Extraordinary General Meeting | January 20th, 2021

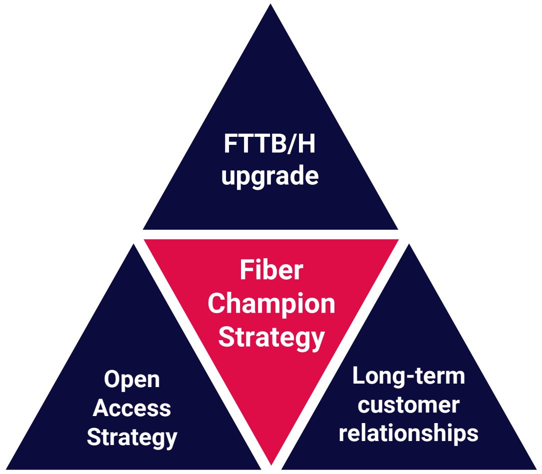
Tele Columbus AG

Tele Columbus' path to a more sustainable capital structure for the implementation of the Fiber Champion strategy

- Development of the **Fiber Champion strategy** to **achieve a long-term sustainable positioning** in a highly dynamic broadband market

- The strategy **requires a significant amount of new capital** with a **total anticipated network investment of c.€2bn** over the next 10 years, resulting in negative cash flows over the course of the next years

- Announcement of the **public takeover offer by Morgan Stanley Infrastructure Partners ("MSIP") creates the opportunity** for Tele Columbus **to raise the capital needed** in order to **be able to execute the strategy**

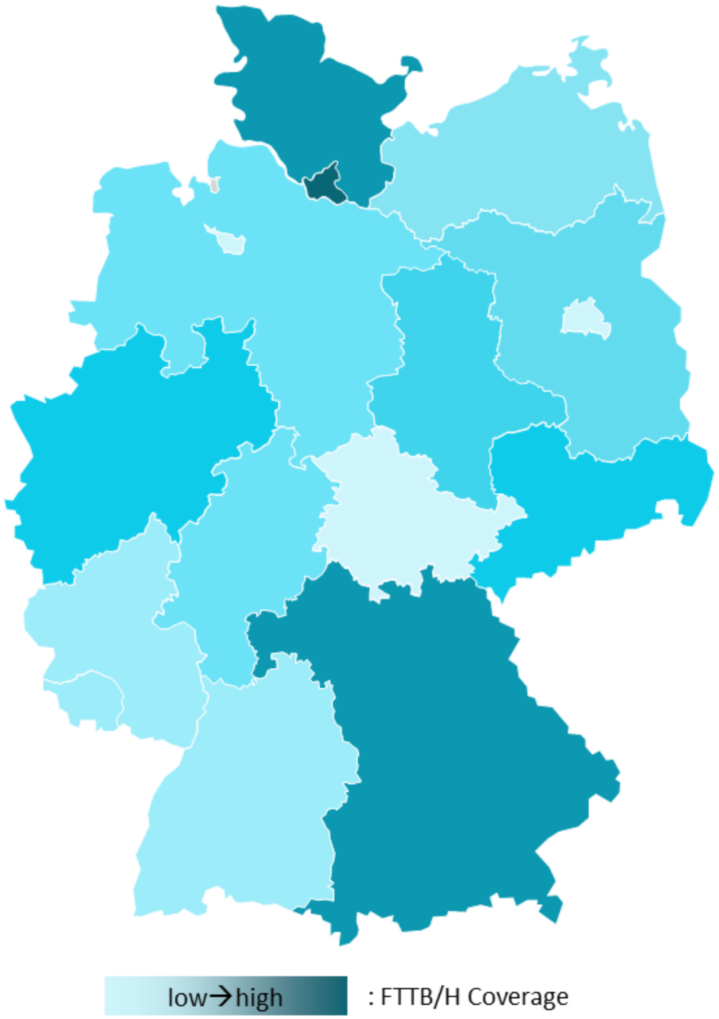


Definition of three pillar strategy

- To achieve a **more sustainable capital structure** and **enable the further implementation of the Fiber Champion strategy,** the following prerequisites need to be met:
  - Shareholder approval for the €475m capital increase, which is backed by the BidCo up to the full amount upon successful completion of the transaction
  - Minimum acceptance threshold of 50%
  - Sufficient consent of bond and loan creditors to waive their Change-of-Control ("CoC") rights
  - Regulatory approvals

