



**TeamViewer**

# TeamViewer Marketing Strategy Update

30 March 2021



**TeamViewer**

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This document contains certain alternative performance measures (collectively, "APMs") including billings and Adjusted EBITDA that are not required by, or presented in accordance with, IFRS, German GAAP or any other generally accepted accounting principles. TeamViewer presents APMs because they are used by management in monitoring, evaluating and managing its business and management believes these measures provide an enhanced understanding of TeamViewer's underlying results and related trends. The definitions of the APMs may not be comparable to other similarly titled measures of other companies and have limitations as analytical tools and should, therefore, not be considered in isolation or as a substitute for analysis of TeamViewer's operating results as reported under IFRS or German GAAP. APMs such as billings and Adjusted EBITDA are not measurements of TeamViewer's performance or liquidity under IFRS or German GAAP and should not be considered as alternatives to results for the period or any other performance measures derived in accordance with IFRS, German GAAP or any other generally accepted accounting principles or as alternatives to cash flow from operating, investing or financing activities.

TeamViewer has defined each of the following APMs as follows:

"Billings" represent the (net) value of goods and services invoiced to customers in a given period if realization is probable – it is defined as revenue adjusted for change in deferred revenue P&L-effective;

"Adjusted EBITDA" means EBITDA, adjusted for P&L-effective changes in deferred revenue as well as for certain special items relating to share based compensations and other material items that are not reflective of the operating performance of the business.

This document also includes further certain operational metrics, such as Net Retention Rate, and additional financial measures that are not required by, or presented in accordance with IFRS, German GAAP or any other generally accepted accounting principles (collectively, "other financial measures"). TeamViewer presents these operational metrics and other financial measures for information purposes and because they are used by the management for monitoring, evaluating and managing its business. The definitions of these operational metrics and other financial metrics may not be comparable to other similarly titled measures of other companies and have limitations as analytical tools and should, therefore, not be considered in isolation or as a substitute for analysis of TeamViewer's operating results, performance or liquidity as reported under IFRS or German GAAP.

TeamViewer has defined these operational metrics and other financial measures for information purposes as follows:

"Net retention rate (NRR)" means annual recurring billings of existing subscription customers during the period considered less gross value churn plus billings from upselling and cross-selling, including foreign exchange effects and expiring discounts, as a percentage of annual recurring billings in the previous 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; and

„Net Leverage" means the ratio of net financial debt (sum of interest-bearing loans and borrowings, current and non-current, less cash and cash equivalents) to Adjusted EBITDA.

Unless otherwise stated, the information and statistics provided herein are based on publicly available information, company information, or data provided by the respective marketing partner.

# Executive summary

## Growth strategy

Our growth strategy delivers: Billings to more than double until 2023 to reach €1bn

## Investment in brand equity

Reaching the next level: We invest in brand equity to become a truly global tech brand and to unlock our full business potential

## Further expand into all customer segments

Building on our success: Our new marketing strategy accelerates our enterprise customer and personal user expansion in all key markets to grow stronger for longer

## Global sports partnerships with #1 teams

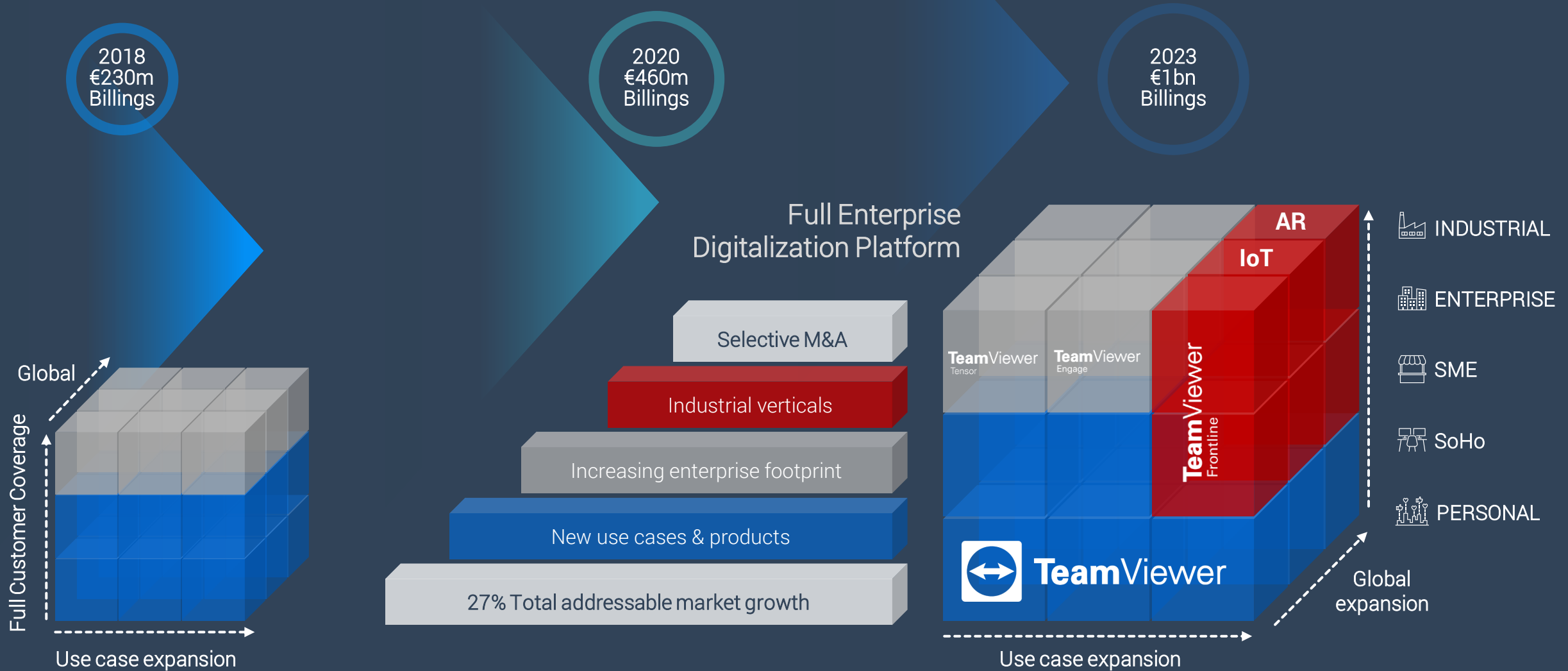
Our focused approach: Global sports partnerships with top teams, emotional storytelling and new use case opportunities as cornerstones of the strategy:

- Principal partner of Manchester United: # 1 sports, # 1 league and # 1 club in terms of global reach
- Team partner of Mercedes-Benz F1 and FE: # 1 motor sports, fastest growing sports and # 1 team in terms of reach

## Growth ambition

Our growth ambition: Sports partnerships to foster  $\geq 25\%$  annual billings growth after 2023, leading to extra billings of around €150m in 2025. At the same time, we maintain best-in-class adjusted EBITDA margin levels and continue to drive our existing growth initiatives, including selective tuck-in acquisitions

# 2020 saw a transformation of TeamViewer along all growth dimensions



# Through organic R&D and selected M&A we created a solutions portfolio across the entire customer value chain



➔ Very attractive opportunities to tap into adjacent addressable markets

# Brand building as the obvious next growth engine...

DOMINATE the clutter

Awareness

Gain **global unaided awareness** & significantly revive ecosystem

POSITION the solutions

Consideration

Foster **brand values**, relevant **success stories** and **quality perception** to position the solutions portfolio

GAIN pricing power

Purchase

Gaining pricing power from **premium positioning**, through significant **customer access** and lead generation

BUILD relationships

Re-Purchase/ Loyalty

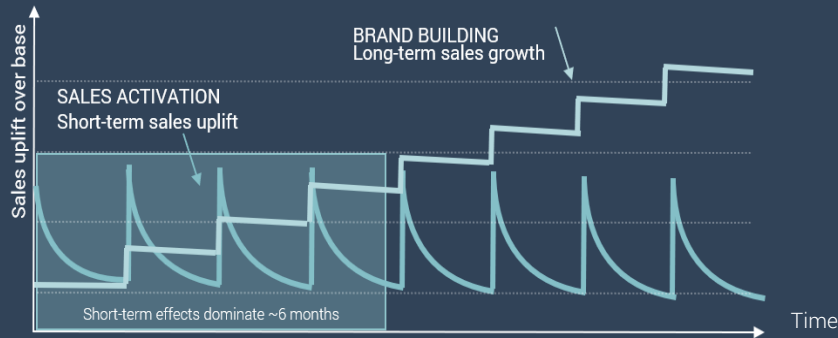
**Long term business** (Re-Purchase) based on relevant **innovation**, repeated performance proof points

All major tech players have started to build significant brand equity at one moment in their life cycle

