

INTERIM REPORT

Q2 2022



Key figures

CANCOM GROUP

in € million	H1 2022	H1 2021*	Δ
Revenue	595.5	635.1	- 6.2 %
Gross profit	212.0	207.3	+ 2.3 %
EBITDA	51.1	52.9	- 3.5 %
EBITDA margin	8.6 %	8.3 %	+ 0.3 pp
EBITA	30.9	35.5	- 13.0 %
EBIT	28.8	32.3	- 10.9 %
Employees (average)	3,681	3,491	+ 5.4 %

in € million	30.06.2022	31.12.2021	Δ
Balance sheet total	1,294.7	1,406.6	- 8.0 %
Equity	720.3	814.1	- 11.5 %
Equity ratio	55.6 %	57.9 %	- 2.3 pp
Cash and cash equivalents	387.4	653.0	- 40.7 %

CLOUD SOLUTIONS

in € million	H1 2022	H1 2021*	Δ
Revenue	145.6	114.0	+ 27.8 %
EBITDA	41.5	35.3	+ 17.6 %
EBITDA margin	28.5 %	31.0 %	- 2.5 pp
Annual Recurring Revenue	203.9	163.4	+ 24.8 %

IT SOLUTIONS

in € million	H1 2022	H1 2021*	Δ
Revenue	449.6	521.0	- 13.7 %
EBITDA	17.9	26.3	- 31.9 %
EBITDA margin	4.0 %	5.0 %	- 1.0 pp

*) All key financial figures for the financial year 2021 include the effects of the sale and deconsolidation of the business activities in the United Kingdom and Ireland (CANCOM LTD) and the effects of the classification of the business activities in the USA (HPM Incorporated) as „held for sale“. Explanations of the deconsolidation of CANCOM LTD can be found in section A.2.2.2 of this half-year report. Explanations on the classification of the CANCOM USA Group can be found in section A.2.2.3.

Table of contents

4	Foreword by the Executive Board
5	Interim Group Management Report of CANCOM SE
5	Fundamentals of the Group
7	Economic report
13	Risk and opportunity report
13	Forecast report
16	Consolidated half-yearly financial statements of CANCOM SE
16	Consolidated balance sheet
18	Consolidated statement of comprehensive income
21	Consolidated cash flow statement
22	Consolidated statement of changes in equity
23	Notes to the consolidated financial statements
41	Responsibility Statement

Foreword by the Executive Board

Dear Shareholders,

The CANCOM Group has had a mixed first half-year. The difficult general conditions with persistent supply bottlenecks for IT components and the reluctance of public-sector clients to place orders slowed down our development in the first six months. On the other hand, our Cloud Solutions segment performed very well and confirms that our strategic decision to develop CANCOM into a Hybrid IT Service Provider was the right one.

In addition to the operational development, we have further sharpened the geographical profile of the CANCOM Group. Following successful negotiations in the first half of the year, we were able to welcome around 100 new colleagues from the S&L Group to CANCOM in July, strengthening our presence particularly in western Germany. At the same time, as part of our focus on the DACH region, we put our operating business in the United States up for sale.

We assume that with the noticeable revival of our business in June and the visible improvements in the availability of several IT components, the trough has now been passed. Consequently, we expect catch-up effects, as we still have a record high order backlog in addition to the factors mentioned. The strong general demand for digital solutions across all our customer segments, which we see again and again, makes us additionally confident that the current uncertainty of the economic development and the geopolitical situation will not weaken this demand in the short term. However, even we are not immune to strong macroeconomic upheavals of any kind, and therefore our current forecasts are also accompanied by a much higher degree of uncertainty than in prior years.

Accordingly, we are starting the second half of the year with optimism and are convinced that we will lead the CANCOM Group to an overall successful financial year 2022. This task of leading the CANCOM Group will, as you will have gathered from our publications, pass to Rüdiger Rath at the beginning of November and we will ensure a seamless and smooth transition in the Executive Board team.