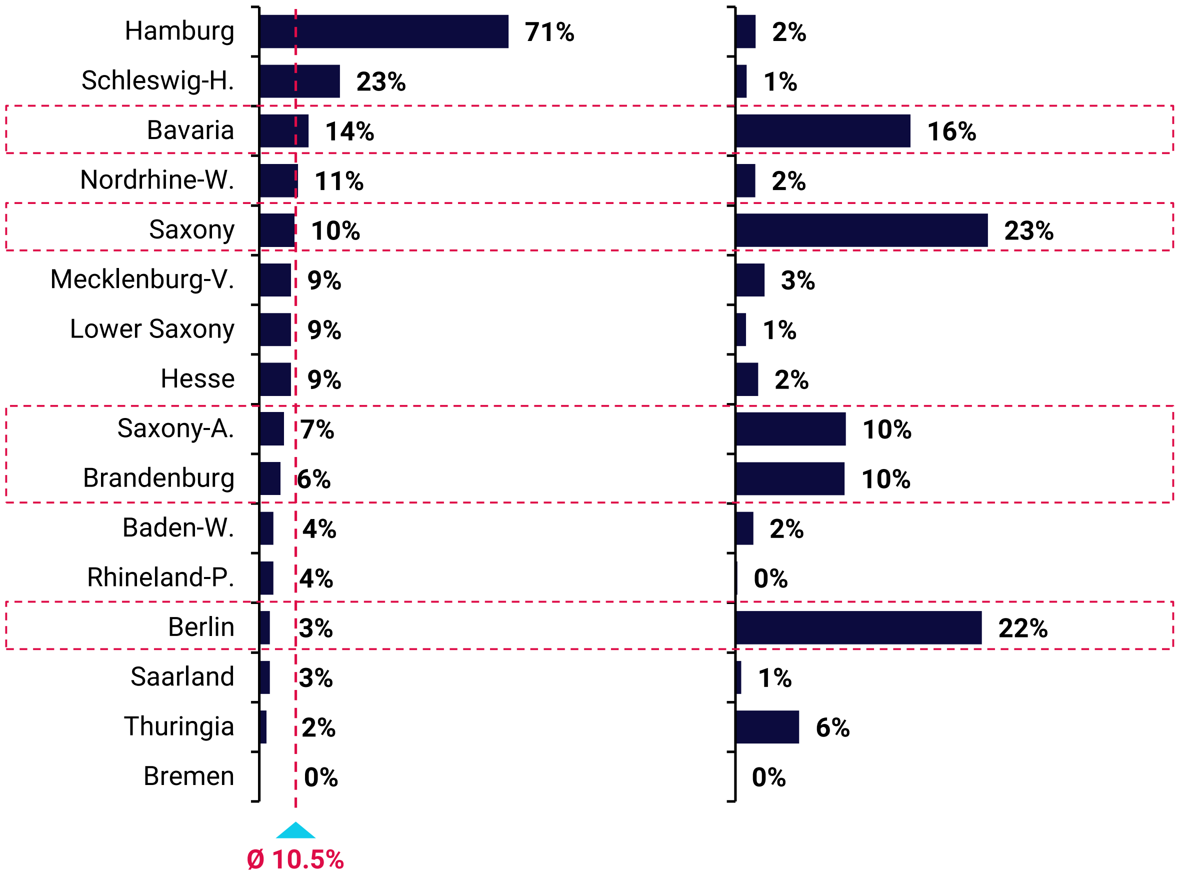
- Furthermore and upon successful completion of the transaction, bidder intends to inject **additional equity in the amount of €75m** in order to further support the implementation of the strategy

More than 80% of our two-way upgraded homes connected are located in five federal states with today each less than 15% FTTB/H coverage



