all for one Group

HALF-YEAR FINANCIAL REPORT AS OF 31 MARCH 2023

Strong growth in cloud business // Operating margin burdened by one-off effects // Management board resolves to restructure service-oriented divisions in the CORE segment // Accelerated expansion of globally delivering service organisation // Forecast adjusted

REVENUE in EUR millions	
10/2022 – 03/2023	10/2021 – 03/2022
243.4	230.4
+6%	

EBIT BEFORE M&A EFFECTS (NON-IFRS) in EUR millions	
10/2022 – 03/2023	10/2021 – 03/2022
13.3	17.7
-25%	

RECURRING REVENUE in EUR millions	
10/2022 – 03/2023	10/2021 – 03/2022
130.3	118.5
+10%	

RESULT FOR THE PERIOD in EUR millions	
10/2022 – 03/2023	10/2021 – 03/2022
9.6	8.6
+11%	

- Sales: EUR 243.4 million (up 6% year on year); adjusted for non-recurring licence revenues plus 10%; Share of recurring revenues increases to 54%; CONVERSION/4 business almost doubled
- Strong growth in 2nd quarter: Sales plus 11% compared to prior year; of which cloud services and support plus 17% year on year
- A non-recurring payment to compensate for inflation, a high level of sick leave and a marked decrease in non-recurring licence revenues (minus 38%) put a one-off strain on the operating margin
- EBIT before M&A effects (non-IFRS) minus 25% to EUR 13.3 million (margin: 5.4%); EBIT plus 3% to EUR 13.4 million (margin: 5.5%)
- Early acquisition of outstanding 49% stake in Polish subsidiary generates a non-recurring income of EUR 3.2 million
- Recognition as a leading SAP Partner in the Diamond Initiative 2023
- Annual general meeting approves dividend of EUR 1.45 per share
- Adjustment of 2022/23 forecast and medium-term outlook

DEMAND FOR DIGITALISATION SERVICES REMAINS GOOD DESPITE THE UNCERTAIN MACRO ENVIRONMENT

The fallout from the war in Ukraine, the legacy from the Covid-19 pandemic and the uncertainty facing supply chains continue to burden the economic climate, especially in Germany. The same holds true, both for inflation – which remains high – and for the strict interest rate policy adopted by the European Central Bank aimed at containing the same. Although the leading economic research institutes are no longer forecasting a recession in 2023, economic growth is still expected to be weak, at best, in 2023 and 2024. According to the German federal government's most recent spring guidance, gross domestic product is expected to grow by 0.4% this year, following the prediction of 0.2% in January. The digital association Bitkom is expecting IT services in Germany to grow by 4.7% over the current year, while IT market researcher SITSI is forecasting 3.8%, driven particularly by topics such as artificial intelligence, collaborative applications and IT security. This is also reflected in probable sales. If the overall economic situation were to deteriorate significantly, however, the consequences for our customers and thus for the business activities of the Group could be negative.

INCREASE OF MAJORITY STAKE IN POLAND AND INTEGRATION OF NEW COMPANIES

Working with its partners and with the collaboration of its more than 2,800 employees, the Group continued to drive the expansion of its portfolio of products and services focusing on digitalisation and innovative solutions in the first six months of financial year 2022/23. Moving forward, the clear Cloud First approach and the demand for transformation projects to SAP S/4HANA will continue to drive Group growth.

The integration of the new companies and the establishment of the Regional Delivery Centers in Egypt, Poland and Turkey is progressing on schedule. Always with a clear focus on consolidation, integration and margin improvement. Efforts to tie the team of meanwhile around 630 employees into projects and support structures are being intensified and the colleagues are being incorporated into the organisational structures.

All for One Group SE acquired the outstanding 49% of the shares in All for One Poland Sp. z o.o., Suchy Las/Poland, from SNP Schneider-Neureither & Partner SE, Heidelberg, ahead of schedule in December 2022. The complete takeover will boost the Group's power to implement SAP S/4HANA transformations and deliver international projects, which will contribute to growth of the Group.

In addition, the customer experience activities of B4B Solutions and POET have been brought together under the roof of All for One Customer Experience. The remaining part of B4B Solutions that specialises in cloud services in the CORE segment (ERP and collaboration solutions) is now called All for One PublicCloudERP. In keeping with the focus on »We are One«, the Swiss companies ASC and Process Partner now offer their expanded portfolio of products and services jointly as All for One Switzerland. By the same token, the Group's Egyptian subsidiary is now called All for One Egypt LLC.

SUSTAINABLE SOLUTIONS THAT CREATE ADDED VALUE

Nowadays, the key task facing businesses is to successfully manage the sustainability transformation and create value without causing emissions but protecting resources. In this respect, All for One Group will be offering its customers support in two areas in future: Strategic support on the one side, i.e. grasping the opportunities offered by sustainability over the long term; implementing and embedding sustainability in the organisation. On the other side, modifying value creation processes to enable the challenges of day-to-day operations to be faced and the obligations – arising, for example, from reporting or supply chain requirements – to be met. Our current co-innovation projects with customers in the sustainability sector – focusing on topics such as sustainability management information systems – appeal to customers and offer huge potential economies of scale.

