

INTERIM REPORT

Q2 2024

CANCOM

Table of key figures

CANCOM GROUP

in € million	H1 2024	H1 2023	Δ
Revenue	835.3	647.0	+ 29.1 %
Business volume	1,056.4	870.9	+ 21.3 %
Gross profit	339.2	245.2	+ 38.3 %
EBITDA	55.5	41.5	+ 33.7 %
EBITDA margin	6.6 %	6.4 %	+ 0.2 Pp
EBITA	28.7	18.9	+ 51.9 %
EBIT	22.5	16.4	+ 37.2 %
Employees (average)	5,587	4,822	+ 15.9 %

in € million	30.06.2024	31.12.2023	Δ
Balance sheet total	1,443.2	1,533.7	- 5.9 %
Equity	675.0	767.8	- 12.1 %
Equity ratio	46.8 %	50.1 %	- 3.3 Pp
Cash and cash equivalents	170.3	170.4	- 0.1 %

BUSINESS SEGMENT GERMANY

in € million	H1 2024	H1 2023	Δ
Revenue	558.4	564.5	- 1.1 %
EBITDA	34.1	32.3	+ 5.6 %
EBITDA margin	6.1 %	5.7 %	+ 0.4 Pp

BUSINESS SEGMENT INTERNATIONAL

in € million	H1 2024	H1 2023	Δ
Revenue	277.0	82.5	+ 235.8 %
EBITDA	21.4	9.2	+ 132.6 %
EBITDA margin	7.7 %	11.2 %	- 3.5 Pp

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Foreword by the Chairman of the Executive Board

„Thanks to our acquisition strategy, the CANCOM Group has started the first half of 2024 with growth in a challenging market environment. All relevant key performance indicators increased in the first half of the year. Overall, the CANCOM Group's performance was characterised by growth in the International business segment, which accounts for the majority of the CANCOM Austria Group's contribution. In contrast, business in the Germany business segment declined slightly.

The second quarter was characterised by weak economic development in the private and public sectors and the continued reluctance of our customers to spend. On the other hand, our customers' requirements to operate their IT infrastructures securely and efficiently are growing. In the medium term, this will lead to the renewal of IT infrastructures and services for our customers in our strategic focus areas of Security & Networking, Modern Workplace, Data Centre and Cloud, IoT and Artificial Intelligence (AI).

This reinforces our strategic focus on being the first point of contact for our customers' digitalisation strategy.“



Rüdiger Rath CEO

Interim Group Management Report of CANCOM SE

for the period 1 January to 30 June 2024

FOUNDATIONS OF THE GROUP

The CANCOM Group (hereinafter referred to as „CANCOM“ or „CANCOM Group“) is one of the leading providers of IT services and IT infrastructure in Germany and Austria. In addition to its activities in the core markets of Germany and Austria, the Group has subsidiaries or branches in Switzerland, Slovakia, the Czech Republic, Romania, Belgium and the USA.

Structure of the CANCOM Group

The parent company of the CANCOM Group is CANCOM SE, based in Munich, Germany. It performs centralised financing and management functions for the Group companies in Germany. In addition to the central management and financing activities of the parent company, the operating units are also supported in their daily business operations by centralised departments for purchasing, internal IT, warehousing/logistics, finance, vehicle and travel management, repair/service and human resources („Central Services“) as well as marketing/communication and product management. In addition, the operating units have access to an internal, specialised sales department („Competence Center“) across the entire organisation.

In addition to these centralised functions, CANCOM's operating units are primarily decentralised and operate in units that are primarily structured by region. The organisation comprises the regional units South, Southwest, Central, Northeast and West as well as locations in Slovakia and Belgium. In addition, there are the supraregional business units Managed Services, Public and eCommerce.

The CANCOM Austria Group, based in Vienna, has been a wholly owned subsidiary of CANCOM SE since 5 May 2023. Within the CANCOM Austria Group, CANCOM Austria AG performs the central financing and management functions for the subsidiaries of CANCOM Austria. The company has branches in Austria and subsidiaries in the Czech Republic, Romania, Switzerland and the USA.

In its financial reporting, the CANCOM Group uses two business segments in addition to the Group as a whole to report on its operating business performance: „Germany“ and „International“.

Reportable business segments

All companies in the CANCOM Group based in Germany form the „Germany“ operating business segment. All companies in the CANCOM Group based outside Germany are summarised in the „International“ business segment. The companies allocated to the business segments can be found in the list of shareholdings in the 2023 IFRS consolidated financial statements.

Business model and sales markets

CANCOM's product and service offering is geared towards advising and supporting corporate customers and public sector clients in adapting IT infrastructures and processes to the requirements of digitalisation. CANCOM acts as a complete solution provider and sees itself as a digital business provider for its customers.

The range of services extends from strategic consulting for digital (business) processes to the partial or complete operation of IT systems (primarily by means of managed services and standardised as-a-service offerings), through to system design and integration, IT support, delivery and turnkey implementation of hardware and software, e-procurement and logistics services.

This broad-based product and service offering enables the CANCOM Group to generate revenue both on the basis of the company's own skills and services (service business) and from remuneration and commissions for the sale of third-party IT products (sale of goods). Within this business model, management is pursuing a course of strategic transformation of the CANCOM Group into a digital business provider. The range of services offered includes consulting and solution design as well as the provision of hardware-related services, help desk and remote service offerings as well as complex managed services and as-a-service services. In order to be able to provide its services, CANCOM operates its own logistics and data centres and employed more than 3,700 people in the Professional Services division at the end of the first half of 2024, who provide various services for customers.

In geographical terms, the CANCOM Group is primarily active in Germany and Austria, as well as in Switzerland, Romania and Belgium. CANCOM Group subsidiaries are active in Slovakia and the Czech Republic, providing services in the areas of service and support centres and software customisation and development.

A key external factor influencing CANCOM's business development is therefore the development of the IT market in the largest sales markets of Germany and Austria. For these markets as a whole - and therefore also for CANCOM - the general trend towards digitalisation is a key driver. The importance of IT processes in business, administration, education and healthcare is increasing. New applications for IT-supported solutions and investments to improve existing infrastructures are contributing to market development.

In addition to macroeconomic developments, important external factors beyond CANCOM's control that can have a favourable or inhibiting effect on business development include data protection regulations, the general threat situation in the area of cyber security and the quality certifications required by customers, as well as environmental and social standards. As a provider of IT services and products, the CANCOM Group's business model is not subject to any particular industry-specific legal provisions, authorisation requirements or official supervision, i.e. external regulatory or politically influenced factors that go beyond the statutory regulations that generally apply to all companies. In addition, the availability of IT hardware and software on the global market is an external factor that cannot be influenced.

The CANCOM Group's customer base primarily comprises commercial end users, ranging from small and medium-sized enterprises to large companies and corporations, as well as public institutions. CANCOM Group customers are also active in sectors that are subject to industry-specific requirements, for example as operators of critical infrastructure or financial service providers. Here CANCOM provides its services following an assessment and any necessary adjustments to its own system landscape and designs processes in accordance with customer-specific and/or regulatory requirements.

Competitive position

The CANCOM Group is primarily active in Germany and Austria. Due to its size, the CANCOM Group has a prominent market position in both markets.

According to the latest available analysis by the Federal Statistical Office and the IT industry association Bitkom, there are just over 100,000 companies in Germany in the IT hardware, software and IT services sectors, although these vary greatly in terms of size and/or range of services. The large companies with an annual revenue of more than € 250 million include 58 companies in the combined IT hardware/software and IT services business area.

Based on data from the latest system house rankings published by the industry magazine ChannelPartner, there are only seven companies in Germany with domestic revenues of over € 1 billion. According to this ranking, CANCOM is the sixth-largest system house in Germany based on revenue for the 2022 financial year (2021: fifth place). Compared to the total number of companies active in the market, the CANCOM Group therefore belongs to the very small group of large companies in the German IT industry.

The total volume of the German IT market in 2023 was put at € 143.4 billion by the industry association Bitkom in June 2024. With annual domestic revenue of more than € 1.1 billion in 2023, the CANCOM Group's share of the German IT market is therefore less than 1 percent.

These figures reflect the still very fragmented status of the German IT market and show the large remaining market potential for CANCOM in its home market of Germany alone.

In Austria, the CANCOM Group's most important foreign market, the IT market is also highly fragmented. According to the latest employment statistics from the Austrian Federal Economic Chamber for the "Management Consultancy, Accounting and Information Technology" trade association, a total of 5,940 companies are active in the IT sector in Austria. Around 54 of these companies with more than 250 employees belong to the large company segment. With more than 1,600 employees, the CANCOM Austria Group is one of the leading companies in the Austrian market. The business data platform Datenmarkt lists K-Businesscom (now CANCOM Austria Group) in first place in the ranking of IT system houses in the Austrian market in terms of annual revenue in 2023. Based on a total volume of the IT market in Austria of € 14.3 billion as reported by Statista, the CANCOM Austria Group (formerly KBC Group) had a market share of around 3.6 percent in 2023.

Both of the CANCOM Group's core markets are growing in line with the long-term trend and are at the same time highly fragmented. There is still great market potential for the CANCOM Group in both markets.

Research and development activities

As CANCOM primarily operates in the IT market as a service and trading company, no research activities are carried out.

The development services provided by CANCOM focus primarily on software solutions, applications or architectures in IT areas such as cloud computing, mobile solutions, the Internet of Things, data analytics, IT security and shared managed services. In addition, there are customisations for company software used in-house and in-house developments. Compared to the CANCOM Group’s total operating performance, however, the expenses for development work are not significant, nor are the resulting own work capitalised. Development activities in the CANCOM Group are organised on a decentralised and project-based basis. Where necessary, they are supported by the use of third-party services. Own work eligible for capitalisation is broken down as follows:

CANCOM Group: Research and development
(in € million)

	H1 2024	H1 2023
Total research and development expenditure	0.9	1.6
Thereof own work capitalised	0.4	1.1

ECONOMIC REPORT

With a revenue share of over 70 percent in the 2023 financial year, Germany is the most important sales market for the CANCOM Group. The most important foreign market is Austria. In addition to the general economic development in these national markets, the overall market for information and communication technology (ICT) - especially in Germany - also forms an important framework and basis for comparison when assessing CANCOM’s economic development.

Germany

The Federal Statistical Office assumes that gross domestic product (GDP) in Germany grew by 0.2 percent in the first quarter of 2024 compared to the prior quarter. In the second quarter of 2024, however, GDP actually contracted by 0.1 percent compared to the prior quarter. Despite easing inflation, there was no recovery in private household consumption. Shortly after the end of the reporting period, the International Monetary Fund (IMF) also slightly raised its forecast for economic growth in Germany in July

2024 based on developments in the first half of the year. Due to an expected slight economic recovery in 2024, the IMF raised its annual forecast of 0.0 percent GDP growth from April 2024 and now expects GDP growth of 0.2 percent for Germany in 2024.

