobile Communications network operators Telekom Deutschland, Telefónica Deutschland and Vodafone

Customer development and earnings performance

The number of freenet subscribers increased by 315.3 thousand to 9,808.0 thousand in the first six months of 2024 (year-end 2023: 9,492.7 thousand), driven by the strong growth in waipu.tv subscribers. As a result, revenues increased by 3.3% to EUR 1,197.9 million compared to the prior-year period (EUR 1,159.7 million).

Table 1: Revenue and earnings figures for freenet AG^{1,2}

In EUR million	H1/2024	H1/2023 (adjusted)	Change absolute	Change relative
Revenues	1,197.9	1,159.7	38.2	3.3%
Mobile Communications segment	1,002.1	994.6	7.5	0.8%
Service revenues (Total)	852.0	840.9	11.1	1.3%
TV and Media segment	192.3	165.9	26.4	15.9%
Gross profit	470.0	445.9	24.1	5.4%
Overheads	-217.8	-190.7	-27.1	14.2%
EBITDA	252.2	255.2	-3.0	-1.2%
Adjusted EBIT	180.2	181.8	-1.6	-0.9%
Financial result	-15.6	-12.9	-2.7	21.1%
Adjusted EBT	164.6	168.9	-4.3	-2.6%
Adjusted consolidated profit	159.8	132.8	27.0	20.3%

¹ Relates exclusively to continuing operations.

² Earnings figures (EBIT, EBT, consolidated profit) adjusted for effects from the amortisation of the mobilcom-debitel trademark.

At EUR 1,002.1 million, revenues in the Mobile Communications segment were slightly higher than in the prior-year period (EUR 994.6 million). This increase is mainly due to higher service revenues, which grew by EUR 11.1 million to EUR 852.0 million in the first half of 2024 (prior-year period: EUR 840.9 million). The main reason for this increase is the growth in the postpaid customer base to 7,443.6 thousand (year-end 2023: 7,418.3 thousand) in conjunction with a stable ARPU (Average Revenue Per User) of EUR 17.8 (prior-year period: EUR 17.8).

Table 2: Customer development

In '000s	30.6.2024	31.12.2023	Change	
			absolute	relative
Postpaid customers	7,443.6	7,418.3	25.3	0.3%
App-based tariffs ¹	122.0	121.3	0.7	0.6%
Mobile Communications segment	7,565.6	7,539.6	26.0	0.3%
freenet TV subscribers (RGU)	543.5	583.8	-40.3	-6.9%
waipu.tv subscribers	1,698.9	1,369.3	329.6	24.1%
TV and Media segment	2,242.4	1,953.0	289.3	14.8%
Number of subscribers (Total)	9,808.0	9,492.7	315.3	3.3%

¹ Includes subscribers of freenet FUNK and freenet FLEX

The TV and Media segment recorded a significant increase in revenues of 15.9% to EUR 192.3 million (prior-year period: EUR 165.9 million). This is due in particular to the significant growth in waipu.tv subscribers of 329.6 thousand to 1,698.9 thousand (year-end 2023: 1,369.3 thousand). Overall, the number of subscription customers in the TV business rose by 289.3 thousand to 2,242.4 thousand in the first six months of 2024 (year-end 2023: 1,953.0 thousand). The ongoing decline in freenet TV subscribers to 543.5 thousand (year-end 2023: 583.8 thousand) was clearly mitigated in revenues as a result of a materialising price increase.

The increase in service revenues in both operating segments is also reflected in the development of gross profit. This increased by EUR 24.1 million to EUR 470.0 million compared to the same period in 2023 (EUR 445.9 million). The gross profit margin improved slightly by 0.8 percentage points to 39.2% (prior-year period: 38.5%).

At EUR 217.8 million, overheads as the difference between gross profit and EBITDA were EUR 27.1 million higher than in the first half of 2023 (EUR 190.7 million). Other operating expenses increased by EUR 15.8 million year-on-year to EUR 140.6 million (prior-year period: EUR 124.8 million), mainly due to the temporary increase in investments in waipu.tv's brand awareness (TV and Media segment) since the third quarter of 2023. In addition, personnel expenses rose by EUR 9.9 million to EUR 111.3 million, mainly due to planned salary increases and higher expenses for the LTIP remuneration programmes.

EBITDA decreased by EUR 3.0 million or 1.2% to EUR 252.2 million compared to the prior-year period (EUR 255.2 million), in particular as a result of the temporary increase in investments in waipu.tv's brand awareness. The EBITDA margin at Group level fell slightly by 1.0 percentage points to 21.1% (prior-year period: 22.0%). The contributions of the individual segments to Group EBITDA can be seen in the following table.

Table 3: Composition of Group EBITDA¹

In EUR million	H1/2024	H1/2023 (adjusted)	Change	
			absolute	relative
Mobile Communications segment	209.4	205.7	3.7	1.8%
TV and Media segment	52.8	59.2	-6.4	-10.8%
Other/holding segment	-9.9	-9.7	-0.3	2.7%
freenet Group	252.2	255.2	-3.0	-1.2%

¹ Relates exclusively to continuing operations.

Depreciation, amortisation and impairments decreased by EUR 99.9 million to EUR 72.0 million compared to the first half of 2023, mainly due to the additional amortisation of the "mobilcom-debitel" brand in the same period of the prior year in connection with the realignment of the brand strategy (EUR 98.5 million). This effect no longer applies since the brand was fully amortised as of 30 June 2023.

The earnings figures for the prior-year period below EBITDA (EBT and consolidated profit) are, as in the two prior financial years, adjusted for the effects resulting from the amortisation of the mobilcom-debitel trademark in order to improve comparability.

Compared to the first half of 2023 (EUR -12.9 million), the financial result showed an increase in expenses of EUR -15.6 million (EUR -2.7 million). The main reason for this was the higher negative share of earnings in connection with contributions to the equity of Antenne Deutschland GmbH & Co. KG, which is accounted for using the equity method (EUR -4.3 million; prior-year period: EUR -1.8 million). In addition, net interest expenses in the first half of 2024 (EUR 11.7 million) were on a par with the prior-year period (EUR 11.5 million).

Due to the effects explained above, adjusted earnings before income taxes (adjusted EBT) totalled EUR 164.6 million. This represents a year-on-year decline of EUR 4.3 million (prior-year period: EUR 168.9 million).

