



Half-Year Report 2025

FACTS & FIGURES

Selected Performance Indicators	H1 2025	H1 2024	Change	Q2 2025	Q2 2024	Change	Q1 2025	Q4 2024	Q3 2024
Profit (in €m)									
Sales revenue	2,006.4	2,015.9	-0.5 %	987.9	991.5	-0.4 %	1,018.5	1,047.1	1,001.3
Service revenue	1,646.5	1,644.9	0.1 %	824.6	823.0	0.2 %	821.9	824.4	833.8
Hardware and other revenues	359.9	371.0	-3.0 %	163.3	168.5	-3.1 %	196.6	222.7	167.5
EBITDA	283.9	326.6	-13.1 %	128.0	144.3	-11.3 %	155.9	127.8	136.4
EBITDA segment Access	414.5	437.6	-5.3 %	191.6	212.9	-10.0 %	222.9	226.0	192.5
EBITDA segment 1&1 Mobile Network	-130.6	-111.0	17.7 %	-63.6	-68.6	-7.3 %	-67.0	-98.2	-56.1
EBIT	118.1	196.1	-39.8 %	44.9	78.2	-42.6 %	73.2	21.9	91.4
EBIT excluding PPA write-offs	162.6	224.7	-27.6 %	66.2	92.5	-28.4 %	96.4	36.2	105.6
EBT	107.2	196.5	-45.4 %	39.4	77.7	-49.3 %	67.8	18.7	90.0
EBT excluding PPA write-offs	151.7	225.1	-32.6 %	60.6	92.0	-34.1 %	91.1	32.9	104.3
Profit per share (in €)	0.42	0.77	-45.5 %	0.15	0.30	-50.0 %	0.27	0.10	0.34
Profit per share excluding PPA write-offs (in €)	0.60	0.89	-32.6 %	0.24	0.36	-33.3 %	0.36	0.15	0.39
Cash flow (in €m)									
Net inflow of funds from operating activities	229.5	-24.5	-	185.7	-113.0	-	43.8	177.5	158.4
Net outflow of funds in investment sector	-478.9	69.5	-	-159.3	138.9	-	-319.6	-107.1	-143.2
Free cash flow	111.5	-58.5	-	95.7	-137.0	-	15.8	-42.2	121.5
	30/06/2025	31/12/2024	Change	30/06/2025	31/12/2024	Change	31/03/2025	31/12/2024	30/09/2024
Headcount (incl. management board)									
Total per end of June ¹	3,243	3,281	-1.2 %	3,243	3,281	-1.2 %	3,301	3,281	3,280
Customer contracts (in millions)									
Access, contracts	16.33	16.39	-0.4 %	16.33	16.39	-0.4 %	16.35	16.39	16.35
of which mobile internet	12.44	12.44	0.0 %	12.44	12.44	0.0 %	12.42	12.44	12.38
of which broadband (ADSL, VDSL, FTTH)	3.89	3.95	-1.5 %	3.89	3.95	-1.5 %	3.93	3.95	3.97
Balance Sheet (in €m)									
Short-term assets	2,183.5	1,844.0	18.4 %	2,183.5	1,844.0	18.4 %	2,177.9	1,844.0	1,939.2
Long-term assets	6,307.6	6,286.0	0.3 %	6,307.6	6,286.0	0.3 %	6,265.0	6,286.0	6,100.6
Equity	6,161.9	6,094.0	1.1 %	6,161.9	6,094.0	1.1 %	6,142.5	6,094.0	6,077.0
Balance sheet total	8,491.1	8,130.1	4.4 %	8,491.1	8,130.1	4.4 %	8,442.9	8,130.1	8,039.8
Equity ratio	72.6 %	75.0 %		72.6 %	75.0 %	0.0 %	72.8 %	75.0 %	75.6 %

¹ Group headcount from 2025 onwards includes A1 Marketing, Kommunikation und neue Medien GmbH

Index

2	Facts & Figures
4	Letter from the Management Board
9	Interim Management Report of 1&1 Aktiengesellschaft for the First Half of 2025
10	Principles of the Group
14	Course of Business
16	Position of the Group
24	Risk and Opportunities Report
25	Forecast Report
31	Interim Financial Statement for the First Half of 2025
32	Consolidated Statement of Comprehensive Income
33	Consolidated Balance Sheet
35	Consolidated Cash Flow Statement
37	Consolidated Statement of Changes in Equity
38	Explanatory Comments on the Interim Consolidated Financial Statements 30 June 2025
55	Consolidated Statement of Comprehensive Income, Quarterly Development
57	Responsibility Statement
60	Miscellaneous
61	Investor Relations Corner
63	Publications, Information and Order Service
63	Financial Event Calendar
63	Contacts
64	Legal Information
65	Brand portfolio of 1&1

Letter from the Management Board



Dear Shareholders,

Our company made good progress in the first half of 2025 in expanding and operating its mobile network and in the largest customer migration in the German mobile communications market. At the same time, however, we only partially met expectations in our operating business.

1&1 operates the first 5G network based on innovative Open RAN technology in Europe, providing comprehensive coverage for millions of mobile communications users. With Open RAN, we have focused on state-of-the-art technology from the outset – without compromise, for greater competition and innovation. This is a technological achievement that also serves as a blueprint for network operators in other European countries, which are increasingly seeking to upgrade their existing infrastructure to modern technology.

With standardized interfaces, Open RAN technology puts an end to an anachronism in mobile communications, where individual network equipment suppliers deliver a closed, complete system. We are working flexibly with around 100 trusted partners to expand and operate 1&1 O-RAN. Around 50 percent of these partners are based in Germany, with the remaining 40 percent located elsewhere in Europe. Our goal is to create a particularly future-proof network architecture that will transform the mobile communications landscape, ensure resilience, and drive innovation for the benefit of consumers.

We are setting up a private cloud across Germany in hundreds of regionally distributed Far Edge data centers. Network functions are controlled from here via software. All 1&1 antenna sites are equipped with gigabit antennas and connected to our data centers via fiber optics. This enables real-time transmission speeds and makes our network ready for innovative applications of the future.

Just around a year and a half after the launch of mobile services, the 1&1 O-RAN surpassed the 10 million user mark in June. By the end of the year, we will have completed the migration of our more than 12 million users to the 1&1 network. Wherever 1&1 O-RAN does not yet have its own coverage during the expansion phase, coverage will automatically be provided via national roaming using Vodafone antennas. At the same time, we will gradually phase out the services we currently purchase from Telefónica.

1&1 O-RAN is growing every day. Four core data centers, 24 decentralized data centers, and 281 of our more than 500 planned regional far-edge data centers are already in operation. We also made good progress in the expansion of antenna sites in the first half of the year - 1,200 radio masts are already in operation and approximately 4,500 additional sites are currently being developed.

However, the provision of contractually agreed antenna sites by our main supplier, Vantage Towers, continues to be significantly delayed. In view of the serious consequences for competition, the German Federal Cartel Office classified Vantage Towers' behavior as abusive obstruction in April after its initial findings. A final assessment is expected in the second half of 2025.

With our successful participation in the 5G auction, we laid the foundation for our mobile network in 2019. In March 2025, the Federal Network Agency announced the extension of important frequencies in the mid and low band spectrum to Deutsche Telekom, Vodafone, and Telefónica for five years. This extension is linked to the obligation to provide 1&1 with 2x10 MHz 2.6 GHz frequencies and at least 2x5 MHz low-band frequencies for shared use. In order not to lose any time in the negotiations for access to the frequencies, we approached Deutsche Telekom, Vodafone, and Telefónica immediately after the BNetzA decision was announced. It is important to us that we can use a sufficiently large amount of frequencies to adequately serve our more than 12 million customers. We are confident that this will be achieved and trust that our three established competitors will make fair offers and that the BNetzA will support us.

For 30 years now, 1&1 has been one of Germany's leading telecommunications providers, stimulating competition with innovative and attractive offers. We are known for our good price/performance ratio. But in addition to good offers, quality and service are also among our distinguishing features for private and business customers. In the first half of 2025, we were delighted to receive further awards with top ratings: 1&1 emerged from the renowned IMTEST landline test and zafaco with a rating of "Very Good" (1.31). And in the connect complete test of landline providers in 2025, 1&1 also came out on top in the private customer categories "Normal" and "Frequent users."

We are also particularly pleased about the awards in this year's connect customer barometers. In the private customer segment, 1&1 achieved top ratings and first place in both the 2025 Customer Barometer for Mobile Communications and the 2025 Customer Barometer for Internet Providers. Together with the top rating of "Very Good" in the latest connect hotline test of mobile network operators, these are excellent results that confirm our high standards of quality and service.

But high-performance connections and maximum customer satisfaction are also of paramount importance to us in the business customer segment. "Very good" – 1&1 was awarded this top rating by connect in the 2025 Business Customer Barometer for both mobile communications and Internet connections.

These are successes that we will build on and that motivate us to keep improving in the future.

Now for the operating side of the business

In the first half of the year, the number of customer contracts fell by 60,000 to 16.33 million contracts (31 December 2024: 16.39 million contracts). The decline was attributable to broadband connections, which decreased to 3.89 million contracts as of 30 June 2025 (31 December 2024: 3.95 million contracts), while the mobile communications business remained stable at 12.44 million contracts (31 December 2024: 12.44 million). The mobile communications business remained unchanged due to intense competition and, as expected, a slight increase in contract terminations in connection with the migration of all mobile communications customers to the new 1&1 network.

Our high-margin service revenue amounted to €1,646.5 million in the first half of the 2025 financial year 2025 (6M 2024: €1,644.9 million). Total revenue declined by -0.5 percent, or €-9.5 million to 2,006.4 million (6M 2024: €2,015.9 million).

Other low-margin revenues, essentially from the realisation of hardware sales brought forward (in particular from investments in smartphones that will be reimbursed by the customers over the minimum contract term in the form of higher package prices) declined by -3.0 percent or €-11.1 million to €359.9 million (6M 2024: €371.0 million). The hardware business is low-margin, subject to seasonal fluctuations, and influenced by the attractiveness and life cycle of new devices.

EBITDA in the operational Access segment fell by -5.3 percent or €-23.1 million to €414.5 million in the first half of 2025 (6M 2024: €437.6 million). The decline is primarily attributable to higher input costs resulting from Vodafone's slower-than-planned network growth and the switch from Telefónica to Vodafone as the national roaming provider. Under the commercially equivalent national roaming agreement with Vodafone, the capacities used by 1&1 are recognized in full in EBITDA, whereas they were partially capitalized and amortised as planned under the national roaming agreement with Telefónica.

Negative EBITDA in the 1&1 Mobile Network segment increased to €-130.6 million (6M 2024: €-111.0 million) as a result of higher costs for network expansion and operation as well as the migration of existing customers. Total EBITDA thus declined by €-42.7 million to €283.9 million (6M 2024: €326.6 million).

As a result of this and higher depreciation and amortisation, particularly due to the increased number of antenna sites in the 1&1 mobile network, EBIT declined to €118.1 million (6M 2024: €196.1 million). As a result, earnings per share (EPS) amounted to €0.42 in the first half of 2025 (6M 2024: €0.77). Excluding the impact of PPA amortisation, earnings per share amounted to €0.60 (6M 2024: €0.89).

Free cash flow amounted to €111.5 million in the first half of fiscal year 2025 (previous year: €-58.5 million). Free cash flow includes investments in tangible and intangible assets (Cash Capex) amounting to €118.0 million (6M 2024: €34.0 million), which mainly related to the expansion of our mobile network. Free cash

flow in the previous year included higher advance payments under the VDSL/FTTH quota agreement with Deutsche Telekom.