Austria

According to the European statistics authority Eurostat, GDP growth in Austria, CANCOM’s most important foreign market, was 0.2 percent in the first quarter of 2024 compared to the prior quarter. At the time of reporting, the Austrian National Bank’s (ÖNB) forecast for GDP growth in the second quarter was available. The forecast report from July 2024 assumes a further slight recovery in the Austrian economy in the second quarter of 2024. As a result, the ÖNB is forecasting GDP growth of 0.3 percent for the second quarter of 2024 compared to the prior quarter.

Gross domestic product (GDP) 2024
(change compared to prior quarter in %)



Germany	
Q1 2024	■ + 0.2
Q2 2024	■ - 0.1
Austria	
Q1 2024	■ + 0.2
Q2 2024	■ + 0.3

*) Source: Eurostat, Federal Statistical Office, July 2024.

ITC market

The expectations of the industry association Bitkom for the development of the ICT market in Germany, the CANCOM Group’s most important sales market, have weakened over the course of the first half of 2024. Growth of 5.4 percent year-on-year to a market volume of € 151.2 billion is now forecast for the information technology market segment, which is particularly important for the CANCOM Group. In January, Bitkom was still forecasting growth of 6.1 percent in 2024. All submarkets, software, IT services and IT hardware are expected to develop positively in 2024. Bitkom now expects growth of 9.8 percent, 4.5 percent and 2.8 percent respectively. These prospects have also deteriorated further since the Bitkom forecast from January. A further slight increase in growth of 6.2 percent to € 235.4 billion is expected for the 2025 financial year.



Outlook: Information technology (IT) market 2024, Germany*
 (change compared to prior year in %)

Software	 + 9.8
IT services	 + 4.5
IT hardware (incl. semiconductors)	 + 2.8

*) Source: Bitkom/IDC, July 2024.

Based on aggregated market data from the information platform Statista for the Austrian IT market, growth of 8.6 percent to € 15.5 billion is expected in 2024. This means that growth will slow down in 2024, following a growth rate of 11.2 percent in the past financial year. All submarkets, software, IT services and IT hardware are expected to develop positively in 2024.

Outlook: Information technology (IT) market 2024, Austria*
 (change compared to prior year in %)

Software	 + 8.1
IT services (IT services, security)	 + 10.2
IT hardware (data centres, devices, semiconductors)	 + 6.5

*) Source: Statista Insights, July 2024.

Business performance in the first half of 2024

In the reporting period from 1 January to 30 June 2024, the CANCOM Group generated revenue of € 835.3 million (prior year: € 647.0 million). The Germany business segment accounted for € 558.4 million (prior year: € 564.5 million) and the International business segment for € 277.0 million (prior year: € 82.5 million). The acquisition of the KBC Group (now CANCOM Austria Group) in summer 2023 had a significant impact on the key financial figures at Group level and in the International business segment in the reporting year. Revenue growth at Group level amounted to 29.1 percent, while the organic share of revenue growth was -6.5 percent. Customers' reluctance to buy is reflected in particular in weaker demand for IT hardware. The services business continued to develop favourably and thus contributed to the positive development of gross profit and the gross profit margin. In particular, higher costs and expenses due to inflation in connection with the advancement of the Group's own digitali-

sation strategy had an impact on the CANCOM Group's EBITDA. The CANCOM Group's EBITDA totalled € 55.5 million in the first half of 2024 (prior year: € 41.5 million). As expected, customer demand remained at a low level in the first half of 2024.

Employees

As at 30 June 2024, the CANCOM Group had 5,568 employees (30 June 2023: 5,668). This corresponds to a decrease of 1.8 percent compared to the prior year's reporting date.

The employees worked in the following areas:

CANCOM Group: Employees

	30.06.2024	30.06.2023
Professional Services	3,785	3,708
Sales	944	1,026
Central Services	839	934
Total	5,568	5,668

The average number of employees in the first half of 2024 was 5,587 (prior-year period: 4,822 employees).

On average, 3,787 of them worked in Professional Services in the first half of 2024, 953 in Sales and 847 in Central Services.

Results of operations, financial and net assets positions of the CANCOM Group
Result of operations
CANCOM Group: Revenue
 (in € million)

H1 2024	 835.3
H1 2023	 647.0

Explanation of the Alternative Performance Measures (APM) used in accordance with the APM guidelines of the European Securities and Markets Authority (ESMA):

1 Organic share of key financial figures = respective key financial figure (GAAP or non-GAAP) - contributions from companies that have been part of the scope of consolidation for less than 12 months

The CANCOM Group generated consolidated revenue of € 835.3 million in the first half of 2024 (prior year: € 647.0 million). The CANCOM Group's organic revenue, i.e. excluding the impact of company acquisitions, totalled € 604.7 million.

In the business segment Germany, which covers the business activities of all CANCOM Group companies based in Germany, revenue in the first half of the year totalled € 558.4 million (prior year: € 564.5 million), which corresponds to organic growth of -6.1 percent. In the International business segment, which comprises the companies of the CANCOM Group based outside Germany, revenue rose to € 277.0 million (prior year: € 82.5 million). The main reason for this was the full first-time consolidation of CANCOM Austria in the reporting period.

In the second quarter of 2024, the CANCOM Group's revenue totalled € 394.7 million (prior year: € 329.4 million). Revenue in the Germany business segment declined to € 265.4 million (prior year: € 266.6 million). Revenues in the International business segment doubled in the second quarter to € 129.3 million (prior year: € 62.7 million).

The business volume² of the CANCOM Group, i.e. before the application of IFRS 15 with transactions categorised as head-master (gross disclosure) or agent activity (net disclosure), amounted to € 1,056.4 million in the first half of the year (prior year: € 870.9 million). In the second quarter, the business volume totalled € 518.7 million (prior year: € 437.8 million).

The CANCOM Group's other operating income rose to € 4.3 million in the first half of 2024 (prior year: € 3.4 million). In the second quarter, other operating income totalled € 2.2 million (prior year: € 2.1 million).

The CANCOM Group's total operating performance totalled € 840.4 million in the first half of the year (prior year: € 651.6 million). In the second quarter, total operating performance totalled € 397.5 million (prior year: € 331.9 million).

CANCOM Group: Cost of materials (in € million)

	H1 2024	H1 2023
Cost of materials/ costs of purchased services	-501.2	-406.4

The cost of materials totalled € 501.2 million in the first half of 2024 (prior year: € 406.4 million). In the second quarter, the figure was € 229.3 million (prior year: € 203.8 million).

CANCOM Group: Gross profit (in € million)

H1 2024	339.2
H1 2023	245.2

The CANCOM Group's gross profit³ rose by 38.3 percent year-on-year to € 339.2 million in the first half of 2024 (prior year: € 245.2 million). Organic growth accounted for -2.1 percent of gross profit growth. The gross profit margin rose to 40.6 percent in the reporting period (prior year: 37.9 percent). Gross profit in the Germany business segment totalled € 223.5 million in the reporting period (prior year: € 214.0 million). Organic gross profit totalled € 213.4 million. In the International Group business segment, CANCOM recorded gross profit of € 127.2 million (prior year: € 37.5 million), of which € 39.1 million was generated organically.

The second quarter of 2024 generated consolidated gross profit of € 168.2 million (prior year: € 128.2 million). The organic share of growth was -0.6 percent. In the Germany business segment, gross profit rose to € 111.1 million in the second quarter (prior year: € 102.4 million). Gross profit in the International business segment totalled € 64.9 million in the second quarter (prior year: € 29.1 million).

CANCOM Group: Personnel expenses (in € million)

	H1 2024	H1 2023
Wages and salaries	-194.9	-138.6
Social security contributions	-38.6	-27.0
Equity-settled share-based payment transactions	0.0	0.0
Expenses for retirement benefits	-2.0	-0.5
Share-based payments with cash settlement	-0.3	-0.2
Total	-235.8	-166.3

Explanation of the Alternative Performance Measures (APM) used in accordance with the APM guidelines of the European Securities and Markets Authority (ESMA):

2 Business volume = revenue before adjustment in accordance with IFRS 15 (principal/agent classification); corresponds to accounting before 2020

3 Gross profit = total operating performance (revenue + other operating income + other own work capitalised + capitalised contract costs) less cost of materials/expenses for purchased services

Personnel expenses totalled € 235.8 million in the first half of 2024.

Other operating expenses totalled € 46.8 million in the first six months of 2024 (prior year: € 37.5 million).

Other operating expenses for the second quarter totalled € 25.1 million (prior year: € 20.6 million).

CANCOM Group: EBITDA (in € million)

H1 2024	55.5
H1 2023	41.5

In the first half of 2024, the CANCOM Group's EBITDA⁴ totalled € 55.5 million (prior year: € 41.5 million). Organic EBITDA of € 35.5 million was generated.

EBITDA in the Germany business segment totalled € 34.1 million in the first half of the year (prior year: € 32.3 million), while it amounted to € 21.4 million in the International business segment (prior year: € 9.2 million). Organic contribution totalled € 30.6 million and € 6.3 million respectively.

In the second quarter of 2024, the CANCOM Group's EBITDA totalled € 25.1 million (prior year: € 17.4 million) - the organic share amounted to € 17.7 million.

EBITDA in the Germany business segment totalled € 16.1 million in the second quarter (prior year: € 10.1 million). EBITDA in the International business segment totalled € 9.1 million in the second quarter (prior year: € 7.3 million).

CANCOM Group: EBITDA margin (in %)

H1 2024	6.6
H1 2023	6.4

In the reporting period from January to June 2024, the CANCOM Group's EBITDA margin was 6.6 percent (prior year: 6.4 percent).

The EBITDA margin in the Germany business segment was 6.1 percent (prior year: 5.7 percent). The EBITDA margin in the International business segment was 7.7 percent (prior year: 11.2 percent).

In the second quarter of 2024, the EBITDA margin for the CANCOM Group was 6.4 percent (prior year: 5.3 percent). In the Germany business segment, the EBITDA margin for the second quarter was 6.0 percent (prior year: 3.8 percent) and in the International business segment 7.0 percent (prior year: 11.7 percent).

CANCOM Group: Depreciation and amortisation (in € million)

	H1 2024	H1 2023
Scheduled depreciation of property, plant and equipment	7.4	6.3
Scheduled amortisation of software	6.7	7.9
Scheduled amortisation of rights of use	12.7	8.4
Scheduled amortisation on customer bases etc.	6.2	2.4
Impairment of goodwill	0.0	0.0
Total	33.0	25.1

Depreciation and amortisation rose to € 33.0 million in the first half of 2024 (prior year: € 25.1 million). In the second quarter, depreciation and amortisation totalled € 16.2 million (prior year: € 13.7 million).