Expenses from income taxes totalling EUR 4.8 million were reported in the first half of 2024 (prior-year period: EUR 21.9 million). Current tax expenses of EUR 15.1 million (prior-year period: EUR 17.1 million) and deferred tax income of

EUR 10.3 million (prior-year period: deferred tax expenses of EUR 4.8 million) were recognised. The deferred tax income of EUR 10.3 million recognised in the reporting period included a one-off effect of EUR 21.0 million from the Growth Opportunities Act, which has since come into force. Due to the possibility of greater utilisation of corporate income tax loss carryforwards for the financial years 2024 to 2027 (now 70% of taxable income instead of 60%), higher deferred income tax assets on tax loss carryforwards were capitalised in the balance sheet compared to the previous legal situation. The amortisation of the mobilcom-debitel trademark resulted in deferred tax income of EUR 14.3 million in the prior-year period (reporting period: EUR 0).

Total adjusted consolidated profit from continuing operations for the first half of 2024 amounted to EUR 159.8 million (prior year: EUR 132.8 million). Consolidated profit from discontinued operations totalled EUR -50.4 million (prior-year period: EUR -4.4 million), which includes all income and expenses attributable to the discontinued operations of Gravis. Please refer to the selected explanatory notes (Note 2) for information on the composition of the consolidated profit from discontinued operations.

Net assets and financial position

Total assets as of 30 June 2024 amounted to EUR 3,245.9 million, a decrease of EUR 168.9 million compared to 31 December 2023 (EUR 3,414.9 million).

On the assets side, non-current assets decreased by EUR 42.6 million to EUR 2,604.5 million (year-end 2023: EUR 2,647.1 million). Lease assets decreased by EUR 45.3 million to EUR 248.3 million (year-end 2023: EUR 293.6 million), mainly due to scheduled depreciation and amortisation as well as impairments in connection with the discontinued operations of Gravis (EUR 17.8 million). In addition, intangible assets decreased by EUR 18.0 million to EUR 172.8 million (year-end 2023: EUR 190.8 million), mainly due to the scheduled amortisation of the exclusive distribution right with Media-Saturn Deutschland GmbH and impairments in connection with the discontinued operations Gravis (EUR 6.9 million). In contrast, deferred income tax assets increased by EUR 16.0 million to EUR 124.1 million (year-end 2023: EUR 108.2 million), mainly as a result of the adjustment effect on the capitalised tax loss carryforwards resulting from the entry into force of the Growth Opportunities Act, as explained under "Income taxes". In addition, other financial assets increased by EUR 11.2 million to EUR 137.9 million (year-end 2023: EUR 126.7 million), mainly due to the market value of the equity investment in CECONOMY derived from the increased share price.

Current assets fell by EUR 126.3 million to EUR 641.5 million as of the reporting date (year-end 2023: EUR 767.8 million). This was mainly due to the decrease in liquid assets by EUR

64.2 million to EUR 95.6 million (year-end 2023: EUR 159.8 million). This change was primarily due to the dividend payment of EUR 210.4 million in May 2024, while a free cash flow of EUR 151.2 million was generated in the first half of 2024. The decrease in trade accounts receivable by EUR 50.3 million to EUR 262.4 million (year-end 2023: EUR 312.7 million) was mainly the result of payments received for receivables from network operators from annual bonuses for the 2023 billing period.

Table 4: Condensed balance sheet of freenet AG

In EUR million	30.6.2024	31.12.2023	Change	
			absolute	relative
Non-current assets	2,604.5	2,647.1	-42.6	-1.6%
Current assets	641.5	767.8	-126.3	-16.5%
Assets	3,245.9	3,414.9	-168.9	-4.9%
Equity	1,356.6	1,436.9	-80.3	-5.6%
Non-current liabilities	934.1	818.4	115.6	14.1%
Current liabilities	955.3	1,159.6	-204.3	-17.6%
Equity and liabilities	3,245.9	3,414.9	-168.9	-4.9%
Equity ratio	41.8%	42.1%	-0.3PP	-0.7%

On the liabilities side, equity decreased by EUR 80.3 million to EUR 1,356.6 million as of 30 June 2024 (year-end 2023: EUR 1,436.9 million). With consolidated profit totalling EUR 109.4 million, the reduction in equity was primarily due to the dividend payment of EUR 210.4 million. As a result, the equity ratio fell slightly from 42.1% at the end of December 2023 to 41.8% at the end of June 2024 and remained well above the limit of at least 25% defined by freenet.

Total non-current and current liabilities decreased by EUR 88.6 million to EUR 1,889.4 million (year-end 2023: EUR 1,978.0 million). Trade accounts payable decreased by EUR 54.1 million to EUR 283.6 million (year-end 2023: EUR 337.7 million). This was mainly due to developments in liabilities to dealers and hardware suppliers as of the reporting date. Repayments of lease liabilities decreased by EUR 29.8 million to EUR 317.4 million as of the reporting date (year-end 2023: EUR 347.2 million), mainly due to scheduled repayments. Including lease receivables, net lease liabilities amounted to EUR 286.2 million as of 30 June 2024 (year-end 2023: EUR 309.8 million). The increase in financial liabilities, which remain the largest item within non-current and current liabilities, by EUR 23.5 million to EUR 454.4 million (year-end 2023: EUR 430.8 million) was primarily due to the short-term utilisation of the revolving credit facility in the amount of EUR 25.0 million. The effects of the scheduled repayments of two tranches of promissory note loans from 2020 totalling EUR 166.5 million and the new borrowing of three promissory note loan tranches with a nominal value of EUR 165.0

million almost balanced each other out (see Note 3 of the selected explanatory notes).

At 1.3 at the end of June 2024, the leverage factor in relation to the net financial liabilities presented was at the same level as of the end of 2023 (1.2) and thus well below the limit of 3.0 defined by freenet.