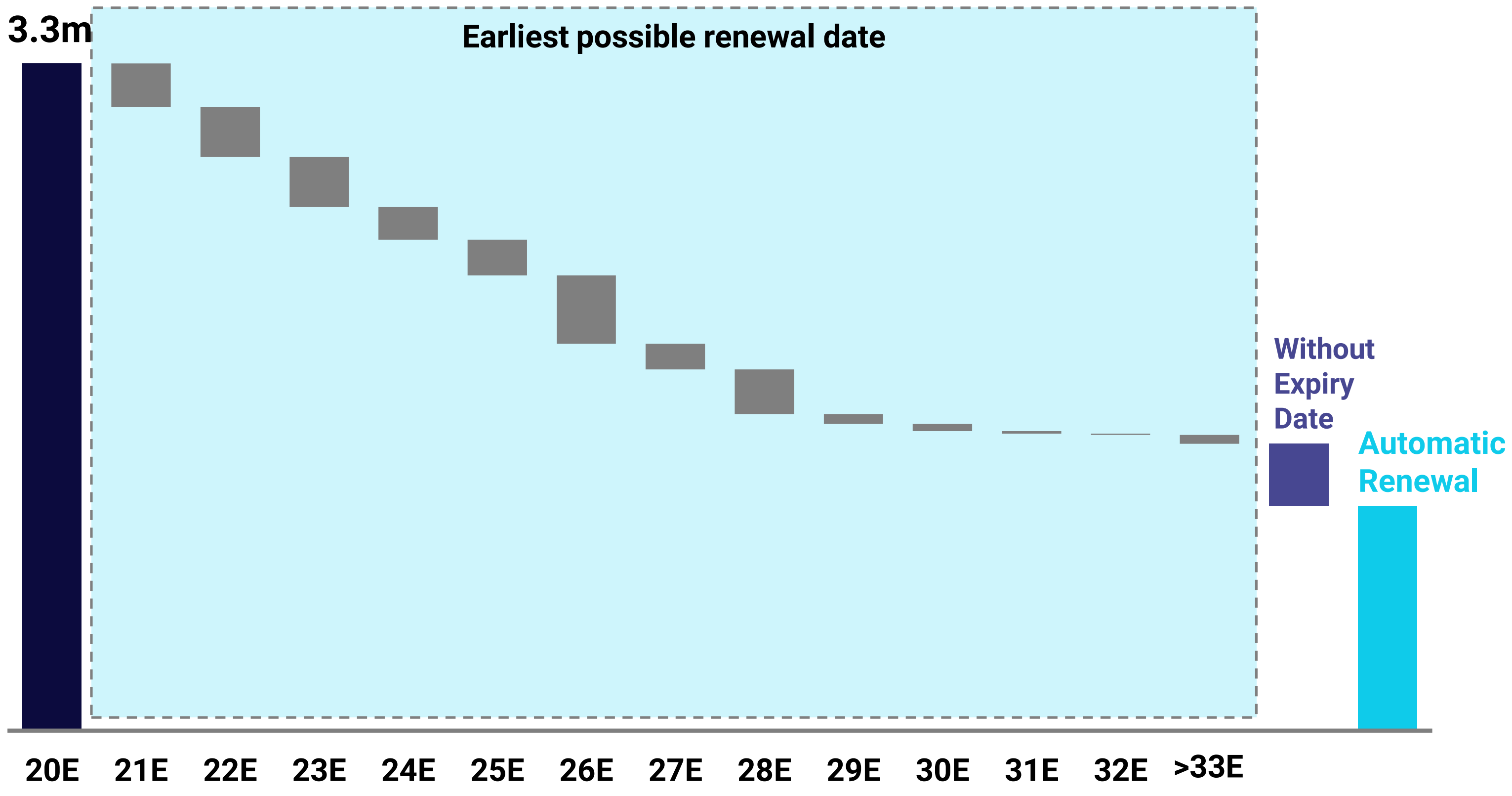
% FTTB/H coverage by federal state[1]

%-share of TC`s total TWU HC[2] by federal state



1) *Source: Bundesministerium für Verkehr und digitale Infrastruktur.*
2) *TWU HC = two-way upgraded homes connected.*

Growing demand by Housing Associations for fiber overbuild as basis for the Fiber Champion Strategy



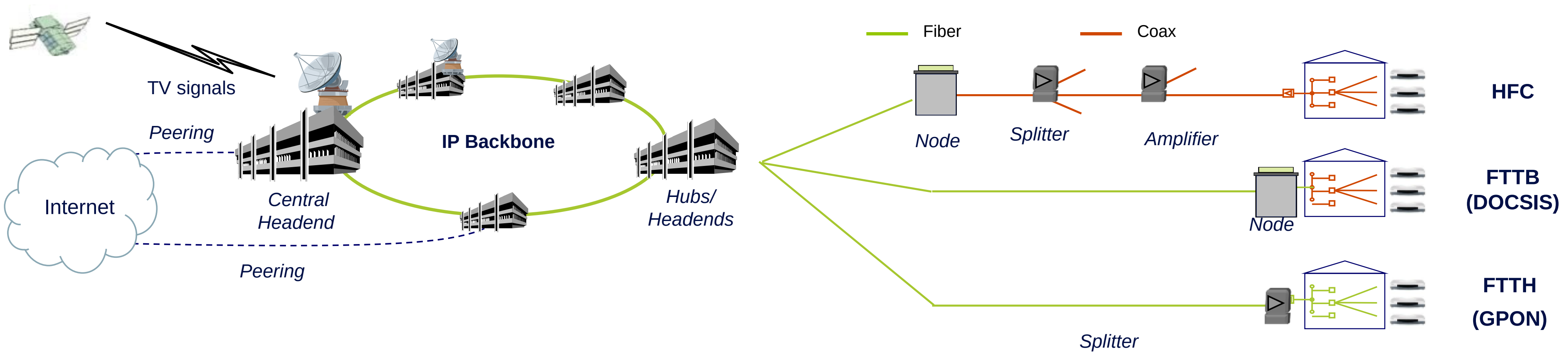
Sizeable overbuild project with a housing association

