



Results Q3/9M 2024



GOPPINGEN, Germany, 6 November 2024

TeamViewer delivers Revenue growth of 8 % cc yoy and outstanding profitability in Q3 2024

- Revenue up 7 % (+8 % cc) yoy to €168.7m; continued growth in cc across all regions
- Continued strong momentum in Enterprise; Revenue up 22 % (+23 % cc) yoy and sequentially advanced growth trend
- ARR increase of 6 % (+7 % cc) yoy demonstrates sustained underlying growth
- Adjusted EBITDA up 15 % yoy, very strong Adjusted EBITDA margin of 48 %
- Significant increase in Net income of +49 % yoy; adjusted basic EPS up 30 % yoy to €0.29
- FY 2024 guidance: Revenue guidance range narrowed to between €662m and €668m; Adjusted EBITDA margin raised by 1 pp from at least 43 % to at least 44 %

Oliver Steil, TeamViewer CEO

« In an environment where global economic growth for 2024 is forecast to be barely above 3 %, we are very satisfied that we have successfully sustained our growth trajectory. In the third quarter, we reported revenue growth of 8 % yoy in constant currency. Our Annual Recurring Revenue showed a healthy increase of 7 % yoy in constant currency, which demonstrates sustained underlying growth. We are particularly pleased with our continued strong Enterprise momentum and continuous closing of higher value deals, which led to a 23 % revenue increase yoy in constant currency. In parallel, our maintained cost discipline is driving bottom-line growth, emphasized by an outstanding Adjusted EBITDA margin of 48 % in Q3 and very strong Adjusted EPS growth of 30 % yoy. »

Michael Wilkens, TeamViewer CFO

« We delivered a good set of results in the third quarter. On the back of a solid top-line performance, we continued our investments to secure future growth. At the same time, we successfully expanded our Adjusted EBITDA margin by 4 pp yoy in the third quarter, mainly driven by the reduced scope of our partnership with Manchester United and further cost efficiencies. On top of our improved EBITDA, the PPA of TeamViewer's customer base has been fully amortized in July, which supports our reported net income growth this quarter and beyond. We narrowed our Revenue guidance range for FY 2024 to between €662m and €668m. On the back of a very strong profitability this quarter, we raise our Adjusted EBITDA margin guidance by 1 pp to at least 44 %. In addition, we continue to expect our Levered Free Cash Flow to increase by ~8 % yoy for FY 2024. »

Key Figures (consolidated, unaudited)

	Q3 2024	Q3 2023	Δ YoY	9M 2024	9M 2023	Δ YoY
Sales						
Revenue (in EUR million)	168.7	158.1	+7 % +8 % cc ¹	494.5	463.6	+7 % +9 % cc ¹
Annual Recurring Revenue (ARR) (in EUR million) ²	669.3	631.8	+6 % +7 % cc	669.3	631.8	+6 % +7 % cc
Billings (in EUR million)	154.1	149.8	+3 % +4 % cc ³	486.9	477.2	+2 % +3 % cc ³
Number of subscribers (reporting date) (in thousands)	644	626	+3 %	644	626	+3 %
Net Retention Rate (NRR) (on ARR, cc), Enterprise ^{4,5}	99 %	n/a	n/a	99 %	n/a	n/a
Profits and margins						
Adjusted EBITDA (in EUR million)	81.0	70.3	+15 %	213.6	198.1	+8 %
Adjusted EBITDA margin	48 %	44 %	+4 pp	43 %	43 %	0 pp
EBITDA (in EUR million)	74.1	59.4	+25 %	187.3	166.9	+12 %
EBITDA margin (EBITDA in % of revenue)	44 %	38 %	+6 pp	38 %	36 %	2 pp
EBIT (in EUR million)	65.0	45.3	+44 %	149.7	125.1	+20 %
EBIT margin (EBIT in % of revenue)	39 %	29 %	+10 pp	30 %	27 %	+3 pp
Cash flows						
Cash flows from operating activities (in EUR million)	48.0	54.5	-12 %	167.1	166.0	+1 %
Cash flows from investing activities (in EUR million)	-2.8	-2.0	+41 %	-9.8	-14.7	-33 %
Levered free cash flow (FCFE)	41.3	45.7	-10 %	142.6	144.4	-1 %
Cash conversion (FCFE/adjusted EBITDA)	51 %	65 %	-14 pp	67 %	73 %	-6 pp
Cash and cash equivalents (in EUR million)	24.5	79.9	-69 %	24.5	79.9	-69 %
Other						
R&D expenses (in EUR million)	-21.3	-19.6	+9 %	-60.0	-58.4	+3 %
Employees, full-time equivalents (FTEs) (reporting date)	1,545	1,433	+8 %	1,545	1,433	+8 %
Earnings per share – basic (in EUR)	0.25	0.16	+60 %	0.55	0.48	+13 %
Adjusted earnings per share – basic (in EUR)	0.29	0.22	+30 %	0.75	0.66	+14 %