Table 5: Development of net financial liabilities and leverage

In EUR million	30.6.2024	31.12.2023	Change	
			absolute	relative
Non-current financial liabilities	414.6	250.1	164.5	65.8%
+ Current financial liabilities	39.7	180.7	-141.0	-78.0%
+ Net lease liabilities	286.2	309.8	-23.6	-7.6%
- Liquid assets	95.6	159.8	-64.2	-40.2%
= Net financial liabilities	645.0	580.9	64.1	11.0%
= Leverage	1.3	1.2	0.1	11.6%
- Equity investments	100.3	85.3	15.0	17.6%
= Adjusted net financial liabilities	544.7	495.6	49.1	9.9%
= Adjusted leverage	1.1	1.0	0.1	10.6%

Liquidity situation

Compared to the prior-year period, the cash flow from operating activities from continuing operations decreased by EUR 8.8 million to EUR 207.7 million in the first half of 2024 (prior-year period: EUR 216.5 million). In addition to a EUR 3.0 million decrease in EBITDA, the EUR 3.9 million increase in taxes paid and the EUR 2.2 million higher increase in networking capital (net working capital) including contract acquisition costs had a negative impact on the cash flow from continuing operations.

Table 6: Liquidity situation of freenet AG¹

In EUR million	H1/2024	H1/2023 (adjusted)	Change	
			absolute	relative
Cash flow from operating activities (1)	207.7	216.5	-8.8	-4.1%
Cash flow from investing activities	-25.3	-24.7	-0.7	2.8%
Net capital expenditure (CapEx) (2)	-19.1	-22.9	3.8	-16.7%
Cash flow from financing activities	-249.8	-318.1	68.3	-21.5%
Cash outflows for the repayment of lease liabilities (3)	-37.4	-40.0	2.5	-6.3%
Net change in cash funds	-67.5	-126.3	58.8	46.6%
Free cash flow (1)+(2)+(3)	151.2	153.6	-2.5	-1.6%

¹ Relates exclusively to continuing operations..

The cash flow from investing activities from continuing operations totalled EUR -25.3 million in the first half of 2024 and was almost unchanged compared to the same period in 2023 (EUR -24.7 million). Net cash investments continued to have the greatest effect, decreasing by EUR 3.8 million to EUR 19.1 million - partly due to lower investments in Media Broadcast's DAB+ broadcasting network compared to the prior year. The investments were financed entirely from own funds. In addition, there were cash outflows from the acquisition of SuperNova GmbH & Co. KG as of 1 January 2024 (EUR 6.5 million; see Note 4 of the selected explanatory notes) and from contributions to the equity of Antenne Deutschland GmbH & Co. KG (EUR 4.3 million; prior-year period: EUR 1.8 million).

The cash flow from financing activities from continuing operations developed from EUR -318.1 million to EUR -249.8 million in the first half of 2024 compared to the same period in 2023. Payments in the first half of 2024 were attributable to the dividend distribution of EUR 210.4 million (prior-year period: EUR 199.7 million), repayments of two promissory note loan tranches with a nominal value of EUR 166.5 million (prior-year period: EUR 78.5 million) and repayments of lease liabilities totalling EUR 37.4 million (prior-year period: EUR 40.0 million). In contrast, the Group received funds totalling a nominal amount of EUR 165.0 million in the first half of 2024 in connection with the issue of three promissory note loan tranches (prior-year period: EUR 0).

In the first half of 2024, a free cash flow from continuing operations of EUR 151.2 million was generated, which was only EUR 2.5 million below the same period in 2023 (EUR 153.6 million) despite temporary investments in the TV business.

Report on opportunities and risks

The opportunities and risks to which freenet is exposed in the course of its ongoing business activities are presented in detail in the 2023 Annual report ([page 38 et seq.](#)) and continue to apply in principle.

The risks recognised in the first half of the year in connection with the closure of Gravis were fully recognised in the balance sheet as of 30 June 2024. In this regard, please refer to the presentation of the net assets, financial position and results of operations. Beyond this, there have been no significant changes with regard to the opportunities and risks of future business development.

There were still no risks in the “high” category as of 30 June 2024. In addition, no risks were identified that could jeopardise freenet’s continued existence, either individually or in combination with other risks. The potential effects on the current financial year continue to be categorised as low.

Report on expected developments

The Executive Board of freenet AG confirms the guidance for the current financial year made in the 2023 Annual report, whose reference values relate exclusively to the continuing operations.

Table 7: Guidance for business performance

Financial performance indicators In EUR million/as indicated	Reference value 2023 (adjusted)	Guidance for 2024 (28.2.2024)	Confirmed guidance for 2024 (15.5.2024)	Confirmed guidance for 2024 (7.8.2024)	Change in guidance	H1/2024
Revenues ¹	2,383.0	Stable performance	Stable performance	Stable performance	→	1,197.9
EBITDA ¹	500.9	495–515	495–515	495–515	→	252.2
Free cash flow ¹	276.6	260–280	260–280	260–280	→	151.2
Postpaid ARPU (in EUR)	18.0	Stable performance	Stable performance	Stable performance	→	17.8

Non-financial performance indicators In '000s	Reference value 31 Dec. 2023	Guidance for 2024 (28.2.2024)	Confirmed guidance for 2024 (15.5.2024)	Confirmed guidance for 2024 (7.8.2024)	Change in guidance	30.6.2024
Postpaid customer base	7,418.3	Moderate growth	Moderate growth	Moderate growth	→	7,443.6
freenet TV subscribers (RGU)	583.8	Noticeable decrease	Noticeable decrease	Noticeable decrease	→	543.5
waipu.tv subscribers	1,369.3	Significant growth	Significant growth	Significant growth	→	1,698.9

↑ above prior guidance

→ unchanged from prior guidance

↓ below prior guidance


¹ Relates exclusively to continuing operations.

Büdeltsdorf, 7 August 2024

freenet AG
The Executive Board



Christoph Vilanek
(CEO)


Ingo Arnold
(CFO)


Nicole Engenhardt-Gillé
(CHRO)


Stephan Esch
(CTO)


Antonius Fromme
(CCE)


Rickman v. Platen
(CCO)