For the 2025 fiscal year, the Management Board of 1&1 AG continues to expect a stable contract base and service revenue at the previous year's level (2024: €3.303 billion). Based on the adjustments made during the year, 1&1 confirms its EBITDA forecast of approximately €545 million (2024: €590.8 million). This figure continues to include EBITDA in the 1&1 Mobile Network segment at the previous year's level of approximately €-265 million (2024: €-265.3 million), including approximately €-100 million in expenses for customer migration and network pre-commitments, which will no longer be incurred after the complete migration of all customers from fiscal year 2026 onwards. EBITDA in the Access operating segment is expected to amount to approximately €810 million (2024: €856.1 million).

The capital expenditure (cash capex) is expected to remain at approximately €450 million (2024: €290.6 million).

1&1 is well positioned for the next steps in the Company's development. We are optimistic about the future. Our sincere thanks go to all our employees for their dedicated efforts, as well as to our shareholders and business partners for their continued trust and support.

Best regards from Montabaur



Ralph Dommermuth



Sascha D'Avis



Alessandro Nava

Montabaur, August 2025

Interim Management Report of 1&1 Aktiengesellschaft for the First Half of 2025

10	Principles of the Group
14	Course of Business
16	Position of the Group
24	Risks and Opportunities Report
25	Forecast Report

Principles of the Group

Business Model

1&1 – only MBA MVNO on the German mobile market and rollout of the 1&1 mobile network

The 1&1 Group, with 1&1 Aktiengesellschaft, Montabaur, as its listed parent company (hereinafter referred to as “1&1 AG” or, together with its subsidiaries, “1&1” or “Group”), is a telecommunications provider operating in Germany and operates its own mobile network. With 16.33 million paid customer contracts, 1&1 is a leading provider of broadband and mobile communications products in Germany.

Corporate management and Group reporting are carried out through the Access and 1&1 Mobile Network segments.

Group structure, strategy and management

For information concerning the Group structure, strategy and management, please refer to the explanations in the cumulative management report of 1&1 AG for financial year 2024. There have not been any significant changes here from the perspective of the Group.

Access segment

The Access segment encompasses the Group’s fee-based mobile internet and broadband products, including associated applications (such as home networking, online storage, telephony, smart home or IPTV), meaning that all customer-related revenues are generated in this segment.

1&1 serves more than 16.3 million contracts across its broadband and mobile communications product areas, making it one of Germany’s leading internet specialists. 1&1 uses the landline network of its affiliate 1&1 Versatel GmbH, which, like 1&1, is also part of the United Internet AG Group, and can also market regional networks and broadband household lines from city carriers and Deutsche Telekom pursuant to an agreement with 1&1 Versatel. The bundled packages provided by 1&1 Versatel are supplemented with devices, own developments of applications and services to create an extended portfolio that sets the Company apart from its competitors.

Since the launch of mobile services in the 1&1 mobile network, operating companies in the Access segment have been purchasing wholesale services for new customers from their own network, and millions of existing customers have already migrated across. The full migration is expected to finish by the end of 2025. To ensure full network coverage during the build-out phase of the 1&1 mobile network, 1&1 is using Vodafone's national roaming services.

The Access products are marketed under well-known brands such as 1&1, WinSim or Sim.de, each of which addresses specific target groups on the market, so that 1&1 Group covers the entire range from premium rate plans with above-average service standards to low-cost rate plans for price-conscious customers.

1&1 Mobile Network segment

1&1 operates a fully virtualized, fully functional mobile network based on innovative Open RAN technology. The expenditure and income relating to the ongoing construction and operation of the Company's own 1&1 mobile network are disclosed in the 1&1 Mobile Network segment. Revenues in the 1&1 Mobile Network segment result primarily from cross-segment billing of network services to the Access segment, as well as externally from network-related services, like responding to governmental requests.

1&1 is the first network operator in Europe to rely entirely on the new Open RAN technology. At the heart of 1&1's network is a private cloud that operates in hundreds of cities and features local Edge Data Centres. All network functions are controlled by software running on conventional servers. 1&1 plans to use gigabit antennas at all antenna sites, which are connected via fibre optic to the 1&1 Edge Data Centres. This network architecture features minimal latency, which is essential for future real-time applications.

The 1&1 mobile network uses the 5G frequencies acquired in 2019 in the 2 GHz and 3.6 GHz bandwidths. While the frequency blocks in the 3.6 GHz bandwidth are already available, the frequency blocks in the 2 GHz bandwidth will not become available until 1 January 2026. To bridge this period, 1&1 has leased additional frequencies in the 2.6 GHz bandwidth from Telefónica until its own frequencies become available.

General economic and industry-related conditions

Development of the overall economy

In its updated economic outlook (World Economic Outlook, July 2025 update), the International Monetary Fund (IMF) expects global economic growth of 3.0 percent in 2025, following growth of 3.3 percent in the previous year (January forecast: 3.3 percent).

Nevertheless, the IMF experts are slightly more optimistic than in their April forecast (2.8 percent). This is due to stronger-than-expected purchases in the run-up to the planned increase in US tariffs and a decline in the effective US tariff rate from 24.4 percent to 17.3 percent. At the same time, however, the IMF warned that the global economy remains exposed to significant risks, such as a possible resurgence of tariffs, geopolitical tensions, and growing budget deficits.

The IMF has revised its economic forecast for the German market downwards by -0.2 percentage points during the year and now expects economic output to grow by only 0.1 percent in 2025 (previous year: -0.2 percent).

Changes in the growth forecasts 2025

	Actual 2024	January-forecast 2025	April-forecast 2025	July-forecast 2025	Deviation from January forecast
Germany	-0.2%	0.3%	0.0%	0.1%	-0.2 percentage points
World economic	3.3%	3.3%	2.8%	3.0%	-0.3 percentage points

Source: International Monetary Fund, World Economic Outlook (Update) January, April and July 2025

Development of the industry

Germany's digital economy has proven largely resilient in the face of crisis. Despite geopolitical uncertainties and the currently challenging economic climate, revenues in the sector continue to grow. This was the key message from the industry association Bitkom during its mid-year press conference in 2025, where it presented the current state of the German ICT sector (ICT = Information and Communications Technology).

However, not all companies are benefiting equally from the sector's growth, as shown by the Bitkom ifo Digital Index. This index is based on companies' current business situations and future expectations. In June,

the index showed a slight improvement but, at minus 1.0 points, it remained just below the neutral threshold. Business expectations for the coming quarter rose significantly in June, increasing by 10 points from minus 13.3 to minus 3.2 points. According to Bitkom, this improved outlook largely reflects hopes tied to the newly elected government and the Ministry for Digital Affairs. Overall, the Bitkom ifo Digital Index remains well above the ifo Business Climate Index for the broader economy, which has been stuck in negative territory for over two years and stood at minus 6.7 points in June.

General legal conditions / Major events

As of 1 January 2025, 1&1 acquired all shares in A1 Marketing, Kommunikation und neue Medien GmbH, Montabaur (hereafter "A1"), from United Internet Corporate Services GmbH, Montabaur for a purchase price of €4.0 million. A1 acts as a marketing agency for 1&1. The initial consolidation took place in accordance with the provisions of IFRS 3 as of 1 January 2025. There is no material impact on the Group's assets, financial position, or earnings expected as a result of this.

In March 2025, the Federal Network Agency announced a five-year extension of further mid- and low-band spectrum licences to Deutsche Telekom, Vodafone and Telefónica. This extension is subject to the condition that the three established network operators provide 1&1 with access to part of the low-band spectrum for shared use. To avoid delays in negotiations for access to key frequencies below 1 GHz, 1&1 entered into direct discussions with Telekom, Vodafone and Telefónica. 1&1 remains confident of reaching agreements and is relying on fair offers and the promised support of the Federal Network Agency.

On 11 April 2025, the Federal Cartel Office published its preliminary legal assessment regarding Vodafone and Vantage Towers' failure to provide antenna sites to 1&1. In this assessment, the Federal Cartel Office considers the delayed provision of contractually agreed sites to constitute an anti-competitive hindrance of 1&1's market entry as the fourth network operator. At the end of 2021, Vantage Towers entered into a contractual agreement with 1&1 for the shared use of a four-digit number of antenna sites, to be implemented in several phases by the end of 2025. The deadlines for these targets were contractually extended by a year, but the provision of the agreed 1&1 sites has been significantly delayed since the contract was signed. A final assessment of the facts is expected in the second half of 2025.

On 11 July 2025, STOXX Ltd. excluded 1&1 AG from the SDAX, HDAX and TecDAX stock indices. The exclusion was justified on the basis of an alleged takeover, in accordance with Section 8.3.2 of the DAX Equity Index Calculation Guide. On the same day, the Management Board of 1&1 AG initiated a formal complaint procedure with STOXX against this index removal, as 1&1 does not consider the conditions for exclusion under the cited rule to have been met.

Separately, in December 2024, United Internet AG secured a subsidised loan of up to €800 million from the Japan Bank for International Cooperation (JBIC), the Japanese development bank. The loan is designated for the setup of the 1&1 mobile network. Under the terms of the agreement, all funds are to be passed directly to 1&1. A loan agreement between 1&1 and United Internet was signed in January 2025. In February 2025, the first tranche of €290 million was drawn down and transferred to 1&1 in line with the agreement.

Employees

As at 30 June 2025, 1&1 Group employed a workforce of 3,243 (31 December 2024: 3,281).

Course of Business

Development in the Access segment

The number of customer contracts subject to fees in the Access segment declined by 60,000 to 16.33 million in the first half of 2025. Persistently intense competition contributed to this development. The decline compared with 31 December 2024, is attributable to broadband contracts, which fell by 60,000. The mobile communications business remained stable compared with the end of 2024, with 12.44 million contracts.

Development of Access contracts in the first half of 2025 (in millions)

	30/06/2025	31/03/2025	31/12/2024	Change HY1
Access, total contracts	16.33	16.35	16.39	-0.06
of which mobile internet	12.44	12.42	12.44	0.00
of which broadband lines	3.89	3.93	3.95	-0.06

Customer contracts are marketed in the Access reporting segment while the 1&1 Mobile Network segment produces infrastructure advance services, so customer-related sales revenues are generated exclusively in the Access segment. The segment reporting is aligned with the internal organisation and reporting structure.

By 30 June 2025, revenues in the Access segment decreased by €13.6 million to €2,002.3 million (H1 2024: €2,015.9 million). High-margin service revenue in the Access segment amounted to €1,643.5 million (H1 2024: €1,644.9 million) and mainly relates to revenue from fee-based mobile Internet and broadband products for end customers. Service revenue without direct customer reference amounting to €2.9 million is now reported in the 1&1 Mobile Network segment. The cost of materials in the Access segment increased by

€7.4 million to €1,292.1 million (H1 2024: €1,284.7 million). The increase in material costs is primarily attributable to higher input costs for national roaming agreement with Vodafone. Under the commercially equivalent national roaming agreement with Vodafone, the capacities used by 1&1 are recognized in full in EBITDA, whereas under the national roaming agreement with Telefónica, they were partially capitalized and amortised as planned.

Gross profit from the Access segment revenue thus declined from €716.1 million to €694.2 million.

Segment-EBITDA is at €414.5 million (H1 2024: €437.6 million).

Major revenue and profit indicators in the Access segment (in €m)

	HY1 2025	HY1 2024	Change HY1
Sales revenue	2,002.3	2,015.9	-0.7%
Service revenue	1,643.5	1,644.9	-0.1%
EBITDA	414.5	437.6	-5.3%

Quarterly development: Change compared to the previous year's quarter in the Access segment (in €m)

	Q2 2025	Q2 2024	Change
Sales revenue	983.8	991.5	-0.8%
Service revenue	821.7	823.0	-0.2%
EBITDA	191.6	212.9	-10.0%

1&1 Mobile Network segment

In the first half of the 2025 financial year, the focus in the 1&1 Mobile Network segment was on migrating existing customers to the 1&1 mobile network and further expanding the 5G mobile network.