¹ Revenue growth rate in constant currency (cc) eliminates foreign currency effects related to Last Twelve Months Billings.

² Annual Recurring Revenue calculation logic changed from previous quarters. Previous year's numbers have been re-calculated based on the new logic. Previously reported Annual Recurring Revenue (ARR) (in EUR m) based on Billings was €632.5m in Q3 2023 and €672.6m in Q3 2024, 6 % yoy growth.

³ Billings growth rate in constant currency (cc) translates Billings in foreign currencies using the average exchange rates from the comparative period instead of the current period.

⁴ Net Retention Rate on Group level is now calculated on Annual Recurring Revenue in constant currency. Group NRR (on ARR, cc) in Q3 2024 was 98 %. Previously reported Group NRR based on Billings was 107 % in Q3 2023 and 101 % in Q3 2024, which amounts to a delta of -6 pp yoy.

⁵ Enterprise Net Retention Rate is now calculated on Annual Recurring Revenue in constant currency. Previous year's numbers have been re-calculated based on the new logic. Previously reported ENT NRR based on Billings was 102 % in Q3 2023 and 120 % in Q3 2024, which amounts to a delta of 18 pp yoy.

Business Highlights

In the third quarter, TeamViewer's enterprise business continued to show momentum with revenue growth of 22 % year-over-year (23 % cc), ARR growth of 19 % yoy (+20 % cc) and billings growth of 30 % yoy (+32 % cc). The company's ability to sell into larger organizations is reflected in new customer wins with high deal volumes across both IT and OT use cases, as well as the expansion of existing relationships through significant upsells. This positive momentum was particularly present in the EMEA region, followed by the AMERICAS.

For example, Coop, one of Switzerland's largest retail and wholesale companies, uses both Tensor and Frontline to remotely solve IT issues for its employees, as well as to digitalize its warehouse picking processes. YPF, a leading South American oil & gas corporation, is using TeamViewer Frontline to streamline complex inspection and maintenance processes of its machinery and equipment. Furthermore, a well-known European luxury brand opted for TeamViewer to improve global retail operations and enable an innovative digitalized in-store customer experience.

In October, TeamViewer announced the launch of its AI-powered "Session Insights" for remote connectivity customers, offering IT teams powerful tools to boost efficiency and streamline operations. The feature automates documentation of remote support sessions and provides an overview of all cases, empowering IT service desks to resolve issues faster, improve customer satisfaction, and scale expertise, even with limited staff.

In September, TeamViewer's Supervisory Board extended the contract of Michael Wilkens as the company's Chief Financial Officer and Member of the Management Board by three years. At the same time, Chief Commercial Officer Peter Turner has decided, after alignment with the Supervisory Board, not to extend his contract as member of the company's Management Board beyond its expiry in July 2025.

In recent months, TeamViewer achieved multiple recognizable ESG results. Firstly, the company maintained the AAA rating in the 2024 MSCI ESG Rating and improved its ISS ESG rating. In addition, TeamViewer strengthened its efforts towards net-zero and announced a partnership with carbon removal provider neustark that will result in the removal of 1,200 residual tons of CO₂ over the course of six years. In July, TeamViewer finalized its cyber robotics competition that introduced 750 kids from the US and Germany to the basics of coding. And finally, TeamViewer achieved the privacy certification from TÜV Informationstechnik GmbH for its commitment to data protection.