# ....with proven impact according to numerous studies

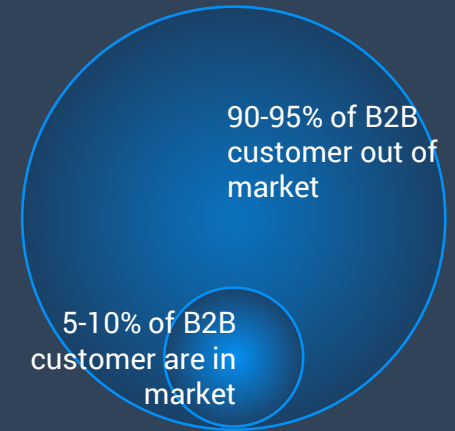
## Long-term impact of brand

- Brand drives **long-term sales** growth vs. sales activation / performance marketing that focus on short-term commercial success\*
- Brand **lowers activation costs** and increases overall efficiency

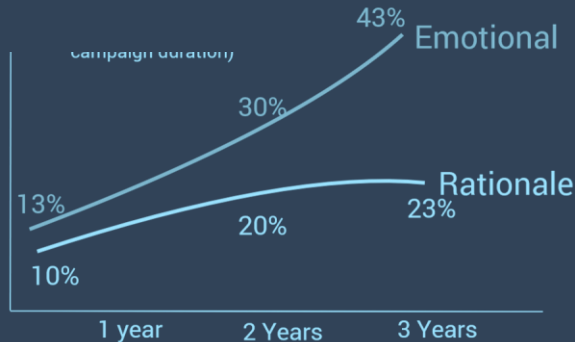


## Brand reaches new and future target groups

- **Broader targeting**, combined with
- **emotional messaging** leads to
- **better recall** and build up of
- **awareness** of **future buyers**



**TeamViewer**



- Large **profit** growth predominantly **driven by emotional activation** the longer the campaign duration\*



- Brand is a distinctive asset that **protects better against competition**
- **helps** to acquire and retain **top talent**
  - opens doors to relevant stakeholders
- **decreases pricing sensitivity**, which can drive profitability

## Emotional campaigns outperform pure rationale

## Brand equity creates many ancillary advantage

# The new TeamViewer global Marketing framework



**TeamViewer**

Anyone

Anything

Anywhere

Anytime

PERSONAL

SoHo

SME

ENTERPRISE

INDUSTRIAL

AWARENESS

Truly global presence

Emotional appeal

Local activation

#1 Global sport sponsoring



TeamViewer Meeting

TeamViewer

TeamViewer Remote Management

TeamViewer Pilot

DEMOCRATIZING IT & AR

ENABLING THE DIGITAL ENTERPRISE (OT)

TeamViewer Engage

TeamViewer Tensor

TeamViewer Frontline

TeamViewer IoT



AMG PETRONAS FORMULA ONE TEAM

CONSIDERATION

Thematic education

Product information

Premium Digital Advertising

Exclusive Display Advertising

Digital Content Hubs

PURCHASE

Lead generation

One-click conversion

Digital Performance Marketing

In-product Advertising & Conversion

Search Engine Marketing & Advertising

Lead Creation & Nurturing



# Global sports partnerships with #1 teams combine all relevant marketing tactics under one umbrella

## Global sports partnerships

- Unrivalled global reach and awareness
- Presence across all relevant media, online and offline
- “In-built” content creation, relevant and “must-see”
- Players and managers as testimonials
- Multiple activation opportunities
- Enterprise relationship building
- Joint use case discovery and development



### Testimonial

- Emotional
- Story-telling
- Instant credibility if executed well
- Strong localization possible



### Integrations

- Technology and innovation driven
- Trust through “word-to-mouth” promotion within the ecosystem
- Enterprise pipeline creation
- Attractive for partners
- Direct billings impact



### Media advertising

- Wide variety of channel and partnering options
- Combination of digital marketing and exclusive display advertising
- Specific story-telling & regional diversification

Global strategic partnerships combine all relevant tactics



#### Make our DNA tangible

Passion, Diversity, Trust, Simplicity, Security, Customer First



#### Be “Global”

through gaining more global (at)traction and visibility in the markets



#### Strategic change from IT Remote

Access/Support to the full Enterprise & Industry Partner



#### Make Decision Makers & Personal users aware

of our solutions and innovation capabilities



#### Acquire large accounts,

compete in an active market while securing out long-term growth



#### Gain & retain attraction

with employees and recruiting candidates

# We ran a competitive due diligence process to assess various sports assets

Timing & Visibility

Ample Opportunities

Global Relevance

Pick a Winner

Pick our Partner



Local **Göppingen** sports sponsoring as **first** valuable **experience**



**Handball world cup** & media ads made us **visible**



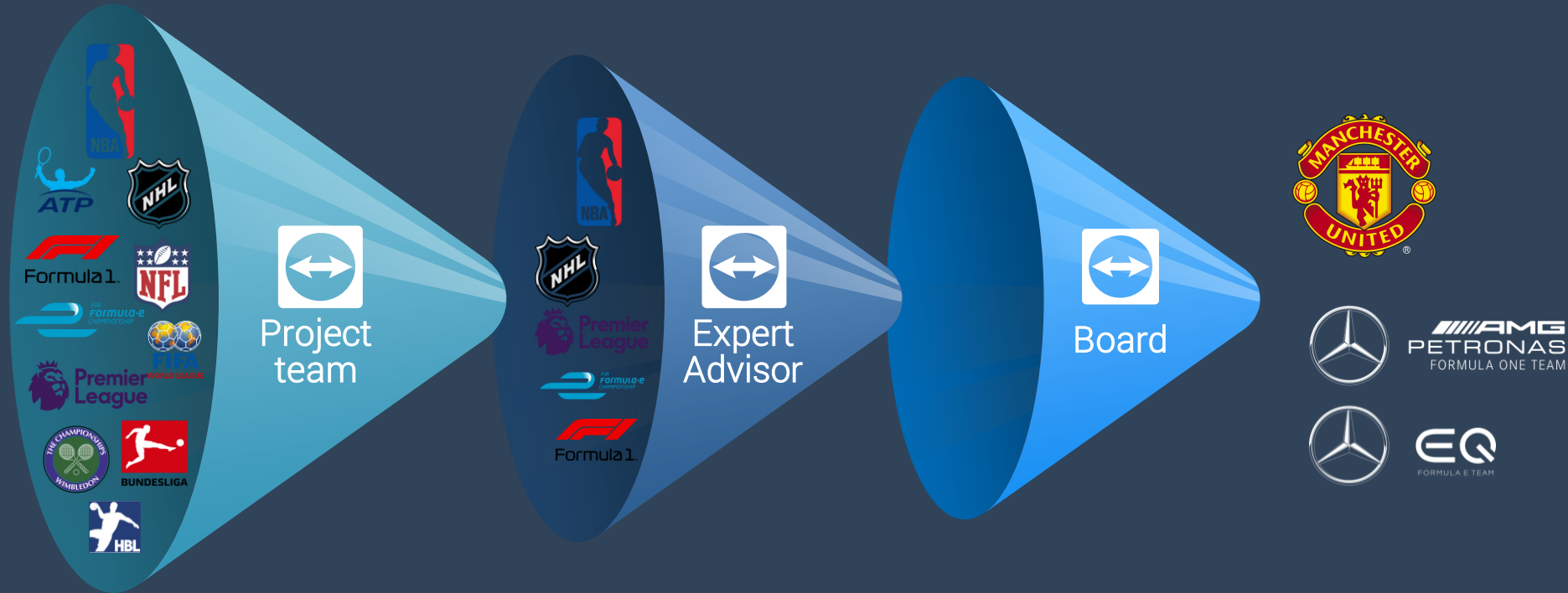
Review and rejection of **various opportunities**



**COVID** has created **"free"** spots in high-end assets



**Technology** partners are in great demand

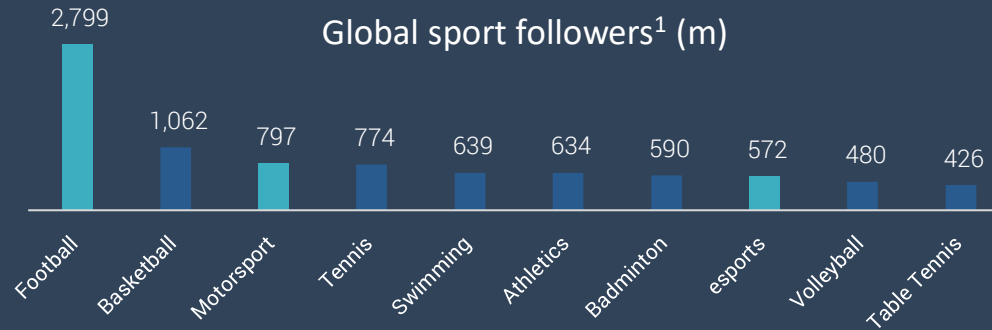


Learning & Research

Selection

Negotiation

Based on quantitative analysis we decided to pick assets that clearly stand out



... 87m average TV viewing audience per race

... as only truly global sports series with 23 races in 22 countries on all continents



the worlds most broadcasted sports league with 189 countries contracted

Manchester United fans are more likely to be C-suite executives and B2B decision makers than the general public<sup>2</sup>



dominant team with 7 titles since 2014



48 CEOs attended last Mercedes AMG Executive Summit



Exposure across 100% of football esports with dedicated ePremier League (FIFA) and eFootball.Pro League (Konami) teams