As of 30 June 2025, more than 10 million customers were using the 1&1 mobile network. Now that the migration of existing customers has been completed without any major disruptions, the migration of the remaining existing customers is expected to be completed by the end of 2025.

The service revenue reported in the 1&1 Mobile Network segment in the first half of 2025 relates to the billing of external network services such as termination and similar services and amounts to €2.9 million (H1 2024: €15k).

EBITDA in 1&1 Mobile Network segment was at €-130.6 million (H1 2024: €-111.0 million). The change results from the planned increase in costs for operation of the 1&1 mobile network, as well as the costs associated with migrating existing customers to 1&1's own mobile network.

In the first six months of the 2025 financial year, internal revenues of €155.7 million (H1 2024: €7.7) were generated through the provision of mobile communications wholesale services to the Access segment.

Cash Capex amounted to €112.0 million (H1 2024: €26.5 million). As planned, the expected investment volume will continue to rise significantly over the course of the year.

Position of the Group

Financial Performance of the group

	HY1 2025 €m	HY1 2024 €m
Sales	2,006.4	2,015.9
Cost of sales	-1,516.2	-1,458.7
Gross profit	490.2	557.2
Distribution costs	-272.3	-262.9
Administration costs	-59.0	-57.5
Other operating income / expenses	20.8	18.7
Impairment losses	-61.6	-59.4
Results from operating activities	118.1	196.1
Financial result	-10.9	0.4
Profit before taxes	107.2	196.5
Tax expenses	-32.6	-60.1
Consolidated profit	74.6	136.4

Against the backdrop of a highly competitive market environment, the number of fee-based customer contracts decreased by 60,000 or -0.4 percent in the first half of 2025.

As a result, sales revenues fell from €2,015.9 million in the first half of 2024 by 0.5 percent to €2,006.4 million in the first half of 2025. The sustainable and high-margin service revenues, which result essentially from the billing of current customer relationships, increased by 0.1 percent to €1,646.5 million (H1 2024: €1,644.9 million).

Other revenues, which consist largely of revenues from the realization of hardware sales (especially from investments in smartphones that are repaid by customers over the contractual minimum term in the form of

higher package prices), recorded a decline of 3.0 percent in the first half of 2025 to €359.9 million (H1 2024: €371.0 million). This business fluctuates seasonally, and its development depends heavily on the attractiveness of new devices and the model cycles of manufacturers. Regardless, these revenue fluctuations have no significant impact on EBITDA development.

The cost of sales increased in the first half of 2025 by €57.5 million or 3.9 percent to €1,516.2 million (H1 2024: €1,458.7 million). Cost of sales in the Access business segment rose by 0.6 percent compared to the previous year and amounted to €1,308.1 million (H1 2024: €1,299.8 million) and include consolidated intra-group purchases of services from the 1&1 Mobile Network in the amount of €155.7 million (H1 2024: €7.7 million). The increase in cost of sales is primarily due to higher expenses for intermediate inputs, while the cost of goods sold decreased due to lower hardware sales.

The cost of sales in the 1&1 Mobile Network segment amounted to €363.8 million (H1 2024: €166.6 million). Cost of sales includes all costs incurred in operating the 1&1 mobile network as well as prepaid costs for national and international roaming (excluding national roaming costs at Telefónica, which are recognized directly in the Access segment). Depreciation in cost of sales amounted to €82.0 million in the first half of 2025, compared to €54.6 million in the first half of 2024.

The gross margin was 24.4 percent (H1 2024: 27.6 percent). As a result of the higher expenses in the 1&1 Mobile Network segment included in the increase in cost of sales, the gross profit from revenues declined by 12.0 percent or €67.0 million, from €557.2 million to €490.2 million.

Sales costs attributable exclusively to the Access segment rose by €9.4 million to €272.3 million in the first half of 2025 due to continued intensified marketing activities and advertising campaigns. (H1 2024: €262.9 million). In relation to revenue, distribution costs in the first half of the 2025 financial year amounted to 13.6 percent (H1 2024: 13.0 percent).

Administrative expenses rose slightly to €59.0 million (2.9 percent of revenue) after €57.5 million in the first half of 2024 (H1 2024: 2.9 percent of revenue).

The other result amounted to €20.8 million (H1 2024: €18.7 million) and consists of other operating income of €24.5 million (H1 2024: €20.2 million) as well as other operating expenses of €3.7 million (H1 2024: €1.5 million). The increase in other operating income is mainly due to higher income from the collection process.

There has been a slight increase in impairments on receivables and contractual assets. These amounted to €61.7 million in the first half of the 2025 financial year, compared to €59.4 million as of 30 June 2024. In relation to sales revenue, the value adjustment ratio amounted to 3.1 percent (H1 2024: 2.9 percent).

As of 30 June 2025, EBITDA amounted to €283.9 million (H1 2024: €326.6 million), down 13.1 percent from the comparable period of the previous year. The EBITDA margin was 14.1 percent as of 30 June 2025, compared to 16.2 percent in the same period of the previous year. The earnings development was primarily due to higher costs for operating the 1&1 mobile network, costs for migrating existing customers, and higher input costs for mobile Internet.

Earnings before interest and taxes (EBIT) amounted to €118.1 million as of 30 June 2025 (H1 2024: €196.1 million). The EBIT margin came to 5.9 percent (H1 2024: 9.7 percent). Excluding the effects of PPA depreciation (depreciation on the assets recognised as part of the purchase price allocation in the merger of 1&1 and Drillisch), the EBIT came to €162.6 million and the EBIT margin was 8.1 percent (H1 2024: €224.7 million or EBIT margin 11.1 percent).

Financing expenses totaled €17.6 million in the reporting period, significantly above the previous year's €8.5 million. The increase of €9.1 million was mainly driven by two factors: firstly, higher interest expenses from finance lease agreements related to the use of antenna sites. Secondly, since the beginning of fiscal year 2025, additional interest expenses have been included from a loan taken out at the beginning of the year from the Japanese development bank JBIC, which is used to co-finance strategic investments in the context of network expansion. The loan was formally taken out by United Internet and passed on to 1&1. Financial income amounted to €6.7 million in the first half of 2025 (H1 2024: €8.9 million) and, as in the previous year, resulted primarily from interest on the cash investment with United Internet AG. The decline is due to lower interest rates compared with the first half of 2024.

Earnings before taxes (EBT) came to €107.2 million in the first half of 2025 (H1 2024: 196.5 million). Tax expenses amounted to €32.6 million (H1 2024: €60.1 million). The tax rate is 30.4 percent (H1 2024: 30.6 percent).

The consolidated result in the first half of 2025 amounted to €74.6 million after €136.4 million in the first half of 2024.

The undiluted profit per share in the first six months of the current financial year amounted to €0.42 (H1 2024: €0.77). Excluding the effects of the PPA depreciation, the basic earnings per share in 2025 amounted to €0.60 (H1 2024: €0.89).

Major revenue and profit indicators (in €m)

	HY1 2025	HY1 2024	Change
Sales revenue	2,006.4	2,015.9	-9.5
Service revenue	1,646.5	1,644.9	1.6
EBITDA	283.9	326.6	-42.7
EBIT	118.1	196.1	-78.0

Financial Position in the Group**Development of Key Cash Flow Metrics**

€m	HY1 2025	HY1 2024	Change
Net inflow of funds from operating activities	229.5	-24.5	254.0
Net outflow of funds in investment sector	-478.9	69.5	-548.4
Free cash flow	111.5	-58.5	170.0
Net outflow of funds in financing sector	250.2	-45.4	295.6
Cash and cash equivalents as at 30 June	5.0	2.8	2.2

Net cash flows from operating activities amounted to approximately €229.5 million in the first half of the 2025 financial year, compared with €-24.5 million in the first half of 2024. The positive change compared with the previous year is primarily attributable to advance payments made in the previous year for the quota agreement with Deutsche Telekom. In addition, there were negative effects in the previous year as a result of increased tax payments.

Cash flow from investing activities comprises investments in intangible assets and property, plant, and equipment in the amount of €118.1 million (H1 2024: €34.0 million). The investments, which are mainly being made in the 1&1 mobile network, are scheduled to increase over the course of 2025 and amount to €450 million for the full year. The disbursements from short-term investments of €360.0 million relate to the investment of surplus liquidity at United Internet AG as part of cash management. In the previous year, there was a repayment from United Internet AG in the amount of €92.5 million. In addition, cash flow from investing activities includes interest income of €3.1 million (H1 2024: €11.1 million).

Free cash flow, defined as net inflow of funds from operating activities less investments in intangible assets and property, plant and equipment, plus inflow of funds from disposals of intangible assets and property, plant and equipment amounted to €111.5 million in the first six months of 2025, compared to €-58,5

million in the first half of the 2024 financial year. The positive development is primarily attributable to significantly lower one-off payments under the quota agreement with Deutsche Telekom. The increase in cash capex as part of the expansion of the 1&1 mobile network had a slightly offsetting effect.

Cash flow from the financing sector included interest paid in the first half of 2025 amounting to €20.5 million (H1 2024: €28.9 million). The interest paid related in particular to interest on lease agreements for antenna sites, interest on the loan taken out at the beginning of the year to co-finance investments in the mobile network, and payments in connection with the expansion of white spots. In addition, the dividend payment of €8.8 million was made in the first half of the year, as was the case in the first half of 2024, as well as repayments of leasing liabilities of €10.5 million (H1 2024: €7.7 million).

The cash and cash equivalents as at 30 June 2025 amounted to €5.0 million (30 June 2024: €2.8 million).

Assets and liabilities in the Group

Development of assets, liabilities and equity

€m	30/06/2025	31/12/2024	Change
Short-term assets	2,183.5	1,844.1	339.4
Long-term assets	6,307.6	6,286.0	21.6
Total assets	8,491.1	8,130.1	361.0
Short-term liabilities	752.0	730.6	21.4
Long-term liabilities	1,577.2	1,305.5	271.7
Equity	6,161.9	6,094.0	67.9
Balance sheet total	8,491.1	8,130.1	361.0

The balance sheet total increased from €8,130.1 million as at 31 December 2024 to €8,491.1 million as at 30 June 2025. On the assets side, the increase in total assets is attributable to current assets of €339.4 million and non-current assets of €21.6 million.

At €5.0 million, cash and cash equivalents are slightly above the 31 December 2024 figure of €4.1 million.

Trade receivables increased by 6.0 percent over the previous year to €360.5 million.

As at 30 June 2025, receivables from associated parties totaled €682.4 million. The majority of these receivables stems from the investment of free liquidity with United Internet AG. The liquid funds invested there

increased significantly during the reporting period – from €319.0 million as at 31 December 2024 to €679.0 million as at 30 June 2025. The increase in excess liquidity is attributable not only to the positive cash flow from operating activities, but also to the loan taken out from United Internet.

Inventories, consisting mainly of smartphones and other hardware, amounted to €114.4 million as of 30 June 2025 (31 December 2024: €119.6 million), remaining at the same level as at the end of the year.

Short-term contract assets primarily include receivables from hardware sales and decreased by €52.2 million compared to the end of the year due to the reduction in hardware sales. Short-term prepaid expenses rose from €321.0 million to 346.8 million and relate essentially to contract costs and prepaid utilization fees that will not be recognised through expenditures until later periods.

Other financial assets rose from €48.1 million as of 31 December 2024 to €57.5 million as of 30 June 2025. The increase of €9.4 million is primarily attributable to higher receivables from advertising subsidies due to the reporting date.

Income tax refund claims decreased by €13.1 million to €41.3 million (31 December 2024: €54.4 million) due to refunds. Income tax refund claims decreased by €13.1 million to €41.3 million (31 December 2024: €54.4 million) due to refunds. Other non-financial assets were slightly below the level at the end of 2024 at €7.1 million due to reduced income tax claims.