"WOGETRA eG Leipzig and Tele Columbus, a leading fibre network operator in Germany, agreed on prolonging their cooperation. […] Tele Columbus will continue to provide high-speed Internet […] to more than 7,000 households. […] Moreover, all WOGETRA premises will be upgraded to FTTB (fibre to the building) with fibre connections directly into the buildings."

Tele Columbus, 20 March 2020

Financing needs of our strategy: ~€2 bn network investments over 10 years

Network structure

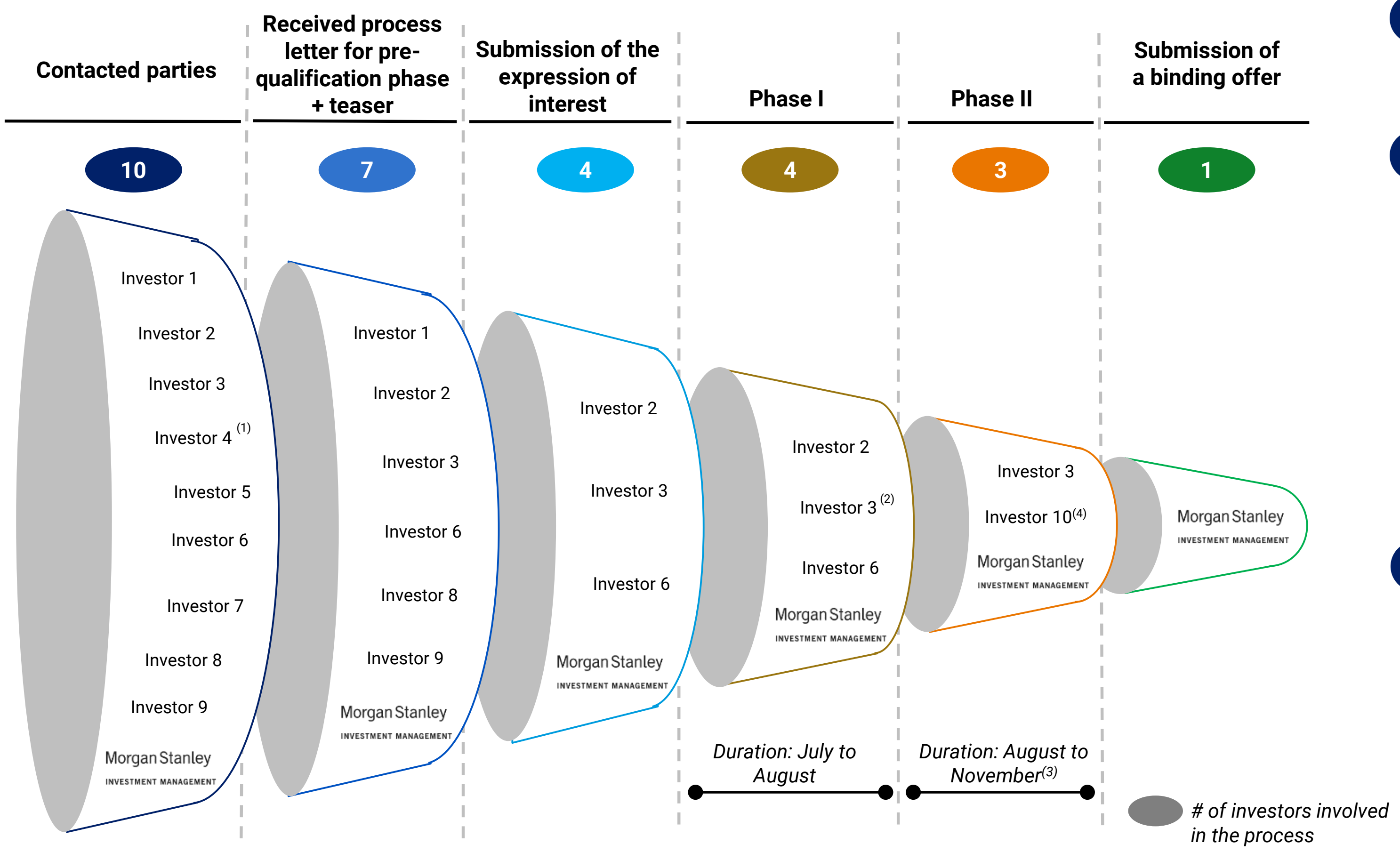


	Backbone	Level 2 network	Level 3 network	Level 4
Investments 2021-2030	**>€800m**		**~€1.1bn**	
Drivers	▪ **Extension of the networks' capacity, as a result of the increasing network utilization**		▪ **Connection of ~2m households with fiber (FttB / FttH)**	

- Additional investments occur for IT & Sales, B2B and others. In total, investments of c. €3bn are planned between 2021 and 2030.

Best financing option after running a structured process

Involved parties per process phase



Thorough process of **evaluating multiple funding options**

Ran **a structured process**

Reached agreement with **Morgan Stanley Infrastructure Partners** ("MSIP"), **supported by United Internet**, which, upon successful completion of the takeover, …

- …enables the implementation and execution of the Fiber Champion Strategy,
- and by reducing our net debt leads to a more sustainable capital structure.

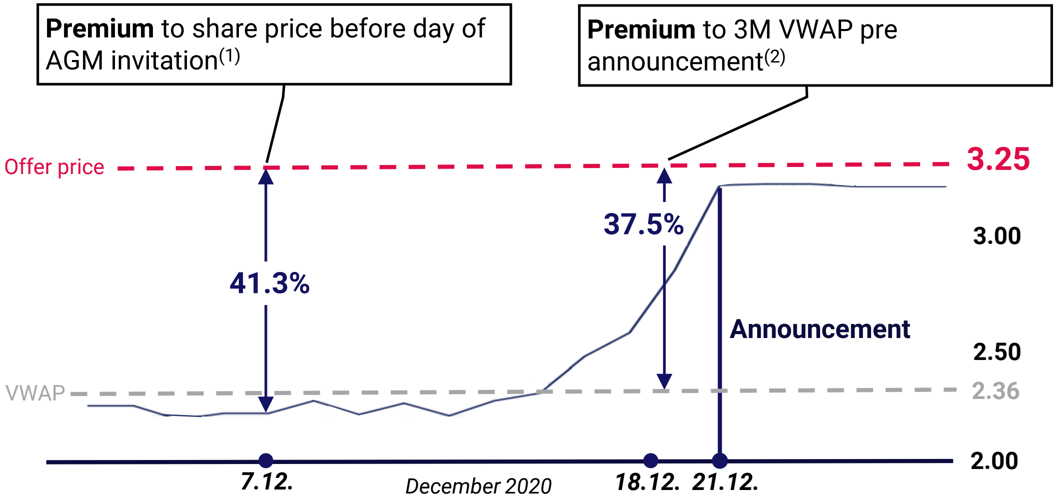
Morgan Stanley INVESTMENT MANAGEMENT

united internet

(1) *Investor 4 proactively approached TC to indicate interest.*
(2) *Not submitting an NBO but submitting a reaffirmation of interest.*