> 50 technology & software player as Formula 1 and Formula E partner

<sup>1</sup>Source: Kanter <sup>2</sup>Source: Futures Sports & Entertainment  
Updated as of 6 April 2021

# These partnerships offer ample new use case opportunities



**AMG  
PETRONAS**  
FORMULA ONE TEAM



**EQ**  
FORMULA E TEAM



Connecting Teams



Large Scale  
Deployments



Fan Engagement



AR Physiotherapy &  
Injury Prevention



Virtual Stadium Access



AR Enhanced Trainings



Real-time Assistance  
of Heavy Equipment



Secure & Device  
Agnostic Remote  
Access



IoT Monitoring of  
Critical Assets



Remote Vehicle  
Diagnostics & Fleet  
Management



Virtual Behind the  
Scenes Access

TeamViewer proudly  
presents...

A NEW ERA





Triple #1: The number one sport. The number one league.  
The number one club



Football is the #1 sport in  
the world



The Premier League is the  
#1 league in the world



Manchester United is the #1  
Premier League team

Source: Kantar  
Update as of 6 April 2021



# Manchester United is the most popular club in the world

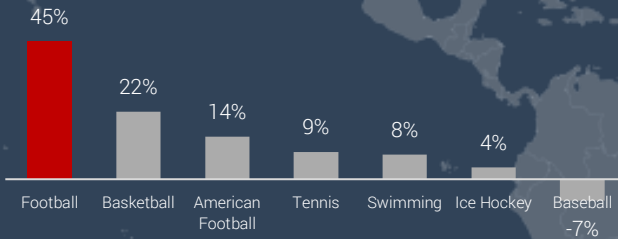
## > 3,000,000,000 ANNUAL CUMULATIVE TV AUDIENCE

### AMERICAS

# 74M

## FANS AND FOLLOWERS

Sport follower growth in USA (2012-19)



**Premier League** rights in the **US** have **doubled in value** in the last cycle

MU broke **record attendance** for a **US** football (soccer) game

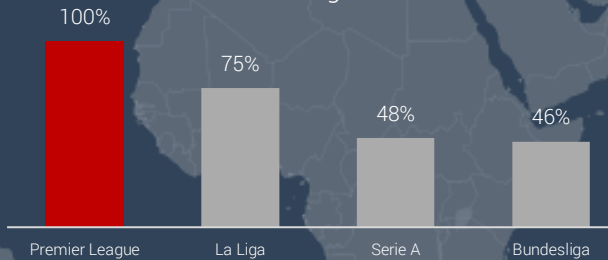
Source: Kantar, Futures Sport + Entertainment, Sportcal, Manchester United Data, Sina Weibo

### EMEA

# 296.1M

## FANS AND FOLLOWERS

The #1 League in EMEA



An institution of European football

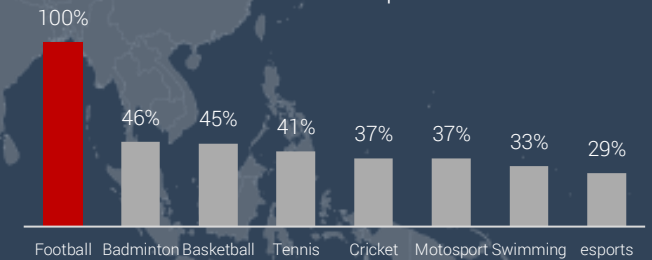
Most subscribed football channel in the UK

### APAC

# 731.7M

## FANS AND FOLLOWERS

Football is the #1 Sport in APAC



1st sports club to reach **10m Sina Weibo followers**

Launch of **Harves entertainment centres** to engage with **fans locally in China**



# A global brand that transcends sports and entertainment

## MANCHESTER UNITED

- #1 Fan base vs. Top 10 other teams

## BRANDING/ MARKETING ASSETS

- Principal Partner & official shirt partner, exclusive within the product category

## FANBASE

- 1.1bn fans and followers



6<sup>th</sup> shirt partner in the club's 143 year history



One of the top-selling shirts globally



The most iconic football club shirt in the world







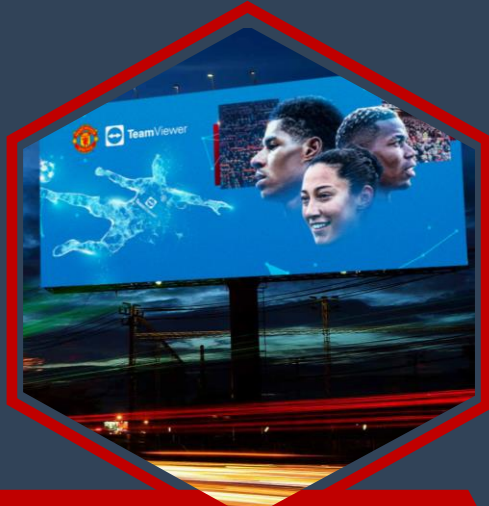
# Strategic partnership to accelerate our brand equity building

GROW  
GLOBAL BRAND

DRIVE  
MARKET GROWTH

ENTERPRISE CUSTOMER  
ENGAGEMENT

DRIVE  
BRAND AFFINITY



**AWARENESS**

**CONSIDERATION**

**PURCHASE**

**LOYALTY**

- Shirt branding
- LEDs
- Interview backdrop
- Stadium branding
- Concourse branding
- Digital exposure

- Social Media, Podcast, MUTV
- Top players brand ambassadors
- Specific market strategies for China, India, Japan, USA
- Infinite content creation
- Powerful TeamViewer showcases

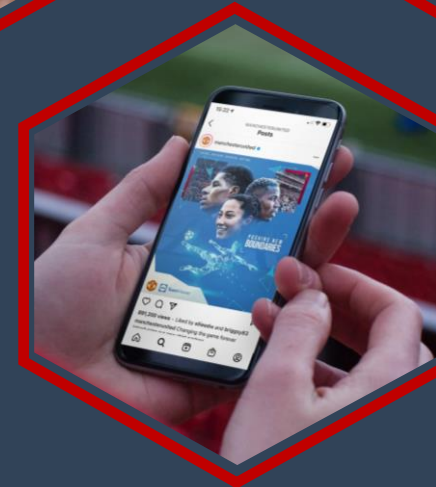
- Access to Senior Management
- VIP hospitality & experiences
- Access to OT & club locations
- Player of the Year Awards
- China entertainment centres
- B2B Case Studies

- B2B Case Studies
- TeamViewer Innovation hub
- Sustainability & Equality Programmes
- Experiential assets