Non-current assets increased by €21.6 million to a total of €6,307.6 million as of 30 June 2025, compared with the end of the year. The key driver here was property, plant, and equipment, which increased by €80.7 million, mainly due to the increasing recognition of rights of use for leased antenna sites as part of the network expansion. In contrast, intangible assets decreased by €51.6 million compared with 31 December 2024, mainly due to scheduled amortisation of assets capitalized as part of the 1&1 purchase price allocation. Goodwill remained unchanged from the previous year at €2,932.9 million. Non-current contract assets amounted to €190.6 million as of 30 June 2025 (31 December 2024: €187.9 million).

Long-term deferred expenses, which essentially include advance payments made within the framework of long-term purchasing contracts as well as long-term costs to obtain and fulfil contracts, had a balance of €752.2 million as of 30 June 2025 (31 December 2024: €762,4 million), slightly below the 2024 year-end level.

On the liabilities side, the increase in total assets of €68.0 million is attributable to equity and €293.1 million to liabilities. Current liabilities rose from €730.6 million at the end of 2024 to €752.0 million. Long-term liabilities rose from €1,305.5 million to €1,577.2 million in the same period.

Trade payables included in current liabilities decreased from €349.5 million as of 31 December 2024 to €311.4 million as of 30 June 2025. In addition to the liabilities related to the 1&1 mobile network, trade payables mainly result from outstanding payments to upstream suppliers, which were at a higher level at the end of 2024 due to the reporting date. Liabilities to related companies relate to companies in the United Internet Group and amount to €100.4 million (31 December 2024: €163.3 million). 1&1 has no longer been part of the VAT group of United Internet AG since 1 January 2025. The VAT liability is therefore reported under other non-financial liabilities, which increased by €43.0 million compared to 31 December 2024.

Other short-term financial liabilities amounted to €194.0 million (31 December 2024: €109.2 million). The increase is primarily due to the fact that the first installment for the 2 GHz frequencies is now due in the short term on 1 January 2026.

Short-term contractual liabilities remain unchanged and comprise short-term liabilities from refund obligations for one-time fees for canceled contracts and deferred income from one-time fees, amounting to €50.9 million (31 December 2024: €55.1 million). Long-term contract liabilities of €8.3 million (31 December 2024: €9.1 million) include deferred long-term income from one-time fees.

The increase in non-current liabilities is mainly due to non-current liabilities to related parties, which rose by €290.0 million. This relates to a long-term loan granted by United Internet in February. Long-term liabilities also include other financial liabilities, which decreased by €17.2 million to €1,019.0 million. The decrease is due to the first installment for the 2 GHz frequencies now becoming due in the short term on 1 January 2026. As a result, other long-term financial liabilities include frequency liabilities of €574.3 million (31 December 2024: €641.3 million). Lease liabilities in connection with the leasing of antenna sites for the 1&1 mobile network increased from €392.7 million as of 31 December 2024, to €442.5 million as of 30 June 2025.

Deferred tax liabilities amounted to €192.8 million as of 30 June 2025, compared to €200.7 million as of 31 December 2024.

Group equity rose from €6,094.0 million as at 31 December 2024 to €6,161.9 million as at 30 June 2025. The equity ratio amounts to 72.6 percent as at 30 June 2025 (31 December 2024: 76.1 percent). The subscribed capital is distributed in 176,764,649 no-par shares issued to the bearer with a proportionate share in the share capital of €1.10. As at the balance sheet date, 1&1 AG holds 465,000 shares in treasury stock (31 December 2024: 465,000), and the issued share capital of 1&1 AG amounts to €193.9 million.

General statement from the Management Board regarding the Group's economic position

Competitive pressure on the German telecommunications market remained intense in the first half of 2025. Although 1&1 achieved its targets for subscriber growth and service revenue in a highly competitive market environment, it was forced to lower its EBITDA forecast. The Management Board of 1&1 AG therefore takes a differentiated view of the Group's economic development in the first half of 2025.

However, the slowdown in the company's development in the first half of 2025 once again confirms the advantages of 1&1's business model, which is predominantly based on electronic subscriptions with fixed monthly fees and contractually agreed terms. This ensures stable and predictable revenues and cash flows even in challenging times, offers protection against economic influences, and opens up financial scope to exploit opportunities in existing and new business areas and markets.

The Management Board is satisfied with the progress of the migration of existing customers to the 1&1 mobile network. The largest customer migration in German mobile communications history to date is progressing well and is expected to be completed on schedule in 2025. 1&1 has also been able to achieve its 2025 targets for antenna expansion, and the 1&1 mobile network has been operating without any major disruptions this year. This shows that 1&1 has learned from its experience to date and has mastered the high level of complexity associated with operating a new mobile communications network.

Overall, the Management Board believes that the 1&1 Group is very well positioned for further growth. It considers the company's net assets, financial position, and earnings to be positive and is optimistic about the future.

Risks and Opportunities Report

The risk and opportunity policy of the 1&1 Group is oriented to the goal of maintaining and sustainably increasing the Company's value by taking advantage of opportunities and identifying and controlling risks at an early stage. The risk and opportunity management as "practised" ensures that 1&1 can carry out its business operations in a controlled corporate environment.

The risk and opportunity management regulates the responsible handling of uncertainties that are always a part of business activities.

Overall statement by the Management Board on the Group's risk and opportunity position

The assessment of the overall risk position is the result of the consolidated consideration of all significant risk fields or single risks, taking into account interdependencies.

The overall risk and opportunity position remained largely stable in the first six months of 2025 compared with the risk and opportunity reporting in the 2024 consolidated financial statements. No risks to the continued existence of 1&1 as a going concern were identifiable either from single risk positions or from the general risk situation during the reporting period or at the time this semi-annual financial report was prepared.

The risk ratings for the "Partner Management" risk area have increased from Moderate to Significant compared to 31 December 2024. The reason for the changed risk assessment is increased challenges in cost management during the expansion of the company's own mobile network.

By continually expanding the scope of its risk management, 1&1 counters these risks and limits them, insofar as reasonable, to a minimum by implementing specific actions.

Thanks to the successful retrofitting and expansion of core data centres, along with other technical measures, it was possible to reduce risk valuations in the area of "technical infrastructure operations", despite the additional workload associated with the increased pace of customer contract migrations. These improvements, however, did not result in a change to the overall risk classification.

Forecast Report

This report contains certain statements oriented to the future which are based on the current assumptions and projections of the Company's management. Various risks, uncertainties and other factors, both known and unknown, can cause the actual results, financial position, development or performance of the Company to deviate substantially from the assessment shown here.

Economic expectations

In its updated economic outlook (World Economic Outlook, July 2025 update), the International Monetary Fund (IMF) expects the global economy to grow by 3.0 percent in 2025 and 3.1 percent in 2026, following growth of 3.3 percent in the previous year. This means that the IMF experts are slightly more optimistic than in their April forecast (2025: 2.8 percent). The reasons for this are stronger-than-expected purchases in the run-up to the planned increase in US tariffs and a decline in the effective US tariff rate from 24.4 percent to 17.3 percent. At the same time, however, the IMF warned that the global economy remains exposed to significant risks, such as a possible resurgence of tariffs, geopolitical tensions, and growing budget deficits.

Economic Projection – Economic Development (in Percent)

	2026e	2025e	2024
World	+ 3.1	+ 3.0	+ 3.3
Germany	+ 0.9	+ 0.1	-0.2

Source: International Monetary Fund, World Economic Outlook (Update) July 2025

Specifically, the IMF currently expects global economic output to grow by 3.0 percent in 2025 and 3.1 percent in 2026 (previous year: 3.3 percent). In Germany, the IMF anticipates growth of 0.1 percent for 2025 and 0.9 percent for 2026.

Industry / market expectations

At its 2025 mid-year press conference, the industry association Bitkom described the state of the German ICT sector (ICT = Information and Communications Technology) as largely resilient – despite geopolitical uncertainties and the current challenging economic environment.

The association has updated its forecast for all of 2025, predicting total revenue for the ICT industry to reach €235.8 billion, a 4.4 percent increase.

As in previous years, the largest growth is expected to be recorded in the “information technology” sub-market. According to current forecasts, IT will generate sales of €161.3 billion in 2025. This corresponds to an increase of 5.7 percent. Sales of software are expected to rise most strongly, by 9.5 percent to €52.7 billion. The influence of artificial intelligence (AI) and cloud computing is becoming increasingly noticeable within this segment. Business with AI platforms on which AI applications can be developed, trained, and operated is expected to grow by 50 percent to €2.3 billion, following a 41 percent increase in 2024. Well over half (+58 percent) of sales in the software market are already generated in public clouds: this accounts for €30.6 billion – an increase of +17 percent. In IT services (+3.1 percent to €52.6 billion), cloud-related services already account for 37 percent of revenues, at €19.3 billion. In IT hardware (+4.8 percent to €56.0 billion), most segments are up. The biggest growth driver is once again Infrastructure-as-a-Service, i.e., rented servers, network, and storage capacity. This segment is expected to grow by +24.1 percent to €6.5 billion. There was a lot of movement behind this: Double-digit growth rates are expected for tablets (+18 percent to €2.4 billion), notebooks (+11.2 percent to €6.9 billion) and desktop PCs (+10.4 percent to €2.3 billion). According to Bitkom, the increasing use of AI is leading to the purchase of high-quality devices and companies investing in digitalization. The server segment is expected to grow by +8.0 percent, workstations by +5.8 percent, and storage by +4.5 percent. As in the previous five years, sales of consumer electronics are expected to remain below zero. Here, sales are expected to decline by -3.3 percent to €7.6 billion.

The telecommunications submarket is forecast to grow moderately by 1.7 percent in 2025, reaching €74.5 billion. According to Bitkom’s estimates, telecommunications services alone are expected to generate €53.4 billion in revenue, which is an increase of 1.2 percent. The market for consumer devices could grow slightly more strongly, by 1.7 percent to €13.1 billion. The most dynamic growth, however, is expected in investment in telecommunications infrastructure, which is projected to rise significantly by 5.1 percent to €8.0 billion.

Forecast for financial year 2025

For the 2025 fiscal year, the Management Board of 1&1 AG continues to expect a stable contract base and service revenue at the previous year’s level (2024: €3,303.1 million). Based on the adjustments made during the year, 1&1 confirms its EBITDA forecast of approximately €545 million (2024: €590.8 million). This figure continues to include EBITDA in the 1&1 Mobile Network segment at the previous year’s level of approximately €-265 million (2024: €-265.3 million), including approximately €-100 million in expenses for customer migration and network pre-commitments, which will no longer be incurred after the complete migration of all customers from fiscal year 2026 onwards. EBITDA in the Access operating segment is expected to amount to approximately €810 million (2024: €856.1 million).

The capital expenditure (cash capex) is expected to remain at approximately €450 million (2024: €290.6 million).

General statement from the Management Board on presumable development

Following the decline in contract numbers in the first half of 2025, the Management Board of 1&1 AG expects to return to growth in the second half of the year. Although the intense competition in the German telecommunications market is not expected to ease in the short term, 1&1 believes that its strong brand and product portfolio will enable it to hold its own against the competition even under these conditions. The Management Board continues to expect growth primarily in the mobile Internet business.

Since customer migration has been extremely satisfactory and smooth so far, the Management Board of 1&1 AG expects to complete it as planned by the end of 2025. The Management Board of 1&1 is also optimistic about the further expansion of the mobile network.

With the operation of its own 1&1 mobile communications network, the Management Board of 1&1 expects to gain greater independence from upstream suppliers and, as a result of deeper value creation, a good basis for the successful development of the Group. Thanks to its excellent current position in the telecommunications market and the new opportunities offered by operating its own mobile network to serve customers even better with customized products and services, the 1&1 Management Board believes that the company is well positioned for the next steps in its development and is optimistic about the future, even at the time of preparing this report.