CANCOM Group: EBITA (in € million)

H1 2024	28.7
H1 2023	18.9

The CANCOM Group's EBITA⁵ totalled € 28.7 million in the first six months of the current financial year (prior year: € 18.9 million). In organic terms, EBITA totalled € 14.6 million.

EBITA in the Germany business segment totalled € 13.6 million in the reporting period (prior year: € 11.4 million), while organic EBITA amounted to € 11.3 million. In the International business segment, on the other hand, EBITA totalled € 15.1 million (prior year: € 7.5 million), with organic EBITA amounting to € 4.7 million.

Explanation of the Alternative Performance Measures (APM) used in accordance with the APM guidelines of the European Securities and Markets Authority (ESMA):

4 EBITDA = Profit for the period + income taxes + currency gains/losses + result from companies accounted for using the equity method + other financial result + interest result + depreciation and amortisation of property, plant and equipment, intangible assets and right-of-use assets

5 EBITA = profit for the period + income taxes + currency gains/losses + result from companies accounted for using the equity method + other financial result + interest result + amortisation of intangible assets resulting from company acquisitions (in particular customer bases, order backlogs)

In the second quarter, the CANCOM Group achieved EBITA of € 11.8 million (prior year: € 5.4 million). In organic terms, EBITA totalled € 6.8 million. In the Group business segment Germany, EBITA totalled € 5.7 million. (prior year: € -0.6 million). Organic EBITA totalled € 4.7 million. In the International business segment, EBITA totalled € 6.1 million (prior year: € 5.9 million) with an organic share of € 3.4 million.

CANCOM Group: EBIT
(in € million)

H1 2024		22.5
H1 2023		16.4

The CANCOM Group's EBIT⁶ totalled € 22.5 million in the first half of the current financial year (prior year: € 16.4 million). Organic EBIT totalled € 12.6 million.

EBIT in the Germany business segment totalled € 10.6 million in the reporting period (prior year: € 9.7 million) and EBIT in the International business segment amounted to € 11.9 million (prior year: € 6.7 million). Organic EBIT totalled € 9.7 million and € 4.2 million respectively.

For the second quarter of 2024, the CANCOM Group's EBIT totalled € 8.9 million (prior year: € 3.7 million) with an organic amount of € 5.2 million. EBIT in the Germany business segment totalled € 4.2 million (prior year: € -1.4 million). By contrast, EBIT in the International business segment totalled € 4.7 million (prior year: € 5.1 million). The organic share totalled € 3.5 million and € 2.9 million.

CANCOM Group: Profit of the period
(in € million)

H1 2024		17.3
H1 2023		13.5

As a result of the first half of 2024, the CANCOM Group's net profit for the period totalled € 17.3 million (prior year: € 13.5 million).

In the second quarter of 2024, the CANCOM Group's net profit for the period totalled € 7.1 million (prior year: € 3.5 million).

Financial position and net assets

Principles and objectives of financial management

The core objective of CANCOM's financial management is to ensure liquidity at all times in order to guarantee day-to-day business operations. In addition, the aim is to optimise profitability and thus achieve the highest possible credit rating in order to secure favourable refinancing. The financing structure is primarily geared towards long-term stability and maintaining financial room for manoeuvre in order to exploit business and investment opportunities.

Capital structure of the Group

The CANCOM Group's total assets amounted to € 1,443.2 million as at the reporting date of 30 June 2024 (31 December 2023: € 1,548.5 million). Of this amount, € 675.0 million was attributable to equity and € 768.2 million to liabilities. The equity ratio of the CANCOM Group was therefore 46.8 percent at the end of June and thus at the same level as at the end of the 2023 financial year (31 December 2023: 46.8 percent). The debt ratio remained unchanged at 53.2 percent (31 December 2023: 53.2 percent). The decrease in total assets in the first half of 2024 compared to the end of the 2023 financial year was primarily due to the reduction in cash and cash equivalents. This balance covered the interest-bearing financial liabilities as at the reporting date of 30 June 2024. Accordingly, the CANCOM Group has no net financial debt as at the reporting date of 30 June 2024.

Debt and equity

Current liabilities, i.e. liabilities with a remaining term of less than one year, totalled € 557.3 million as at the reporting date for the first half of 2024 (31 December 2023: € 599.2 million). The change compared to December 2023 is primarily due to the decrease in trade payables and the reduction in other current financial liabilities.

Explanation of the Alternative Performance Measures (APM) used in accordance with the APM guidelines of the European Securities and Markets Authority (ESMA):

6 EBIT = profit/loss for the period + income taxes + currency gains/losses + profit/loss from companies accounted for using the equity method + other financial result + interest result

At € 210.8 million as at the reporting date, non-current liabilities were below the level at the end of the year (31 December 2023: € 224.8 million). The main factor here was a decrease in other non-current financial liabilities, which amounted to € 145.2 million (31 December 2023: € 154.1 million).

At € 675.0 million, equity as at the balance sheet date on 30 June 2024 was lower than the comparative figure (31 December 2023: € 724.5 million). The reduction in the first half of 2024 is primarily due to the dividend payment of € 35.1 million and the buyback of treasury shares totalling € 31.1 million.

Essential financing measures

Current business and necessary replacement investments were financed from cash and cash equivalents and operating cash flow in the reporting period. The same applies to all other investments.

Assets

The assets side of the balance sheet showed current assets of € 811.3 million as at 30 June 2024 (31 December 2023: € 911.1 million). Cash and cash equivalents decreased in the first half of 2024 to € 170.3 million as at 30 June 2024 (31 December 2023: € 222.5 million). Trade receivables fell to € 435.6 million in the first half of 2024 (31 December 2023: € 475.5 million). Inventories also decreased to € 65.8 million (31 December 2023: € 79.9 million), while other current assets increased to € 59.7 million (31 December 2023: € 44.1 million).

Non-current assets amounted to € 631.8 million as at 30 June 2024 (31 December 2023: € 637.3 million). Changes occurred primarily in intangible assets, which fell to € 82.8 million at the end of the first half of the year (31 December 2023: € 91.8 million). Other non-current assets increased to € 31.5 million as at 30 June 2024 (31 December 2023: € 23.3 million).

Cash flow and liquidity

Based on a result of the period of € 17.3 million (prior year: € 14.6 million), cash flow from operating activities for the reporting period from January to June 2024 increased significantly to € 68.6 million (prior year: € -79.8 million). Inventories decreased by € 14.2 million compared to the previous period (prior year: € -7.4 million). There was a significant change in trade payables and other liabilities, which improved to € -18.3 million (prior year: € 121.0 million). The changes in trade receivables, contract assets, capitalised contract costs and other assets also improved to € 28.3 million (prior year: € 17.5 million).

Cash flow from investing activities in the first half of 2024 totalled € -28.7 million (prior year: € -94.8 million). The comparative period in the prior year was characterised by the acquisition of CANCOM Austria Beteiligungs GmbH (formerly KBC Beteiligungs GmbH), Vienna, Austria, and its subsidiaries. In addition, payments for investments in property, plant and equipment, intangible assets and right-of-use assets contributed € -12.1 million (prior year: € -9.6 million) to the cash outflow.

At € -92.1 million, cash flow from financing activities in the reporting period was below the figure for the same period of the prior year (prior year: € -47.8 million). In the reporting period, the figure was significantly influenced by the payment for the buyback of treasury shares as part of CANCOM SE's 2023/24 share buyback programme in the amount of € -31.1 million (prior year: € 0.0 million). In the reporting period, the payment of the CANCOM SE dividend in particular, which totalled € -35.1 million (prior year: € -35.4 million), was also a significant factor.

In the first half of 2024, there was therefore a decrease in cash and cash equivalents of € 52.1 million compared to cash and cash equivalents at the beginning of the financial year. Cash and cash equivalents amounted to € 170.3 million as at 30 June 2024 (31 December 2023: € 222.5 million).

As a result, the CANCOM Group had positive cash and cash equivalents as of the reporting date and can draw on unutilised credit lines with financial institutions as of the reporting date for this half-year financial report. As a result, the CANCOM Group is in a strong position to meet its payment obligations at all times.

Overall statement on the results of operations, assets, financial position and net assets of the CANCOM Group

In the first half of 2024, the CANCOM Group generated revenue of € 835.3 million and EBITDA of € 55.5 million, resulting in an EBITDA margin of 6.6 percent. The development of the CANCOM Group in the first half of the year was strongly accelerated by the inorganic contribution of CANCOM Austria, while organic business development was weak as expected.

The good revenue development in the service business, with revenue of € 321.6 million in the first half of the year, was offset by weaker growth in the hardware business, which totalled € 513.8 million in the reporting period. Customers' reluctance to invest, particularly in the SME sector, in the first quarter continued in the second quarter and thus characterised the first half of 2024. The CANCOM Group's revenue and gross profit growth after the first six months of the financial year was significantly supported by the inorganic contribution. However, the Executive Board's goal is profitable growth for the CANCOM Group as a whole, so the Executive Board is not entirely satisfied with developments in the first half of the year.

Events after the end of the reporting period

After the end of the reporting period, on 1 July 2024, CANCOM published a share buyback offer amounting to 10 percent of the share capital, which ran until 24 July 2024 and was announced in an ad hoc announcement on 1 July 2024. At the same time, CANCOM decided to cancel the 1,669,758 treasury shares still outstanding from the 2023 share buyback programme and to reduce the share capital accordingly. The cancellation of the treasury shares together with the capital reduction and the settlement of the 2023 share buyback programme were completed end of the reporting period.

In a notification on 29 July 2024, the company announced that the shares tendered by 24 July 2024 as part of the share buyback offer exceeded the maximum number of shares offered under the share buyback programme. This resulted in a proportional allocation, rounded down to the next full number of shares. The allocation ratio was 76.15 percent or 3,501,705 shares.

On 1 August 2024, SBSK GmbH & Co KG, based near Magdeburg, was acquired in full as part of a strategic acquisition. The company is active on the market as a regional IT service and consulting partner, particularly for complex user systems and solutions. In particular, its regional presence is complementary to that of the CANCOM Group.

RISKS AND OPPORTUNITIES OF FUTURE DEVELOPMENT

In the reporting period, there were no significant changes to the assessment of the opportunities and risks relating to the future development of the CANCOM Group published in the 2023 Annual Report and in the interim statement for the first quarter of 2024. There have also been no significant changes in the assessment of individual risks in the CANCOM Group's financial year to date.