UNIQUE AND INNOVATIVE SOLUTIONS FOR SMES

The new SAP S/4HANA cloud model for All for One Group's SAP customers is designed specifically for smaller and medium-sized companies. The new cloud model offers customers an individualised SAP S/4HANA solution »as a service«. The monthly subscription package bundles not just the provision of the software but also a comprehensive service and integration package, and support. The new cloud model is a perfect fit for the CONVERSION/4 transformation subscription model. The solutions are enhanced by the innovative FlowOne platform that assures the flow of information between SAP and Microsoft systems. Which means users have mobile access at Microsoft 365 safety level, the integration of Teams, SharePoint & Co. in SAP and supplementary innovation services that extend right up to tying in machinery via IoT connectors. Initial agreements have already been executed with customers, which confirms that this solution meets market needs.

The Cybersecurity business unit that has already been established and which encompasses the holistic protection of business-critical data and information, is being further expanded in collaboration with strategic partners. A »no worries whatsoever package« for Microsoft 365 and cloud

collaboration solutions is offered jointly with AvePoint. Together with Xiting, All for One Group helps its customers to manage SAP ERP users, functions and authorisations more securely, quickly and economically.

ANNUAL GENERAL MEETING RESUMES PHYSICAL ATTENDANCE

After two virtual annual general meetings necessitated by the pandemic, shareholders were able to attend the annual general meeting in person again for the first time. The large numbers of shareholders attending the annual general meeting demonstrated their interest in All for One Group and their willingness to engage in discussions with the management board. The agenda and the dividend of EUR 1.45 per share were adopted by a large majority.

SHARE BUYBACK PROGRAMME

On 12 October 2022, All for One Group SE resolved to implement a share buyback programme via the stock exchange valid for the period from 13 October 2022 to 12 October 2023 to repurchase as many as 100,000 treasury shares, representing a volume of EUR 5.5 million (excl. transaction-related costs). Under this programme, a total of 14,589 shares with a value of EUR 0.6 million were repurchased up to 31 March 2023.

CUSTOMERS AND PARTNERS VALUE INNOVATIVE STRENGTH, QUALITY AND EXPERTISE

Around 3,000 customers value the broad portfolio of products and services, the high quality, but also – increasingly – the innovative strength of All for One Group. Renewed recognition by brand eins as »Best IT Service Provider 2023« and the award of the SAP Diamond Initiative 2023 as leading SAP Partner in the Midmarket and Customer Experience category affirm the go-to-market approach. Appreciation of the innovative strength, distinctive industry expertise and service orientation was voiced.

The SAP Ecosystem Study 2023 conducted by well-respected ISG provider Lens™ also ranked All for One Group among the leaders in the German IT market. The focus of detailed interviews and analyses was on the strengths and weaknesses of technology providers and IT service providers and on their position within the competitive environment. The Group ranked among the best in the categories SAP S/4HANA System Transformation – Midmarket, Managed Application Services for SAP ERP, and Managed Platform and Cloud Services for SAP.

EARNINGS SITUATION

Sales development

in KEUR	10/2022 – 03/2023	10/2021 – 03/2022
Cloud services and support (1)	**61,627**	**55,135**
Software licences and support (2)	**72,114**	**79,108**
Software licences	12,797	20,780
Software support (3)	59,317	58,328
Consulting and services	**100,353**	**91,061**
CONVERSION/4 (4)	**9,317**	**5,071**
Total	**243,411**	**230,375**
Cloud and software revenue (1)+(2)	**133,741**	**134,243**
Recurring revenue (1)+(3)+(4)	**130,261**	**118,534**

The trend surrounding digitalisation, cloud transformation and the need for customers to migrate to SAP S/4HANA is persisting, despite the 1st quarter 2022/23 getting off to a slightly weaker start. In the CORE segment (ERP and collaboration solutions) especially, capacity utilisation was less than planned due to a high level of sick leave and postponements in Value Life Cycle Services. The order situation remains stable and gradual recovery is already visible. In the 2nd quarter 2022/23, the Group increased sales by 11% with strong growth of 17% in cloud business. CONVERSION/4 sales almost doubled to EUR 9.3 million and are significantly higher than the comparable prior-year level (Oct 2021 – Mar 2022: EUR 5.1 million). The LOB segment (lines of business solutions) got off to a positive start to the new year and is performing well.

At EUR 243.4 million, Group sales revenues were 6% up on the prior-year figure of EUR 230.4 million. Adjusted for the decline in non-recurring licence revenues, sales grew by 10%. Recurring revenues, which are easier to budget, increased by 10%. While cloud services and support performed well (plus 12% to EUR 61.6 million), software support increased only slightly to EUR 59.3 million (Oct 2021 – Mar 2022: EUR 58.3 million). Together, these recurring revenues of EUR 130.3 million (plus 10%) account for 54% (Oct 2021 – Mar 2022: 51%) of total sales.

There is no stopping the trend towards the cloud, so licence revenues are expected to decline in the future while cloud revenues will increase. In the half-year period 2022/23, licence revenues decreased, as expected, to EUR 12.8 million, a decline of 38% compared to the unusually strong prior-year period (where business was catching up after the effects of the pandemic in 2020). Consulting and services revenues increased by 10% compared to the prior-year level (Oct 2021 – Mar 2022: EUR 91.1 million).

Earnings performance

in KEUR	10/2022 – 03/2023	10/2021 – 03/2022
Sales revenue	**243,411**	**230,375**
Cost of materials and purchased services	-86,882	-88,313
Personnel expenses	-115,292	-101,320
Depreciation, amortisation and impairment on intangible, fixed and right-of-use assets	-14,440	-14,278
Impairment losses on financial assets	-230	10
Other operating expenses/income	-13,217	-13,452
EBIT	**13,350**	**13,022**
Financial result	-1,161	-585
EBT	**12,189**	**12,437**
Income tax	-2,584	-3,817
Result for the period	**9,605**	**8,620**

The decline in licence sales is also reflected in a lower cost of materials and purchased services, which decreased by minus 2% to EUR 86.9 million. However, as a result of the increased use of external consulting resources (»freelancers«) from our partner network and higher prices for electricity in our computer centres, the reduction in the cost of materials is lower than expected. The cost of materials ratio is 36% compared to 38% in the prior year.