(3) *In early September, another party had contacted BofA to ask if a process is ongoing and if a teaser exists.*
(4) *By the end of October, investor 10 has expressed its interest to the company and was accepted to the process. The non-binding offer requested as of mid-November was not submitted.*

Key transaction parameters

Public takeover offer to all shareholders of **€3.25 per share**



- Implied Equity Value: **€415m**
- Implied Enterprise Value[3]: **€1,834m**
  - EBITDA-Multiple (Q3-20 LTM): **8.1x**[4]

Key offer conditions:

- Minimum acceptance threshold of 50%
- Waivers by bond and loan creditors of termination rights due to change of control in sufficient numbers
- Regulatory approvals

Rocket Internet agreed to tender its shares into the takeover offer through an **irrevocable undertaking**

No DPLTA required

Following the settlement of the takeover offer, or at any future date, **BidCo and its shareholders may**, subject to market conditions, **seek to effect in coordination with the management board and the supervisory board of Tele Columbus a delisting** of Tele Columbus shares from trading on a regulated market

The Bidder guarantees the capital increase subject to successful completion of the offer → *Further information on the planned capital increase is provided on the following slides*

---

1) Refers to the share price as of 7-Dec 2020 (€2.30), the day prior to releasing the AGM invitation.
2) Source: Bloomberg, 3M VWAP of €2.36 (21-Sep 2020 to 18-Dec 2020).
3) Comprises Net Debt of €1,419m (per 30-Sep 2020).
4) Based on a Q3-20 LTM Reported EBITDA of €227m.