As part of the regular risk reviews in the first half of the financial year, the main focus was on the assessment of economic (geo-) political risks and regulatory risks. The Executive Board of the CANCOM Group, which is responsible for risk management, considers the risk categorisation of the two aforementioned risk clusters to be appropriate on the basis of the discussions and findings.

FORECAST REPORT

Premises of the forecast

The forecasts for the CANCOM Group and CANCOM SE include all information known to the Executive Board at the time this report was prepared that could have an impact on business development. The outlook is based, among other things, on the expectations described below with regard to economic development and the development of the IT market.

In this context, the Executive Board expressly draws attention to uncertainties in the assessment of general economic development. In the CANCOM Group’s core markets, there continues to be a high degree of uncertainty regarding economic development. This is also causing an increased level of uncertainty in CANCOM’s important business with public-sector clients. Global, particularly macroeconomic, uncertainty factors such as an expansion of existing acts of war and regional tensions make it even more difficult to assess developments.

With regard to the CANCOM Group as a whole, unforeseeable events could influence the expected development of the company from today’s perspective. Such events include, for example, the consequences of short-term legal or regulatory changes. Such events are not taken into account in the forecast.

The forecast developments in the key financial performance indicators relate exclusively to the development of the CANCOM Group in the 2024 financial year compared to the reporting date of 31 December 2023.

Development of the overall economy and the IT market

Overall economy

Germany is the most important sales market for the CANCOM Group, accounting for over 70 percent of revenue. The most important foreign market is Austria. Following a slightly positive start to the year in Germany, Deutsche Bank raised its forecast for German GDP growth in 2024 to 0.3 percent in June 2024, after previously forecasting a slight decline of 0.2 percent. Austria is also expected to see slight GDP growth of 0.4 percent in 2024.

Gross domestic product outlook 2024*
(change from prior year in %)

Germany	+ 0.3
Austria	+ 0.4

*) Source: Deutsche Bank Research, June 2024.

The outlook for both Germany and Austria has improved slightly in the first half of the year compared to the prior year. Deutsche Bank’s economists are also slightly optimistic for the second half of the year. On the one hand, this is due to a recovery in private consumption as a result of lower inflation and, on the other, a recovery in exports based on the growing global economy and the US economy in particular.

Germany

Both Deutsche Bank and the IMF have recently raised their forecasts for economic growth in Germany slightly. Both institutes are now forecasting slight GDP growth for Germany in the current financial year. For the ICT market in particular, the Bitkom-ifo Digital Index in its latest survey from June also indicates a slight recovery in the outlook at a low level compared to the last survey from May 2024. Overall, however, the index, which expresses the business situation and business assessment, is still well below the levels seen in 2023. The index fell from 10.8 points in June 2023 to 7.9 points in the following year.

Austria

Both the Austrian National Bank and Deutsche Bank are forecasting growth in the Austrian economy in 2024. While the ÖNB expects GDP growth of 0.3 percent in its July analysis, Deutsche Bank’s June forecast predicts a figure of 0.4 percent for 2024.

In addition to the general economic development in these national markets, the overall market for information and communication technology in Germany and Austria also forms an important framework and basis for comparison when assessing the economic development of the CANCOM Group.

ITC market

According to Bitkom, the industry association for the ITC sector, the market volume for information technology (IT) in Germany will grow by 5.4 percent in 2024 (prior year: 2.0 percent) to € 151.2 billion, according to the latest study from June 2024. In January, Bitkom was still forecasting growth of 6.1 percent in 2024. In the IT services submarket, which is particularly relevant for CANCOM, Bitkom expects growth of 4.5 percent to a total volume of € 51.6 billion. The market for software is expected to grow by 9.8 percent to € 46.6 billion. In the market for IT hardware, slight growth of 2.8 percent to € 53.0 billion is expected over the course of the year.

Outlook: Information technology (IT) market 2024, Germany*
(change compared to prior year in %)

Software	+ 9.8
IT services	+ 4.5
IT hardware (incl. semiconductors)	+ 2.8

*) Source: Bitkom/IDC, June 2024.

The outlook for the Austrian ICT sector is also positive for 2024. Based on aggregated market data from the information platform Statista, growth of 8.6 percent (prior year: 2.5 percent) to € 15.5 billion is expected in the current year.

Outlook: Information technology (IT) market 2024, Austria*
(change compared to prior year in %)

Software	+ 8.1
IT services (IT services, security)	+ 10.2
IT hardware (data centres, devices, semiconductors)	+ 6.5

*) Source: Statista Insights, July 2024.

The Management Board continues to see the focus areas of Modern Workplace, Security & Networking, Cloud & Data Centre, IoT Solutions and AI as high priorities. The resulting increase in hardware requirements and, due to the usual useful life of client devices of three to five years, increasing reinvestment in IT hardware is to be expected in order to replace the devices procured in the early phase of the coronavirus pandemic.

General conditions of the forecast

The growth prospects for the economic development of the markets in which the CANCOM Group is primarily active did not brighten over the course of the year. Market observers are forecasting stagnation in 2024 for both Germany and Austria, with the IMF predicting growth of 0.2 percent for Germany and Deutsche Bank forecasting growth of 0.3 percent compared to the prior year. Deutsche Bank is forecasting growth of 0.4 percent for Austria.

The industry association Bitkom and the statistics platform Statista expect a positive development in the IT services submarket, which is particularly important for the CANCOM Group. Demand in the areas of software and IT hardware trading is also expected to remain strong compared to the prior year.

Forecast for the CANCOM Group

The Executive Board believes that the long-term digitalisation trend and the associated demand for IT infrastructure, software and IT services is intact in all IT markets relevant to CANCOM despite the various influences (reluctance to invest, economic stagnation).

Accordingly, the Executive Board assumes that demand for IT hardware, software and IT services will be driven by fundamental long-term developments and therefore expects a generally positive market environment for the business activities, products and services in the CANCOM Group’s portfolio in the medium term.

The markets are currently experiencing increased macroeconomic and geopolitical influences, which can also affect the IT sector and influence the basis and assumptions of forecasts. In particular, the extension of IT utilisation cycles, the postponement of investments and reduced expenditure on IT services due to increasing cost pressure represent uncertainties for the accuracy of forecasts.

The Executive Board reiterates its 2024 forecast published along with the Group’s annual report 2023:

Performance indicators (in € million)	Forecast 2024	2023
Revenue	1,750 to 2,000	1,522.7
Gross profit	640 to 740	582.3
EBITDA	130 to 155	115.7
EBITA	75 to 100	64.1

Munich, August 2024

The Executive Board of CANCOM SE



Rüdiger Rath
CEO



Jochen Borenich
CSO



Thomas Stark
CFO

Note on the audit review

This document was neither subject to an audit pursuant to Section 317 of the German Commercial Code (HGB) nor to a review by an auditor.

Note rounding

Due to rounding, individual figures in this document may not add up precisely to the totals provided and percentages presented may not precisely reflect the absolute figures to which they relate.

Disclaimer future-oriented statements

This document contains statements which may relate to the future course of business and future financial performance, as well as to future events or developments affecting CANCOM, and may constitute forward-looking statements. These are based on current expectations, assumptions and estimates by the Executive Board, and on other information currently available to management, many of which are outside CANCOM's sphere of influence. These statements can be recognized by formulations and words such as „expect“, „want“, „assume“, „believe“, „aim“, „estimate“, „assume“, „expect“, „intend“, „could“, „plan“, „should“, „will“, „predict“ or similar terms. All statements, other than statements of historical fact, are forward-looking statements. Such forward-looking statements include, but are not limited to expectations regarding the availability of products and services, the financial and earnings position, business strategy and management's plans for future operating activities, economic developments and all statements regarding assumptions. Although these statements are made with great care, CANCOM, represented by the Executive Board, cannot guarantee the accuracy of the expectations, especially in the forecast report. Various known and unknown risks, uncertainties and other factors may cause the actual results to differ significantly from those contained in the forward-looking statements. The following factors, among others, are of significance in this context: external political influences, changes in the general economic and business situation, changes in the competitive position and situation, e.g. due to the appearance of new competitors, new products and services, new technologies, changes in the investment behavior of customer target groups, etc., as well as changes in business strategy. Should one or more of these risks or uncertainties materialize, or should it turn out that the underlying expectations do not materialize or that the assumptions made were incorrect, CANCOM's actual results, performance and achievements (both negative and positive) may differ substantially from those explicitly or implicitly stated in the forward-looking statement. No guarantee can be given for the appropriateness, accuracy, completeness or correctness of the information or opinions in this document. Furthermore, CANCOM does not assume any obligation and does not intend to update these forward-looking statements or to correct them in the event of developments other than those expected.

Consolidated balance sheet

ASSETS

(in T€)	Annex	30.6.2024	31.12.2023	30.6.2023
Current assets				
Cash and cash equivalents	B.1	170,344	222,549	170,387
Trade receivables	B.2	435,568	475,498	478,289
Current contract assets	B.3	35,408	32,371	66,936
Capitalised current contract costs	B.3	0	234	703
Inventories	B.4	65,772	79,913	96,660
Other current financial assets	B.5	44,552	56,431	48,590
Other current assets	B.6	59,696	44,141	51,636
Total current assets		811,340	911,137	913,201
Non-current assets				
Property, plant and equipment	B.7	60,058	59,680	50,638
Intangible assets (other than goodwill)	B.8	82,805	91,764	94,414
Goodwill	B.9	261,725	261,725	256,507
Rights-of-use assets	B.10	117,009	122,164	118,504
Financial assets and loans		33	1,926	60
Investments in companies accounted for using the equity method		15,261	14,538	15,103
Deferred tax assets		11,848	10,971	11,231
Other non-current financial assets	B.5	51,569	51,306	53,019
Other non-current assets	B.6	31,532	23,264	21,019
Total non-current assets		631,840	637,338	620,495
Total assets		1,443,180	1,548,475	1,533,696

Consolidated balance sheet

LIABILITIES AND SHAREHOLDER'S EQUITY

(in T€)	Annex	30.6.2024	31.12.2023	30.6.2023
Current liabilities				
Current liabilities to banks		910	9,415	28,371
Trade liabilities	B.11	346,980	356,555	298,650
Other current financial liabilities	B.12	67,614	91,219	79,630
Current pension provisions and similar provisions		793	793	4,943
Current other provisions		7,456	7,913	4,895
Current contract liabilities	B.3	60,411	54,876	57,009
Income tax liabilities		9,999	7,896	8,079
Other current non-financial liabilities		63,184	70,505	61,558
Total current liabilities		557,347	599,172	543,135
Non-current liabilities				
Non-current liabilities to banks		1,217	1,311	0
Other non-current financial liabilities	B.12	145,189	154,105	154,356
Non-current pension provisions and similar provisions		23,605	24,302	22,212
Non-current other provisions		6,270	5,849	5,178
Non-current contract liabilities	B.3	16,441	19,008	19,415
Deferred tax liabilities		18,103	20,255	21,614
Other non-current liabilities		11	13	4
Total non-current liabilities		210,836	224,843	222,779
Shareholder's Equity				
Issued capital	B.13	36,687	36,687	38,872
Capital reserves		478,591	478,591	471,928
Retained earnings including profit carry forwards and profit for the period		159,361	208,213	258,912
Other reserves		71	587	-2,151
Non-controlling interests		287	382	221
Total equity		674,997	724,460	767,782
Total liabilities and shareholder's and equity		1,443,180	1,548,475	1,533,696