Personnel expenses increased overall by 14% to EUR 115.3 million. The ratio of personnel expenses to sales increased from 44% to 47% partly as a result of the growth in the headcount (plus 11% to an average of 2,511 FTEs) and one-off payments to staff to compensate for inflation, whereas personnel expenses per full-time equivalent increased from KEUR 45 to KEUR 46. The change in other operating expenses and income to EUR 13.2 million (minus 2%) was partly attributable to the increase in other operating expenses due to higher costs caused by inflation and increased business travel, which was offset to some extent by other acquisition-related income from the premature increase of the stake in All for One Poland.

Reconciliation to EBIT before M&A effects (non-IFRS)

in KEUR	10/2022 – 03/2023	10/2021 – 03/2022
Earnings before interest and taxes (EBIT)	**13,350**	**13,022**
+ impairment of goodwill	0	0
+ acquisition-related depreciation, amortisation and impairment on other intangible assets	3,190	4,126
+/- other acquisition-related expenses (and income)	-3,284	593
EBIT before M&A effects (non-IFRS)	**13,256**	**17,741**

EBIT before M&A effects (non-IFRS) decreased significantly by 25% to EUR 13.3 million (Oct 2021 – Mar 2022: EUR 17.7 million) as a result of the effects described above. The corresponding EBIT margin before M&A effects (non-IFRS) was 5.4% (Oct 2021 – Mar 2022: 7.7%). By contrast, EBIT increased by 3% to EUR 13.4 million, which includes non-recurring income of EUR 3.2 million from the early acquisition of the outstanding 49% stake in the Polish subsidiary. At 5.5%, the EBIT margin is slightly down year on year (Oct 2021 – Mar 2022: 5.7%).

The financial result for the 1st half-year 2022/23 of minus EUR 1.2 million was less than the prior-year level (Oct 2021 – Mar 2022: minus EUR 0.6 million) due to the generally higher market interest rates and the resulting rise in financing costs and compounding effects. EBT totalled EUR 12.2 million (minus 2%). Income taxes amounted to minus EUR 2.6 million (Oct 2021 – Mar 2022: minus EUR 3.8 million), equivalent to a significantly lower income tax rate of 21% (prior year: 31%) due to tax differences relating to the acquisition of the shares in All for One Poland. The result for the period increased by 11% to EUR 9.6 million and earnings per share by 11% to EUR 1.91.

Revenue and earnings performance by segment

	CORE		LOB	
in KEUR	10/2022 – 03/2023	10/2021 – 03/2022 [1]	10/2022 – 03/2023	10/2021 – 03/2022 [1]
Statement of profit and loss				
External sales revenue	209,318	204,010	34,093	26,365
Intersegment revenue	2,649	2,277	6,155	4,200
Sales revenue	**211,967**	**206,287**	**40,248**	**30,565**
Segment EBIT (EBIT before M&A effects (non-IFRS))	**8,386**	**16,122**	**4,878**	**1,614**
Segment EBIT margin before M&A effects (non-IFRS) (in %)	4.0	7.8	12.1	5.3

1) Prior-year figures adjusted

Sales in the **CORE** segment (ERP and collaboration solutions) only increased by 3% to EUR 212.0 million due to weak capacity utilisation at the beginning of the half-year 2022/23 and a high rate of sick leave, especially in the 1st quarter 2022/23. The strong growth in CONVERSION/4 business made a major contribution to this increase and will have a positive impact on the sales of this segment. Segment EBIT before M&A effects (non-IFRS) declined by 48% to EUR 8.4 million. The EBIT margin before M&A effects (non-IFRS) is 4.0%.

The **LOB** (lines of business solutions) segment offers additional growth and margin potential through recurring cloud subscriptions and the Group's own add-on solutions. LOB segment sales increased by 32% to EUR 40.2 million and EBIT before M&A effects (non-IFRS) improved by EUR 3.3 million to EUR 4.9 million. The segment's EBIT margin before M&A effects (non-IFRS) of 12.1% (Oct 2021 – Mar 2022: 5.3%) is significantly higher than the Group's EBIT margin before M&A effects (non-IFRS). Capacity utilisation in the LOB segment is very good and offers further growth and margin potential.

ASSETS AND FINANCIAL SITUATION

Assets situation

The balance sheet total as of 31 March 2023 decreased by 2% to EUR 332.9 million (30 Sep 2022: EUR 339.9 million). Accordingly, **assets** decreased in value by EUR 7.0 million. Cash and cash equivalents decreased by EUR 23.6 million following the acquisition of the outstanding shares in All for One Poland and the dividend payment amounting to EUR 7.2 million in the first half of financial year 2022/23. Non-current assets increased by 3% to EUR 184.7 million, due particularly to investments in computer centres.

Liabilities decreased by 4% to EUR 232.9 million (30 Sep 2022: EUR 241.9 million) as of 31 March 2023. Trade payables increased (plus 29%), while the decline in liabilities to employees (minus 16%) and other liabilities (minus 39%) had a countervailing effect. Following the early acquisition of shares in Poland, reclassifications of other liabilities from non-current to current were carried out. Included in other liabilities are purchase price obligations relating to (variable) purchase price components for the shares in All for One Poland, blue-zone and All for One Customer Experience (formerly: POET) among others.