Introducing Annual Recurring Revenue (ARR)

As a leading global SaaS company, TeamViewer follows best practices in its reported numbers to provide an optimal understanding of its business. Therefore, TeamViewer introduced changes to two of its main SaaS-related secondary performance indicators as of Q3 2024, Annual Recurring Revenue (ARR) and Net retention rate (NRR). Annual Recurring Revenue (ARR) is a standard performance metric used in the Software-as-a-Service industry, facilitating better growth assessment and peer comparison. Net retention rate (NRR) is related to the Annual Recurring Revenue. ARR is reported at the Total (Group) level and at the SMB and Enterprise level.

Annual Recurring Revenue (ARR) is now calculated as the annualized revenue of active subscription contracts as at the end of the reporting period. This excludes non-recurring revenues (e.g. one-time fees, hardware revenues). ARR is calculated by annualizing the Daily Subscription Revenue at the last calendar day of the respective period. ARR growth rate yoy in constant currency (cc) eliminates foreign currency effects by using prior-year exchange rates for all recurring revenue invoiced in the last twelve months.

With the changed logic of ARR, Net Retention Rate (NRR) (on ARR, cc) is now calculated as: Retained ARR at the end of the reporting period divided by the total ARR at the end of the prior year reporting period. NRR (on ARR) will be provided 'in constant currency'. Retained ARR is defined as the ARR at the end of the reporting period from customers that have been already a customer at the end of the prior year reporting period.

Revenue and Billings Development

In Q3 2024, TeamViewer's **Revenue** increased by 7 % yoy to €168.7m. FX headwinds from 2023 Billings had a combined negative impact of €2.4m in the quarter. Total Revenue increased by 8 % yoy in constant currency.

Billings for the quarter reached €154.1m (+3 % / +4 % cc yoy). In a still very challenging and uncertain macroeconomic environment, growth was mainly driven by a continued strong momentum in Enterprise. Billings from new subscribers were broadly flat yoy. Additionally, demand from customers for long term contracts remained solid in the quarter, which resulted in an increase of Billings from multi-year deals with upfront payment by €1.5m yoy, and reached a total of €17.4m (Q3 2023: €15.9m).

Total ARR amounted to €669.3m in Q3 2024, an increase of 6 % (+7 % cc) yoy, which underscores TeamViewer's continued healthy fundamental growth.

SMB and Enterprise Development

Revenue and Billings by customer

in EUR million	Q3 2024	Q3 2023	Δ YoY	9M 2024	9M 2023	Δ YoY
SMB						
Revenue	131.6	127.6	+3 % +5 % cc ¹	388.6	374.8	+4 % +6 % cc ¹
Annual Recurring Revenue (ARR)	530.1	514.5	+3 % +4 % cc	530.1	514.5	+3 % +4 % cc
Billings	118.8	122.8	-3 % -2 % cc ²	381.9	387.4	-1 % -1 % cc ²
Enterprise						
Revenue	37.1	30.5	+22 % +23 % cc ¹	105.9	88.8	+19 % +21 % cc ¹
Annual Recurring Revenue (ARR)	139.3	117.2	+19 % +20 % cc	139.3	117.2	+19 % +20 % cc
Billings	35.3	27.1	+30 % +32 % cc ²	105.0	89.8	+17 % +18 % cc ²
Total Revenue	168.7	158.1	+7 % +8 % cc ¹	494.5	463.6	+7 % +9 % cc ¹
Total ARR	669.3	631.8	+6 % +7 % cc	669.3	631.8	+6 % +7 % cc
Total Billings	154.1	149.8	+3 % +4 % cc ²	486.9	477.2	+2 % +3 % cc ²

¹ Revenue growth rate in constant currency (cc) eliminates foreign currency effects related to Last Twelve Months Billings.

² Billings growth rate in constant currency (cc) translates Billings in foreign currencies using the average exchange rates from the comparative period instead of the current period.

In Q3 2024, **Enterprise** Revenue further improved its continuous growth trend and amounted to €37.1m, which corresponds to a year-over-year increase of 22 % (23 % cc). Enterprise ARR also strongly increased by 19 % (+20 % cc) yoy to €139.3m, and thereby confirms the sustainability of the strong Enterprise fundamentals. Enterprise NRR (on ARR, cc) reached a solid 99 % in the quarter, broadly similar as in Q2 2024 with an Enterprise NRR (on ARR, cc) of 99 %.¹

Enterprise Billings again showed a very strong momentum in the quarter, despite ongoing macroeconomic uncertainties. The meaningful 30 % yoy growth (+32 % cc) in Enterprise Billings was driven by new customer acquisitions, an expanding customer base, and larger deal sizes.