Condensed interim consolidated financial statements *

Consolidated income statement

In EUR million / as indicated	H1 / 2024	H1 / 2023 (adjusted)
Revenues	1,197.9	1,159.7
Other operating income	22.6	23.7
Other own work capitalised	11.5	11.8
Cost of materials	- 727.8	- 713.8
Personnel expenses	- 111.3	- 101.4
Other operating expenses	- 140.6	- 124.8
Thereof result from impairment losses on financial assets and contractual assets	- 6.7	- 7.8
Thereof excluding result from impairment losses on financial assets and contractual assets	- 133.9	- 117.1
EBITDA¹	252.2	255.2
Depreciation	- 72.0	- 171.9
EBIT²	180.2	83.4
Result of equity-accounted investments	- 4.2	- 1.6
Interest and similar income	4.0	2.2
Interest and similar expenses	- 15.7	- 13.7
Other financial result	0.3	0.2
Financial result	- 15.6	- 12.9
Earnings before taxes	164.6	70.5
Income taxes	- 4.8	- 21.9
Consolidated profit from continuing operations	159.8	48.6
Consolidated profit from discontinued operations	- 50.4	- 4.4
Consolidated profit	109.4	44.2
Consolidated profit attributable to shareholders of freenet AG	110.8	42.8
Consolidated profit attributable to non-controlling interests	- 1.4	1.4
Earnings per share (EPS) from continuing operations, basic and diluted (in EUR)	1.36	0.40
Earnings per share from discontinued operations (EPS) basic and diluted (in EUR)	- 0.43	- 0.04
Earnings per share (EPS) basic and diluted (in EUR)	0.93	0.36
Weighted average number of shares outstanding in units, basic and diluted (in millions)	118.9	118.9

¹ EBITDA is defined as Earnings before interest and taxes (EBIT) plus depreciation and amortisation.

² EBIT is defined as Earnings before interest and taxes (EBIT).

* This half-year report has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU). The Group has implemented all accounting standards that were mandatory as of the reporting date. Please refer to the notes to the consolidated financial statements as of 31 December 2023 (page 100 et seq.) for information on the principles and methods applied in the consolidated financial statements.

Consolidated statement of comprehensive income

In EUR million	H1/2024	H1/2023 (adjusted)
Consolidated profit	109.4	44.2
Currency conversion differences	0.0	- 0.1
Other comprehensive income / to be reclassified to the income statement in future periods	0.0	- 0.1
Change in fair value of investments in equity instruments	19.6	10.9
Recognition of actuarial gains and losses from the accounting of pension plans in accordance with IAS 19 (2011)	2.1	- 2.0
Income taxes recognised in other comprehensive income	- 0.9	0.4
Other comprehensive income/not to be reclassified to the income statement in future periods	20.7	9.4
Other comprehensive income	20.7	9.3
Consolidated total comprehensive income	130.1	53.6
Consolidated total comprehensive income attributable to shareholders of freenet AG	131.5	52.2
Consolidated total comprehensive income attributable to non-controlling interests	- 1.4	1.4

Consolidated balance sheet

Assets		
In EUR million	30.6.2024	31.12.2023
Non-current assets		
Intangible assets	172.8	190.8
Lease assets	248.3	293.6
Goodwill	1,385.0	1,379.8
Property, plant and equipment	118.2	129.4
Equity-accounted investments	0.4	0.3
Deferred income tax assets	124.1	108.2
Trade accounts receivable	43.2	44.8
Other receivables and other assets	88.9	90.7
Other financial assets	137.9	126.7
Contract acquisition costs	285.6	282.9
	2,604.5	2,647.1
Current assets		
Inventories	46.5	63.8
Current income tax assets	0.2	0.2
Trade accounts receivable	262.4	312.7
Other receivables and other assets	170.5	160.5
Other financial assets	66.3	70.7
Liquid assets	95.6	159.8
	641.5	767.8
Total assets	3,245.9	3,414.9
Equity and liabilities		
In EUR million	30.6.2024	31.12.2023
Equity		
Share capital	118.9	118.9
Capital reserve	567.5	567.5
Accumulated other comprehensive income	- 140.8	- 161.5
Consolidated balance sheet result	816.2	915.8
Equity attributable to shareholders of freenet AG	1,361.8	1,440.6
Equity attributable to non-controlling interests	- 5.2	- 3.8
	1,356.6	1,436.9
Non-current liabilities		
Lease liabilities	238.3	269.0
Other liabilities and accruals	114.8	118.1
Other financial liabilities	39.9	56.8
Financial liabilities	414.6	250.1
Pension provisions	66.8	68.2
Other provisions	59.5	56.2
	934.1	818.4
Current liabilities		
Lease liabilities	79.1	78.3
Trade accounts payable	283.6	337.7
Other liabilities and accruals	436.3	443.8
Other financial liabilities	29.0	38.3
Current income tax liabilities	55.5	54.2
Financial liabilities	39.7	180.7
Other provisions	32.1	26.6
	955.3	1,159.6
Total equity and liabilities	3,245.9	3,414.9

Statement of changes in equity

1 January to 30 June 2024

In EUR million	Accumulated other comprehensive income					Consolidated balance sheet result	Equity attributable to shareholders of freenet AG	Equity attributable to non-controlling interests	Equity
	Share capital	Capital reserve	Currency conversion differences	Change in fair value of investments in equity instruments	Revaluation reserve according to the IAS 19				
As of 1 January 2024	118.9	567.5	0.8	- 150.0	- 12.3	915.8	1,440.6	- 3.8	1,436.9
Dividend payment	0.0	0.0	0.0	0.0	0.0	- 210.4	- 210.4	0.0	- 210.4
Consolidated profit	0.0	0.0	0.0	0.0	0.0	110.8	110.8	- 1.4	109.4
Change in fair value of investments in equity instruments ¹	0.0	0.0	0.0	19.3	0.0	0.0	19.3	0.0	19.3
Recognition of actuarial gains and losses acc. to the IAS 19 (2011) ¹	0.0	0.0	0.0	0.0	1.4	0.0	1.4	0.0	1.4
Foreign currency conversion ¹	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Subtotal: Consolidated total comprehensive income	0.0	0.0	0.0	19.3	1.4	110.8	131.5	- 1.4	130.1
As of 30 June 2024	118.9	567.5	0.8	- 130.7	- 10.8	816.2	1,361.8	- 5.2	1,356.6

¹ The amounts are netted with the income taxes recognised in other comprehensive income.