Equity increased by EUR 2.0 million to EUR 100.0 million, while the equity ratio increased to 30% (30 Sep 2022: 29%). Net debt now amounts to EUR 70.5 million (30 Sep 2022: EUR 43.4 million).

Financial situation

Cash flow from operating activities totalled EUR 11.3 million (Oct 2021 – Mar 2022: EUR 7.1 million), up EUR 4.3 million year on year. The increase is mainly due to a significant increase in trade payables in the half-year period 2022/23 (year on year change plus EUR 7.4 million) through in intensified payment management. Added to which, at minus EUR 0.7 million (Oct 2021 – Mar 2022: minus EUR 5.9 million), trade receivables increased to a lesser extent due to a marked decrease in licence revenues compared to the prior year.

Year on year, other assets and liabilities changed by minus EUR 7.5 million, partly as a result of the early acquisition of a stake and amended purchase price commitments of minus EUR 7.5 million relating to an acquisition of shares in 2021.

Cash flow from investing activities totalled minus EUR 17.7 million (Oct 2021 – Mar 2022: minus EUR 17.7 million). The cash outflows were almost exclusively due to purchase price payments to acquire the outstanding stake in All for One Poland and investments in the computer centres.

Cash flow from financing activities amounted to minus EUR 16.9 million (Oct 2021 – Mar 2022: minus EUR 17.0 million). This was primarily attributable to the repayment of lease liabilities (EUR 7.7 million), the payment of the dividend (EUR 7.2 million) and to payments relating to the share buyback programme comprising the purchase of treasury shares (EUR 0.6 million) and down payments on future purchases (EUR 0.4 million).

Cash funds totalled EUR 53.7 million as of 31 March 2023 (31 Mar 2022: EUR 47.3 million).

EMPLOYEES

	10/2022 – 03/2023	10/2021 – 03/2022
Employees		
Number of employees (period end)	2,820	2,557
Number of full-time equivalents (∅)	2,511	2,259
Non-financial performance indicators		
Employee retention (in %)	90.1	92.8
Health index (in %)	96.0	96.4

The IT sector continues to suffer from a shortage of specialists. Which is why – in light of growth targets – All for One Group is pleased to have been able to significantly expand its employee base through acquisitions. For the Group, sustained business success is closely linked to highly qualified employees, which is why it is continuing to invest in recruiting, developing and retaining staff, and has already hired numerous new employees in this financial year.

Recognition by online platform Kununu as one of the »Top Companies 2023« is particularly gratifying. The assessment was derived from former and current employees who were able to rate their employers anonymously and honestly. The score gives companies specific feedback on how their appeal as an employer is perceived and where there is still room for improvement. At the same time, a good score allows an employer to set themselves apart from the competition and attract qualified employees.

Employee retention at 90.1%, is down year on year, due to competition and acquisition-related influences, although we still believe it to be in line with the industry average. The impacts of the wave of illnesses, including flu and Covid-19, are reflected in a higher rate of sick leave and thus a slightly reduced health index of 96.0% compared to 96.4% in the prior year.

CORPORATE GOVERNANCE

We consistently compare the latest recommendations issued by the German government's commission for the German Corporate Governance Code (»GCGC«) with our everyday corporate governance practices. As explained in our declaration of compliance dated 27 September 2022, we have adopted the recommendations of the GCGC apart from the exceptions explained in our declaration with regard to the compensation system for the management board, the chairman of the supervisory board's audit committee and the explanation of the implementation of the CSR directive. The declaration of compliance is available for download at www.all-for-one.com/governance_e. The compensation system was approved by the annual general meeting on 11 March 2021 and the compensation report for financial year 2021/22 was approved on 16 March 2023 (for more details of the compensation system and the compensation report, please see www.all-for-one.com/governance_e. Our declaration of conformity for the current year is planned for September 2023. For details of directors' dealings in the reporting period, please refer to our website (www.all-for-one.com/dd_e).

OPPORTUNITIES AND RISK REPORT

The combined management report for financial year 2021/22 includes a detailed opportunities and risk report that discusses certain risks that could adversely impact the net assets, financial position and results of operations of All for One Group. The main opportunities for All for One Group are also discussed. The opportunities and risks identified in the combined management report for the 2021/22 financial year have not changed significantly in the first half of 2022/23.

All for One Group's overall evaluation of the respective individual risks as discussed in the Annual Report 2021/22 (see section »Opportunities and risk report«) remains unchanged.

ADJUSTMENT OF FORECAST

The macroeconomic environment and planned increases in profitability require a streamlining of the cost structure. At the same time, the expansion of the globally delivering service organisation is to be accelerated considerably. Therefore, in May, the management board resolved to restructure the service-oriented divisions in the CORE segment, during which a higher double-digit number of full-time positions are expected to be cut back, which will probably result in one-off expenses in the upper single-digit million range. After the changes in the LOB segment were completed in the past financial year, the management board is implementing this restructuring programme in the service-oriented divisions of the CORE segment to conclude the strategy offensive 2022.

For financial year 2022/23, the management board is therefore revising its forecast for EBIT before M&A effects (non-IFRS) to a range of EUR 17.5 million to EUR 21.5 million. The previous forecast predicted EBIT before M&A effects (non-IFRS) between EUR 27.5 million and EUR 30.5 million. The forecast for sales revenues (IFRS) remains unchanged at EUR 470 million to EUR 500 million.