# Manchester United offers unparalleled social media activation

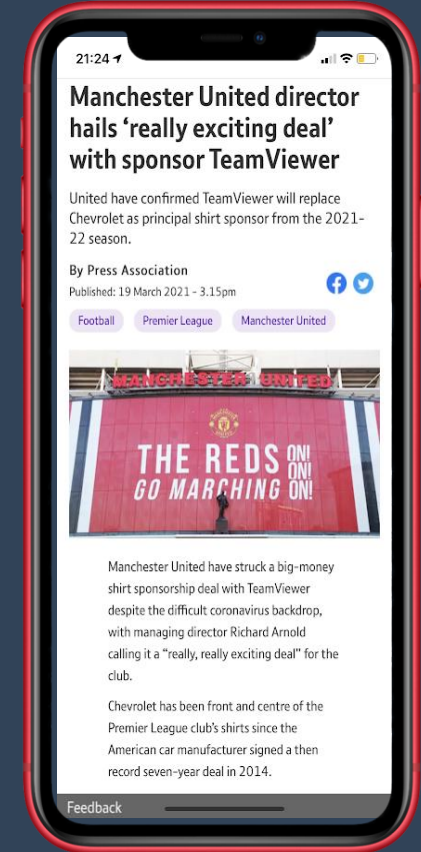
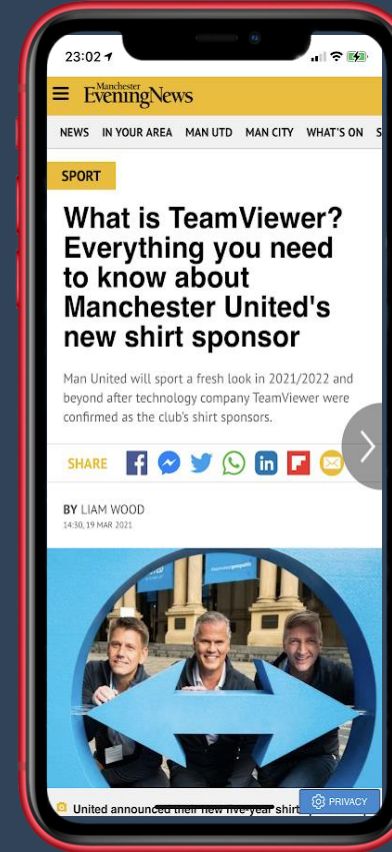
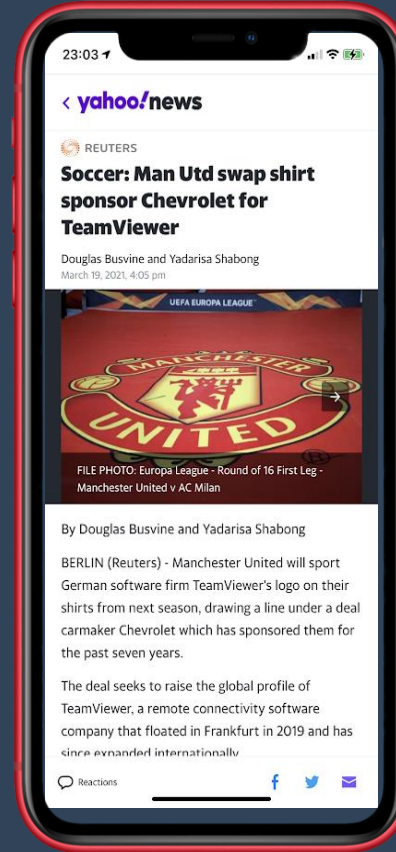
- Over **174m social media** connections
- 8.7x more Facebook connections than the New York Yankees
- More Facebook connections than NBA, NFL, NHL, MLB combined
- Fastest sports club to reach 3m YouTube subscribers
- #1 sports app in 100 markets globally





# Accelerating brand impact for TeamViewer across global media

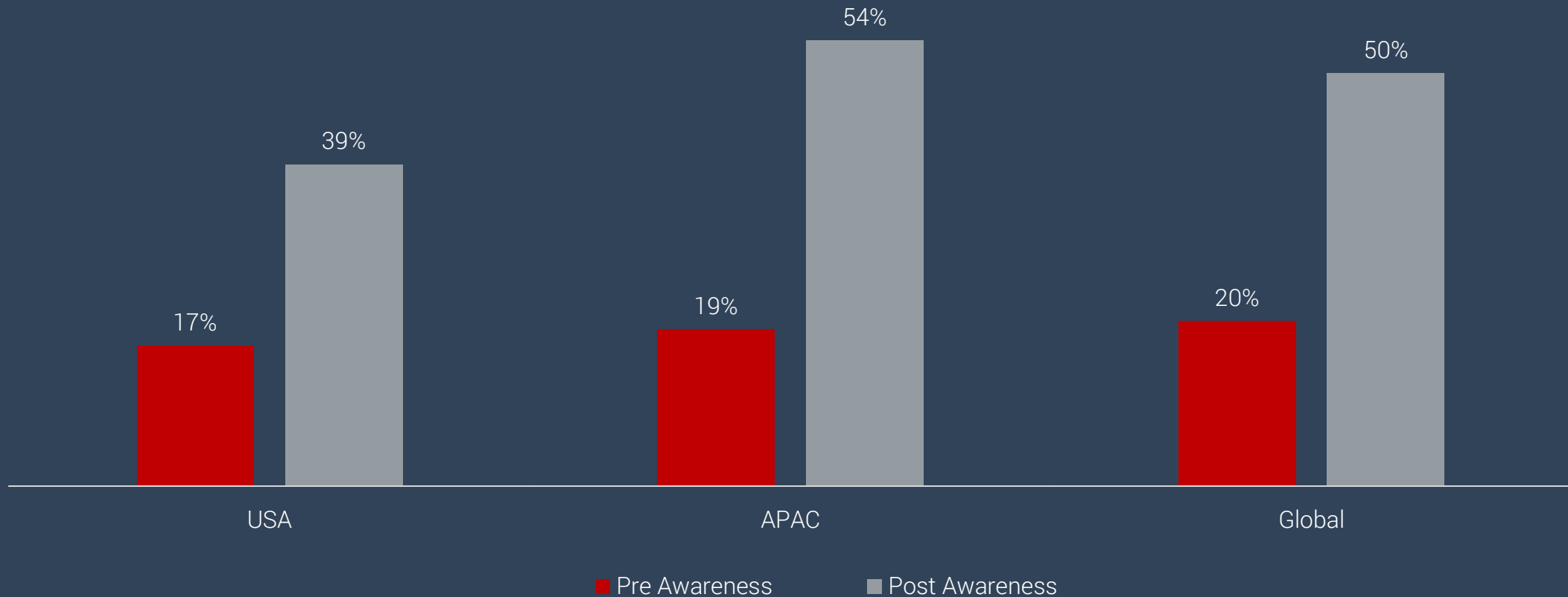
- **2,346** Global News Articles
- **500+** News Articles in the US alone
- **195m** views of News Stories across all markets



Source: Meltwater, CoverageBook



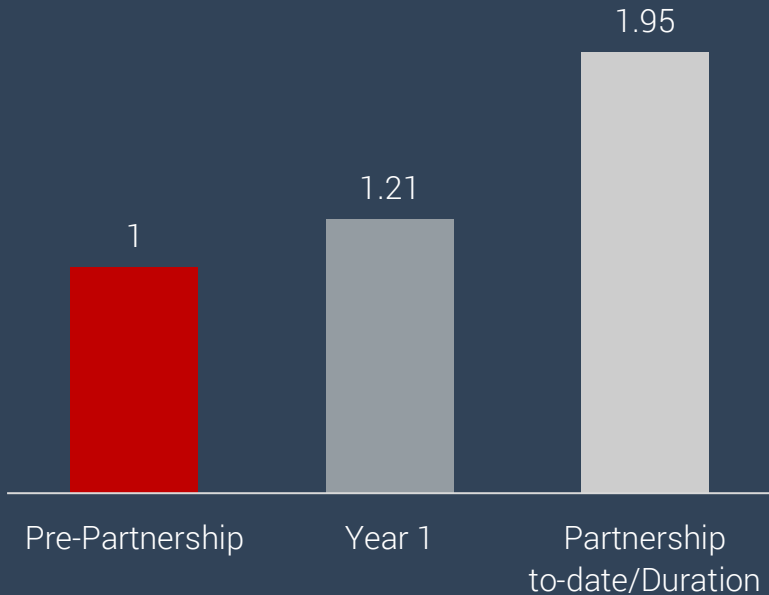
# Delivering awareness growth for TeamViewer amongst fans globally from partnership announcement





# Partners achieved very positive results in both brand and financial metrics from year 1 of the partnership

## Revenue



*"It represents great exposure. Manchester United provides us with a global stage, including here in the U.S. That's rare."*

TIM MAHONEY, CMO



*"2007 was a landmark year for the AIG brand, with the MUFC sponsorship helping drive global awareness and recognition to unprecedented levels."*

AIG ANNUAL REPORT

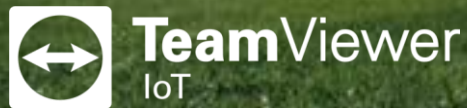


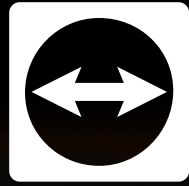
*"When you say 'Sharp' to people today many of them either bring up Manchester United or microwave ovens that have lasted for 20 years. Since we stepped away from Manchester United the awareness of Sharp has fallen."*

MARTIN ARNOLD, COMMUNICATIONS MANAGER



# Countless partnership options based on use case discovery





# TeamViewer

Proudly presents



**EQ**  
FORMULA E TEAM



**AMG**  
**PETRONAS**  
FORMULA ONE TEAM



A unique partnership with one of the world's most powerful automotive brands across two of the most technically advanced sports, Formula 1 and Formula E



WINNER OF THE LAST SEVEN  
FORMULA ONE WORLD CHAMPIONSHIPS

#1

FOR TEAM  
SPONSOR  
EXPOSURE

#1

FOR TEAM  
FAN SOCIAL  
ENGAGEMENT

#1

FOR TEAM  
SOCIAL MEDIA  
EXPOSURE

#1

FOR TEAM  
SPECTATOR  
PASSION



2014 2015 2016 2017 2018 2019 2020





Formula 1 is one of the most watched annual sports in the world.  
Delivering unrivalled reach and frequency