Attractive offer to shareholders vs. Tele Columbus stand-alone proposition

Strategy requires **significant capital investment** with network investments of approx. €2bn over the next 10 years

Very **long-term time horizon** required, **further capital injection** needed in the future as **cash flow will be negative** for years to come

Without the success of the takeover offer and the approval for the capital increase…

- … the strategy cannot be implemented together with a anchor shareholder
- … a negative development of the share price due to an uncertain capital increase at a much lower issuance price is likely
- … a positive future for Tele Columbus is uncertain

Attractive offer to shareholders vs. Tele Columbus stand-alone proposition, which requires significant new capital to fund the fiber roll-out

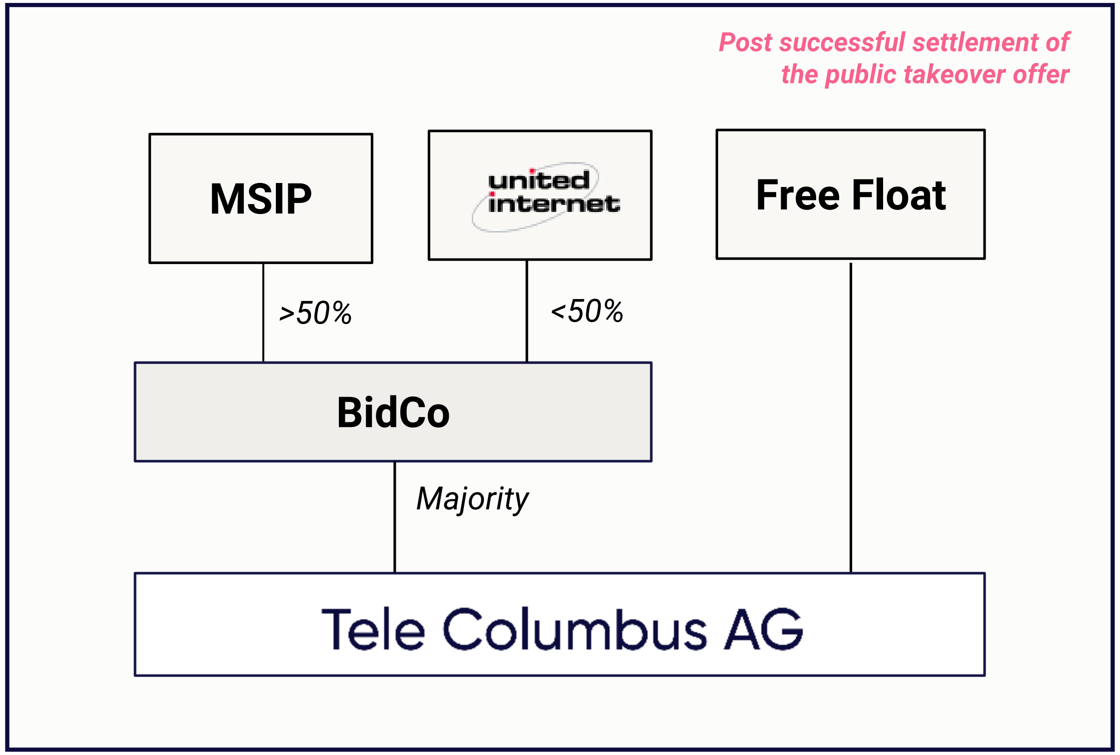
- Opportunity to sell shares at an attractive price of €3.25 per share
- No need to inject significant capital
- No dilution as a result of a capital increase
- Creating the opportunity for Tele Columbus to implement and execute the Fiber Champion strategy