The medium-term outlook, with robust organic growth in the mid-single-digit percentage range, is reaffirmed. The target margin for EBIT before M&A effects (non-IFRS) of 7% to 8% originally communicated for financial year 2025/26 is expected to already be achieved in financial year 2024/25.

Renewed economic setbacks caused by geopolitical changes cannot, however, be entirely ruled out and currently pose the greatest risk to achieving this guidance.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
OF ALL FOR ONE GROUP

FROM 1 OCTOBER 2022 TO 31 MARCH 2023

in KEUR	10/2022 – 03/2023	10/2021 – 03/2022	01/2023 – 03/2023	01/2022 – 03/2022
Sales revenue	243,411	230,375	122,978	111,215
Other operating income	7,380	2,361	2,409	1,170
Cost of materials and purchased services	-86,882	-88,313	-42,654	-39,867
Personnel expenses	-115,292	-101,320	-59,828	-52,424
Depreciation, amortisation and impairment on intangible, fixed and right-of-use assets	-14,440	-14,278	-7,307	-7,123
Impairment losses on financial assets	-230	10	-148	50
Other operating expenses	-20,597	-15,813	-9,802	-7,571
EBIT	**13,350**	**13,022**	**5,648**	**5,450**
Financial income	100	15	50	13
Financial expense	-1,261	-600	-636	-325
Financial result	**-1,161**	**-585**	**-586**	**-312**
EBT	**12,189**	**12,437**	**5,062**	**5,138**
Income tax	-2,584	-3,817	-1,483	-1,753
Result for the period	**9,605**	**8,620**	**3,579**	**3,385**
attributable to owners of the parent	9,510	8,576	3,546	3,375
attributable to non-controlling interests	95	44	33	10
Earnings per share				
Undiluted and diluted earnings per share (in EUR)	1.91	1.72	0.71	0.68

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
OF ALL FOR ONE GROUP

FROM 1 OCTOBER 2022 TO 31 MARCH 2023

in KEUR	10/2022 – 03/2023	10/2021 – 03/2022	01/2023 – 03/2023	01/2022 – 03/2022
Result for the period	**9,605**	**8,620**	**3,579**	**3,385**
Items that will not be reclassified to profit or loss in subsequent periods				
Unrealised profits (+) / losses (-) from currency translation	307	-62	-233	-347
Other comprehensive income	**307**	**-62**	**-233**	**-347**
Total comprehensive income	**9,912**	**8,558**	**3,346**	**3,038**
attributable to owners of the parent	9,823	8,514	3,320	3,028
attributable to non-controlling interests	89	44	26	10

CONSOLIDATED BALANCE SHEET
OF ALL FOR ONE GROUP
AS OF 31 MARCH 2023

Assets

in KEUR	31.03.2023	30.09.2022
Current assets		
Cash and cash equivalents	53,876	77,464
Finance lease receivables	4,147	4,102
Trade receivables	57,431	56,685
Contract assets	11,624	8,322
Income tax assets	3,373	1,790
Other assets	17,749	12,536
	148,200	**160,899**
Non-current assets		
Goodwill	66,294	65,992
Other intangible assets	35,906	39,140
Fixed assets	19,968	16,022
Right-of-use assets	47,590	43,807
Finance lease receivables	6,757	6,799
Deferred tax assets	670	86
Other assets	7,473	7,120
	184,658	**178,966**
Total assets	**332,858**	**339,865**

Equity and liabilities

in KEUR	31.03.2023	30.09.2022
Current liabilities		
Other provisions	1,324	1,412
Liabilities to financial institutions	37	58
Lease liabilities	13,407	13,044
Trade payables	26,237	20,369
Contract liabilities	14,254	14,738
Liabilities to employees	22,407	26,768
Income tax liabilities	4,592	3,435
Other liabilities	20,396	9,468
	102,654	**89,292**
Non-current liabilities		
Pension provisions	524	630
Other provisions	805	852
Liabilities to financial institutions	77,358	77,357
Lease liabilities	33,581	30,371
Deferred tax liabilities	16,077	16,407
Other liabilities	1,901	27,009
	130,246	**152,626**
Equity		
Issued capital	14,946	14,946
Reserves	85,369	82,750
Treasury shares	-607	0
Share of equity attributable to owners of the parent	**99,708**	**97,696**
Non-controlling interests	250	251
	99,958	**97,947**
Total liabilities and equity	**332,858**	**339,865**

CONSOLIDATED CASH FLOW STATEMENT
OF ALL FOR ONE GROUP
FROM 1 OCTOBER 2022 TO 31 MARCH 2023

in KEUR	10/2022 – 03/2023	10/2021 – 03/2022
Result for the period	**9,605**	**8,620**
Income tax	2,584	3,817
Financial result	1,161	585
Depreciation, amortisation and impairment on intangible, fixed and right-of-use assets	14,440	14,278
Increase (+) / decrease (-) in value adjustments and provisions	-105	-150
Gains (-) / losses (+) from the disposal of non-current assets	-1,018	-595
Increase (-) / decrease (+) in trade receivables	-724	-5,923
Increase (+) / decrease (-) in trade payables	5,822	-1,550
Increase / decrease in other assets and liabilities	-16,472	-8,976
Income tax refunds (+) / payments (-)	-3,960	-3,041
Cash flow from operating activities	**11,333**	**7,065**
Payments for purchase of intangible and fixed assets	-7,801	-4,153
Proceeds from sale of intangible assets and fixed assets	1,278	35
Purchase of subsidiary, net of cash and cash equivalents acquired	-11,279	-13,646
Sale of subsidiary, net of cash and cash equivalents disposed of	0	6
Interest received	92	14
Cash flow from investing activities	**-17,710**	**-17,744**
Repayment of lease liabilities	-7,736	-7,153
Proceeds from liabilities to financial institutions	0	108
Repayment of liabilities to financial institutions	-18	-16
Payment for acquisition of non-controlling interests	0	-2,000
Payments for share buyback programme	-1,000	0
Interest paid	-882	-654
Dividend payments to shareholders and non-controlling interests	-7,294	-7,270
Cash flow from financing activities	**-16,930**	**-16,985**
Increase (+) / decrease (-) in cash and cash equivalents	**-23,307**	**-27,664**
Effect of exchange rate fluctuations on cash funds	-202	-28
Cash funds at start of period	77,201	74,973
Cash funds at end of period	**53,692**	**47,281**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
OF ALL FOR ONE GROUP