Major accounting, valuation and consolidation principles

The semi-annual financial report of 1&1 AG as at 30 June 2025 was prepared, as were the consolidated annual financial statements as at 31 December 2024, in accordance with the International Financial Reporting Standards (IFRS) as they are to be applied in the European Union (EU).

The accounting and valuation principles applied in the semi-annual financial report are exactly the same as the methods applied as at 31 December 2024 with the exception of the standards that must be applied for the first time, and it must be read in the context of the consolidated financial statements as at 31 December 2024.

Future-oriented statements and forecasts

This semi-annual financial report contains future-oriented statements that are based on the current expectations, assumptions and forecasts of the 1&1 AG Management Board and the information available to the Board at this time. The future-oriented statements are subject to various risks and uncertainties and are based on expectations, assumptions and forecasts that may possibly prove to be false in future. 1&1 AG

does not guarantee that the future-oriented statements will prove to be correct, and it neither assumes any obligation nor does it have any intention to adjust or update any future-oriented statements made in this semi-annual financial report.

Use of assumptions and estimates

During preparation of the semi-annual financial report, management makes discretionary decisions as well as estimates and assumptions that affect the amounts of the income, expenses, assets and liabilities disclosed on the closing date and the disclosure of contingent liabilities. The uncertainty related to these assumptions and estimates may lead to results that in future require substantial restatements in the carrying value of the relevant assets or liabilities.

Use of financial key performance indicators relevant to business management

To ensure a clear and transparent presentation of 1&1's business performance, the company's annual and interim financial statements include, in addition to the disclosures required under International Financial Reporting Standards (IFRS), supplementary financial indicators such as gross profit, gross profit margin, EBITDA, EBITDA margin, EBIT, EBIT margin, free cash flow and Cash Capex. Details on the use, definitions and calculation methods of these key figures can be found in the 2024 Annual Report of 1&1 AG, starting on page 57.

The financial performance indicators relevant to the Group's management are service revenue, EBITDA in accordance with IFRS and Cash Capex. In addition to these financial key performance indicators, the most important non-financial key indicator is the number of customer contracts.

The aforementioned performance indicators are adjusted for special factors/special effects to the extent necessary for a clear and transparent presentation and are reported under the designation "comparable operating key performance indicators" (e.g. comparable operating EBITDA, comparable operating EBIT or comparable operating EPS). As a rule, the special effects are related solely to those effects that, because of their nature, frequency and/or scope, are capable of negatively affecting the meaningfulness of the financial key performance indicators for the financial and earnings development of the Group. All special effects are pointed out and explained in the relevant sections of the financial statements as part of the roll-over to the unadjusted financial key performance indicators. No adjustments were necessary for the financial years 2024 and 2025, so the unadjusted figures are comparable.

Miscellaneous

All major subsidiaries are included in the consolidated interim financial statements. The scope of consolidation was expanded as at 1 January 2025 with the acquisition of A1 Marketing, Kommunikation und neue Medien GmbH, Montabaur.

As in the previous year, no companies were sold in the reporting period.

The half-yearly financial report has not been audited in accordance with Section 317 of the German Commercial Code (HGB) or reviewed by an auditor.

Important events after 30 June 2025

Effective 11 July 2025, 1&1 AG was removed from the SDAX, HDAX, and TecDAX stock indices by STOXX Ltd. The reason given was an alleged takeover pursuant to Section 8.3.2 of the DAX Equity Index Calculation Guide. In the opinion of 1&1, the conditions for such a classification are not met. The takeover bid published by United Internet AG on 5 June 2025, was merely a voluntary public partial offer and resulted in an 85.10 percent stake in the share capital and 85.32 percent of the voting rights of 1&1 AG. In the company's opinion, there is no takeover procedure within the meaning of the aforementioned rules. From the company's point of view, the requirements for index membership therefore continue to be met. Against this background, 1&1 AG considers STOXX Ltd.'s decision to remove the company from the SDAX, HDAX, and TecDAX indices as of 11 July 2025, to be inappropriate.

Montabaur, 7 August 2025



Ralph Dommermuth



Sascha D'Avis



Alessandro Nava

The Management Board

Interim Financial Statement for the First Half of 2025

32	Consolidated Comprehensive Income Statement
33	Consolidated Balance Sheet
35	Consolidated Cash Flow Statement
37	Consolidated Changes in Equity Statement
38	Explanatory Comments on the Interim Consolidated Financial Statements 30 June 2025
55	Consolidated Statement of Comprehensive Income, Quarterly Development

Consolidated Comprehensive Income Statement

from 1 January to 30 June 2025

	2025 January - June k€	2024 January - June k€
Sales	2,006,433	2,015,944
Cost of sales	-1,516,232	-1,458,699
GROSS PROFIT FROM REVENUES	490,201	557,245
Distribution costs	-272,264	-262,862
Administration costs	-58,994	-57,501
Other operating expenses	-3,653	-1,477
Other operating income	24,482	20,152
Impairment losses from receivables and contract assets	-61,653	-59,417
RESULTS FROM OPERATING ACTIVITIES	118,119	196,140
Financing expenses	-17,565	-8,470
Financial income	6,687	8,862
PROFIT BEFORE TAXES	107,241	196,532
Tax expenses	-32,623	-60,115
CONSOLIDATED PROFIT	74,618	136,417
Profit per share (in €)		
- undiluted	0.42	0.77
- diluted	0.42	0.77
Weighted average number of shares outstanding (in millions)		
- undiluted	176.30	176.30
- diluted	177.06	177.40
Rollover to total consolidated profit		
CONSOLIDATED PROFIT	74,618	136,417
Other results	0	0
TOTAL CONSOLIDATED PROFIT	74,618	136,417

Consolidated Balance Sheet

As at 30 June 2025

	30/06/2025	31/12/2024
	k€	k€
ASSETS		
Short-term assets		
Cash and cash equivalents	4,972	4,139
Trade accounts receivable	360,492	340,170
Receivables due from associated companies	682,444	327,308
Inventories	114,435	119,568
Contract assets	568,569	620,757
Prepaid expenses	346,755	320,952
Other financial assets	57,469	48,055
Income tax assets	41,284	54,368
Other non-financial assets	7,092	8,725
	2,183,512	1,844,042
Long-term assets		
Other financial assets	2,779	2,727
Tangible assets	1,043,308	962,650
Intangible assets	1,385,735	1,437,359
Goodwill	2,932,943	2,932,943
Contract assets	190,635	187,921
Prepaid expenses	752,198	762,431
	6,307,598	6,286,031
Total assets	8,491,110	8,130,073

	30/06/2025	31/12/2024
	k€	k€
LIABILITIES AND EQUITY		
Short-term liabilities		
Trade accounts payable	311,381	349,454
Liabilities due to associated companies	100,442	163,283
Contract liabilities	50,942	55,068
Other provisions	20,249	21,577
Other financial liabilities	193,980	109,250
Other non-financial liabilities	68,449	25,490
Income tax liabilities	6,544	6,434
	751,987	730,556
Long-term liabilities		
Liabilities due to associated companies	290,000	0
Contract liabilities	8,345	9,060
Other provisions	67,017	59,505
Other financial liabilities	1,019,011	1,036,244
Deferred tax liabilities	192,821	200,738
	1,577,194	1,305,547
Total liabilities	2,329,181	2,036,103
Equity		
Share capital	194,442	194,442
Treasury shares	-512	-512
Capital reserves	2,444,376	2,442,220
Cumulative consolidated results	3,524,444	3,458,641
Other equity	-821	-821
TOTAL EQUITY	6,161,929	6,093,970
TOTAL LIABILITIES AND EQUITY	8,491,110	8,130,073

Consolidated Cash Flow Statement

from 1 January to 30 June 2025

	2025 January - June k€	2024 January - June k€
RESULTS FROM OPERATING ACTIVITIES		
Consolidated profit	74,618	136,417
Allowances for rollover of consolidated profit to incoming and outgoing payments		
Amortisation and depreciation on intangible and tangible assets	118,276	87,340
Depreciation on assets capitalised within the framework of corporate acquisitions	47,489	43,089
Personnel expenses from employee stock ownership programmes	2,156	1,585
Changes in the adjustment items for deferred tax assets	-7,917	-1,829
Correction profits / losses from the sale of tangible assets	589	1
Financial result	10,878	-393
Other items not affecting payments	-1	9
Cash flow before changes in balance sheet items (sub-total)	246,088	266,219
Changes in assets and liabilities		
Change in receivables and other assets	-27,581	-51,086
Change in contract assets	49,474	43,652
Change in inventories	5,134	51,714
Change in prepaid expenses	-12,045	-232,692
Change in income tax receivables	13,084	-73
Change in trade accounts payable	-42,306	-45,449
Change in other provisions	-1,374	6,790
Change in income tax liabilities	110	-61,470
Change in other liabilities	50,676	18,018
Change in receivables due from / liabilities due to associated companies	-46,787	-18,976
Change in contract liabilities	-4,961	-1,114
Changes in assets and liabilities, total	-16,576	-290,686
Net inflow of funds from operating activities	229,512	-24,467

	2025 January - June k€	2024 January - June k€
CASH FLOW FROM INVESTMENTS		
Investments in intangible and tangible assets	-118,057	-34,030
Inflow of funds from disposal of intangible and tangible assets	88	25
Cash flow changes from obtaining control over subsidiaries	-4,000	0
Cash outflow from short-term investment	-360,000	0
Investments in other financial assets	-53	-141
Interest received	3,139	11,128
Repayments from other financial assets	0	92,500
Net outflow of funds in investment sector	-478,883	69,482
CASH FLOW FROM FINANCING SECTOR		
Dividend payment	-8,815	-8,815
Repayment of leasing liabilities and rights of use	-10,479	-7,693
Receipts from loans granted by related parties	290,000	0
Interest payments	-20,502	-28,916
Net outflow of funds in financing sector	250,204	-45,424
Net increase/decline in cash and cash equivalents	833	-409
Cash and cash equivalents at beginning of fiscal year	4,139	3,197
Cash and cash equivalents at end of reporting period	4,972	2,788

Consolidated Changes in Equity Statement

In Financial Years 2025 and 2024

	Share capital		Treasury shares		Capital reserve	Cumulative consolidated results	Other equity	Total equity
	Denomination	k€	Denomination	k€	k€	k€	k€	k€
Per 1 January 2024	176,764,649	194,442	465,000	-512	2,439,314	3,254,692	-862	5,887,074
Consolidated profit						136,417		136,417
Total results						136,417	0	136,417
Dividend payments						-8,815		-8,815
Employee stock ownership programme					1,585			1,585
Per 30 June 2024	176,764,649	194,442	465,000	-512	2,440,899	3,382,294	-862	6,016,261
Per 1 January 2025	176,764,649	194,442	465,000	-512	2,442,220	3,458,641	-821	6,093,970
Consolidated profit						74,618		74,618
Total results						74,618	0	74,618
Dividend payments						-8,815		-8,815
Employee stock ownership programme					2,156			2,156
Per 30 June 2025	176,764,649	194,442	465,000	-512	2,444,376	3,524,444	-821	6,161,929

Explanatory Comments on the Interim Consolidated Financial Statements 30 June 2025

1. General Information About the Company and the Financial Statements

The 1&1 Group, together with 1&1 Aktiengesellschaft, Montabaur the listed parent company (hereinafter: "1&1 AG" or, along with its subsidiaries, "1&1" or "Group"), is a telecommunications provider that operates in Germany and runs its own mobile network.