1 January to 30 June 2023

In EUR million	Accumulated other comprehensive income					Consolidated balance sheet result	Equity attributable to shareholders of freenet AG	Equity attributable to non-controlling interests	Equity
	Share capital	Capital reserve	Currency conversion differences	Change in fair value of investments in equity instruments	Revaluation reserve according to the IAS 19				
As of 1 January 2023	118.9	567.5	0.8	- 166.9	- 6.4	960.9	1,474.7	- 5.5	1,469.2
Dividend payment	0.0	0.0	0.0	0.0	0.0	- 199.7	- 199.7	0.0	- 199.7
Consolidated profit	0.0	0.0	0.0	0.0	0.0	42.8	42.8	1.4	44.2
Change in fair value of investments in equity instruments ¹	0.0	0.0	0.0	10.8	0.0	0.0	10.8	0.0	10.8
Recognition of actuarial gains and losses in acc. to the IAS 19 (2011) ¹	0.0	0.0	0.0	0.0	- 1.4	0.0	- 1.4	0.0	- 1.4
Foreign currency conversion ¹	0.0	0.0	- 0.1	0.0	0.0	0.0	- 0.1	0.0	- 0.1
Subtotal: Consolidated total comprehensive income	0.0	0.0	- 0.1	10.8	- 1.4	42.8	52.2	1.4	53.6
As of 30 June 2023	118.9	567.5	0.7	- 156.1	- 7.8	804.0	1,327.2	- 4.1	1,323.1

¹ The amounts are netted with the income taxes recognised in other comprehensive income.

Consolidated statement of cash flows

In EUR million	H1/2024	H1/2023 (adjusted)
Earnings before interest and taxes (EBIT) from continuing operations	180.2	83.4
Adjustments:		
Depreciation, amortisation and impairments of non-current assets	72.0	171.9
Dividends received from equity investments	0.1	0.0
Losses from the disposal of non-current assets	0.0	0.1
Increase in networking capital not attributable to investing or financing activities	- 25.0	- 30.7
Cash inflows from the redemption of financial assets from leases	7.4	7.0
Capitalisation of contract acquisition costs	- 153.2	- 139.2
Amortization of contract acquisition costs	150.5	144.5
Taxes paid	- 15.2	- 11.4
Income from interest and other financial result	2.5	1.7
Interest paid	- 11.7	- 10.7
Cash flow from operating activities from continuing operations	207.7	216.5
Cash flow from operating activities from discontinued operations	- 18.8	- 17.6
Cash flow from operating activities	188.9	198.9
Cash outflows for investments in property and intangible assets	- 22.0	- 24.5
Cash inflows from the disposal of property and intangible assets	2.9	1.6
Cash outflows for the acquisition of subsidiaries	- 6.5	0.0
Cash inflows from the sale of equity-accounted companies	0.1	0.3
Cash outflows into equity of equity-accounted investments	- 4.3	- 1.8
Cash outflows to acquire other equity investments	- 0.1	- 0.2
Proceeds from the sale of other investments	4.5	0.0
Cash flow from investing activities from continuing operations	- 25.3	- 24.7
Cash flow from investing activities from discontinued operations	- 0.4	- 2.2
Cash flow from investing activities	- 25.7	- 26.9
Cash outflows to company owners and minority shareholders	- 210.4	- 199.7
Proceeds from the raising of Financial liabilities	164.5	0.0
Cash outflows from the repayment of financial liabilities	- 166.5	- 78.5
Cash outflows for the repayment of lease liabilities	- 37.4	- 40.0
Cash flow from financing activities from continuing operations	- 249.8	- 318.1
Cash flow from financing activities from discontinued operations	- 2.6	- 2.4
Cash flow from financing activities	- 252.4	- 320.5
Net change in cash funds	- 89.2	- 148.5
Cash funds at the beginning of the period	159.8	178.0
Cash funds at the end of the period	70.6	29.6

Composition of cash funds

In EUR million	30.6.2024	30.6.2023
Liquid assets	95.6	79.6
Liabilities to banks for short-term cash management	- 25.0	- 50.0
Cash funds	70.6	29.6

Composition of free cash flow

In EUR million	H1/2024	H1/2023 (adjusted)
Cash flow from operating activities from continuing operations	207.7	216.5
Cash outflows for investments in property, plant and equipment and intangible assets from continuing operations	- 22.0	- 24.5
Cash inflows from the disposal of property, plant and intangible assets from continuing operations	2.9	1.6
Cash outflows for the repayment of lease liabilities from continuing operations	- 37.4	- 40.0
Free cash flow from continuing operations	151.2	153.6

Selected explanatory notes according to IAS 34

Material accounting policies and consolidation principles

1. In accordance with Regulation 1606/2002 of the European Parliament and of the Council, these condensed interim consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Union in accordance with IAS 34. In doing so, the Group has taken into account all IFRS adopted by the EU and whose application is mandatory. These condensed interim consolidated financial statements have not been reviewed by an auditor.

The Group has implemented all accounting standards that were mandatory at the reporting date and refers to the notes to the consolidated financial statements as of 31 December 2023 (p. 101). None of the amendments have any material impact on these condensed interim consolidated financial statements of freenet AG.

The key estimates and assumptions have remained unchanged compared to the consolidated financial statements for 2023.

Significant events and transactions

2. Due to an unprofitable earnings situation and a lack of positive future prospects, Gravis Computer-Vertriebsgesellschaft mbH, Berlin (hereinafter referred to as "Gravis") ceased operations on 30 June 2024. With 37 stores in Germany and several online shops, Gravis was a retailer and service provider specialising in the Apple product range. Gravis also operated a certified technical and repair service as well as personnel training in the use of the products offered.

The activities of Gravis and certain business activities in other group companies of the freenet AG that are directly related to the closure of Gravis represent the discontinued operations of Gravis within the meaning of IFRS 5.13 and IFRS 5.32, as Gravis is a separate, material business area as part of the Mobile Communications segment.

In the statement of comprehensive income for the first half of 2024 and, due to the retrospective adjustment, also for the same period of the prior year, the profit or loss after taxes of the discontinued operations Gravis is recognised as a separate amount in the line "Consolidated profit from discontinued operations". Transactions between the continuing operations and Gravis took place to an insignificant extent in the reporting period and in the same period of the prior year. These mainly involved Gravis purchasing IT and administrative services from the continuing operations. In this regard, an assessment was made as to whether the resources of the continuing operations used to provide these services will be reduced in future following the

closure of Gravis. If this is probable, the external expenses incurred by the continuing operations to provide these services were allocated to Gravis. If this is not probable, the aforementioned transactions were not taken into account when determining the result from discontinued operations.