¹ Previously reported Enterprise NRR based on Billings was 102% in Q3 2023 and 120% in Q3 2024, which amounts to a delta of 18 pp yoy.

Enterprise (ARR view) exhibited the highest growth in the highest value range (>EUR 200k ARR) with an increase of 30 % cc yoy in Q3 2024. The Enterprise customer base further expanded by 11 % yoy, and reached a total of 4,494.

SMB Revenue was €131.6m in Q3 2024, up 3 % (+5 % cc) yoy, broadly in line with the yoy growth trend observed in the previous quarter. SMB ARR showed a solid growth of 3 % (+4 % cc) yoy, reaching €530.1m, with a continued strong subscriber base of 639k, up 3 % yoy.

SMB Billings were €118.8m in the quarter, down 3 % (-2 % cc) yoy. This can largely be attributed to the challenging macroeconomic environment, which had a particular impact on the SMB business, where on the lower end customer loyalty is generally weaker than in higher-priced segments. The prior-year quarter also benefited from higher price increases and a larger number of multi-year deals with upfront payment.

Regional Development

Revenue and Billings by region

in EUR million	Q3 2024	Q3 2023	Δ YoY	9M 2024	9M 2023	Δ YoY
EMEA						
Revenue	92.5	84.4	+10 % +9 % cc ¹	270.3	245.6	+10 % +10 % cc ¹
Billings	77.5	73.7	+5 % +5 % cc ²	258.1	253.7	+2 % +1 % cc ²
AMERICAS						
Revenue	58.1	55.7	+4 % +7 % cc ¹	170.5	164.6	+4 % +7 % cc ¹
Billings	58.9	57.4	+3 % +5 % cc ²	171.9	164.1	+5 % +6 % cc ²
APAC						
Revenue	18.0	18.1	0 % +5 % cc ¹	53.6	53.4	+1 % +8 % cc ¹
Billings	17.7	18.8	-6 % -4 % cc ²	56.9	59.4	-4 % 0 % cc ²
Total Revenue	168.7	158.1	+7 % +8 % cc¹	494.5	463.6	+7 % +9 % cc¹
Total Billings	154.1	149.8	+3 % +4 % cc²	486.9	477.2	+2 % +3 % cc²

¹ Revenue growth rate in constant currency (cc) eliminates foreign currency effects related to Last Twelve Months Billings.

² Billings growth rate in constant currency (cc) translates Billings in foreign currencies using the average exchange rates from the comparative period instead of the current period.

In Q3 2024, all regions delivered year-over-year growth in Revenue, measured in constant currency. Whilst operating in a difficult macro environment across all its regions, with prolonged sales cycles in a usually slower summer period, TeamViewer still delivered a solid total Billings growth of 4 % yoy in cc. EMEA was the strongest region in the quarter, whilst AMERICAS and APAC also experienced some FX headwinds.

In **EMEA**, Revenue was €92.5m, up 10 % (+9 % cc) yoy, while Billings reached €77.5m, up 5 % (+5 % cc) yoy, in particular due to a continued strong Enterprise momentum. **AMERICAS** Revenue reached €58.1m, up 4 % (+7 % cc) yoy, while Billings reached €58.9m, up 3 % (+5 % cc) yoy, which can be mainly attributed to the Enterprise performance. **APAC** Revenue continued to face considerable FX headwinds, which resulted in a flat yoy development (+5 % cc). Billings came in at -6 % (-4 % cc) yoy, compared against a strong prior-year quarter that included a larger multi year deal contract.

Earnings Development

TeamViewer delivered outstanding profitability in Q3 2024 with maintained cost discipline whilst continuing to invest in innovation and Enterprise growth. Profitability benefited significantly from the scaled-back partnership with Manchester United, which took effect after 30 June 2024. Partly due to this, total recurring cost remained stable yoy at €87.7m. On the back of a solid revenue growth and flat recurring costs yoy, **Adjusted EBITDA** increased by 15 % yoy to €81.0m in the quarter. Adjusted EBITDA margin reached an outstanding 48 % in Q3 2024.