23

COUNTRIES HOST F1 GRAND PRIX EVENTS

170

TERRITORIES BROADCAST F1 ACROSS THE GLOBE

87m

AVERAGE TV VIEWING AUDIENCE PER GRAND PRIX

1.5bn

ANNUAL CUMULATIVE GLOBAL AUDIENCE

35,259

TOTAL BROADCAST HOURS IN 2020

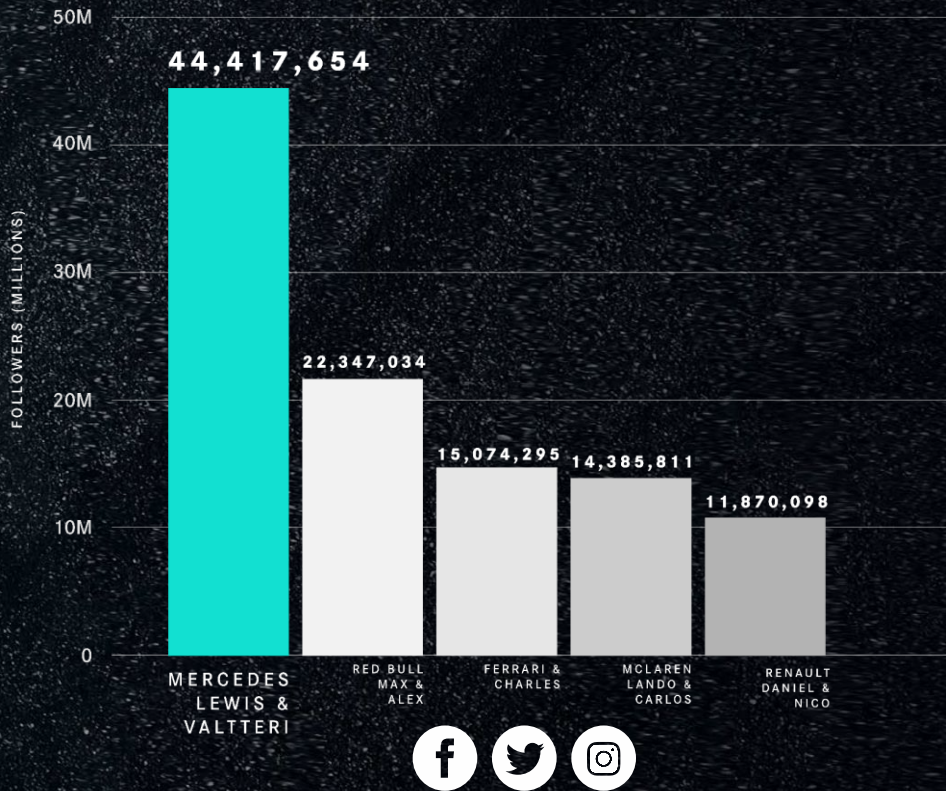




# The Mercedes-AMG Petronas Formula 1 Team enjoys the largest social media following and greatest share of TV broadcast



LARGEST TEAM SOCIAL MEDIA FOLLOWING IN FORMULA ONE



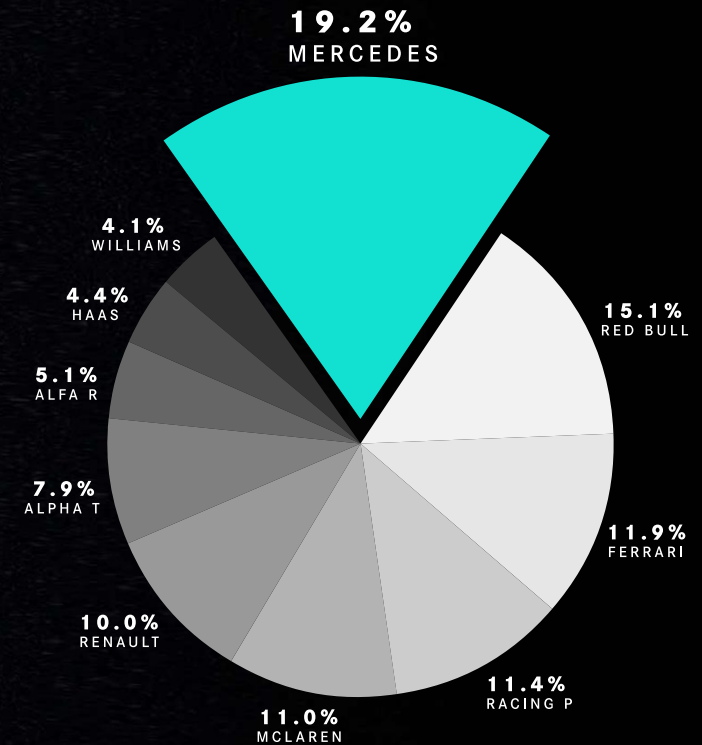
199 m

TOTAL SOCIAL MEDIA ENGAGEMENTS IN 2020

4.3 bn

MERCEDES F1 TOTAL REACH IN 2019. 54% INCREASE YEAR ON YEAR.

% SHARE OF TV COVERAGE (2020 SEASON)



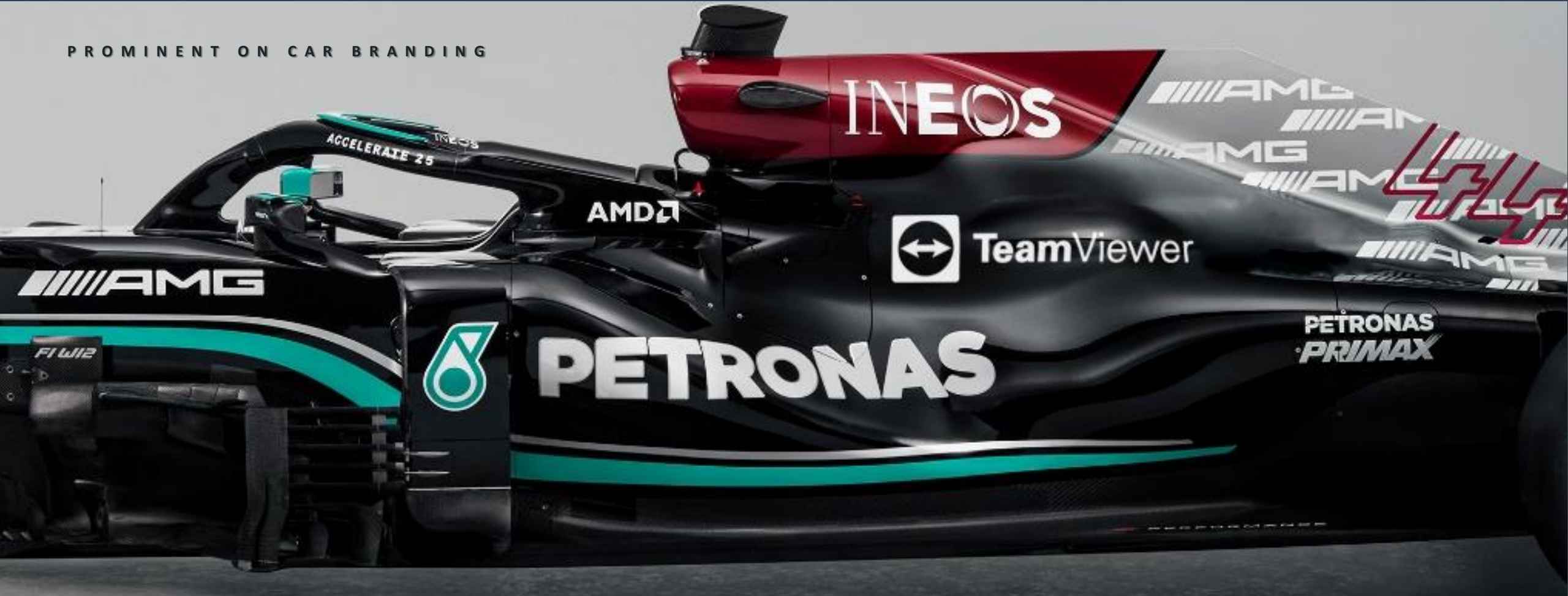


# Mercedes-AMG Petronas F1 Team partnership



## Snapshot

PROMINENT ON CAR BRANDING





# Mercedes-AMG Petronas F1 Team partnership



## Snapshot

LONG TERM MULTI-YEAR PARTNERSHIP AS THIRD MOST PROMINENT PARTNER

EXTENSIVE SUITE OF BRANDING & MARKETING ASSETS

“MONEY CAN’T BUY” - ENTERPRISE EVENTS

DRIVING MOTORSPORT SUSTAINABILITY

SUPPORTED BY A VARIETY OF ON-TEAM BRANDING POSITIONS





# Mercedes-AMG Petronas F1 Team partnership



## Snapshot ESG



### “Ambition2039”

Achieve carbon neutral passenger car fleet and production by 2039

PIONEERING SUSTAINABLE INNOVATION



### WHAT WE RACE

We are an innovation hub.