The net profit for the period of this discontinued operations for the first half of 2024 and the first half of 2023 is broken down as follows:

In EUR '000s	H1 / 2024	H1 / 2023
Revenues	69,865	110,242
Other operating income	1,145	543
Cost of materials	- 66,062	- 96,111
Personnel expenses	- 26,992	- 9,819
Other operating expenses	- 4,904	- 5,531
Depreciation	- 29,659	- 3,213
Financial result	- 370	- 524
Income taxes	6,565	63
Result from discontinued operations	- 50,412	- 4,350

EUR 15.7 million of the personnel expenses of the discontinued operations in the first half of 2024 are characterised by restructuring expenses for severance payments to employees, while depreciation and impairments in the first half of 2024 amounting to EUR 24.7 million are influenced by impairments of lease assets and Internally generated software.

As of 30 June 2024, Gravis reported lease liabilities of EUR 17.5 million, while its lease assets were already impaired to EUR 0 as part of an impairment test carried out in accordance with IAS 36. In the coming months, the company will endeavour to reduce its lease liabilities, for example by handing over the rental locations to third parties, reaching agreements with the landlords or concluding subleases, which could lead to the recognition of future income from the adjustment of lease liabilities, which would then also represent part of the result from discontinued operations.

3. In the first half of 2024, two promissory note loan tranches from 2020 totalling EUR 166.5 million were repaid in full. For refinancing purposes, freenet AG successfully placed a promissory note loan with a total volume of EUR 100.0 million in the first half of 2024. The bullet financing instrument consists of two tranches of EUR 75.0 million (fixed margin: 4.05%, term: until May 2027) and EUR 25.0 million (fixed margin: 3.92%, term: until May 2028). In addition, the second tranche of EUR 65.0 million of the promissory note loan placed in October 2023 was paid out in May 2024 (see Note 28, Notes to the consolidated financial statements 2023). In addition, the revolving credit line of EUR 25.0 million was drawn on a short-term basis as of 30 June 2024.

4. On 21 December 2023, the Group concluded a purchase agreement for the acquisition of all shares and voting rights in SuperNova GmbH & Co. KG, Cologne (hereinafter referred to as SuperNova). The acquisition was completed on 4 January 2024, giving the Group control over this subsidiary. The initial consolidation in the freenet Group was carried out from 1 January 2024 for reasons of simplification.

SuperNova's business activities essentially consist of advising wholesalers and retailers in the telecommunications industry, representing their interests vis-à-vis manufacturers and network operators and advising on and implementing marketing measures in the telecommunications sector.

A fixed cash purchase price of EUR 6,500 thousand was agreed.

The purchase price allocation carried out in these consolidated financial statements with regard to the acquisition of SuperNova in accordance with IFRS 3 is provisional in nature, as the fair values of the identifiable intangible assets could only be determined provisionally.

The following overview provides information on the assets and liabilities of SuperNova recognised at fair value at the time of initial consolidation:

Assets and liabilities of SuperNova at fair value as of 1 January 2024

Assets		Liabilities	
In EUR'000s	1.1.2024	In EUR'000s	1.1.2024
Non-current assets			
Intangible assets	1,171		
Goodwill	5,275		
	6,446		
Current assets			
Trade accounts receivable	1,078	Current liabilities	
Other receivables and other assets and other financial assets	83	Trade accounts payable	347
Cash and cash equivalents	16	Other liabilities and accruals and other financial liabilities	218
	1,177	Current income tax liabilities	558
	7,623		1,123
			1,123

The difference between the assets and liabilities totalling EUR 6,500 thousand represents the total purchase price determined at the time of initial consolidation. The purchase price allocation resulted in goodwill of EUR 5,275 thousand. This is mainly attributable to future earnings opportunities in the wireless services business, which largely relate to the economic benefits from the integration of the SuperNova business model into freenet AG. The goodwill has been allocated to the "Mobile Communications" cash-generating unit. In our Segment reporting, SuperNova is allocated to the Mobile Communications segment. In addition to goodwill, intangible assets totalling EUR 1,161 thousand were disclosed in the purchase price allocation. These are fully attributable to Customer relationships with a useful life of 42 months. The subsequent amortisation of these intangible assets will result in scheduled amortisation of EUR 332 thousand per financial year. The fair value of the acquired receivables (including other receivables, other assets and other financial assets) amounted to EUR 1,161 thousand as of 1 January 2024 (gross receivables of EUR 1,162 thousand less loss allowances of EUR 1 thousand). No contingent liabilities or transactions were identified that are to be recognised separately from the acquisition of the assets and

the assumption of the liabilities.

A capital value-oriented method, the multi-period excess earnings method, is used to determine the fair value of the intangible assets (customer relationships) recognised as part of the preliminary purchase price allocation.

SuperNova's contribution to the Group's external revenues and EBITDA from the time of its initial consolidation was insignificant.

5. New contractual agreements concluded in the first half of 2024 resulted in new other financial obligations (order commitments for services) of EUR 1,477 million as of 30 June 2024, thereof EUR 101 million due within one year, EUR 616 million Due after one and five years and EUR 760 million Due after more than five years. Otherwise, the Group's other financial obligations as of 30 June 2024 were at a level comparable to 31 December 2023.

6. The deferred tax income of EUR 10.3 million recognised in the first half of 2024 included a one-off effect of EUR 21.0 million from the Growth Opportunities Act, which has since come into force. Due to the possibility of greater utilisation of corporate income tax loss carryforwards for the financial years 2024 to 2027 (now 70% of taxable income instead of 60%), higher deferred income tax assets on tax loss carryforwards were capitalised in the balance sheet compared to the previous legal situation.

7. The following significant transactions took place between the Group and related parties:

In EUR million	H1/2024	H1/2023
Revenue attributable to billing of services		
Joint ventures		
Antenne Deutschland GmbH & Co KG	5.2	4.1
Associated companies		
Bayern Digital Radio GmbH	0.2	0.3
Non-consolidated companies		
Hessen Digital Radio GmbH	0.6	0.6
Total	6.0	5.0

In EUR million	H1/2024	H1/2023
Expenses from the purchase of services		
Joint ventures		
Antenne Deutschland GmbH & Co KG	0.1	0.0
Associated companies		
ad.audio GmbH	0.1	0.2
Bayern Digital Radio GmbH	0.3	0.3
Total	0.5	0.5

As of June 30, 2024, the following significant receivables and liabilities to related parties existed:

In EUR million	30.6.2024	30.6.2023
Receivables from current transactions		
Joint ventures		
Antenne Deutschland GmbH & Co KG	0.0	0.1
Total	0.0	0.1

All transactions were based on standard market prices.