Structure overview

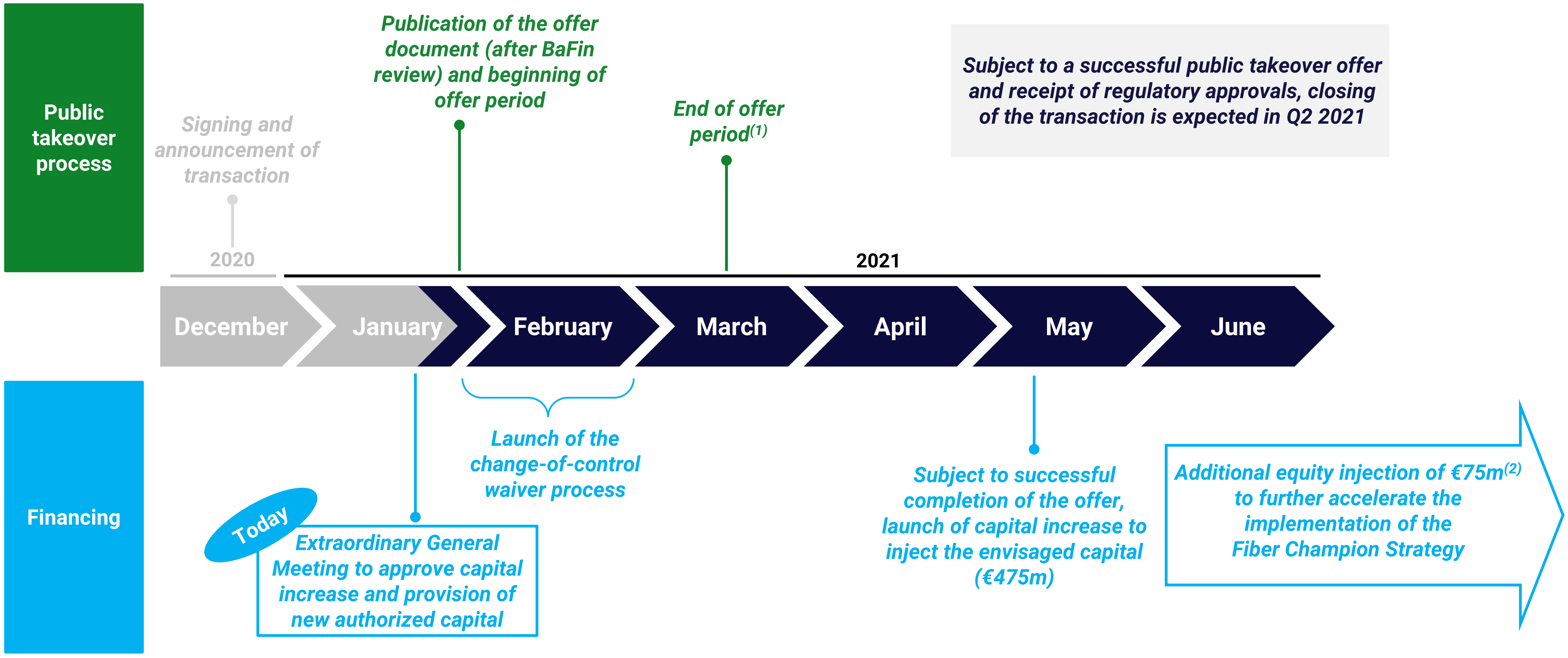
- **BidCo** to **hold a majority stake** in Tele Columbus subject to successful takeover offer

- **MSIP as majority owner of BidCo to become new major shareholder** of Tele Columbus

- **United Internet** will **contribute minority interest of 29.9% to the BidCo** if takeover offer is successful



Key milestones and currently expected timeline



(1) In addition to the six-week acceptance period, there is a further legally required additional acceptance period of two weeks.
(2) Subject to successful completion of the takeover offer.

Explanation of agenda item 1
Rights issue 1/2

Volume	▪ Capital increase with subscription rights in the amount of €475m
Subscription Price	▪ Subscription price is determined by the Management Board and the Supervisory Board 3 days prior to the start of the subscription offer. The subscription price is either – €3.25 (=offer price) or – market value at the time of the subscription offer, if lower than the offer price (market value = average closing price of shares on the 5 trading days prior to the day on which the subscription price is determined) ▪ Capital increase is implemented close to the market, no discount on market value – however, subscription price will in no case be higher than the offer price
Number of New Shares	▪ Number of shares to be issued equals amount which results from dividing the intended volume of €475m by the subscription price
Subscription Ratio	▪ Subscription ratio equals number of shares with subscription rights to number of shares to be issued ▪ Such ratio can be rounded to achieve an appropriate subscription ratio
Subscription Rights	▪ Each shareholder is entitled to subscribe new shares in proportion to his shareholding. Participation in the capital increase prevents dilution, but requires investment ▪ No subscription rights trading, but subscription rights do not have a tradable value due to the close to market subscription price
Guarantee of Capital Increase	▪ BidCo has guaranteed the amount of the capital increase provided the takeover offer is successful – BidCo will exercise its own subscription rights and will assume subscription rights which were not exercised – Contribution of BidCo is €475m minus subscription by other shareholders – All shareholders' subscription rights remain unaffected. However, the Company has the certainty that the required gross proceeds of €475m will actually be raised
Majority Required	▪ The resolution on the capital increase requires a simple majority of the capital represented in the EGM