We have created the most efficient power units on the planet.

F1 is driving towards 100% sustainable bio-fuels by 2025.



### HOW WE TRAVEL

Focusing on reducing freight

Continuously reducing travelling staff

IT support staff using [Team Viewer](#) to support multiple systems across our race team and personnel



### WHERE WE WORK

2020Net Zero Carbon

FIA 3-star environmental accreditation

50% CO2 reduction between 2018 and 2022

100% renewably sourced energy & increasing EV charging

Remote working & IoT across multiple sites enabled by [Team Viewer](#)



# Formula E



One of the fastest growing sports in the world

RACING FULLY  
ELECTRIC CARS  
IN CITY-CENTRE  
LOCATIONS

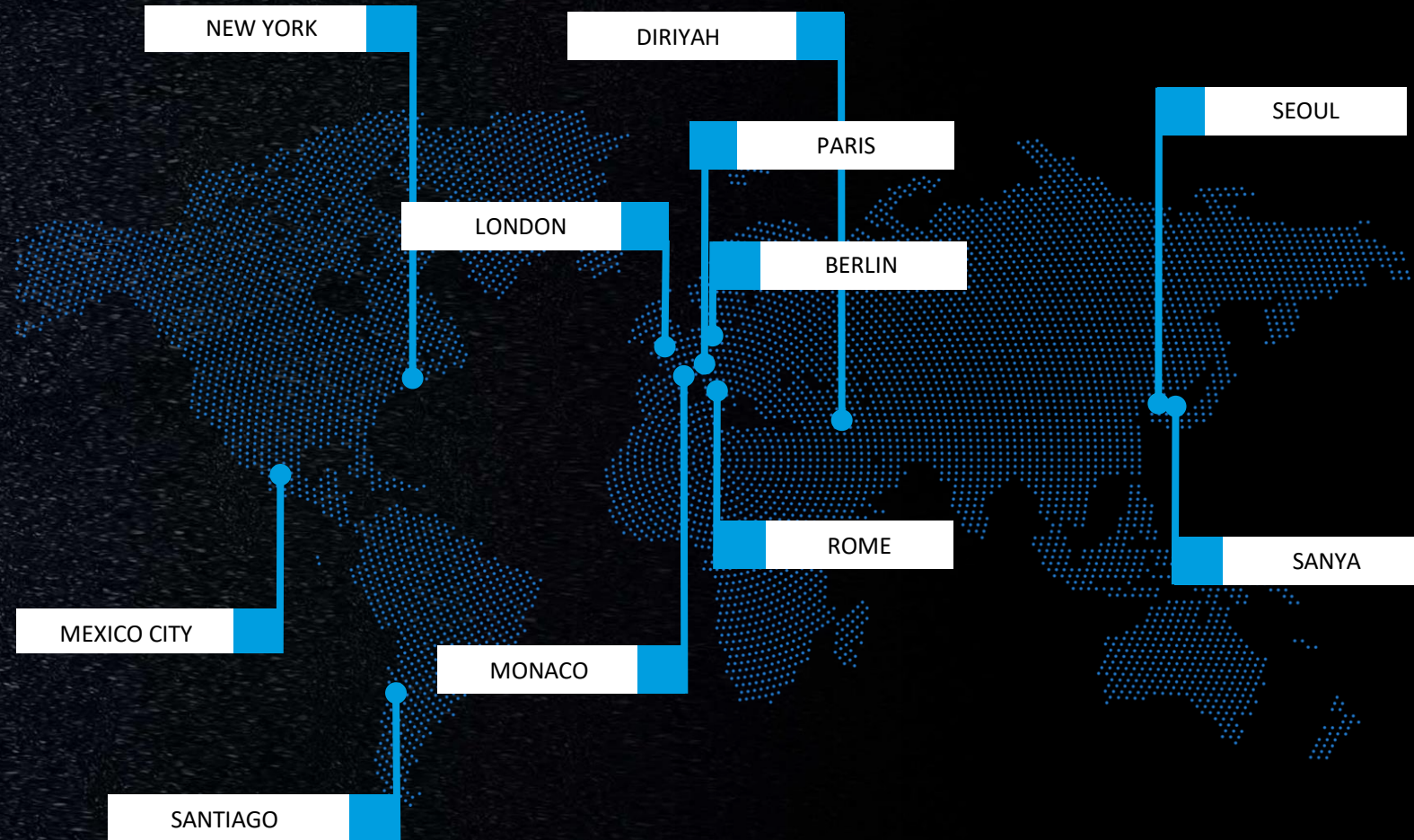
CUMLUATIVE  
AUDIENCE OF 410M

## 1ST

MERCEDES EQ FE TEAM  
CURRENT POSITION IN  
FORMULA E DRIVER'S  
CHAMPIONSHIP

## 2ND

MERCEDES EQ FE TEAM  
CURRENT POSITION IN  
FORMULA E CONSTRUCTOR'S  
CHAMPIONSHIP





# Mercedes-EQ Formula E Team partnership



## Snapshot

EXTENSIVE SUITE  
OF BRANDING/  
MARKETING  
ASSETS

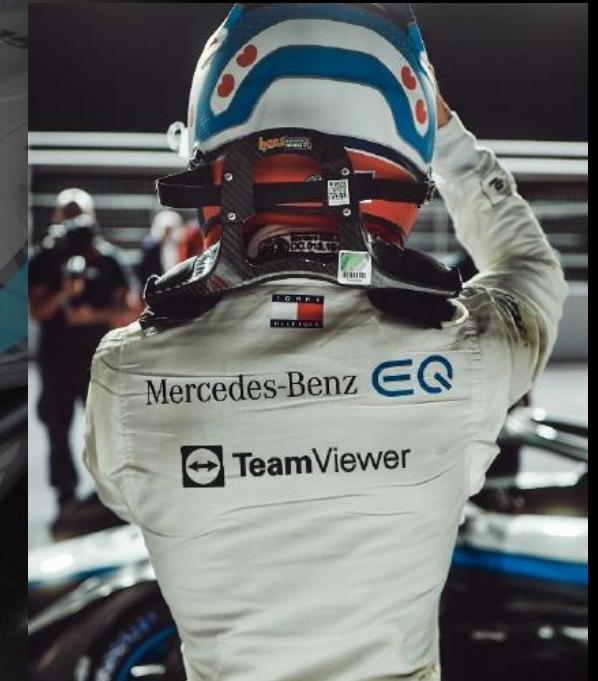
VIP EVENTS &  
HOSPITALITY AT  
E-PRIX

MULTI-YEAR  
PARTNERSHIP

DRIVING THE  
FUTURE OF  
SUSTAINABLE  
MOBILITY



PROMINENT ON-CAR  
IDENTITY COMBINED WITH  
A VARIETY OF ON-TEAM  
BRANDING POSITIONS





# Formula 1 and Formula E



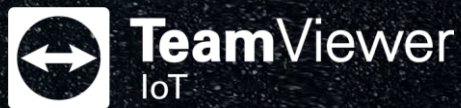
Significant opportunities for further OT use case development between top-class engineering teams

## EXISTING INTEGRATION

- F1 Team is already using TeamViewer as of today for **remote access and operations** on the racetrack and in headquarters

## MULTIPLE ENGAGEMENT OPPORTUNITIES

- Position TeamViewer's large product portfolio for **IoT & Asset Management**
- **Augmented Reality Supported** inspection, maintenance and technician training
- **Augmented Reality Experience** for fans that can't attend the event
- **Life Customer Engagement** through Chat / Video with fanbase
- **Behind the scenes reports** – let fans get close to the drivers and crew
- Digitalize F1 and act as **role model** for further use cases