FROM 1 OCTOBER 2022 TO 31 MARCH 2023

	Share of equity attributable to owners of the parent						Non-controlling interests	Equity
in KEUR	Issued share capital	Capital reserve	Currency translation reserve	Retained earnings	Treasury shares	**Total**		
01.10.2021	**14,946**	**11,228**	**777**	**64,268**	**0**	**91,219**	**209**	**91,428**
Result for the period	0	0	0	8,576	0	8,576	44	8,620
Other comprehensive income	0	0	-62	0	0	-62	0	-62
Total comprehensive income	**0**	**0**	**-62**	**8,576**	**0**	**8,514**	**44**	**8,558**
Dividend distribution	0	0	0	-7,224	0	-7,224	0	-7,224
Acquisition of treasury shares	0	0	0	0	0	0	0	0
Distribution to non-controlling interests	0	0	0	0	0	0	-46	-46
Transactions with owners of the company	**0**	**0**	**0**	**-7,224**	**0**	**-7,224**	**-46**	**-7,270**
31.03.2022	**14,946**	**11,228**	**715**	**65,620**	**0**	**92,509**	**207**	**92,716**
01.10.2022	**14,946**	**11,228**	**664**	**70,858**	**0**	**97,696**	**251**	**97,947**
Result for the period	0	0	0	9,510	0	9,510	95	9,605
Other comprehensive income	0	0	313	0	0	313	-6	307
Total comprehensive income	**0**	**0**	**313**	**9,510**	**0**	**9,823**	**89**	**9,912**
Dividend distribution	0	0	0	-7,204	0	-7,204	0	-7,204
Acquisition of treasury shares	0	0	0	0	-607	-607	0	-607
Distribution to non-controlling interests	0	0	0	0	0	0	-90	-90
Transactions with owners of the company	**0**	**0**	**0**	**-7,204**	**-607**	**-7,811**	**-90**	**-7,901**
31.03.2023	**14,946**	**11,228**	**977**	**73,164**	**-607**	**99,708**	**250**	**99,958**

CONDENSED NOTES TO THE INTERIM REPORT
OF ALL FOR ONE GROUP
FROM 1 OCTOBER 2022 TO 31 MARCH 2023

1. Basis of preparation

All for One Group SE, Filderstadt, (hereinafter »All for One Group SE« or »Company«), is a European company (Societas Europaea, SE). The company is listed in the commercial register of the District Court of Stuttgart under registration number HRB 774576. Its registered office is Rita-Maiburg-Strasse 40 in 70794 Filderstadt, Germany. All for One Group SE shares are listed in the Prime Standard of the Frankfurt stock exchange (ISIN: DE0005110001). All for One Group SE and the subsidiaries it controls (hereinafter »All for One Group« or »Group«) unite strategic and management consulting, process consulting, industry insight and technology expertise, and IT consulting and services under one roof. This half-year financial report of All for One Group SE as specified in Sections 115 and 117 Securities Trading Act [WpHG] has been prepared in conformity with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and with Section 52 of the regulations issued by the Frankfurt Stock Exchange (FWB). The interim consolidated financial statements also comply with the requirements of IAS 34 Interim Financial Reporting and have not been audited or reviewed.

These interim consolidated financial statements are based on the consolidated financial statements as of 30 September 2022. In compliance with IAS 34, the Group has opted for a condensed report compared to the consolidated financial statements. It does not contain all the information required for a full set of financial year-end consolidated financial statements. The consolidated financial statements were prepared in accordance with the accounting and measurement methods applying as of 30 September 2022. The figures include all ongoing business transactions and deferrals that the company deems necessary to ensure correct presentation of the interim results. The company believes that the information and explanations presented in this report present a fair and true picture of its net assets, financial position and results of operations. In light of our business model and the associated volatilities, the interim results of the Group are not necessarily indicative of business performance over the further course of time.

The interim consolidated financial statements contain forecasts, estimates and expectations that involve risks and uncertainties. Actual results and developments may differ considerably from expectations and assumptions made. Such deviations may be the result of changes in the general economic situation and competitive environment, especially in our core business areas and markets, or amendments to laws, especially those governing taxation.

The reporting currency and functional currency of interim consolidated financial statements of All for One Group SE is the euro (EUR). Unless otherwise indicated, all amounts are reported in thousands of euros (KEUR). For technical reasons, the information provided in these financial statements may contain rounding differences of +/- one unit (KEUR, %, etc.).

The interim consolidated financial statements for the reporting period ending 31 March 2023 were approved for publication by the management board of All for One Group SE on 15 May 2023.