Other disclosures in the notes

8. Fair values disclosures:

The following overview "Fair value hierarchy as of 30 June 2024" shows the main parameters on which the measurement of the financial instruments recognised at fair value as well as the portion of the financial instruments recognised at amortised cost for which no fair value could be determined is based. For the definition of the individual levels in accordance with IFRS 13, please refer to the notes to the consolidated financial statements of freenet AG as of 31 December 2023.

Financial instruments by category as of 30 June 2024

In EUR '000s	IFRS 9 measurement category	Carrying amount of balance sheet 30.6.2024	Measurement		Fair value of financial instruments 30.6.2024
			Amortised cost	Fair value recognised in profit or loss Fair value through other comprehensive income	
Assets					
Cash/liquid assets	AC	95,571	95,571		— ¹
Trade accounts receivable		305,569			
At amortised cost	AC	187,586	187,586		— ¹
At fair value through profit or loss	FVTPL	117,983		117,983	— ¹
Other financial assets		204,194			
Lease receivables	n / a	31,178			
Non-derivative financial assets					
At amortised cost	AC	21,808	21,808		— ¹
Other financial assets					
At amortised cost	AC	9,086	9,086		— ¹
At fair value through profit or loss	FVTPL	39,144		39,144	
Other equity instruments					
At fair value through profit or loss	FVTPL	2,139		2,139	— ¹
At fair value through other comprehensive income	FVOCI	100,839			100,839
Equity and liabilities					
Lease liabilities	n / a	317,407			
Trade accounts payable	AC	283,601	283,601		
Financial liabilities		454,353	454,353		
Financial liabilities from promissory notes	AC	426,623	426,623		419,295
Other Financial liabilities	AC	27,730	27,730		
Other financial liabilities		68,916			
At amortised cost	AC	68,916	68,916		
At fair value through profit or loss	FVTPL	0		0	— ¹
Thereof aggregated by IFRS 9 measurement category					
Assets					
At amortised cost	AC	314,051	314,051		— ¹
At fair value through profit or loss	FVTPL	159,266		159,266	— ¹
At fair value through other comprehensive income	FVOCI	100,839			100,839
Equity and liabilities					
At amortised cost	AC	806,870	806,870		419,295 ¹
At fair value through profit or loss	FVTPL	0		0	— ¹

¹ No fair value was determined for the items, but the Carrying amounts represent a reasonable approximation of the fair value. As a result, the aggregated fair values for the AC and FVTPL measurement categories are each significantly lower than their aggregated Carrying amounts of balance sheet.

Fair value hierarchy as of 30 June 2024

In EUR '000s	Total	Level 1	Level 2	Level 3
Assets				
Trade accounts receivable, at fair value through profit or loss	117,983	0	0	117,983
Other financial assets, at fair value through profit or loss	39,144	0	0	39,144
Other equity instruments, at fair value through profit or loss	2,139	0	0	2,139
Other equity instruments, at fair value through other comprehensive income	100,839	100,839	0	0
Equity and liabilities				
Financial liabilities from promissory notes	419,295	0	0	419,295
Other financial liabilities, at fair value through profit or loss	0	0	0	0

There have been no changes to the levels.

9. Based on updated interest rates (freenet, debitel programmes: 3.9%, Media Broadcast Group programmes: 3.7%), pension provisions were revalued on the basis of otherwise unchanged assumptions. The resulting actuarial gain of EUR 2.1 million and the offsetting reduction in deferred tax assets of EUR 0.9 million were recognised in the statement of comprehensive income. On balance, there was a positive result of EUR 1.2 million from items not to be reclassified to the income statement.

10. The calculation of current and current income taxes was based on an average tax rate of 30.3% (prior-year period: 30.3%), as in the consolidated financial statements for 2023.

11. The following event occurred after 30 June 2024: The Chairman of the Executive Board of freenet AG, Christoph Vilanek, informed the Personnel Committee of the company's Supervisory Board on 21 July 2024 that he is not available for an extension of his term of office and intends to step down from the company's Executive Board at the end of his term of office, which, according to his contract, ends on 31 December 2025 at the earliest. The Supervisory Board will initiate the search and selection process for a suitable successor at short notice.

12. The Executive Board organises and manages the company as the chief operating decision maker on the basis of the differences between the individual products and services offered. As the Group conducts its business activities almost exclusively in Germany, it is not organised and managed by geographical segment. The Group operated in the following business segments in the first six months of 2024:

- Mobile Communications:
 - Activities as a mobile communications service provider – marketing of mobile communications services (voice and data services) of the mobile network operators Telekom Deutschland, Vodafone and Telefónica Deutschland in Germany
 - offering its own network-independent services and tariffs as well as offering the network operators' tariffs on the basis of the network operator contracts concluded with these network operators
 - Distribution/sale of Mobile Communications devices and additional services in the areas of mobile data communications and digital lifestyle
 - “freenet Internet”: Offering its own app-based Internet product
 - Provision of distribution services
 - Planning, setup, installation and maintenance of WiFi networks

- TV and Media:
 - Provision of services, primarily to end customers, in the area of IPTV
 - Planning, project development, construction, operation, service and marketing of broadcasting-related solutions for business customers in the broadcasting and media industry
 - Provision of DVB-T2 services to end customers
- Other/holding:
 - Provision of portal services such as e-commerce/advertising services (these essentially include the provision of online shopping and the marketing of advertising space on websites), payment services for end customers and the provision of various digital products and entertainment formats for download or for display and use on mobile devices
 - Development of communication solutions, IT services and other services for business customers
 - Offering narrowband voice services (call-by-call, pre-selection) and data services
 - Provision of distribution services

In addition to the operating activities, the “Other/holding” segment also includes Other business activities. These mainly include the holding activities of freenet AG (with the provision of intra-group services in centralised areas such as legal, HR and finance), but also areas that cannot be clearly allocated to the operating segments. EUR 25.6 million of the segment revenue of EUR 25.4 million reported for the “Other/holding” segment in the first six months of 2024 (prior-year period: EUR 19.8 million) relates to operating activities (prior-year period: EUR 20.0 million) and EUR –0.2 million (prior-year period: EUR –0.2 million) to other business activities.