We thank you, our shareholders, for your trust.

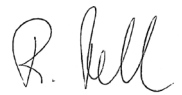
Your Executive Board of CANCOM SE



Rudolf Hotter
CEO



Thomas Stark
CFO



Rüdiger Rath
COO

Interim Group Management Report of CANCOM SE

for the period 1 January to 30 June 2022

FUNDAMENTALS 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. In addition to its activities in its home market of Germany, the Group has subsidiaries or branches in Austria, Switzerland, Belgium, Slovakia and the USA.

Structure of the CANCOM Group

The parent company of the CANCOM Group is CANCOM SE, based in Munich, Germany. It performs central financing and management functions for the Group companies, i.e. the investments it holds. In addition to the parent company's central management and financing activities, the operating units are also supported in their day-to-day 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/communications and product management. In addition, an internal specialised sales department (“Competence Centre”) is available to the operational units across the organisation.

In addition to these centralised functions, CANCOM's operating units are primarily decentralised and operate in units structured primarily by region. The –organisation comprises the regional units South, Southwest, Central, East, North and West as well as locations in Belgium and the USA. In –addition, there are the supra-regional business units Managed Services, Public, eCom and Remarketing.

In its financial reporting, the CANCOM Group reports on the development of its operating business through two segments in addition to the Group as a whole: Cloud Solutions (IT as a Service) and IT Solutions (IT as a Concept).

Cloud Solutions

The business segment Cloud Solutions (IT as a Service) includes the business with (remote and/or shared) managed services as well as product and service business (hardware, software and services) that can be directly assigned to managed services customers. Characteristic of managed services are, among other things, recurring revenues for service level-based services and/or services with defined response times. As part of its range of services, the CANCOM Group is able to take over the complete or partial operation of IT for customers with such scalable as-a-service services - in particular shared managed services.

In the context of providing as-a-service services, “cloud” refers to a cloud delivery architecture with location- and device-independent and usually broadband network-based access – especially data and application access – to central IT resources. In this as-a-service segment, CANCOM offers customers the necessary guidance and support for the transformation of their corporate IT into a cloud delivery architecture and for its operation.

IT Solutions

The business segment IT Solutions (IT as a Concept) includes the business around the comprehensive support of IT infrastructure and applications. It includes IT strategy consulting, project planning and implementation, system integration, IT procurement via eProcurement services or within the scope of projects, as well as professional IT services and support.

Other companies

In addition to the operating segments, the CANCOM Group's segment reporting also includes the Other Companies segment. This reflects the staff and management functions for central Group management, including the parent company CANCOM SE. Intra-group investments and expenses for company acquisitions or disposals are also included in this segment.

Changes in the reporting period

In the second quarter of the financial year, the subsidiary HPM Incorporated, which combines the operating business of the CANCOM Group in the United States of America, was classified as held for sale. The classification is explained in section A.2.2.3 of these consolidated half-year financial statements.

Business model and sales markets

CANCOM's product and service portfolio 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 provider of complete solutions and sees itself as a "Leading Digital Transformation Partner" for its customers.

The service spectrum ranges 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 offers), to system design and integration, IT support, delivery and turnkey implementation of hardware and software, e-procurement, logistics services and the remarketing of used IT.

This broad 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 medium-term course of strategic transformation of the CANCOM Group into a system house 4.0, in which an increasing proportion of business activity is to be the provision of IT services, specifically shared managed services.

Geographically, the CANCOM Group is primarily active in Germany, but also in Austria, Belgium, Switzerland and the USA. A key external factor influencing CANCOM's business development is therefore the development of the IT market in its largest sales markets, 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, the education sector and healthcare is increasing. New application possibilities for IT-based solutions and investments to improve existing infrastructures are contributing to market development.