2. Changes in the scope of consolidation

All for One Poland

Effective 21 December 2022, All for One Group SE completed the early acquisition of all outstanding shares in All for One Poland. All for One Group SE had already acquired control over the Polish subsidiary with effect from 1 October 2021 (time of acquisition) when it purchased 51% of the shares from SNP Schneider-Neureither & Partner SE, Heidelberg. In keeping with the anticipated acquisition method, the acquisition of all shares had already been recognised in the consolidated financial statements of All for One Group SE at this time of initial acquisition (economic approach) based on reciprocal put and call options with – initially – mandatory exercise at the close of the financial year on 30 September 2024 at the latest. The price paid to purchase the legally outstanding 49% stake in All for One Poland was EUR 20.9 million. Of this amount, EUR 11.0 million was paid in cash from existing liquid funds in the 1st quarter of financial year 2022/23. Derecognition of the previously recognised purchase price obligations resulted in income less transaction costs of EUR 3.2 million, which was recognised through profit.

All for One Customer Experience

On 2 May 2022 (acquisition date), All for One Group SE acquired all the shares in customer experience experts POET GmbH, Karlsruhe, whose name has meanwhile been changed to All for One Customer Experience GmbH (»CX«). CX holds a 75% stake in the development company All for One Egypt LLC., Alexandria/Egypt (formerly: POET Egypt LLC.). The acquisition will allow All for One Group to take a large step forward in expanding its CX business division. The experts working for the Karlsruhe-based IT service provider and its development company in Egypt will strengthen the Group's portfolio of CX products.

Due to the proximity of the acquisition date to the reporting date of 30 September 2022 and the associated uncertainties in connection with the valuation of the intangible assets and the variable purchase price components, an independent valuation report was not yet available at the time of preparation of the consolidated financial statements for financial year 2021/22. As such, first-time consolidation was provisional and was finalised in the first half of financial year 2022/23.

The purchase price consists, on the one hand, of a contractually agreed base purchase price of EUR 8.4 million and a further purchase price instalment of EUR 0.8 million that is due at a later date and, on the other hand, of variable purchase price components of up to EUR 1.3 million, which are largely dependent on the sales revenues and operating result (EBIT) achieved in financial year 2022/23 by the relevant companies. At the acquisition date, these variable purchase price components were measured at a fair value of EUR 1.2 million.

The fair value of the acquired assets and liabilities at the time of acquisition is shown below:

All for One Customer Experience

in KEUR	Fair value
Cash and cash equivalents	1,340
Trade receivables	977
Income tax assets	12
Other assets	458
Other intangible assets	3,063
Fixed assets	140
Right-of-use assets	627
Total assets	**6,617**
Lease liabilities	627
Trade payables	114
Contract liabilities	256
Liabilities to employees	260
Income tax liabilities	106
Deferred tax liabilities	922
Other liabilities	752
Total liabilities	**3,037**
Net assets	**3,580**
Consideration transferred	10,303
Non-controlling interests	18
Net assets	-3,580
Goodwill	**6,741**

Gross trade receivables amounted to KEUR 1,032 at the time of acquisition. Of these, KEUR 55 is probably not recoverable.

The identifiable intangible assets obtained through the acquisition are shown as follows:

All for One Customer Experience

in KEUR	Fair value	Estimated useful life (months)
Customer relationships	2,257	60
Orders on hand	770	12
Other intangible assets	36	7 – 28
Total	**3,063**	

Non-identifiable intangible assets, in particular, contributed to the goodwill of EUR 6.7 million. They cannot be recognised separately as an asset other than as goodwill (for example »human capital«, such as the consultants' qualifications and expertise and anticipated synergies in the CX business division). All for One Group SE assumes that the goodwill recognised in financial year 2021/22 will not be deductible for tax purposes.

External revenue of EUR 2.6 million and a negative result for the period of EUR 0.4 million are attributable to the acquisition of CX and its development company All for One Egypt LLC. for the period from 2 May 2022 to 30 September 2022. The figures include additional acquisition-related amortisation on other intangible assets of EUR 0.6 million.

The acquisition costs recorded as expenditure totalled EUR 0.3 million, of which EUR 0.3 million is attributable to financial year 2021/22.

Had the initial consolidation of CX and its development company All for One Egypt LLC. been carried out at the beginning of financial year 2021/22, this would have resulted in pro forma Group revenues of EUR 456.3 million and a pro forma Group result for the period of EUR 10.5 million. These proforma figures were determined for indicative and comparative purposes only. They do not constitute reliable information about the operating results that would actually have been achieved had the acquisition been made at the beginning of the financial year, nor about future revenue and earnings.

3. Sales revenues

Sales by type

in KEUR	10/2022 – 03/2023	10/2021 – 03/2022
Cloud services and support (1)	**61,627**	**55,135**
Software licenses and support (2)	**72,114**	**79,108**
Software licenses	12,797	20,780
Software support (3)	59,317	58,328
Consulting and services	**100,353**	**91,061**
CONVERSION/4 (4)	**9,317**	**5,071**
Total	**243,411**	**230,375**
Cloud and software revenue (1)+(2)	**133,741**	**134,243**
Recurring revenue (1)+(3)+(4)	**130,261**	**118,534**

Sales revenue by country [1]

in KEUR	10/2022 – 03/2023	10/2021 – 03/2022
Germany	191,445	181,207
Switzerland	14,705	13,949
Austria	14,177	13,334
Poland	12,784	13,538
Luxembourg	4,962	4,462
Other countries	5,338	3,885
Total	**243,411**	**230,375**

1) Based on domicile of the customer

4. Impairment expenses

Impairment expenses on intangible, fixed and right-of-use assets were not recognised in the first half of financial year 2022/23 nor in the relevant comparison period. Impairment losses on financial assets were recognised separately in the statement of profit and loss.