The address and registered office of 1&1 AG, the parent company of the Group, is Elgendorfer Straße 57 in 56410 Montabaur, Germany. The Company is registered in the Commercial Register of the Montabaur Local Court under the number HRB 28530.

1&1 AG is included in the consolidated interim financial statements of United Internet AG, Montabaur.

2. Major accounting, valuation and consolidation principles

The interim report from 1&1 AG as at 30 June 2025 was prepared, just as the consolidated annual financial statements as at 31 December 2024, in compliance with the International Financial Reporting Standards (IFRS) as they are to be applied in the European Union (EU).

The abbreviated consolidated interim financial statements for the period from 1 January 2025 to 30 June 2025 were prepared in accordance with IAS 34 "Interim Financial Reporting".

The reporting scope chosen for the presentation of these consolidated interim financial statements is abbreviated in comparison with the consolidated annual financial statements and should therefore be read in association with the consolidated annual financial statements as at 31 December 2024. The accounting and valuation methods applied in the abbreviated consolidated interim financial statements are the same as the methods used in the previous year with the exception of the standards whose application has in the interim become mandatory; they are briefly designated below.

2.1 Mandatory application of new accounting standards

Application of the following standards and interpretations as revised or newly issued by the IASB is mandatory for the financial year as of 1 January 2025.

Standard		Mandatory application for financial years beginning as of	Adoption by EU Commission
Amendments to: IAS 21	Amendment: lack of convertibility of a currency	01/01/2025	Yes
Amendments to: IFRS 7 and IFRS 9	Classification and measurement of financial instruments	01/01/2026	Yes
Amendments to: IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	Annual Improvements Project 2024	01/01/2026	Yes
Amendment to: IFRS 18	Presentation and disclosure in financial statements (replaces IAS 1)	01/01/2027	No
Amendment to: IFRS 19	Subsidiaries without public accountability	01/01/2027	No

The extent to which the changes to IFRS will affect the Group in the future is currently under examination.

The application of IFRS 18 is expected to have a significant impact on the consolidated financial statements, particularly on the presentation of the consolidated profit and loss. The specific effects are currently being analysed as part of a group-wide implementation project.

2.2 Use of assumptions and estimates

During preparation of the abbreviated consolidated interim financial statements, management makes discretionary decisions, estimates and assumptions that affect the amounts of the income, expenses, assets and liabilities disclosed on the closing date and the disclosure of contingent debts. The uncertainty related to these assumptions and estimates may, however, lead to results that in future require substantial restatements in the carrying value of the relevant assets or liabilities.

The principles for discretionary decisions and estimates are essentially unchanged compared to the consolidated annual financial statements as at 31 December 2024.

The effects of climate change did not have any significant impact on the discretionary decisions and estimates or on the measurement of assets and liabilities in the first half of 2025.

2.3 Miscellaneous

These consolidated financial statements have not been audited in accordance with Section 317 of the German Commercial Code or reviewed by an auditor.

Consolidated group

All major subsidiaries are included in the consolidated interim financial statements.

The scope of consolidation was expanded on 1 January 2025, through the acquisition of all shares in A1 Marketing, Kommunikation und neue Medien GmbH, Montabaur, from United Internet Corporate Services GmbH, Montabaur. The purchase price amounted to €4.0 million. A1 Marketing, Kommunikation und neue Medien GmbH was initially consolidated in accordance with IFRS 3. The business purpose of A1 Marketing, Kommunikation und neue Medien GmbH is to provide marketing services. Revenue is generated primarily with the 1&1 Group and, to a lesser extent, with related companies within the United Internet Group. The business combination is not expected to have any significant effects on the net assets, financial position, or results of operations of the 1&1 Group.

As in the previous year, no companies were sold in the reporting period.

Partial acquisition offer by United Internet AG to increase its stake in 1&1 AG

On 16 May 2025, United Internet AG published a voluntary public acquisition offer in the form of a partial offer to the shareholders of 1&1 AG. The offer provided for an offer price of €18.50 per share. From the perspective of 1&1 AG, this offer could indicate a possible impairment of goodwill and the frequency usage rights capitalized in connection with the 5G network expansion.

Against this background, the company conducted an unscheduled impairment test in accordance with IAS 36 for the aforementioned assets as of 30 June 2025. The test was based on updated cash flow forecasts and a market-based discount rate. The valuation showed that the recoverable amount of the assets exceeded their carrying amount in each case. Accordingly, no impairment loss was recognized.

The next scheduled impairment test for goodwill and the 5G frequencies is scheduled for 31 December 2025.

Geopolitical and economic events

In recent years, a variety of global events such as geopolitical and economic conflicts, pandemics, and natural disasters have led to increased economic uncertainty. These include Russia's war of aggression in Ukraine and the various armed conflicts in the Middle East, as well as China's export restrictions (particularly on rare earths) and the effects of US trade policy, especially customs policy.

1&1 also relies on cooperation with foreign companies in the course of its business activities. This includes, in particular, the supply of network components and the sale of smartphones and other hardware. Global trade conflicts could also have an impact on 1&1's business activities. However, there are no indications to date that this will have any impact on 1&1's accounting.

Explanatory Comments on the Comprehensive Income Statement

3. Sales Revenues / Segment Reporting

Segment reporting

Pursuant to IFRS 8, the identification of reporting operating segments is based on the so-called management approach. External reports are prepared on the basis of the internal organisational and management structure of the Group and of the internal financial reporting to the chief operating decision-maker. In 1&1 Group, the Management Board of 1&1 AG is responsible for the assessment and management of the segments' business success.

Company management and Group reporting encompass the Access segment and 1&1 Mobile Network.

In the Access segment, revenues are generated from the offered access services to telecommunication networks, one-time provision fees and the sale of devices and accessories. Revenues include monthly service fees, charges for special features and connection and roaming charges. Revenues are realised on the basis of utilisation units actually used and contract fees less any credit notes and restatements pursuant to reduced prices. The revenues from the sale of hardware and accessories and the related expenditures are realised as soon as the products have been delivered and accepted by the customers.

The goodwill amounting to €2,932,943k (31 December 2024: €2,932,943k) is monitored by the CODM at the level of the Access reporting segment.

EBITDA in the 1&1 Mobile Network segment amounted to €-130,595k for the reporting period (previous year: €-110,976k). The change is due to the planned increase in costs associated with the operation of the 1&1 mobile network and the ongoing migration of existing customers to the 1&1 mobile network.

In the first half of the 2025 financial year, revenue of €159,836k was generated by providing mobile communications services to the Access segment.

Management by the 1&1 AG Management Board is based primarily on key performance indicators. The Management Board of 1&1 AG primarily measures the success of the Access segment based on service revenues, segment material expenses, fee-based customer contracts, adjusted earnings before interest, taxes, and depreciation (comparable operating EBITDA), and Cash Capex (capital expenditure less proceeds

from sales), which are determined on the basis of IFRS accounting methods (IFRS as applicable in the EU). Unadjusted EBITDA for the financial years 2025 and 2024 corresponds to comparable operational EBITDA.

Segment material costs include expenses for purchased services and goods, corresponding to the cost of sales according to the comprehensive income statement, minus personnel expenses, depreciation, and plus commissions to third parties.

Transactions between the segments are charged at market prices.

In the first six months of 2025, service revenue of €2,938k was generated in the 1&1 Mobile Network segment (H1 2024: €15k). In the Access segment, service revenue declined by €1,420k or 0.1 percent to €1,643,518k (previous year: €1,644,938k). While revenues from fee-based mobile internet and broadband products for end customers continue to be allocated to the Access segment, revenues without direct customer reference are now allocated to the 1&1 Mobile Network segment.

The segment reporting of 1&1 Group for the reporting period from 1 January to 30 June 2025 is presented below:

	Access	1&1 Mobile Network	Consolidation	Total
	k€	k€	k€	k€
Service revenue	1,643,518	2,938	0	1,646,456
Hardware and other revenues	358,767	1,210	0	359,977
Internal sales	0	155,688	-155,688	0
Segment revenues	2,002,285	159,836	-155,688	2,006,433
Cost of materials for segment	-1,292,104	-274,833	155,688	-1,411,249
Gross profit for segment	710,181	-114,997	0	595,184
Segment EBITDA	414,479	-130,595	0	283,884
Customer contracts (in millions)	16.33	-	-	16.33

All revenues were realised in Germany.

The segment reporting of 1&1 Group for the reporting period from 1 January to 30 June 2024 is presented below:

	Access	1&1 Mobile Network	Consolidation	Total
	k€	k€	k€	k€
Service revenue	1,644,938	15	0	1,644,953
Hardware and other revenues	370,991	0	0	370,991
Internal sales	0	7,706	-7,706	0
Segment revenues	2,015,929	7,721	-7,706	2,015,944
Cost of materials for segment	-1,284,709	-106,848	7,706	-1,383,851
Gross profit for segment	731,220	-99,127	0	632,093
Segment EBITDA	437,545	-110,976	0	326,569
Customer contracts (in millions)	16.35	-	-	16.35

The roll-over of the total of the segment earnings (EBITDA) to the profit before taxes on income is determined as shown below:

	2025 January - June €k	2024 January - June €k
Total segment profits (EBITDA)	283,884	326,569
Write-downs	-165,765	-130,429
Operating profit	118,119	196,140
Financial result	-10,878	392
Earnings before income taxes	107,241	196,532

The customer structure during the reporting period did not reveal any significant concentration on individual customers. There are no customers in 1&1 Group with whom more than 10 percent of the total external sales revenues is generated.

Additional information on sales revenues

Group sales revenues break down as shown below:

	2025 January - June €k	2024 January - June €k
Service revenues	1,646,456	1,644,953
Hardware and other revenues	359,977	370,991
Total	2,006,433	2,015,944

Sales revenues decreased by 0.5 percent or €9,511k to €2,006,433k in the first half of 2025 (previous year: €2,015,944k).

4. Cost of Sales

Cost of sales increased by €57,532k or 3.9 percent to € 1,516,232k in the first half of 2025 (previous year: €1,458,699k). Essentially, these are expenses for services purchased in the amount of €941,872k (previous year: €869,290k) and expenses for goods purchased in the amount of €368,216k (previous year: €393,125k).

In the 1&1 Mobile Network segment, cost of sales amounted to €363,813k in the interim reporting period 2025 (previous year: €166,612k) and mainly related to costs for the setup and operation of the 1&1 mobile network.

The Access segment accounted for cost of sales of €1,308,107k in the interim reporting period 2025 (previous year: €1,229,793k). This includes internal costs of sales amounting to €155,688k (previous year: €7,706k).

5. Impairment Losses from Receivables and Contract Assets

Impairment losses from receivables and contractual assets increased by €2,236k from €59,417k to €61,653k compared to the previous year. In terms of sales revenue, the value adjustment ratio was 3.1 percent (previous year: 2.9 percent).

6. Depreciation

Total depreciation of intangible and tangible assets for the 2025 reporting period amounted to €165,765k (previous year: €130,429k).

Depreciation of assets capitalised in the context of company acquisitions amounted to €47,489k (previous year: €43,089k), of which €4,400k relates to amortisation of brands (previous year: €0k). Depreciation of approximately €50,496k (previous year: €42,243k) was attributable to software and software licenses. The increase is mainly due to higher investments in software products related to the expansion and operation of the company's own mobile network. In addition, depreciation of €20,410k (previous year: €20,410k) was recognised in the reporting period for frequency blocks in the 3.6 GHz range. The amortisation of the acquired frequency blocks in the 2 GHz bandwidth will not commence until the beginning of the allocated term from 1 January 2026.

7. Personnel Expenses

Personnel expenses for the reporting period 2025 amounted to € 131,256k (previous year: €124,252k). As of the balance sheet date of 30 June 2025, the number of employees is 3,243 (31 December 2024: 3,281).