Consolidated Statement of Comprehensive Income

(in T€)	Annex	Q2		1st half-year	
		1.4.2024 - 30.6.2024	1.4.2023 - 30.6.2023	1.1.2024 - 30.6.2024	1.1.2023 - 30.6.2023
Revenues	C.1	394,744	329,352	835,345	647,033
Other operating income	C.2	2,183	2,068	4,319	3,402
Other own work capitalised		525	761	928	1,606
Capitalised contract costs		0	-234	-234	-468
Total output		397,452	331,947	840,358	651,573
Material expenses for purchased services	C.3	-229,283	-203,763	-501,197	-406,405
Gross profit		168,169	128,184	339,161	245,168
Personnel expenses	C.4	-117,281	-90,147	-235,806	-166,303
Depreciation, amortisation, impairment of tangible assets, intangible assets and right-of-use assets	C.5	-16,191	-13,789	-32,992	-25,110
Impairment losses on financial assets including reversals of impairment losses		-671	29	-1,071	210
Other operating expenses	C.6	-25,110	-20,594	-46,811	-37,525
Operating result (EBIT)		8,916	3,683	22,481	16,440
Interest and similar income		1,765	1,813	3,869	4,019
Interest and similar expenses		-1,217	-865	-2,433	-1,788
Other financial income		340	106	566	915
Other financial expenses		-908	16	-1,501	-49
Result from companies accounted for using the equity method		247	-7	303	-7
Currency gains/losses		8	117	21	120
Profit before income taxes		9,151	4,863	23,306	19,650
Income taxes		-2,036	-1,400	-6,060	-6,190
Profit after taxes from continuing operations		7,115	3,463	17,246	13,460
Result from discontinued operations		0	1,044	0	1,129
Profit after taxes		7,115	4,507	17,246	14,589
of which attributable to shareholders of the parent company		7,075	4,496	17,258	14,663
of which attributable to non-controlling interest		40	11	-12	-74
Weighted average shares outstanding (units) undiluted		35,020,171	36,256,465	35,305,176	35,816,601
Weighted average shares outstanding (units) diluted		35,020,171	36,256,465	35,305,176	35,816,601

(in T€)	Annex	Q2		1st half-year	
		1.4.2024 - 30.6.2024	1.4.2023 - 30.6.2023	1.1.2024 - 30.6.2024	1.1.2023 - 30.6.2023
Earnings per share from continuing operations (undiluted) in €		0.20	0.10	0.49	0.38
Earnings per share from continuing operations (diluted) in €		0.20	0.10	0.49	0.38
Earnings per share from discontinued operations (undiluted) in €		0.00	0.03	0.00	0.03
Earnings per share from discontinued operations (diluted) in €		0.00	0.03	0.00	0.03
Earnings per share for profit after taxes attributable to the owners of the parent (undiluted) in €		0.20	0.12	0.49	0.41
Earnings per share for profit after taxes attributable to the owners of the parent (diluted) in €		0.20	0.12	0.49	0.41

(in T€)	Q2		1st half-year	
	1.4.2024 - 30.6.2024	1.4.2023 - 30.6.2023	1.1.2024 - 30.6.2024	1.1.2023 - 30.6.2023
Profit after taxes	7,115	4,507	17,246	14,589
Other comprehensive income				
Items subsequently reclassified to profit after taxes				
Gains/losses from the currency translation of foreign operations	142	-1,370	-445	-1,680
Gains/losses from financial assets measured at fair value through other comprehensive income	-71	0	-71	0
Items not subsequently reclassified to profit after taxes				
Gains/losses from the remeasurement of defined benefit plans	0	0	0	0
Deferred taxes on items that are not reclassified to profit or loss for the period	0	0	0	0
Other comprehensive income for the period	71	-1,370	-516	-1,680
Total comprehensive income for the period	7,186	3,137	16,730	12,909
of which: attributable to owners of the parent company	7,146	3,126	16,742	12,983
of which: attributable to non-controlling interests	40	11	-12	-74

Consolidated Cash Flow Statement

(in T€)	1.1.2024 - 30.6.2024	1.1.2023 - 30.6.2023
Cash flow from operating activities		
Profit after taxes	17,246	14,589
Adjustments		
+ Depreciation, amortisation, impairment of tangible assets, intangible assets and right-of-use assets	32,992	25,109
+ Net interest income and other financial income	-804	-3,402
+ Income taxes	6,060	6,575
+/- Changes in non-current provisions	-290	92
+/- Changes in current provisions	-451	4,629
+/- Gain/loss from disposal of non-current assets/liabilities	-478	-172
+/- Changes in inventories	14,154	-7,423
+/- Changes in trade receivables, contract assets, capitalised contract costs and other assets	28,281	17,522
+/- Changes in trade payables and other liabilities	-18,276	-121,004
- Interest paid	-758	-999
+/- Income taxes paid/received	-9,008	-14,076
+/- Other non-cash income and expenses	-31	-1,240
+/- Equity-settled share-based payments	0	7
Total cash flow from operating activities	68,637	-79,793
Cash flow from investing activities		
- Payments from the acquisition of subsidiaries	-20,797	-101,233
+ Proceeds from cash acquired in the acquisition of subsidiaries	0	12,217
- Payments from the acquisition of financial investments	-720	-115
- Payments for investments in tangible and intangible assets as well as right-of-use assets	-12,081	-9,558
+ Sales proceeds from tangible and intangible assets as well as from financial investments	2,537	310
+ Interest and dividends received	2,102	3,585
+ Dividends from joint ventures and associates	300	0
Total cash flow from investing activities	-28,659	-94,794
Cash flow from financing activities		
- Payments due to the repurchase of own shares	-31,117	0
- Disbursements for capital increase costs	0	-71
- Payments from the repayment of non-current financial liabilities (including the portion recognised as current)	-62	0
- Payments from the repayment of lease liabilities (perspective of the lessee)	-21,212	-20,933
+/- Payments/proceeds resulting from issuing/repayment of current financial liabilities	-8,544	11,410
+/- Payment/proceeds resulting from financial liabilities and lease liabilities	5,831	-1,853
- Payments for interest on non-current financial liabilities and lease liabilities	-1,916	-971
- Dividends paid	-35,101	-35,392
Total cash flow from financing activities	-92,121	-47,810
Net increase (decrease) in cash and cash equivalents	-52,143	-222,397
+/- Effect of exchange rate changes on cash and cash equivalents	-62	-387
+/- Cash and cash equivalents at the beginning of the period	222,549	393,171
Cash and cash equivalents at the end of the period	170,344	170,387
thereof		
Changes in cash and cash equivalents from continuing operations	170,344	170,387
Changes in cash and cash equivalents from discontinued operations	0	0

Consolidated Statement of Changes in Equity

	Shares in T pieces	Issued capital in T€	Capital reserves in T€	Retained earnings including carryforwards and profit after taxes			Other reserves		Total owners of the parent in T€	Non-controlling interests in T€	Total shareholders' equity in T€
				Retained earnings in T€	Profit after taxes including carryforwards in T€	Remeasurement of defined benefit plans in T€	Currency translation of foreign operations in T€	Valuation of financial assets in T€			
1.1.2023	35,372	35,372	379,990	257,267	22,682	-329	-471	0	694,511	310	694,821
Profit after taxes					14,663				14,663	-74	14,589
Other comprehensive income					0		-1,680	0	-1,680	0	-1,680
Total comprehensive income					14,663	0	-1,680	0	12,983	-74	12,909
Capital increase	3,500	3,500	91,980						95,480		95,480
Costs of the capital increase			-49						-49		-49
Recognition of share-based payment transactions			7						7		7
Dividend distribution in the business year					-35,371				-35,371	-20	-35,391
Change due to the disposal of non-controlling interests								0	5	5	
30.6.2023	38,872	38,872	471,928	257,267	1,974	-329	-2,151	0	767,561	221	767,782
1.1.2024	36,687	36,687	478,591	154,932	54,900	-1,619	516	71	724,078	382	724,460
Profit after taxes					17,258				17,258	-12	17,246
Other comprehensive income					0		-445	-71	-516		-516
Total comprehensive income					17,258	0	-445	-71	16,742	-12	16,730
Dividend distribution in the business year					-35,017				-35,017	-84	-35,101
Change due to the disposal of non-controlling interests								0	1	1	
Changes due to the repurchase of own shares					-31,093				-31,093		-31,093
30.6.2024	36,687	36,687	478,591	123,839	37,141	-1,619	71	0	674,710	287	674,997

Group Notes

A. General information

A.1. Basics

The consolidated financial statements of CANCOM SE and its subsidiaries (hereinafter referred to as the “CANCOM Group” or “Group”) were prepared in the reporting period (first half of the 2024 financial year) in accordance with the International Financial Reporting Standards and the International Accounting Standards (IFRS/IAS, as adopted by the EU).

CANCOM SE and its consolidated subsidiaries specialise in the design of IT architectures, system integration and the provision of managed services. As a provider of complete solutions, its business activities are centred on the sale of hardware and software from well-known manufacturers and, above all, the provision of IT services. The range of IT services includes the design of IT architectures and IT landscapes, the conception and integration of IT systems and the operation of systems.

The consolidated financial statements were prepared in euros (€). Unless otherwise stated, all amounts are shown in thousands of euros (€ thousand). In individual cases, rounding may mean that figures in this report do not add up exactly to the totals shown and that percentages do not add up exactly to the figures shown.

The reporting period covers the period from 1 January 2024 to 30 June 2024 (comparative period: 1 January 2023 to 30 June 2023).

The address of the registered office is: Erika-Mann-Straße 69, 80636 Munich, Germany. CANCOM SE is registered with the Munich Local Court under HRB 203845.

The shares are traded on the regulated market of the Frankfurt Stock Exchange under ISIN DE0005419105 and are admitted to the Prime Standard.

These consolidated half-year financial statements have been prepared in accordance with IAS 34; they are condensed financial statements. They have not been audited or reviewed by an auditor. These consolidated half-year financial statements should be read in conjunction with the IFRS consolidated financial statements published for the 2023 financial year. These are available online at www.cancom.de.