Net income amounted to €39.5m in Q3 2024, which significantly increased by 49 % yoy. This growth was partially driven by the increase in EBITDA as well as a €5.3m lower PPA yoy. This PPA related to the acquisition of TeamViewer in 2014 and was fully amortized in July. Post-tax, this positively affected the reported net income by €3.8m in the quarter. **Adjusted (basic) EPS** increased by 30 % yoy to €0.29 in the quarter. On 2 August 2024, TeamViewer canceled 4 million ordinary shares that had been repurchased through its share buyback program, and were held in treasury. As a result, the share capital has been reduced from 174 million to 170 million ordinary shares outstanding.

Recurring cost (adjusted for non-recurring items and D&A)

in EUR million	Q3 2024	Q3 2023	Δ YoY	9M 2024	9M 2023	Δ YoY
Cost of Goods Sold (COGS)	-13.4	-12.0	+12 %	-39.9	-33.4	+19 %
Sales	-25.0	-21.1	+18 %	-73.3	-64.5	+14 %
Marketing	-21.6	-32.3	-33 %	-89.3	-98.2	-9 %
R&D	-17.5	-15.5	+13 %	-49.5	-46.3	+7 %
G&A	-8.8	-7.6	+16 %	-25.2	-24.0	+5 %
Other ¹	-1.4	0.7	-287 %	-3.7	1.1	n/a
Total COGS and OpEx	-87.7	-87.8	0 %	-280.8	-265.4	+6 %

¹ incl. other income/expenses and bad debt expenses of EUR 2.8m in Q3 2024 and EUR 1.3m in Q3 2023 / EUR 8.0m in 9M 2024 and EUR 5.2m in 9M 2023.

In Q3 2024, **Cost of Goods Sold (COGS)** increased by 12 % yoy, mainly driven by deployment costs of Frontline projects. **Sales** expenses were up 18 % yoy, driven by the new sales talent hired in recent months. **Marketing** costs decreased by 33 % yoy following the adjustment of the Manchester United partnership for the new season. **R&D** expenses were up 13 % yoy, which reflects a shift away from external contractors to strengthen internal development teams to support product innovations. **G&A** expenses increased by 16 % yoy mainly due to a slightly higher FTE count and phasing effects, while **Other** expenses slightly increased to €1.4m due to higher bad debt expenses.

Financial Position

Pre-tax Unlevered Free Cash Flow (pre-tax UFCF) was flat yoy and amounted to €63.2m at the end of Q3 2024. Positive effects from the revised scope of the Manchester United partnership were already recorded in Q2 2024. **Levered Free Cash Flow (FCFE)** amounted to €41.3m in Q3 2024 (a decrease of 10 % yoy), and €142.6m 9M YTD, broadly flat yoy, fully in line with internal expectations. **Cash Conversion** (FCFE in relation to Adjusted EBITDA) was at 51 % in Q3 2024.

Cash and cash equivalents were at €24.5m at the end of Q3 2024, down €48.4m year-to-date. This trend mainly reflects TeamViewer's share buybacks of €120.1m year-to-date (thereof €25.8m in Q3 2024) and a net debt repayment of €65m year-to-date (thereof €35m in Q3 2024).

In total, **Net Debt** amounted to €444.0m at the end of Q3 2024, which resulted in a **Net Leverage Ratio** of 1.6x (Net Debt/Adj. EBITDA LTM) for Q3 2024. This shows a further improvement compared to 1.8x as at 31 December 2023.

In July 2024, TeamViewer successfully extended the maturity of its 2022 Syndicated Revolving Credit Facility of €450m in full by further two years, from 2027 to 2029.

Outlook

In 9M 2024, TeamViewer delivered Revenue of €494.5m, +7 % (+9 % cc) yoy, and high profitability with an Adjusted EBITDA margin of 43 %.

TeamViewer narrows its Revenue guidance range for FY 2024 to between €662m and €668m, within its originally guided Revenue range³. This Revenue outlook includes FX headwinds from 2023 billings of around €10-11 million on a full year basis. Corrected for these FX headwinds, guided revenue range corresponds therefore to 7-8 % growth on a constant currency basis.