# Motorsport targets the right audience for Team Viewer and on-track success drives increased brand value

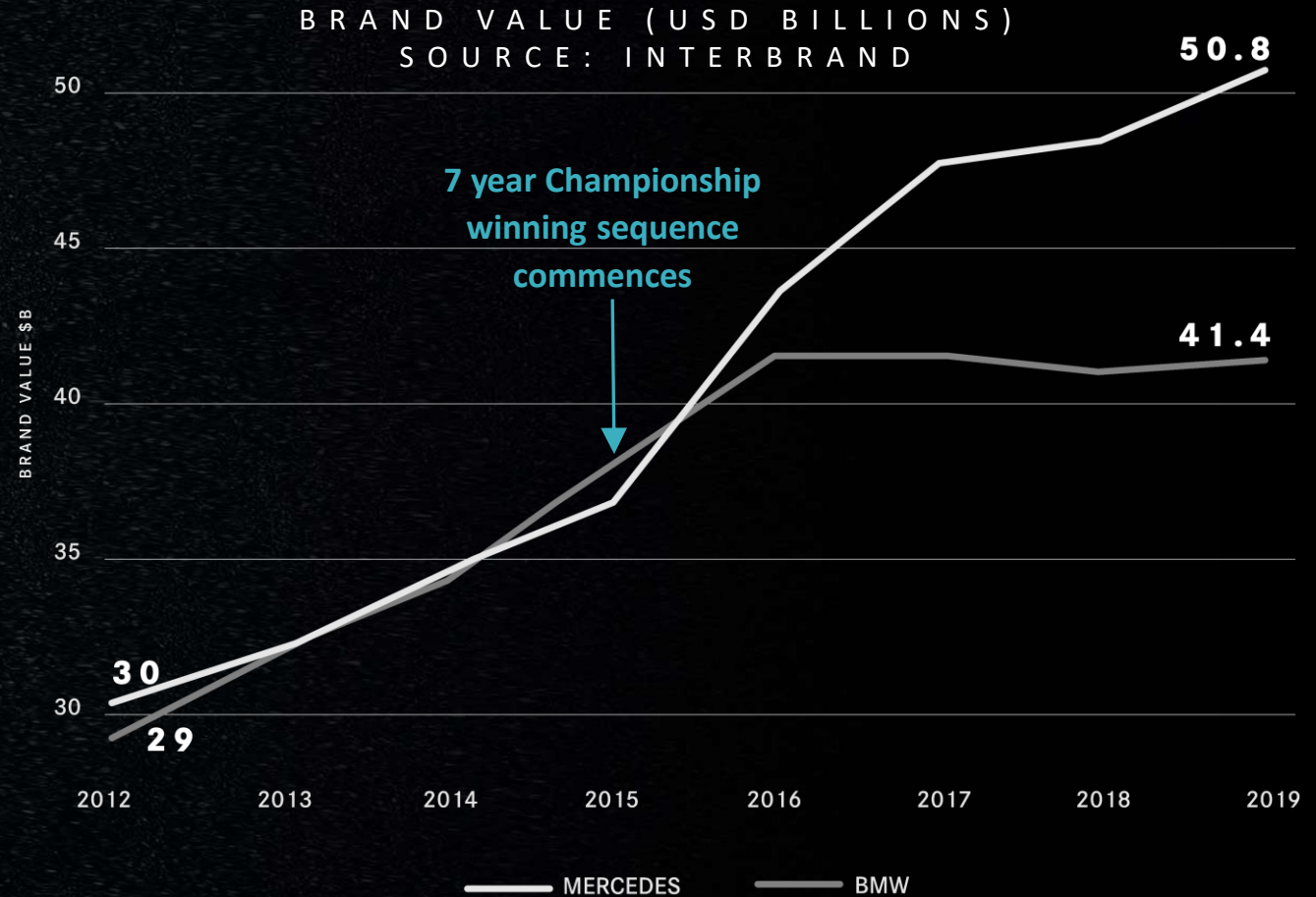


## Relevant Target Audience

Mercedes F1 fans are more likely to be C-suite executives than

4,75 x the general population in the US  
2x the general population in UK

2,8 x more likely to have a final decision in relation to IT processes



# Financial Impact & Growth Ambition

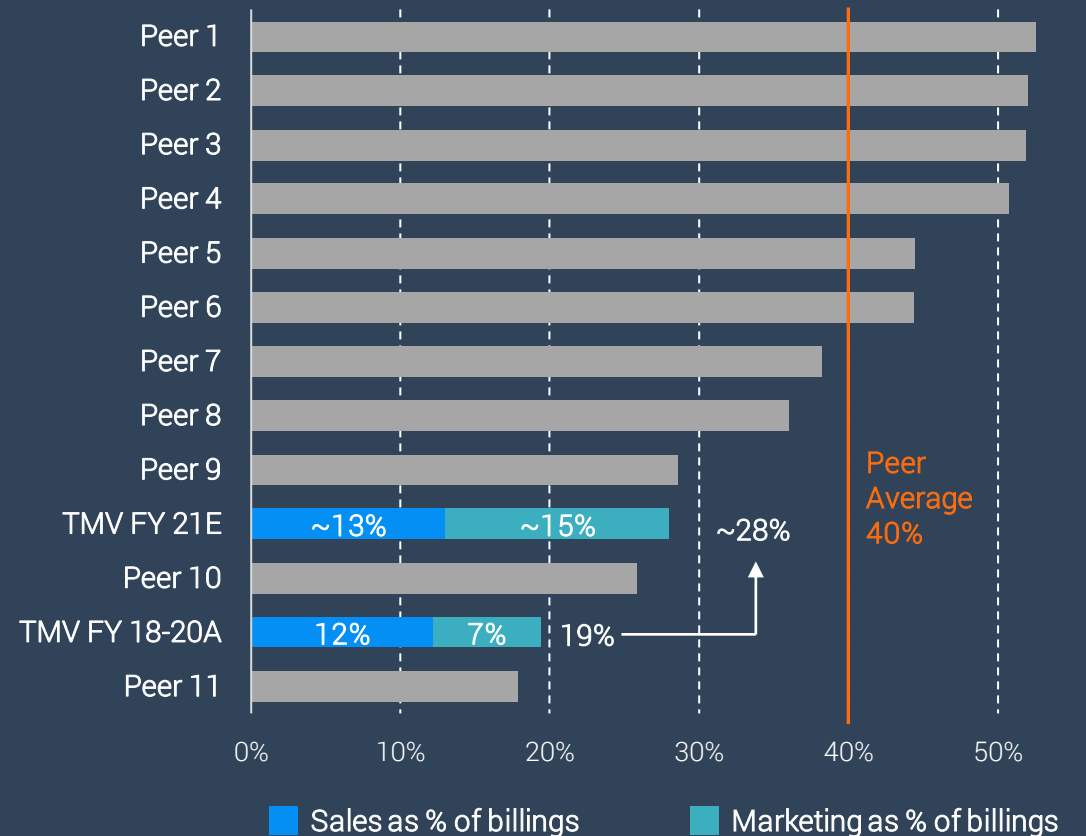


# Adj. EBITDA margin will remain best-in-class. Growth initiatives to benefit from marketing step-up and therefore...

## New marketing budget complementary to R&D and Sales Expansion

- ➔ New 2021 budget increased by additional marketing expenditure
- ➔ Additional spend within financial envelope - no external funding required
- ➔ Investments in sales and R&D to continue
- ➔ M&A strategy of selective bolt-on acquisitions unchanged – potential margin dilution reflected in projected margin
- ➔ Capex plan unaffected
- ➔ TeamViewer maintains best-in-class adj. EBITDA margin among high growth peers

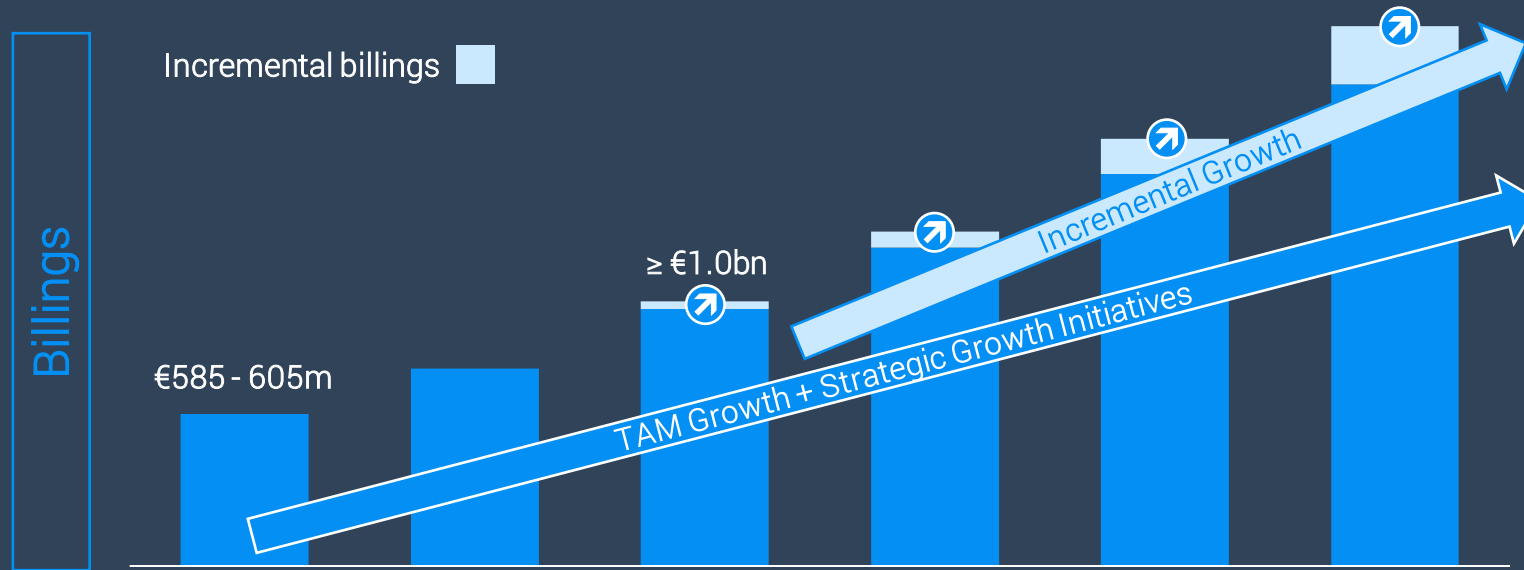
## TeamViewer S&M model very attractive compared to Peers