8. Financing expenses / Financial income

Financing expenses amounted to €17,565k in the first half of the year (previous year: €8,470k). This includes interest expenses from lease liabilities amounting to €11,080k (previous year: €5,575k). This increase mainly stems from the expansion of the network infrastructure.

In addition, approximately €2,606k (previous year: €2,815k) relates to interest-like expenses in connection with the acquisition of 5G frequencies. These expenses result from the deferral of the frequency liabilities extending the term of the payment obligation for the mobile radio frequencies to 2030.

Financial income amounted to €6,687k (previous year: €8,862k) and, as in the previous year, resulted primarily from interest on the cash investment at United Internet AG. The decline is attributable to lower interest rate level.

Explanatory Comments on the Consolidated Balance Sheet

Explanatory comments are provided solely on the items that display noteworthy differences to the amounts disclosed in the consolidated annual financial statements as at 31 December 2024.

9. Accounts Due from Associated Companies

Receivables from associated companies amounting to €682,444k (31 December 2024: €327,308k) relate to receivables from companies belonging to the United Internet Group that are not included in the 1&1 Group's scope of consolidation. Of the reported receivables, €679,000k (31 December 2024: €319,000k) relate to receivables from the short-term investment of free cash funds at United Internet AG.

10. Tangible and intangible assets; goodwill

During the interim reporting period, a total of €118,057k (H1 2024: €34,030k) was invested in property, plant and equipment and intangible assets. The investments relate essentially to investments in technical equipment for the expansion and operation of the 1&1 mobile network. Accruals of €59.7 million were recorded as at 30 June 2025 for fixed assets that have already been used but for which no final invoice has yet been issued.

Tangible assets as at the balance sheet date 30 June 2025 break down as follows:

	30/06/2025	31/12/2024
	€k	€k
Rights of use to fixtures, fittings and equipment	4,339	5,361
Land and buildings*	13,643	185
Rights of use to land and buildings	88,110	87,441
Payments on account	154,947	162,655
Fixtures, fittings and equipment*	374,068	360,602
Rights of use to network infrastructure	408,201	346,406
Tangible assets, net	1,043,308	962,650

*The disclosure of tenant improvements was adjusted for the first half of 2025. Due to their nature, tenant improvements consisting of operating and business equipment were reclassified as land and buildings.

Property, plant and equipment increased by €80,658k from €962,650k as at 31 December 2024 to €1,043,308k as at 30 June 2025. The rise is largely due to investments in the setup of the 1&1 mobile network and the leasing of sites for antenna installations.

Intangible assets decreased as planned from €1,437,359k as of 31 December 2024 to €1,385,735k as of 30 June 2025 and mainly comprise 5G frequencies as well as software and software licences for the expansion and operation of the 1&1 mobile network. During the interim reporting period 2025, depreciation of €20,410k was reported for frequency blocks in the 3.6 GHz range. The amortisation of the acquired frequency blocks in the 2 GHz bandwidth will not commence until the beginning of the allocated term.

The goodwill amounts to €2,932,943k (31 December 2024: €2,932,943k).

11. Prepaid Expenses

Long-term deferred expenses as of 30 June 2025 amount to €752,198k (31 December 2024: €762,431k) and mainly comprise advance payments made under long-term purchase agreements €594,771k (31 December 2024: €608,777k), contract initiation costs of €108,584k (31 December 2024: €108,128k) and contract fulfilment costs of €48,843k (31 December 2024: €45,526k). Short-term deferred expenses increased from €320,952k to €346,755k and relate to contract costs and prepaid usage fees, which will only be recorded as expenses in subsequent periods.

12. Short-term Account Due to Associated Companies

Current liabilities to associated companies as of 30 June 2025 amounting to €100,442k (31 December 2024: €163,283k) relate to liabilities to companies within the United Internet Group that are not included in the 1&1 Group's scope of consolidation and result primarily from advance payments and other service charges. The decline is mainly due to the discontinuation of the VAT group with United Internet AG. Since 1 January 2025, VAT liabilities have been reported under other non-financial liabilities, in contrast to 31 December 2024.

13. Other Long-term Financial Liabilities

Other non-current financial liabilities as of 30 June 2025 amounting to €1,019,011k (31 December 2024: €1,036,244k) mainly relate to frequency liabilities amounting to €574,327k (31 December 2024: €641,326k) and liabilities from leases amounting to €442,500k (31 December 2024: €392,741k). The decrease in frequency liabilities is attributable to the fact that the installment due on 1 January 2026, for the 2 GHz frequencies is now reported as a current liability. The increase in leasing liabilities is for the most part due to the addition of capitalised rights of use for network infrastructure.

14. Share capital / Own shares

As of 30 June 2025, the share capital remains unchanged at €194,441,113.90. The share capital is distributed in 176,764,649 no-par shares issued to the bearer with a proportionate share in the share capital of €1.10 each and represents the share capital of 1&1 AG.

As of 30 June 2025, 1&1 AG holds 465,000 shares of its own stock. The nominal value of treasury shares amounting to €511,500k is deducted from the share capital of €194,441,113.90, resulting in issued share capital of €193,929,613.90.

15. Employee stock ownership models

Stock Appreciation Rights Drillisch (SAR Drillisch)

The expense from the Drillisch Stock Appreciation Rights (Drillisch SAR) amounted to €2,156k in the first half of 2025 (previous year: €1,585k).

16. Additional Disclosures About the Financial Instruments

The table below presents the carrying value of each category of financial assets and liabilities as at 30 June 2025:

	Evaluation category per IFRS 9	Carrying values as at 30/06/2025 €k	Amortised acquisition costs €k	At fair value through other comprehensive income without recycling to the profit and loss account €k	Valuation according to IFRS 16 €k	Fair Value as at 30/06/2025 €k
Financial assets						
Cash and cashequivalents	ac	4,972	4,972			4,972
Trade accounts receivable	ac	360,492	360,492			360,492
Accounts due from associated companies	ac	682,444	682,444			682,444
Other short-term financial assets	ac	57,469	57,469			57,469
Other long-term financial assets						
- Participating interests	fvoci	2,223		2,223		2,223
- Miscellaneous	ac	556	556			556
Financial liabilities						
Trade accounts payable	ac	-311,381	-311,381			-311,381
Liabilities due to associated companies	ac	-100,442	-100,442			-100,442
Other short-term financial liabilities	ac/n/a					
- Lease liabilities	n/a	-25,870			-25,870	
- Miscellaneous	ac/n/a	-168,110	-168,110			-168,110
Other long-term financial liabilities	ac/n/a					
- Lease liabilities	n/a	-442,500			-442,500	
- Frequency liabilities	ac	-574,327	-574,327			-503,584
- Miscellaneous	ac	-2,185	-2,185			-2,185
of which aggregated per classification categories:						
Financial assets at amortised cost	ac	1,105,933	1,105,933			1,105,933
Financial assets at fair value through other comprehensive income without recycling to profit and loss	fvoci	2,223		2,223		2,223
Financial liabilities at amortised acquisition cost	ac	-1,156,445	-1,156,445			-1,085,702
Lease liabilities	n/a	-468,370			-468,370	

The table below presents the carrying value of each category of financial assets and liabilities as at 30 June 2024:

	Evaluation category per IFRS 9	Carrying values as at 30/06/2024 €k	Amortised acquisition costs €k	At fair value through other comprehensive income without recycling to the profit and loss account €k	Valuation according to IFRS 16 €k	Fair Value as at 30/06/2024 €k
Financial assets						
Cash and cashequivalents	ac	2,788	2,788			2,788
Trade accounts receivable	ac	359,290	359,290			359,290
Accounts due from associated companies	ac	327,749	327,749			327,749
Other short-term financial assets	ac	70,256	70,256			70,256
Other long-term financial assets						
- Participating interests	fvoci	2,104		2,104		2,104
- Miscellaneous	ac	601	601			601
Financial liabilities						
Trade accounts payable	ac	-294,015	-294,015			-294,015
Liabilities due to associated companies	ac	-134,662	-134,662			-134,662
Other short-term financial liabilities	ac/n/a					
- Lease liabilities	n/a	-23,977			-23,977	
- Miscellaneous	ac/n/a	-120,747	-120,747			-120,747
Other long-term financial liabilities	ac/n/a					
- Lease liabilities	n/a	-259,818			-259,818	
- Frequency liabilities	ac	-702,592	-702,592			-593,007
- Miscellaneous	ac	-2,824	-2,824			-2,824
of which aggregated per classification categories:						
Financial assets at amortised cost	ac	760,684	760,684			760,684
Financial assets at fair value through other comprehensive income without recycling to profit and loss	fvoci	2,104		2,104		2,104
Financial liabilities at amortised acquisition cost	ac	-1,254,840	-1,254,840			-1,145,255
Lease liabilities	n/a	-283,795			-283,795	

Cash and cash equivalents, trade receivables, accounts due from associated companies and other short-term financial assets have short remaining terms. Their carrying values on the closing date are consequently close to fair value.

Participations are disclosed at fair value. It is assumed for the remaining other long-term assets, which are disclosed in the balance sheet at amortised cost, that their carrying value is equivalent to fair value.

Trade accounts payable, liabilities due to associated companies and other short-term financial liabilities have short remaining terms; the disclosed values represent approximately the fair values.

It is assumed for the remaining other long-term liabilities, which are disclosed in the balance sheet at amortised cost, that their carrying value is equivalent to fair value.

The measurement of financial assets measured at fair value is based on appropriate valuation techniques. Insofar as available, stock exchange prices on active markets are used. Option price models are primarily used to measure purchase price liabilities.

17. Related party disclosures

Pursuant to IAS 24, persons and companies are regarded as associated parties if one of the parties has the possibility to control the other party or to exercise a significant influence. Associated companies and related persons of the Group include Management and Supervisory Boards of 1&1 AG and their immediate family members, United Internet AG as the top-level controlling company within the sense of IAS 24.13 and the Group undertakings of United Internet Group that are not included in the consolidation of the Group. Moreover, participations on which the Group companies can exercise significant influence (associated companies and their subsidiaries) are classified as related parties. In addition, Mr. Ralph Dommermuth, being the majority shareholder of United Internet AG, is classified as a related party. The Management and Supervisory Boards of United Internet AG and their close family members are also considered related parties.

The group of related parties remained essentially unchanged in comparison with the consolidated annual financial statements as at 31 December 2024.

As at 30 June 2025, the Management Board members held the following stock in 1&1 AG:

As of the date of this report, United Internet AG, Montabaur, held 85.10 percent of the stock in 1&1 AG. Per 30 June 2025, Mr Ralph Dommermuth in turn holds indirectly through holding companies 54.37 percent of the share capital of United Internet AG as reduced by his own shares of United Internet AG.

The Supervisory Board members held the following stock in 1&1 AG as at 30 June 2025:

Supervisory Board member Vlasios Choulidis held 273,333 no-par value shares (including 65,000 shares via MV Beteiligungs GmbH), representing a total of 0.16 percent of the shares in 1&1 AG. On 16 July 2025, Mr. Vlasios Choulidis sold these shares to United Internet AG.

Of the reported revenues, €13,012k (previous year: €8,491k) was generated with companies of the United Internet Group that are not part of the 1&1 Group's scope of consolidation.

The expenses in the reporting period include €102,841k (previous year: €122,555k) of expenses relating to United Internet Group companies that are not part of the 1&1 Group's scope of consolidation.

The business premises in Montabaur and Karlsruhe are leased by Mr. Ralph Dommermuth to 1&1. The resulting payment obligations are at the usual local level. In the reporting period, this resulted in payment obligations amounting to €4,570k (previous year: €3,698k).