On the back of better than expected strong profitability in Q3 2024, TeamViewer raises its Adjusted EBITDA margin guidance by 1 pp to at least 44 %. Following the **revised scope of the Manchester United partnership**, a portion of effective savings will also **positively affect margin in Q4 2024**.

Guidance 2024

Revenue (IFRS) ³	between €662m - €668m¹ (corresponds to +7 to +8 % cc yoy ²)
Adjusted EBITDA margin ⁴	at least 44 %

¹ Based on the average FX rates of 2023.

² Revenue growth rate in constant currency (cc) eliminates foreign currency effects related to Last Twelve Months Billings.

³ Revenue (IFRS) previously guided "between EUR 660m to 685m (corresponds to +7-11% cc yoy)"

⁴ Adjusted EBITDA margin previously guided "at least 43 %"

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Webcast

Oliver Steil (CEO) and Michael Wilkens (CFO) will speak at an analyst and investor conference call at 9:00am CET on 6 November 2024 to discuss the Q3 2024 results. The audio webcast can be followed via <https://www.webcast-egs.com/teamviewer-2024-q3>. A recording will be available on the Investor Relations website at ir.teamviewer.com. The accompanying presentation is also available for download there.

About TeamViewer

TeamViewer is a leading global technology company that provides a connectivity platform to remotely access, control, manage, monitor, and repair devices of any kind – from laptops and mobile phones to industrial machines and robots. Although TeamViewer is free of charge for private use, it has around 640,000 subscribers and enables companies of all sizes and from all industries to digitalize their business-critical processes through seamless connectivity. Against the backdrop of global megatrends like device proliferation, automation and new work, TeamViewer proactively shapes digital transformation and continuously innovates in the fields of Augmented Reality, Internet of Things and Artificial Intelligence. Since the company's foundation in 2005, TeamViewer's software has been installed on more than 2.5 billion devices around the world. The company is headquartered in Goppingen, Germany, and employs more than 1,500 people globally. In 2023, TeamViewer achieved a revenue of around EUR 627m. TeamViewer SE (TMV) is listed at Frankfurt Stock Exchange and is a member of the MDAX. Further information can be found at www.teamviewer.com.

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Important Notice

Certain statements in this communication may constitute forward looking statements. These statements are based on assumptions that are believed to be reasonable at the time they are made, and are subject to significant risks and uncertainties, including, but not limited to, those risks and uncertainties described in TeamViewer's disclosures. You should not rely on these forward-looking statements as predictions of future events, and TeamViewer's actual results may differ materially and adversely from any forward-looking statements discussed in these statements due to several factors, including without limitation, risks from macroeconomic developments, external fraud, lack of innovation capabilities, inadequate data security and changes in competition levels. TeamViewer undertakes no obligation, and does not expect to publicly update, or publicly revise, any forward-looking statement, whether as a result of new information, future events or otherwise.

All stated figures are unaudited.

Percentage change data and totals presented in tables throughout this document are generally calculated on unrounded numbers. Therefore, numbers in tables may not add up precisely to the totals indicated and percentage change data may not precisely reflect the change data of the rounded figures for the same reason.

This document contains alternative performance measures (APM) that are not defined under IFRS. The APMs (non-IFRS) can be reconciled to the key performance indicators included in the IFRS consolidated financial statements and should not be viewed in isolation, but only as supplementary information for assessing the operating performance. TeamViewer believes that these APMs provide an additional, deeper understanding of the Company's performance.

TeamViewer has defined each of the following APMs as follows:

- **Adjusted EBITDA** is defined as operating income (EBIT) according to IFRS, plus depreciation and amortization of tangible and intangible fixed assets (EBITDA), adjusted for certain business transactions (income and expense) defined by the Management Board in agreement with the Supervisory Board. Business transactions to be adjusted relate to share-based compensation schemes and other material special items of the business that are presented separately to show the underlying operating performance of the business.
- **Adjusted EBITDA margin** means Adjusted EBITDA as a percentage of revenue.
- **Billings** represent the value (net) of goods and services invoiced to customers within a specific period and which constitute a contract as defined by IFRS 15.