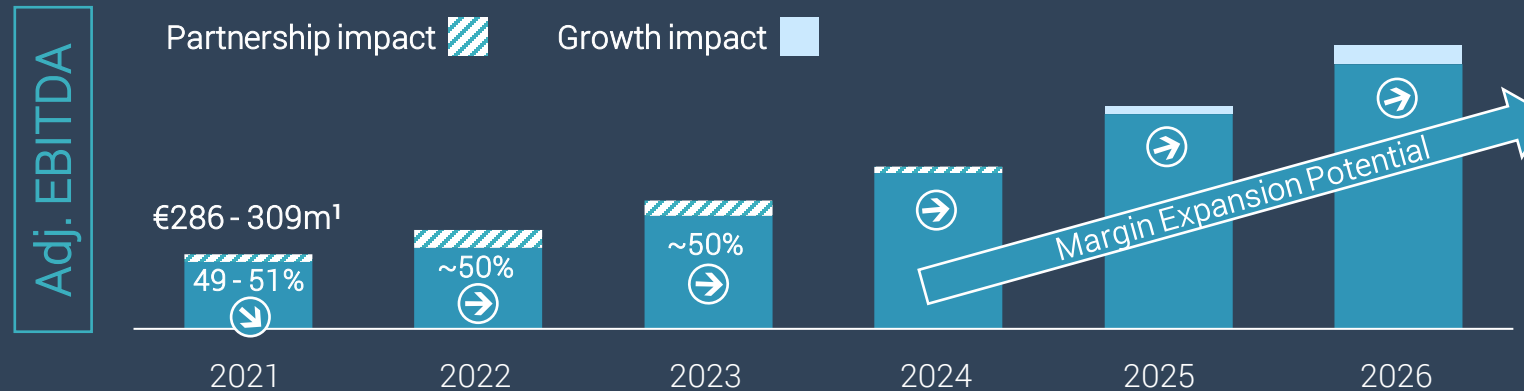
<sup>1</sup> Selected peers incl. Atlassian, CrowdStrike, DataDog, Okta, RingCentral, salesforce, ServiceNow, Slack, Workday Zoom, ZScaler

<sup>2</sup> FY18-20 avg. sales and marketing expenses excl. share-based compensation as percentage of FY18-20 average revenue (billings in case of TeamViewer)

# ...resulting in higher and longer growth 2023 - 2025 and beyond - significant value creation upside



- Incremental billings from 2023 onwards
- Continued growth trajectory with annual growth of ≥ 25% after 2023
- Expecting c.€150m incremental billings in 2025



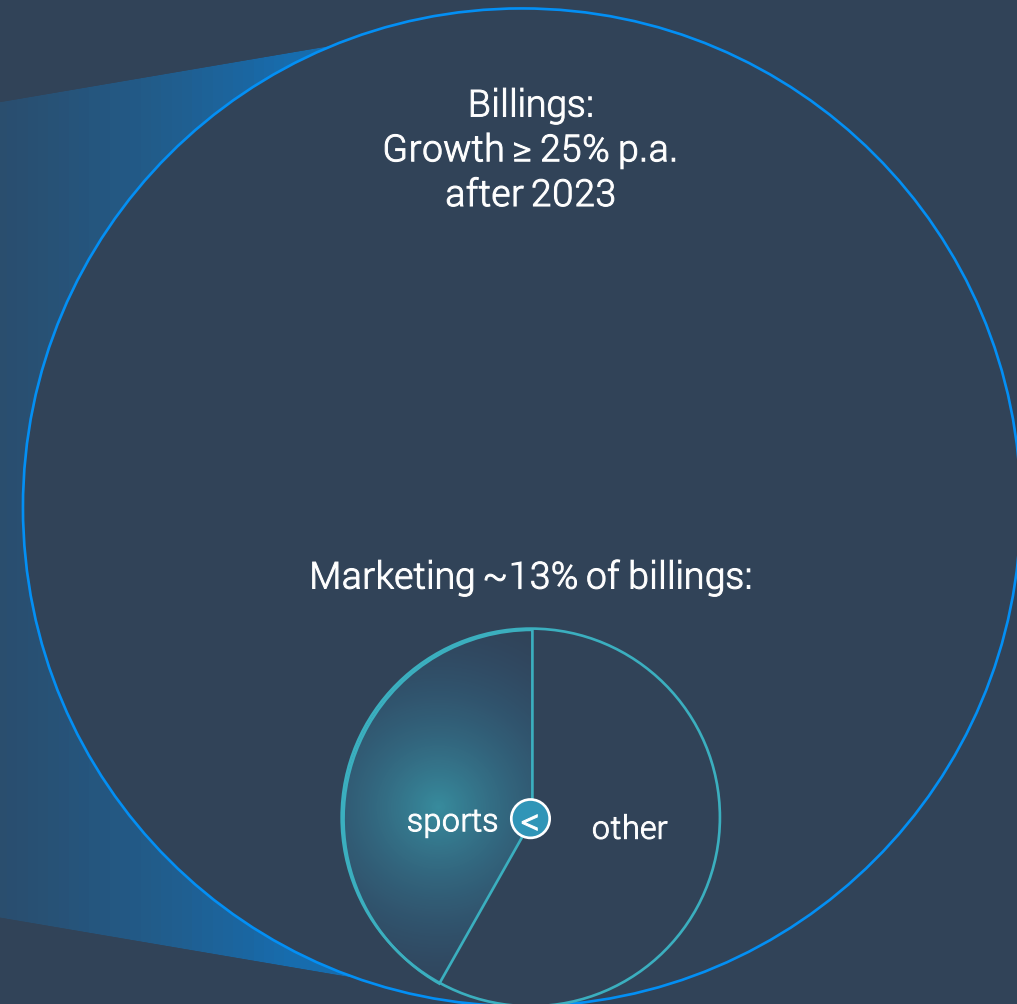
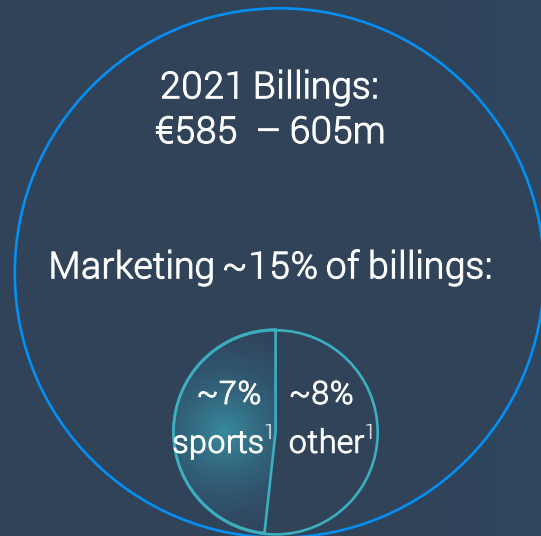
- Margin expansion potential from 2024
- Positive adj. EBITDA impact accelerating from 2025

<sup>1</sup> 2021 adj. EBITDA margin outlook 49-51% multiplied by 2021 billings outlook

# Partnership expenses partially absorbed by strong billings growth

FY 2021E

Long-term ambition



<sup>1</sup> based on pro-forma full year 2021 effect

# Increased long-term growth opportunity

2021 adj. EBITDA outlook updated to reflect near term marketing expenditure

	Previous 2021 Outlook	Updated 2021 Outlook	Long-term growth ambition
<b>Billings</b> (non-IFRS)	€585 – 605m	€585 – 605m	Grow ≥ 25% p.a. after 2023
<b>Revenue</b> (IFRS)	€525 – 540m	€525 – 540m	
<b>Adj. EBITDA Margin</b> (non-IFRS, as % of Billings)	55 – 57%	49 – 51%	Margin expansion potential from 2024 due to scale effects

- 2021 outlook assumes USD/EUR exchange rate of 1.20 and broadly stable other currencies
- Billings outlook 2021 corresponds to 29 - 33% growth at constant currencies
- Adj. EBITDA margin updated solely due to step-up in marketing spend. Sales and R&D investments to continue within financial model

- Existing comprehensive growth plan and additional marketing initiatives to underpin strong growth across customers segments
- Enterprise billings expected to approach 40% of total billings
- Adj. EBITDA margin projected to remain at around 50% until 2023. This takes further dilutive bolt-on M&A into account