A.2. Consolidation and company acquisitions

A.2.1. Consolidation principles

For explanations of the consolidation principles, please refer to the identical section in the IFRS consolidated financial statements 2023, which in turn form part of the CANCOM SE Annual Report 2023.

A.2.2. Company acquisitions and participations as well as company disposals

In the reporting period, neither CANCOM SE nor the subsidiaries of CANCOM SE acquired any companies within the meaning of IFRS 3.

In addition, no companies were sold within the CANCOM Group during the reporting period.

A.2.3. Scope of consolidation

There were no significant changes to the scope of consolidation of the CANCOM Group in the first half of the 2024 financial year.

A.2.4. Major subsidiaries

The following table lists the main subsidiaries of the CANCOM Group:

Name of the subsidiary	Seat of the company	Participation rate in %
CANCOM GmbH	Jettingen-Scheppach	100.00
CANCOM Austria AG (formerly K-Businesscom AG)	Vienna/Austria	100.00
CANCOM Public GmbH	Berlin	100.00
CANCOM Managed Services GmbH	Munich	100.00
CANCOM a + d IT solutions GmbH	Brunn am Gebirge/ Austria	100.00
CANCOM ICT Service GmbH	Munich	100.00

A.3. Explanation of the recognition and measurement methods

The consolidated half-year financial statements for 2024 were generally prepared using the same recognition and measurement methods as those used in the preparation of the consolidated financial statements for the 2023 financial year. The recognition and measurement methods can be found in the 2023 Annual Report in section A.3 of the consolidated financial statements.

A.4. Discretionary decisions and estimation uncertainties

The information on judgements and estimation uncertainties contained in section A.4 of the consolidated financial statements for the 2023 financial year also applies in principle to these consolidated half-year financial statements for 2024.

A.5. Accounting standards to be applied for the first time

The CANCOM Group applied the following pronouncements for the first time in the reporting period (from 1 January 2024 to 30 June 2024)

- Amendments to IAS 1 „Presentation of Financial Statements“ (title of the amendments: „Classification of liabilities as current or non-current“, „Classification of liabilities as current or non-current - deferral of the commencement date“ and „Non-current liabilities with ancillary conditions“);
- Amendment to IFRS 16 „Leases“ (title of the amendment: „Lease liability in a sale and leaseback transaction“);
- Amendment to IAS 7 „Statement of Cash Flows“ and amendment to IFRS 7 „Financial Instruments: Disclosures“ (title of the amendment: „Supplier Financing Arrangements“).

The first two amendments to IAS 1 relate to the adjustment of the assessment criteria for the classification of liabilities as current or non-current. The third amendment to IAS 1 concerns the classification of liabilities that are subject to ancillary conditions. It is clarified that ancillary conditions that must be met before or on the reporting date can have an effect on classification as current or non-current. By contrast, ancillary conditions that only have to be complied with after the reporting date have no effect on classification. Instead of being taken into account as part of the classification, such ancillary conditions must be disclosed in the notes.

The amendment to IFRS 16 relates to the recognition of lease liabilities from sale and leaseback transactions. It requires a lessee to measure the lease liability following a sale in such a way that no amount relating to the retained right-of-use asset is recognised in profit or loss.

The amendments to IAS 7 and IFRS 7 relate to disclosure requirements in connection with supplier financing agreements. The new regulations supplement the requirements already contained in IFRS in this regard and include additional disclosure requirements.

None of the above-mentioned rule changes have any material impact on the CANCOM Group's net assets, financial position, results of operations or cash flows.

A.6. Changes in the reporting structure as well as error corrections, changes in recognition and measurement methods, changes in presentation due to discontinued operations

There were no changes to the reporting structure, error corrections or changes to the recognition and measurement methods in the reporting period. Furthermore, there were no changes in presentation in the reporting period due to a discontinued operation.

A.7. Significant events and transactions

The following events or transactions occurred in the reporting period or after the reporting date, but before the publication of these half-year consolidated financial statements, which could have a material effect on the net assets, financial position and results of operations of the CANCOM Group:

- On 1 July 2024, the Executive Board of CANCOM SE resolved, with the approval of the Supervisory Board, to cancel the treasury shares held by the company and to reduce the share capital. CANCOM is cancelling the 1,669,758 treasury shares held by the company and reducing the share capital by the corresponding nominal amount of € 1,669,758. CANCOM had acquired these treasury shares as part of the „Share Buyback Programme 2023“ in the period from 27 November 2023 up to and including 5 April 2024 on the basis of the authorisation granted by the Annual General Meeting on 28 June 2022. This corresponds to 4.55% of the company's share capital. After the capital reduction, the share capital of currently € 36,686,808 amounts to € 35,017,050 and is divided into 35,017,050 no-par value shares with a share capital of € 1.00 per share.

- In addition, on 1 July 2024, the Executive Board and the Supervisory Board of CANCOM SE resolved to make use of the authorisation granted by the Annual General Meeting on 5 June 2024 to acquire treasury shares in accordance with Art. 5 SE-VO in conjunction with Section 71 para. 1 no. 8 AktG, § Section 71 (1) no. 8 AktG and to offer shareholders the repurchase of up to 3,501,705 treasury shares (corresponding to 10 percent of the share capital after the previously intended cancellation of treasury shares and associated capital reduction take effect) as part of a voluntary public buyback offer to all shareholders. The share buyback was carried out at € 33.00 per share. A total of 3,501,705 shares were bought back.

B. Notes to the consolidated balance sheet

B.1. Cash and cash equivalents

Cash and cash equivalents consist exclusively of bank balances due at any time and cash in hand.

B.2. Receivables from deliveries and services

Trade receivables are composed as follows:

(in T€)	30.6.2024	31.12.2023
Gross book value (before value adjustments)	438,186	477,388
Value adjustments	-2,618	-1,890
Trade receivables, balance sheet disclosure	435,568	475,498

The trade receivables recognised in the balance sheet relate exclusively to contracts with customers in accordance with IFRS 15.

The valuation allowances for trade receivables developed as follows in the reporting period:

(in T€)	Level 2	Level 3	Total
Value adjustments as at 1 January	737	1,153	1,890
Transfer to level 3	-47	47	0
Transfer to level 2	-8	8	0
Revaluation of the value adjustment (addition, reversal)	-66	795	729
Derecognition due to write-off of the receivable	0	-1	-1
Value adjustments as at 30 June	616	2,002	2,618

The amount of € -1,071 thousand recognised in the statement of comprehensive income for the period in the item "Impairment losses on financial assets including reversals of impairment losses" in the reporting period (comparative period: € 210 thousand).071 thousand (comparative period: € 210 thousand) is made up of the amounts included in the previous table for the revaluation of the impairment of € -729 thousand (comparative period: € 218 thousand) and for the derecognition due to the write-down of the receivable of € 1 thousand (comparative period: € 271 thousand); it also includes losses from the derecognition/write-down of receivables of € -353 thousand (comparative period: € -291 thousand) and from gains due to incoming payments from receivables already derecognised/written off of € 5 thousand (comparative period: € 7 thousand), impairments on receivables from finance leases of € 2 thousand (comparative period: € 2 thousand) and impairments on contract assets of € 3 thousand (comparative period: € 3 thousand).

For trade receivables, impairments and reversals of impairments for expected credit losses are determined using an impairment matrix. Please refer to the disclosures on default risks in section D.6.5 of the consolidated financial statements for the 2023 financial year.

B.3. Contract assets, contract liabilities and capitalised contract costs

The following table provides information on contract assets from contracts with customers:

(in T€)	30.6.2024	31.12.2023
Current contract assets	35,408	32,371
Contract assets, balance sheet disclosure	35,408	32,371

The contract assets mainly relate to orders in progress in connection with IT projects.

The following table provides information on contract liabilities from contracts with customers:

(in T€)	30.6.2024	31.12.2023
Current contractual liabilities	60,411	54,876
Non-current contractual liabilities	16,441	19,008
Contract liabilities, balance sheet disclosure	76,852	73,884

Contract liabilities mainly relate to advance payments received from customers and prepaid term contracts in connection with IT projects and support services.

The following table shows the capitalised contract costs:

(in T€)	30.6.2024	31.12.2023
Capitalised short-term contract costs	0	234
Capitalised contract costs, balance sheet disclosure	0	234

Contract costs of € 0 thousand (comparative period: € 0 thousand) were capitalised as contract initiation costs in the reporting period. The contract initiation costs already capitalised mainly relate to three projects (comparative period: three projects) allocated to the Germany business segment. In the reporting period, scheduled amortisation of capitalised contract initiation costs in the amount of € 144 thousand (comparative period: € 288 thousand) and capitalised contract fulfilment costs in the amount of € 90 thousand (comparative period: € 180 thousand) was carried out. The capitalised contract costs were therefore fully amortised at the end of the reporting period.

In the statement of comprehensive income (in the result for the period), capitalised contract costs are reported as a separate item within total operating performance.

B.4. Inventories

Inventories mainly comprise goods, in particular hardware components and software. They are made up as follows:

(in T€)	30.6.2024	31.12.2023
Finished goods, merchandise, raw materials and supplies	65,406	79,073
Prepayments made	366	840
Inventories, balance sheet disclosure	65,772	79,913

The cost of finished goods, merchandise and raw materials and supplies totalled € 426,295 thousand in the reporting period (comparative period: € 367,490 thousand).

B.5. Other financial assets

Other current financial assets are as follows:

(in T€)	30.6.2024	31.12.2023
Receivables from finance leases	31,471	34,866
Bonus claims against suppliers	7,233	12,158
Receivables from companies with which a participation relationship exists	3,846	2,675
Creditors with debit balances	1,458	3,381
Receivables from former shareholders	241	0
Derivative financial assets	173	717
Receivables from employees	130	178
Receivables from share buybacks	0	2,456
Other current financial assets, balance sheet disclosure	44,552	56,431

Other non-current financial assets are composed as follows:

(in T€)	30.6.2024	31.12.2023
Receivables from finance leases	46,685	46,913
Receivables from companies in which a participating interest is held	2,949	2,539
Assets from employee benefits	1,150	1,093
Receivables from security deposits	649	678
Derivative financial assets	136	83
Other non-current financial assets, balance sheet disclosure	51,569	51,306

B.6. Other assets

Other current and non-current assets mainly relate to current accrued expenses of € 48,680 thousand (31 December 2023: € 33,219 thousand), non-current accrued expenses of € 31,532 thousand (31 December 2023: € 23,264 thousand) and current receivables from tax overpayments of € 10,056 thousand (31 December 2023: € 10,166 thousand).