- Retained Billings means recurring Billings (renewals, up- & cross sell) attributable to retained subscribers who were subscribers in the previous twelve-month period.
- Retained ARR is defined as the ARR at the end of the reporting period from customers that have been already a customer at the end of the prior year reporting period.
- New Billings means recurring Billings attributable to new subscribers.
- Non-recurring Billings means Billings that do not recur, such as professional services and hardware reselling.
- Net Retention Rate (NRR) (on ARR, cc) is defined as Retained ARR at the end of the reporting period divided by the Total ARR at the end of the prior year reporting period.
- Annual Recurring Revenue (ARR) is annualized recurring revenue for all active subscriptions at the end of the reporting period. SMB (ARR view) means customers with ARR across all products and services of less than EUR 10,000 at the end of the reporting period. If the threshold is exceeded, the customer will be reallocated. Enterprise (ARR view) means customers with ARR across all products and services of at least EUR 10,000 at the end of the reporting period. Customers who do not reach this threshold will be reallocated.
- Number of subscribers means the total number of paying subscribers with a valid subscription at the reporting date.
- SMB customers mean customers with ACV across all products and services of less than EUR 10,000 within the last twelve-month period. If the threshold is exceeded, the customer will be reallocated.
- Enterprise customers mean customers with ACV across all products and services of at least EUR 10,000 within the last twelve-month period. Customers who do not reach this threshold will be reallocated.
- Churn (subscriber) is calculated by dividing the number of retained subscribers at the reporting date by the total number of subscribers at the previous year's reporting date.
- Average Selling Price (ASP) is calculated by dividing the total SMB / Enterprise Billings of the last twelve months (LTM) by the total number of SMB / Enterprise subscribers at the reporting date.
- Annual Contract Value (ACV) is used to distinguish different pricing buckets within SMB and Enterprise. The ACV is defined as the annualized value of one SMB / Enterprise contract.
- Net financial liabilities are defined as financial liabilities (without other financial liabilities) less cash and cash equivalents.
- Net leverage ratio means the ratio of net financial liabilities to Adjusted EBITDA of the last twelve-month period.
- Levered Free Cash Flow (FCFE) means net cash from operating activities less capital expenditure for property, plant and equipment and intangible assets (excl. M&A), payments for the capital element of lease liabilities and interest paid for borrowings and lease liabilities.
- Cash Conversion means the percentage share of Levered Free Cash Flows (FCFE) in relation to the Adjusted EBITDA.
- Adjusted Net Income is the net income adjusted for certain income and expenses. These adjustments are: share-based compensation, amortization related to business combinations, other non-recurring income and expenses and related tax effects.
- Adjusted basic earnings per share is calculated in line with basic earnings per share, whereby Adjusted Net Income is used as the basis for the calculation instead of the net income.

Consolidated Profit & Loss Statement (unaudited)

in EUR thousands	Q3 2024	Q3 2023	9M 2024	9M 2023
Revenue	168,681	158,114	494,451	463,575
Cost of Goods Sold (COGS)	(17,392)	(20,751)	(62,890)	(59,580)
Gross profit	151,288	137,363	431,561	403,995
Research and development	(21,266)	(19,581)	(59,956)	(58,386)
Marketing	(22,965)	(33,336)	(92,877)	(101,660)
Sales	(28,823)	(23,486)	(84,858)	(78,151)
General and administrative	(13,128)	(10,470)	(34,413)	(34,521)
Bad debt expenses	(2,846)	(1,282)	(8,045)	(5,233)
Other income	414	1,402	1,536	5,248
Other expenses	2,358	(5,317)	(3,250)	(6,241)
Operating Profit	65,032	45,292	149,696	125,051
Finance income	79	(438)	676	806
Finance costs	(4,317)	(3,468)	(13,502)	(12,136)
Share of profit/(loss) of associates	(814)	0	(2,909)	0
Foreign currency result	142	(1,162)	(1,115)	(2,772)
Profit before tax	60,122	40,224	132,846	110,949
Income taxes	(20,621)	(13,676)	(44,457)	(27,206)
Net income	39,501	26,548	88,389	83,743
Basic number of shares issued and outstanding	158,431	170,592	161,385	173,527
Basic earnings per share (in € per share)	0.25	0.16	0.55	0.48
Diluted number of shares issued and outstanding	159,737	171,856	162,878	174,286
Diluted earnings per share (in € per share)	0.25	0.15	0.54	0.48