EUR 15.3 million (prior-year period: EUR 12.0 million) of the gross profit of EUR 14.9 million (prior-year period: EUR 11.7 million) reported for the “Other/holding” segment in the first six months of 2024 is attributable to operating activities and EUR –0.4 million (prior-year period: EUR –0.3 million) to other business activities. Of the EBITDA of EUR –9.9 million (prior-year period: EUR –9.7 million) reported for the “Other/holding” segment in the first six months of 2024, EUR 7.2 million (prior-year period: EUR 4.4 million) was generated by operating activities and EUR –17.1 million (prior-year period: EUR –14.1 million) by other business activities.

Segment report

1 January to 30 June 2024

In EUR million	Mobile Communications	TV and Media	Other/holding company	Elimination of intersegment revenues and expenses	Total
Third-party revenues	995.1	186.2	16.6	0.0	1,197.9
Intersegment revenues	7.0	6.1	8.8	- 22.0	0.0
Total revenues	1,002.1	192.3	25.4	- 22.0	1,197.9
Cost of materials to third parties	- 645.6	- 72.1	- 10.1	0.0	- 727.8
Intersegment cost of materials	- 17.1	- 0.8	- 0.3	18.2	0.0
Total cost of materials	- 662.7	- 72.9	- 10.5	18.2	- 727.8
Segment gross profit	339.5	119.4	14.9	- 3.8	470.0
Other operating income	23.0	0.4	1.9	- 2.7	22.6
Other own work capitalised	7.8	2.9	0.8	0.0	11.5
Personnel expenses	- 59.4	- 32.4	- 19.5	0.0	- 111.3
Other operating expenses	- 101.5	- 37.5	- 8.1	6.5	- 140.6
Thereof loss allowances on financial assets and contract assets	- 8.9	2.2	0.0	0.0	- 6.7
Thereof without loss allowances on financial assets and contract assets	- 92.6	- 39.7	- 8.0	6.5	- 133.9
Total overheads¹	- 130.1	- 66.6	- 24.9	3.8	- 217.8
Thereof intersegment allocation	- 3.3	- 1.5	1.0	3.8	
Segment EBITDA	209.4	52.8	- 9.9	0.0	252.2
Depreciation, amortisation and impairment					- 72.0
EBIT					180.2
Financial result					- 15.6
Income taxes					- 4.8
Consolidated profit from continuing operations					159.8
Consolidated profit from discontinued operations attributable to the shareholders of freenet AG					- 50.4
Consolidated profit					109.4
Consolidated profit attributable to shareholders of freenet AG					110.8
Consolidated profit attributable to non-controlling interests					- 1.4
Net cash investments	11.9	6.7	0.9		19.5
Thereof from continuing operations	11.6	6.7	0.9		19.1
Thereof from discontinued operations	0.4	0.0	0.0		0.4

¹ Overheads are defined as the difference between gross profit and EBITDA and include the items operating income, other own work capitalised, personnel expenses and other operating expenses.

1 January to 30 June 2023 (adjusted)

In EUR million	Mobile Communications	TV and Media	Other/holding company	Elimination of intersegment revenues and expenses	Total
Third-party revenues	988.1	160.0	11.5	0.0	1,159.7
Intersegment revenues	6.5	5.8	8.2	- 20.6	0.0
Total revenues	994.6	165.9	19.8	- 20.6	1,159.7
Cost of materials to third parties	- 652.5	- 53.5	- 7.7	0.0	- 713.8
Intersegment cost of materials	- 11.4	- 5.1	- 0.3	16.8	0.0
Total cost of materials	- 664.0	- 58.6	- 8.0	16.8	- 713.8
Segment gross profit	330.7	107.3	11.7	- 3.8	445.9
Other operating income	23.6	0.3	2.0	- 2.2	23.7
Other own work capitalised	7.7	3.2	0.9	0.0	11.8
Personnel expenses	- 56.9	- 28.0	- 16.5	0.0	- 101.4
Other operating expenses	- 99.4	- 23.6	- 7.8	6.0	- 124.8
Thereof loss allowances on financial assets and contract assets	- 7.6	- 0.3	0.1	0.0	- 7.8
Thereof without loss allowances on financial assets and contract assets	- 91.8	- 23.3	- 8.0	6.0	- 117.1
Total overheads¹	- 125.0	- 48.1	- 21.4	3.8	- 190.7
Thereof intersegment allocation	- 4.2	- 0.6	1.0	3.8	
Segment EBITDA	205.7	59.2	- 9.7	0.0	255.2
Depreciation, amortisation and impairment					- 171.9
EBIT					83.4
Financial result					- 12.9
Income taxes					- 21.9
Consolidated profit from continuing operations					48.6
Consolidated profit from discontinued operations attributable to the shareholders of freenet AG					- 4.4
Consolidated profit					44.2
Consolidated profit attributable to shareholders of freenet AG					42.8
Consolidated profit attributable to non-controlling interests					1.4
Net cash investments	11.6	11.0	2.5		25.1
Thereof from continuing operations	9.4	11.0	2.5		22.9
Thereof from discontinued operations	2.2	0.0	0.0		2.2

¹ Overheads are defined as the difference between gross profit and EBITDA and include the items operating income, other own work capitalised, personnel expenses and other operating expenses.

Further information


Responsibility statement

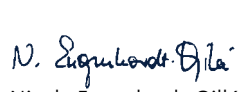
To the best of our knowledge, and in accordance with the applicable reporting principles, the condensed interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group in accordance with German accepted accounting principles,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

Büdelsdorf, 7 August 2024

freenet AG
The Executive Board



Christoph Vilanek
(CEO)


Ingo Arnold
(CFO)


Nicole Engenhardt-Gillé
(CHRO)


Stephan Esch
(CTO)


Antonius Fromme
(CCE)


Rickman v. Platen
(CCO)

Quarterly overview



Our latest quarterly figures are available for download at fn.de/downloadsir.

Financial calendar

Date	Event
28 February 2024	Publication of preliminary results for the 2023 financial year*
26 March 2024	Publication of the 2023 Annual report
8 May 2024	2024 Annual General Meeting in Hamburg
16 May 2024	Publication of the 2024 Quarterly statement*
7 August 2024	Publication of the 2024 Half-year report*
7 November 2024	Publication of 2024 Nine-month statement*

* Publication after close of trading (Xetra)

All dates are subject to possible changes. The current status of the Financial calendar (including conference call dates) is available at fn.de/calendar.

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

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Consultancy, concept & design

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The half-year report is also available in German.
In case of doubt, the German version shall prevail.



For more information on 2023 financial year including statements from our Executive Board members, go to fn.de/23fy