B.7. Property, plant and equipment

Property, plant and equipment are as follows:

(in T€)	30.6.2024	31.12.2023
Land and buildings	18,832	17,750
IT data centres	14,217	14,810
Technical equipment and machinery	2,573	2,598
Motor vehicles	691	1,116
Other operating and office equipment	23,745	23,406
Property, plant and equipment, balance sheet disclosure	60,058	59,680

B.8. Intangible assets (excluding goodwill)

Intangible assets (excluding goodwill) break down as follows:

(in T€)	30.6.2024	31.12.2023
Software acquired against payment	39,549	41,434
Customer bases	25,830	28,958
Order books	8,289	11,406
Self-created software	7,421	8,096
Other intangible assets resulting from company acquisitions	1,716	1,870
Intangible assets (excluding goodwill), balance sheet disclosure	82,805	91,764

The item “Purchased software” includes in particular ERP systems and a cloud-based agility platform. They are amortised as scheduled and have an average remaining useful life of three years.

The customer bases and order backlogs are mainly based on company acquisitions made in the reporting period and in prior periods. The items are amortised over their respective expected useful lives. The customer bases have an average remaining useful life of ten years, while the order backlog has an average remaining useful life of three years.

The item “internally generated software” mainly includes the AHP private cloud platform in the amount of € 3,998 thousand (31 December 2023: € 4,251 thousand), which is amortised over its expected useful life. The average remaining useful life is three years.

The item “Other intangible assets resulting from company acquisitions” includes favourable rental agreements and product-specific software.

B.9. Goodwill

Goodwill is broken down as follows:

(in T€)	30.6.2024	31.12.2023
CANCOM Germany	168,593	168,593
CANCOM International	93,132	93,132
Goodwill, balance sheet disclosure	261,725	261,725

B.10. Rights of use

The rights of use of the three classes applied within the CANCOM Group are broken down as follows:

(in T€)	30.6.2024	31.12.2023
Rights of use for land and buildings	89,063	95,012
Rights of use for operating and office equipment	3,117	4,351
Rights of use for motor vehicles	24,829	22,801
Rights of use, balance sheet disclosure	117,009	122,164

B.11. Liabilities from deliveries and services

Trade payables mainly consist of liabilities for merchandise delivered and liabilities for services purchased.

B.12. Other financial liabilities

Other current financial liabilities are as follows:

(in T€)	30.6.2024	31.12.2023
Leasing liabilities	37,628	38,655
Financial liabilities to leasing companies	14,654	17,112
Account receivable credit balances	8,824	6,725
Purchase price liabilities	5,148	20,254
Outstanding cost accounts	391	452
Financial liabilities to financial service providers	363	6,908
Supervisory Board Remuneration	230	449
Liabilities for interest and bank charges	144	134
Derivative financial liabilities	118	385
Liabilities to companies in which participations are held	114	145
Other current financial liabilities, balance sheet disclosure	67,614	91,219

Other non-current financial liabilities are made up as follows:

(in T€)	30.6.2024	31.12.2023
Leasing liabilities	113,568	115,065
Financial liabilities to leasing companies	27,048	29,499
Purchase price liabilities for the acquisition of shares in affiliated companies or for acquired business areas	4,573	9,533
Derivative financial liabilities	0	8
Other non-current financial liabilities, balance sheet disclosure	145,189	154,105

B.13. Equity

The changes and components of equity for the reporting period and the comparative period are presented in the consolidated statement of changes in equity.

C. Notes to the consolidated statement of comprehensive income**C.1. Revenue**

The revenue in the reporting and comparative periods are broken down as follows:

(in T€)	1.1.2024 - 30.6.2024	1.1.2023 - 30.6.2023
from the sale of goods	513,797	424,145
from the provision of services	321,548	222,888
Total	835,345	647,033
Thereof from the sale of goods	513,797	424,145
Attributable to the Germany business segment	346,979	366,457
Attributable to the International business segment	166,818	57,688
Thereof from the provision of services	321,548	222,888
Attributable to the Germany business segment	211,459	198,049
Attributable to the International business segment	110,089	24,839
(in T€)	1.1.2024 - 30.6.2024	1.1.2023 - 30.6.2023
Revenue from contracts with customers	815,581	642,568
Leasing income	19,764	4,465
Total	835,345	647,033

The following table shows the breakdown of revenue from contracts with customers in the reporting and comparative periods according to the two options for recognising revenue from contracts with customers in accordance with IFRS 15. The table also shows the business segment to which the revenue from contracts with customers is allocated.

(in T€)	1.1.2024 - 30.6.2024	1.1.2023 - 30.6.2023
Time of revenue realisation		
Products transferred at one time	494,033	419,680
Products and services transferred over a period of time	321,548	222,888
Total	815,581	642,568
thereof		
Attributable to the Germany business segment	558,200	560,041
Attributable to the International business segment	257,381	82,527

C.2. Other operating income

Other operating income of € 4,319 thousand in the reporting period (comparative period: € 3,402 thousand) mainly relates to operating currency gains of € 1,945 thousand (comparative period: € 2,683 thousand) and income from subleases of € 1,296 thousand (comparative period: € 255 thousand).

C.3. Cost of materials/cost of purchased services

The cost of materials/cost for purchased services in the reporting period comprise expenses for raw materials, consumables and supplies and for purchased goods totalling € 426,295 thousand (comparative period: € 367,490 thousand) and expenses for purchased services from the core business amounting to € 74,902 thousand (comparative period: € 38,915 thousand).

C.4. Personnel expenses

Personnel expenses for the reporting period and the comparative period break down as follows:

(in T€)	1.1.2024 - 30.6.2024	1.1.2023 - 30.6.2023
Wages and salaries	-194,954	-138,626
Social security contributions	-38,583	-27,002
Expenses for retirement benefits	-1,996	-485
Equity-settled share-based payment transactions	0	-7
Share-based payments with cash settlement	-273	-183
Total	-235,806	-166,303

C.5. Depreciation and amortisation

Depreciation and amortisation for the reporting period and the comparative period are broken down as follows:

(in T€)	1.1.2024 - 30.6.2024	1.1.2023 - 30.6.2023
Scheduled depreciation of property, plant and equipment	-7,370	-6,332
Impairments on property, plant and equipment	0	0
Scheduled amortisation of software	-6,707	-7,913
Impairment losses on software	0	0
Scheduled amortisation of right of use	-12,743	-8,423
Impairment losses on rights of use	0	0
Scheduled amortisation on customer bases etc.	-6,172	-2,442
Impairments on customer bases etc.	0	0
Total	-32,992	-25,110

C.6. Other operating expenses

Other operating expenses for the reporting period and the comparative period break down as follows:

(in T€)	1.1.2024 - 30.6.2024	1.1.2023 - 30.6.2023
Repairs, maintenance, rental leasing	-11,433	-8,018
Vehicle costs	-5,276	-2,901
Room costs	-4,755	-3,952
Hospitality and travel expenses	-4,593	-2,951
Legal and consulting costs	-2,917	-2,768
Cost of the delivery of goods	-2,588	-2,519
Third-party services	-2,397	-3,184
Operating currency losses	-2,244	-3,375
Advertising costs	-1,890	-840
Training costs	-1,561	-1,354
Communication and office costs	-1,352	-1,520
Insurance and other charges	-1,281	-1,163
Fees, costs of monetary transactions	-482	-410
Stock exchange and representation costs	-337	-227
Other operating expenses	-3,705	-2,343
Total	-46,811	-37,525

D. Other information

D.1. Segment reporting

Segment information is provided in accordance with the provisions of IFRS 8. The segment information is based on the segmentation used for internal management purposes.

The CANCOM Group reports on two business segments - Germany and International. Reporting is carried out for the reporting period and for the comparative period.

Management controls the CANCOM Group on the basis of the services, goods and software offered in these two business segments. All companies based in Germany form the Germany operating segment. The International operating segment therefore includes all companies based outside Germany. Which company is allocated to which operating segment can be seen from the list of shareholdings in the 2023 IFRS consolidated financial statements (see CANCOM SE's 2023 Annual Report).

Segment information

(in T€)	Germany		International	
	1.1.2024 - 30.6.2024	1.1.2023 - 30.6.2023	1.1.2024 - 30.6.2024	1.1.2023 - 30.6.2023
Revenue				
Revenue from external customers	558,361	564,506	276,984	82,527
Revenue between the business segments	5,367	3,489	12,677	9,492
Total income	563,728	567,995	289,661	92,019
Cost of materials/expenses for purchased services	-344,099	-358,092	-163,976	-55,191
Personnel expenses	-144,924	-142,692	-91,017	-23,611
Other income and expenses	-40,615	-34,830	-13,285	-4,048
EBITDA	34,090	32,381	21,383	9,169
Depreciation of property, plant and equipment, software and rights of use	-20,510	-21,007	-6,310	-1,661
Scheduled amortisation on customer bases etc.	-2,972	-1,592	-3,200	-850
Operating result (EBIT)	10,608	9,782	11,873	6,658
Interest income	3,218	4,394	925	145
Interest expenses	-1,405	-1,500	-1,302	-808
Other financial result (not affecting EBIT)	-475	-632	-136	1,611
Result before income taxes	11,946	12,044	11,360	7,606
Income taxes	-4,016	-4,103	-2,044	-2,087
Result from discontinued operations	0	852	0	277
Result for the period	7,930	8,793	9,316	5,796

Total business segments		Reconciliation		Consolidated	
1.1.2024 - 30.6.2024	1.1.2023 - 30.6.2023	1.1.2024 - 30.6.2024	1.1.2023 - 30.6.2023	1.1.2024 - 30.6.2024	1.1.2023 - 30.6.2023
835,345	647,033				
18,044	12,981	-18,044	-12,981		
853,389	660,014	-18,044	-12,981	835,345	647,033
-508,075	-413,283	6,878	6,878	-501,197	-406,405
-235,941	-166,303	135	0	-235,806	-166,303
-53,900	-38,878	11,031	6,103	-42,869	-32,775
55,473	41,550	0	0	55,473	41,550
-26,820	-22,668	0	0	-26,820	-22,668
-6,172	-2,442	0	0	-6,172	-2,442
22,481	16,440	0	0	22,481	16,440
4,143	4,539	-274	-520	3,869	4,019
-2,707	-2,308	274	520	-2,433	-1,788
-611	979	0	0	-611	979
23,306	19,650	0	0	23,306	19,650
-6,060	-6,190	0	0	-6,060	-6,190
0	1,129	0	0	0	1,129
17,246	14,589	0	0	17,246	14,589

D.1.1. Valuation principles of the result of the business segments

The accounting policies applied in the internal reporting on the segment correspond to the recognition and measurement methods described in section A.3 of the consolidated financial statements for the 2023 financial year. No asymmetrical allocations are made when allocating assets and liabilities as well as expenses and income to reportable segments.