Explanation of agenda item 1
Rights issue 2/2

Timetable	▪ Subscription offer after completion of takeover offer by BidCo ▪ Subscription period: 2 weeks ▪ Implementation of subscription offer generally within 6 month after the shareholders' resolution
Contribution in Kind by BidCo	▪ BidCo undertook vis-à-vis the Company to grant a loan of up to €400m. Such undertaking is subject to the successful completion of the takeover offer ▪ The Company will use this loan to repay lenders/bondholders, who are entitled to termination because of a change of control and who have to be repaid if the capital increase has not been implemented at that time. In that case, the loan is a bridge financing for the period until the capital increase is implemented ▪ If the Company has drawn the loan prior to the subscription offer, BidCo may pay the subscription price by contributing the loan as a contribution in kind. The nominal amount of the loan will then be offset against the subscription price
Use of Proceeds	▪ Reduction of Debt ▪ Financing of Fiber Champion Strategy
Rights Issue Subject to Takeover Offer	▪ Capital increase will only be implemented, if takeover offer has been executed (see no. 6 of proposed resolution) ▪ If the takeover offer fails, the financing concept for implementing the strategy will also have failed ▪ The Company then has to develop a new financing concept

Explanation of agenda item 2
Authorized capital

Volume / Term	▪ 63,778,125 shares = 50% of current share capital / term of 5 years
Majority Required	▪ The Resolution on authorized capital requires a qualified majority of 75% of the capital represented in the EGM
Purpose	▪ In case the takeover offer fails and the rights issue thus also lapses, the Company has the option of raising capital at short notice via the Authorized Capital in order to finance investments and business operations ▪ In case the takeover offer is successful, the Authorized Capital may be used to to cover further investment requirements for the expansion of the fiber-optic network ▪ BidCo has confirmed to further inject €75m in equity if the takeover offer is successfully completed
Subscription Rights	▪ In principle, the shares are issued with subscription rights ▪ The subscription right may be excluded with the consent of the Supervisory Board: – in case of capital increases against contributions in cash of up to 10% of the share capital, if the shares are issued at a price that is not significantly lower than the stock exchange price; – in case of capital increases against contributions in kind for acquiring companies, participations or other assets, including loan receivables; – to eliminate fractional amounts that may arise in the event of rights issues; – to enable protection against dilution for creditors of convertible bonds and bonds with warrants (currently, there are no such bonds)
Reasons for the Exclusion of Subscription Rights	▪ Rights issues are time-consuming due to Prospectus requirement and can therefore not be executed quickly ▪ The exclusion of subscription rights allows equity to be raised at short notice in the event of liquidity requirements or favorable capital market conditions ▪ The exclusion of subscription rights in the case of contributions in kind allows acquisitions against the issue of shares, but also the repayment of loans with shares. This liquidity is preserved

Disclaimer

This document has been prepared by Tele Columbus AG (the “Company”) solely for informational purposes.

This presentation may contain forward-looking statements. These statements are based on management s current expectations or beliefs and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. Although we believe that such forward-looking statements are reasonable, we cannot assure you that any forward-looking statements will prove to be correct. Such forward-looking statements are subject to a number of known and unknown risks, uncertainties and assumptions, which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks and uncertainties, the forward-looking events and circumstances discussed in this presentation may not occur and actual results could differ materially from those anticipated or implied in the forward-looking statements.

The presentation does not constitute or form part of, and should not be construed as, and offered to sell or issue, or the solicitation of an offer to purchase, subscribe to or acquire, securities of the Company, or an inducement to enter into investment activity in the United States. No part of this presentation, nor the fact of its distribution, should form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever.

The information contained in this document has been carefully compiled. However, no liability of any kind is assumed for the information contained herein and/or its completeness.

All figures in this presentation are calculated based on exact numbers and results are rounded to appropriate accuracy.