The following table shows rights of use concerning related parties:

	Carrying value 31/12/2024 €k	Addition of the fiscal year €k	Write-down €k	Disposal of the fiscal year €k	Carrying value 30/06/2025 €k
Rights of use	66,948	3,999	-3,662	-275	67,010

The following table shows leasing liabilities concerning related parties:

	Carrying value 31/12/2024 €k	Addition of the fiscal year €k	Payment / interest €k	Disposal of the fiscal year €k	Carrying value 30/06/2025 €k
Lease liabilities	70,329	3,999	-3,289	-275	70,764

18. Events after 30 June 2025

Effective 11 July 2025, 1&1 AG was removed from the SDAX, HDAX, and TecDAX stock indices by STOXX Ltd. The reason given was an alleged takeover pursuant to Section 8.3.2 of the DAX Equity Index Calculation Guide. In the opinion of 1&1, the conditions for such a classification are not met. The takeover bid published by United Internet AG on 5 June 2025, was merely a voluntary public partial offer and resulted in a 85.10

percent stake in the share capital and 85.32 percent of the voting rights of 1&1 AG. In the company's opinion, there is no takeover procedure within the meaning of the aforementioned rules. From the company's point of view, the requirements for index membership therefore continue to be met. Against this background, 1&1 AG considers STOXX Ltd.'s decision to remove the company from the SDAX, HDAX, and TecDAX indices as of 11 Juny 2025, to be inappropriate.

Montabaur, 7 August 2025

1&1 Aktiengesellschaft



Ralph Dommermuth



Sascha D'Avis



Alessandro Nava

Consolidated Statement of Comprehensive Income, Quarterly Development

in €m

	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2024 Q2
Sales	1,001.3	1,047.1	1,018.5	987.9	991.5
Cost of sales	-732.2	-831.2	-757.5	-758.7	-733.5
GROSS PROFIT FROM REVENUES	269.1	215.9	261.0	229.2	258.0
Distribution costs	-127.7	-145.2	-136.8	-135.5	-133.3
Administration costs	-28.5	-26.2	-29.3	-29.7	-28.2
Other operating income/ expenses	8.9	9.4	11.0	9.8	10.6
Impairment losses from receivables and contract assets	-30.4	-32.0	-32.7	-28.9	-28.9
RESULTS FROM OPERATING ACTIVITIES	91.4	21.9	73.2	44.9	78.2
Financial result	-1.4	-3.2	-5.4	-5.5	-0.5
PROFIT BEFORE TAXES	90.0	18.7	67.8	39.4	77.7
Tax expenses	-30.1	-2.2	-20.6	-12.0	-24.0
CONSOLIDATED PROFIT	59.9	16.5	47.2	27.4	53.7
Profit per share (in €)					
- undiluted	0.34	0.10	0.27	0.15	0.30
- diluted	0.34	0.09	0.27	0.15	0.30
Rollover to total consolidated profit	59.9	16.5	47.2	27.4	53.7
CONSOLIDATED PROFIT	59.9	16.5	47.2	27.4	53.7
Other results	0.0	0.0	0.0	0.0	0.0
TOTAL CONSOLIDATED PROFIT	59.9	16.5	47.2	27.4	53.7

Responsibility Statement

Responsibility Statement

Declaration in accordance with Section 117 of the German Securities Trading Act (WpHG) in conjunction with Section 115(2) No. 3 WpHG

We hereby declare, to the best of our knowledge, that the interim consolidated financial statements have been prepared in accordance with the applicable accounting principles for interim reporting, adhering to the principles of proper accounting, and provide a true and fair view of the Group's assets, financial position, and results of operations. Furthermore, the interim consolidated management report accurately reflects the business performance, including the results of operations and the position of the Group, providing a true and fair view, and describes the significant opportunities and risks for the Group's anticipated development in the remainder of the financial year.

Montabaur, 7 August 2025

1&1 Aktiengesellschaft



Ralph Dommermuth



Sascha D'Avis



Alessandro Nava

Miscellaneous

- 61 Investor Relations Corner
- 63 Publications, Information and Order Service
- 63 Financial Event Calendar
- 63 Contacts
- 64 Legal Information
- 65 Brand portfolio of 1&1

Investor Relations Corner

1. Investor Relations

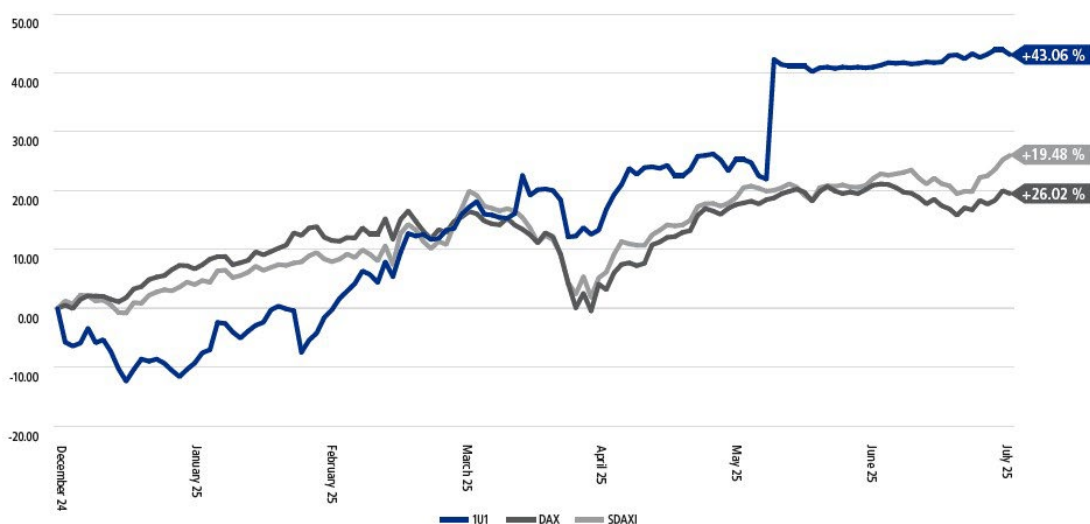
1&1 AG's capital market communication follows the Fair Disclosure principle, ensuring that all shareholders and interested parties are informed of significant developments simultaneously and equally. This continuous work can be tracked by all investor groups on our Investor Relations website, where all relevant reports and publications are available. Many interested parties also reach out personally by e-mail and/or phone.

2. Share Price Development

In the 2025 Stock Market Year

	2024 year end	30/06/2025	% change
1&1	€12.60	€18.64	47.94
DAX	19,909.14	23,909.61	20.09
SDAX	13,711.33	17,563.21	28.09
TecDAX	3,417.15	3,877.21	13.46

Performance of the 1&1 Share compared to DAX und SDAX
(index price share, December 2024 – July 2025)*



*Indices and the 1&1 Share show a dividend not-adjusted performance

3. Current Analyst Assessments (Last revised 1 August 2025)

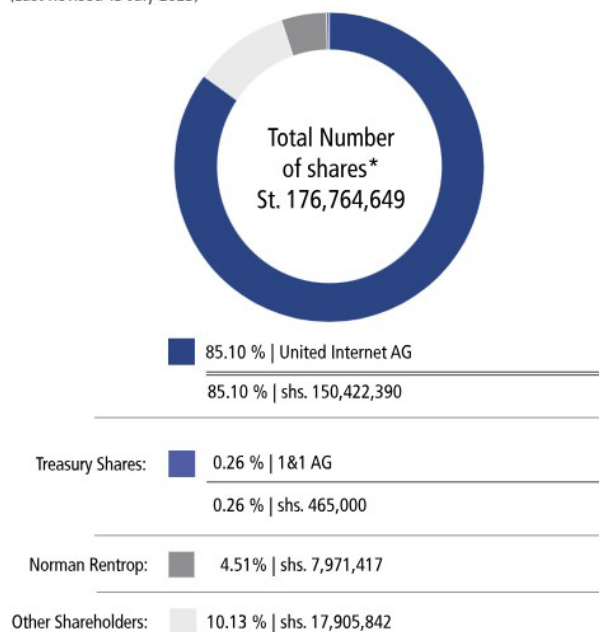
The 1&1 share is regarded as promising in the capital market, thanks to its strong strategic position in the German telecommunications market.

Analysis	Rating	Price target	Date
Dt. Bank	„Buy“	€ 29.00	01/08/2025
Goldman Sachs	„Buy“	€ 24.10	14/07/2025
Barclays	„Neutral“	€ 18.50	31/05/2025
M.M. Warburg	„Neutral“	€ 18.90	20/05/2025

An up-to-date overview of analyst recommendations can be found on 1&1 AG's Investor Relations website.
Source: <https://www.1und1.ag/investor-relations-en>

4. Shareholder structure

(Last Revised 15 July 2025)



Free Float as per definition of Dt. Boerse AG: 14.64 % | shs. 25,877,259

* Presentation of the total positions shown above, based on the most recent notification of voting rights in accordance with Sections 33 ff of the German Security Trading Act. Accordingly, only voting rights notifications that have reached at last the first notification threshold of 3 % are taken into account.

Publications, Information and Order service

This quarterly release is also available in German.

You can view our annual and quarterly reports, ad hoc announcements, press releases and other publications on the 1&1 AG website at www.1und1.ag/investor-relations.

Please use our online ordering service on our website at www.1und1.ag/investor-relations#bestellservice.

We will of course also be happy to send you the requested information by post or e-mail and, in addition, to answer your personal questions on the phone.

Financial Event Calendar*

07 August 2025	6-Month Report 2025, Press and Analyst Conference
11 November 2025	Quarterly Release Q3 2025

* These dates are provisional and subject to change.

Contact

If you have any questions about the report and 1&1 AG, please do not hesitate to contact our Investor Relations / Press Department:

Investor Relations

Elgendorfer Straße 57
56410 Montabaur

Phone: +49 (0) 61 81 / 412 200

Fax: +49 (0) 61 81 / 412 183

Email: ir@1und1.de

Press (Trade Press)

Elgendorfer Straße 57
56410 Montabaur

Email: presse@1und1.de

Legal Information

1&1 AG is a member of the United Internet Group.

Company's registered office

Elgendorfer Straße 57
56410 Montabaur

Phone: +49 (0) 26 02 / 96 0
Fax: +49 (0) 26 02 / 96 1010

Responsible

1&1 AG

Commercial Register Entry no.:

HRB 28530 Montabaur
VAT Reg. No.: DE 812458592
Tax number: 3065500513
Montabaur-Diez Tax Office

Management Board

Ralph Dommermuth (Vorstandsvorsitzender)
Sascha D'Avis
Alessandro Nava

Supervisory Board

Kurt Dobitsch (Supervisory Board Chairman)
Norbert Lang (Supervisory Board Deputy Chairman)
Matthias Baldermann
Vlasios Choulidis
Friedrich Joussen
Christine Schöneweis

Note

Due to calculation processes, tables and references may produce rounding differences from the mathematically exact values (monetary units, percentage statements, etc.).

This Interim Statement is available in German and English. Both versions can also be downloaded from <https://www.1und1.ag/welcome> - Investor Relations - Reports. In all cases of doubt, the German version shall prevail.

Produced in-house with Firesys

Disclaimer

This Report contains certain forward-looking statements which reflect the current views of 1&1 AG's management with regard to future events. These forward looking statements are based on our currently valid plans, estimates and expectations. The forward-looking statements made in this Interim Statement are only based on those facts valid at the time when the statements were made. Such statements are subject to certain risks and uncertainties, as well as other factors which 1&1 often cannot influence but which might cause our actual results to be materially different from any future results expressed or implied by these statements. Such risks, uncertainties and other factors are described in detail in the Risk Report section of the Annual Reports of 1&1 AG. 1&1 does not intend to revise or update any forward-looking statements set out in this Interim Statement.

Brand portfolio of 1&1



For more information such as contact details, please visit:

www.1und1.ag/kontakt



1&1 AG

Elgendorfer Straße 57
56410 Montabaur
Germany

www.1und1.ag