Consolidated Balance Sheet Total Assets (unaudited)

in EUR thousands	30 September 2024	31 December 2023
Non-current assets		
Goodwill	667,685	667,662
Intangible assets	152,844	175,736
Property, plant and equipment	44,556	43,261
Financial assets	6,952	11,866
Investments in associates ¹	17,711	15,414
Other assets	22,294	19,530
Deferred tax assets	26,390	18,596
Total non-current assets	938,433	952,065
Current assets		
Trade receivables	12,779	21,966
Other assets	36,805	52,366
Tax assets	3,272	2,892
Financial assets	6,510	9,423
Cash and cash equivalents	24,455	72,822
Total current assets	83,821	159,468
Total assets	1,022,255	1,111,533

¹ Previously shown under financial assets.

Consolidated Balance Sheet Equity and Liabilities (unaudited)

in EUR thousands	30 September 2024	31 December 2023
Equity		
Issued capital	170,000	174,000
Capital reserve	67,878	105,234
Accumulated losses	(6,799)	(95,188)
Hedge reserve	66	929
Foreign currency translation reserve	1,373	1,614
Treasury share reserve	(160,618)	(102,929)
Total equity attributable to shareholders of TeamViewer SE	71,900	83,660
Non-current liabilities		
Provisions	566	389
Financial liabilities	331,293	432,149
Deferred revenue	39,966	41,367
Deferred and other liabilities	2,096	2,486
Other financial liabilities	325	13
Deferred tax liabilities	46,138	39,693
Total non-current liabilities	420,383	516,098
Current liabilities		
Provisions	9,552	9,503
Financial liabilities	137,127	97,274
Trade payables	11,772	8,016
Deferred revenue	315,066	314,797
Deferred and other liabilities	52,155	73,067
Other financial liabilities	2,277	8,125
Tax liabilities	2,022	993
Total current liabilities	529,972	511,775
Total liabilities	950,355	1,027,873
Total equity and liabilities	1,022,255	1,111,533

Consolidated Cash Flow Statement (unaudited)

in EUR thousands	Q3 2024	Q3 2023	9M 2024	9M 2023
Profit before tax	60,122	40,224	132,846	110,949
Depreciation, amortization and impairment of non-current assets	9,061	14,086	37,644	41,830
Increase/(decrease) in provisions	(73)	1,087	226	1,110
Non-operational foreign exchange (gains)/losses	114	(185)	(14)	65
Expenses for equity settled share-based compensation	5,120	(1,112)	15,733	14,287
Net financial costs	5,051	3,906	15,736	11,330
Change in deferred revenue	(17,806)	(9,877)	(1,132)	21,204
Changes in other net working capital and other	4,755	19,239	10,837	(4,103)
Income taxes paid	(18,395)	(12,900)	(44,802)	(30,677)
Cash flows from operating activities	47,950	54,467	167,074	165,996
Payments for tangible and intangible assets	(1,255)	(1,714)	(4,230)	(4,582)
Payments for financial assets	(1,512)	0	(5,559)	(2,038)
Payments for acquisitions	0	(250)	0	(8,073)
Cash flows from investing activities	(2,767)	(1,964)	(9,790)	(14,693)
Repayments of borrowings	(39,000)	0	(259,000)	(100,000)
Proceeds from borrowings	4,000	0	194,000	0
Payments for the capital element of lease liabilities	(1,921)	(2,273)	(7,266)	(5,165)
Interest paid on borrowings and lease liabilities	(3,502)	(4,812)	(12,935)	(11,872)
Purchase of treasury shares	(25,833)	(37,774)	(120,140)	(115,211)
Cash flows from financing activities	(66,256)	(44,858)	(205,341)	(232,248)
Net change in cash and cash equivalents	(21,074)	7,644	(48,056)	(80,945)
Net foreign exchange rate difference	(363)	354	(310)	(161)
Cash and cash equivalents at beginning of period	45,892	71,892	72,822	160,997
Cash and cash equivalents at end of period	24,455	79,891	24,455	79,891