Internal revenue are recognised either on a cost basis or on the basis of current market prices, depending on the type of service.

Segment assets, segment liabilities and investments are not presented, as the internal reporting system is based solely on earnings figures by business segment for Group management purposes.

D.1.2. Reconciliation accounts

The reconciliation item includes items that are not directly related to the operating business segments. These include revenue within the business segments.

D.1.3. Information on geographical areas and products and services

(in T€)	location of the customer	
	1.1.2024 - 30.6.2024	1.1.2023 - 30.6.2023
Germany	513,780	520,473
Austria	265,036	64,264
Rest of the world	56,529	62,296
Group total	835,345	647,033

(in T€)	Non-current assets	
	30.6.2024	31.12.2023
Germany	322,713	328,134
Austria	213,161	212,976
Rest of the world	17,255	17,487
Group total	553,129	558,597

Significant revenues and significant non-current assets allocated to foreign countries relate to Austria in the reporting period and to Austria and Belgium in the comparative period.

In the reporting period and in the comparative period, no single customer accounted for 10 percent or more of the CANCOM Group's revenue. There are therefore no disclosure requirements with regard to dependencies on customers.

Non-current assets include all non-current assets except deferred tax assets and financial instruments.

We do not disclose revenue from external customers for each product and service or for each group of comparable products and services, as the information is not available and the costs of collecting it would be excessive.

D.2. Further disclosures on financial instruments

The following table shows the carrying amounts of financial assets and financial liabilities by measurement category in accordance with IFRS 9 and the fair values at the end of the reporting period (30 June 2024)

(in T€)	Carrying amount 30.6.2024	FA_AC ¹ Amortised cost	FA_FVOCI ² Fair value to be recognised	FA_FVPL/ FL_FVPL ³ Fair value to be recognised	FL_AC ⁴ Amortised cost	No category Accounting in accordance with IFRS 16 and IAS 19	Fair value 30.6.2024
Current assets							
Cash and cash equivalents	170,344	170,344					170,344
Receivables from deliveries and services	435,568	435,568					435,568
Other current financial assets	44,552	12,908		174		31,470	44,552
- Receivables from finance leases						31,470	31,470
- Derivative financial assets				174			174
- Other items		12,908					12,908
Non-current assets							
Financial assets and loans	33		33				33
Other non-current financial assets	51,569	3,599		136		47,834	48,385
- Receivables from finance leases						46,684	43,500
- Derivative financial assets				136			136
- Other items		3,599				1,150	4,749
Current liabilities							
Current liabilities to banks	910				910		910
Liabilities from deliveries and services	346,980				346,980		346,980
Other current financial liabilities	67,614			5,265	24,721	37,628	67,614
- Leasing liabilities						37,628	37,628
- Contingent consideration in accordance with IFRS 3				5,147			5,147
- Derivative financial liabilities				118			118
- Other items					24,721		24,721
Non-current liabilities							
Non-current liabilities to banks	1,217				1,217		1,110
Other non-current financial liabilities	145,189			4,574	27,047	113,568	/
- Leasing liabilities						113,568	/
- Contingent consideration in accordance with IFRS 3				4,574			4,574
- Other items					27,047		25,252
Assets, total	702,066	622,419	33	310	/	79,304	698,882
Liabilities, total	561,910	/	/	9,839	400,875	151,196	/

1) Measurement category „financial assets measured at amortised cost“.

2) Measurement category „financial assets measured at fair value through other comprehensive income“.

3) Measurement category „financial assets at fair value through profit or loss“ or „financial liabilities at fair value through profit or loss“.

4) Measurement category „financial liabilities measured at amortised cost“.

The following table shows the carrying amounts of financial assets and financial liabilities by measurement category in accordance with IFRS 9 and the fair values as at 31 December 2023:

(in T€)	Carrying amount 31.12.2023	FA_AC ¹	FA_FVOCI ²	FA_FVPL/ FL_FVPL ³	FL_AC ⁴	No category	Fair value 31.12.2023
		Amortised cost	Fair value to be recognised	Fair value to be recognised	Amortised cost	Accounting in accordance with IFRS 16 and IAS 19	
Current assets							
Cash and cash equivalents	222,549	222,549					222,549
Receivables from deliveries and services	475,498	475,498					475,498
Other current financial assets	56,431	20,848		717		34,866	56,431
- Receivables from finance leases						34,866	34,866
- Derivative financial assets				717			717
- Other items		20,848					20,848
Non-current assets							
Financial assets and loans	1,926		1,926				1,926
Other non-current financial assets	51,306	3,216		83		48,007	48,122
- Receivables from finance leases						46,913	43,729
- Derivative financial assets				83			83
- Other items		3,216				1,094	4,310
Current liabilities							
Current liabilities to banks	9,415				9,415		9,415
Liabilities from deliveries and services	356,555				356,555		356,555
Other current financial liabilities	91,219			4,479	48,085	38,655	91,219
- Leasing liabilities						38,655	38,655
- Contingent consideration in accordance with IFRS 3				4,094			4,094
- Derivative financial liabilities				385			385
- Other items					48,085		48,085
Non-current liabilities							
Non-current liabilities to banks	1,311				1,311		1,180
Other non-current financial liabilities	154,105			9,541	29,498	115,066	/
- Leasing liabilities						115,066	/
- Contingent consideration in accordance with IFRS 3				9,533			9,533
- Derivative financial liabilities				8			8
- Other items					29,498		27,703
Assets, total	807,710	722,111	1,926	800	/	82,873	804,526
Liabilities, total	612,605	/	/	14,020	444,864	153,721	/

1) Measurement category „Financial assets measured at amortised cost“.

2) Measurement category „financial assets measured at fair value through other comprehensive income“.

3) Measurement category „financial assets at fair value through profit or loss“ or „financial liabilities at fair value through profit or loss“.

4) Measurement category „Financial liabilities measured at amortised cost“.

For cash and cash equivalents (liquid funds) and other current financial instruments, i.e. trade receivables, other current financial assets, current liabilities to banks, trade payables and other current financial liabilities, the fair values correspond to the carrying amounts recognised on the respective reporting dates.

Financial assets and financial liabilities are measured at fair value in accordance with the availability of relevant information on the basis of the three levels of the measurement hierarchy listed in IFRS 13. For the first level, quoted market prices for identical assets and liabilities on active markets are directly observable. At the second level, measurement is based on valuation models that incorporate observable market parameters (e.g. interest rates, exchange rates). The third level provides for the use of valuation models that do not utilise input factors observable on the market.

For the securities included in the balance sheet item "Financial assets and loans", the fair value corresponds to the quoted price on the balance sheet date multiplied by the number of securities held (level 1).

The fair value of forward exchange contracts is determined using a discounted cash flow method. Future payments are estimated on the basis of forward exchange rates (observable rates on the reporting date) and the contracted forward exchange rates, discounted using an interest rate that takes into account the credit risk of the various counterparties (level 2).

The fair values of non-current receivables from finance leases and other items within other non-current financial assets as well as non-current liabilities to banks are calculated as the present values of the payments expected from the assets and liabilities and on the basis of market interest rates for comparable financial instruments (Level 2).

The fair values of lease liabilities are not disclosed with reference to IFRS 7.29 (d).

The fair values determined for contingent consideration from company acquisitions are based on different valuation models. As, in addition to input factors observable on the market (e.g. risk-adjusted discount rates), company-specific input factors

(and therefore not observable on the market) are also included in the respective valuation model, these are allocated to Level 3. In detail, this relates to the following circumstances:

- four contingent purchase price liabilities from the acquisition of the S&L Group, which were recognised for the first time in the 2022 financial year;
- four contingent purchase price liabilities from the acquisition of NWC Services GmbH, which were recognised for the first time at the end of the 2022 financial year;
- three contingent purchase price liabilities incurred by the CANCOM Group in connection with the acquisition of the KBC Group (now CANCOM Austria Group) in the comparative period;
- a contingent purchase price liability from the acquisition of a division of DextraData GmbH, which was recognised for the first time at the end of the 2023 financial year.

The contingent considerations resulting from the acquisition of the shares in the S&L Group are also performance-related components (earn-outs); these are contingent payments depending on the EBIT of the acquired company for a total of four periods until 31 July 2025 in the amount of € 1,402 thousand (fair value as at 30 June 2024).

The contingent considerations resulting from the acquisition of the shares in NWC Services GmbH are also performance-related components (earn-outs); these are contingent payments depending on the EBIT of the acquired company for a total of four periods until 30 September 2025 in the amount of € 752 thousand (fair value as at 30 June 2024).

The contingent considerations received by the CANCOM Group in connection with the acquisition of the KBC Group result from earlier acquisitions of K-Businesscom AG, St. Gallen and Belsoft Infortix AG, Zurich. Belsoft Infortix AG was merged into K-Businesscom AG in the reporting period; K-Businesscom AG was renamed CANCOM Switzerland AG, Zurich. The contingent considerations are also performance-related components (earn-outs); these are contingent payments depending on the EBIT of the acquired companies for a total of three periods until 31 December 2028 amounting to € 3,750 thousand (fair value as at 30 June 2024).

The contingent consideration received in connection with the acquisition of a division of DextraData GmbH is a contingent payment of € 3,817 thousand (fair value as of 30 June 2024) depending on EBIT for the period from 1 January to 31 December 2024, depending on the retention of key employees and other employees until the end of the 2024 financial year and depending on the fulfilment of key functions agreed as part of a service agreement between the buyer and seller.

The following table shows the development of contingent considerations allocated to Level 3 of the fair value measurement hierarchy for the reporting period:

(in T€)	Contingent consideration
Status 1 January 2024	13,627
Change from derecognition/revaluation	492
Access	0
Disposals/compensation	-4,398
Status 30 June 2024	9,721

In the reporting period, there was unrealised income and expenses from the revaluation of € 138 thousand (income) and € 630 thousand (expenses) (comparative period: expenses of € 47 thousand), which were recognised in the presentation of the result for the period in the items “other financial result income” and “other financial result expenses” (comparative period: “other financial result expenses”).

D.3. Significant events after the reporting period

On 1 July 2024, the Executive Board of CANCOM SE resolved, with the approval of the Supervisory Board, to cancel the treasury shares held by the company and to reduce the share capital. In addition, the Executive Board and the Supervisory Board of CANCOM SE resolved on 1 July 2024 to offer shareholders the buyback of up to 3,501,705 treasury shares as part of a voluntary public buyback offer to all shareholders. Further information on this can be found in section A.7 of these consolidated half-year financial statements.

There were no other significant events for the CANCOM Group after the reporting period.

RESPONSIBILITY STATEMENT BY THE LEGAL REPRESENTATIVES

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated half-year financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of CANCOM SE includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Munich, August 2024


The Executive Board of CANCOM SE



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