5. Changes in equity

On 12 October 2022, All for One Group SE resolved to implement a share buyback programme via the stock exchange valid for the period from 13 October 2022 to 12 October 2023 to repurchase up to 100,000 treasury shares, representing a volume of EUR 5.5 million (excl. transaction-related costs). Under this programme, a total of 14,589 shares with a value of EUR 0.6 million were repurchased up to 31 March 2023. The acquisition cost of the repurchased treasury shares reduces the stated equity capital.

The annual general meeting of 16 March 2023 approved a dividend for financial year 2021/22 of EUR 1.45 per share entitled to dividends (prior year: EUR 1.45), which resulted in a total distribution of KEUR 7,204 (prior year: KEUR 7,224).

6. Segment reporting

	CORE		LOB		Consolidation		Total	
in KEUR	**10/2022 – 03/2023**	**10/2021 – 03/2022 [1]**	**10/2022 – 03/2023**	**10/2021 – 03/2022 [1]**	**10/2022 – 03/2023**	**10/2021 – 03/2022 [1]**	**10/2022 – 03/2023**	**10/2021 – 03/2022 [1]**
External sales revenue	209,318	204,010	34,093	26,365	0	0	243,411	230,375
Intersegment revenue	2,649	2,277	6,155	4,200	-8,804	-6,477	0	0
Sales revenue	**211,967**	**206,287**	**40,248**	**30,565**	**-8,804**	**-6,477**	**243,411**	**230,375**
Depreciation, amortisation and impairment	-10,715	-9,756	-535	-401	0	5	0	0
Segment EBIT (EBIT before M&A effects (non-IFRS))	**8,386**	**16,122**	**4,878**	**1,614**	**-8**	**5**	**13,256**	**17,741**
+ acquisition-related depreciation, amortisation and impairment on other intangible assets							-3,190	-4,126
+/- other acquisition-related expenses (and income)							3,284	-593
EBIT							**13,350**	**13,022**
Financial result							-1,161	-585
EBT							**12,189**	**12,437**

1) Prior-year figures adjusted

An intra-Group sale of a sub-business between the CORE and LOB segments in the 1st half-year 2022/23 aimed at merging the »Customer Experience« product portfolio has changed the composition of the segments compared to the prior year. Prior-year figures have been adjusted accordingly to improve comparability.

7. Financial instruments: Disclosures at fair value

In all valuation categories with the exception of finance lease receivables and liabilities to financial institutions, the carrying amounts always represent a reasonable approximation of the fair value.

	Carrying amount		Fair value	
in KEUR	**31.03. 2023**	**30.09. 2022**	**31.03. 2023**	**30.09. 2022**
Finance lease receivables	10,904	10,901	10,532	10,324
Liabilities to financial institutions	77,395	77,415	69,604	67,992

8. Contingent liabilities and other financial obligations not reported on the balance sheet

A commitment to invest in fixed assets exists in the amount of KEUR 0 (30 Sep 2022: KEUR 6,618). In addition, there is a commitment to leases that have been agreed but have not yet started. These leases relate to vehicles and amount to KEUR 4,059 (30 Sep 2022: KEUR 9.731).

9. Related party disclosures

There have been no substantial changes in our relationships with related parties compared to 30 September 2022. All transactions are settled at arm's length conditions. For further details, please refer to Note 23 in the notes to the consolidated financial statements for financial year 2021/22.

10. Subsequent events

In May 2023, the management board resolved to restructure the service-oriented divisions in the CORE segment and accelerate the expansion of the globally delivering service organisation. This is expected to result in a one-off negative impact on earnings in the upper single-digit million range in financial year 2022/23.

In this regard, the forecast for EBIT before M&A effects (non-IFRS) will be lowered to between EUR 17.5 million and EUR 21.5 million (previously: EUR 27.5 million to EUR 30.5 million).

No further events subject to disclosure have occurred since 31 March 2023.

RESPONSIBILITY STATEMENT BY THE LEGAL REPRESENTATIVES

To the best of our knowledge, and in accordance with the applicable reporting principles, we affirm that the consolidated interim financial statements give a true and fair view of the assets, financial position and earnings of the Group, and that the Group interim management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principle opportunities and risks associated with the expected development of the Group in the remaining financial year.

Filderstadt, 15 May 2023
All for One Group SE

Lars Landwehrkamp Co-CEO	Michael Zitz Co-CEO	Stefan Land CFO

IR SERVICE

Our website offers extensive investor relations services. Apart from finding company reports, analyst reports, financial presentations and information about out annual general meeting, you can also add your name to the mailing list to receive press releases and financial announcements.

www.all-for-one.com/ir-english

ALL FOR ONE GROUP SE

All for One Group increases the competitiveness of companies in a digital world. The Group unites strategic and management consulting, process consulting, industry insight and technology expertise in combination with IT consulting and services under one roof. With market leading business software solutions based on SAP, Microsoft and IBM together with around 2,800 experts, All for One Group SE orchestrates all aspects of competitive strength: strategy, business model, customer & employee experience, new work, big data & analytics, but also IoT, artificial intelligence or cybersecurity & compliance and intelligent ERP as the digital core. The leading consulting and IT group supports more than 3,000 clients from Germany, Austria, Poland and Switzerland in their business transformation. All for One Group SE achieved Group sales of EUR 453 million in financial year 2021/22 and is listed in the Prime Standard on the Frankfurt Stock Exchange.

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