Important external factors that CANCOM cannot influence and that may have a positive or negative impact on business development are, in particular, data protection regulations, the general threat situation in the area of cyber security, and also the quality certifications and environmental and social standards required by customers. As a provider of IT services and products, however, the CANCOM Group's business model is not subject to any special industry-specific legal provisions, licensing requirements or official supervision, i.e. external regulatory or politically influenced factors that go beyond the legal framework generally applicable to all companies.

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.

Competitive position

According to the latest available evaluation by the Federal Statistical Office and the IT industry association Bitkom, there are more than 90,000 companies in the IT hardware and software and IT services sectors in Germany, although they differ greatly in terms of size and/or range of services. Large companies with more than € 250 million in annual turnover include 48 companies in the combined business field of IT hardware/software and IT services.

Based on data from the latest system house rankings published by the industry medium ChannelPartner, there are only five companies in Germany that achieve domestic revenues of over € 1 billion. According to this ranking, CANCOM is the fourth-largest system house in Germany, based on revenues for the 2020 financial year (2019: 5th place).

With revenues of more than € 1 billion, the CANCOM Group belongs to the very small group of large companies in the German IT industry compared to the total number of companies active in the market. With annual revenues in Germany in 2021 of around € 1.3 billion, the CANCOM Group's share of the German IT market is around one percent.

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

Research and development activities

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

CANCOM’s development services focus primarily on software solutions, applications or architectures in IT areas such as cloud computing, mobile solutions, Internet of Things, data analytics, IT security and shared managed services. In addition, there are customisations for company software used in-house. Another focus of development activities is the in-house product ‘AHP Enterprise Cloud’. Compared to the total output of the CANCOM Group, however, expenditure on development work is not significant, nor is 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.

CANCOM Group: Research and development
(in € million)

	H1 2022	H1 2021
Total research and development expenditure	4.0	3.7
thereof own work capitalised	2.7	2.4
of which for third-party services	0	0

ECONOMIC REPORT

Development of the overall economy and the IT market

With a revenue share of over 90 percent, 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 country markets, the overall market for information and communication technology (ICT) – especially in Germany – also forms an essential framework and basis of comparison for assessing CANCOM’s economic development.

Germany

The Federal Statistical Office assumes that the gross domestic product (GDP) in Germany grew by 0.8 percent in the first quarter of 2022 compared to the previous quarter. In the second quarter of 2022, however, GDP stagnated compared to the previous quarter at +/- 0.0 percent. According to the Federal Statistical Office, the difficult global economic conditions with the ongoing Corona pandemic, disrupted supply chains, rising prices and the war in Ukraine are clearly reflected in the economic development. Shortly after the end of the reporting period, the International Monetary Fund (IMF) also reduced its forecast for economic development in Germany again in July 2022 on the basis of developments in the first half of the year, after the forecast had already been lowered in April 2022. The IMF now expects 1.2 percent GDP growth for Germany in 2022, 0.9 percentage points less than in April.

Austria

For Austria, CANCOM’s most important foreign market, GDP growth was 1.5 percent quarter-on-quarter in the first quarter of 2022 and 0.5 percent in the second quarter, according to the European statistics authority Eurostat.

Gross domestic product (GDP) 2022*
(Change compared to previous quarter in %)

Germany	
Q1 2022	+ 0.8
Q2 2022	+/- 0.0
Austria Österreich	
Q1 2022	+ 1.5
Q2 2022	+ 0.5

*) Source: Eurostat, July 2022.

ICT market

The expectations of the industry association Bitkom for the development of the ICT market in Germany, the most important sales market for the CANCOM Group, have improved slightly over the course of the first half of 2022. For the entire information and communication technology market segment, the growth forecast has been raised by 0.7 percentage points to 4.7 percent compared to the forecast at the beginning of 2022. This means that the market volume of the ICT market is expected to rise to € 180.7 billion in 2022. In the largest ICT submarket of information technology, which is particularly significant for CANCOM, Bitkom now expects growth of 6.7 percent to € 113.0 billion in 2022. Bitkom continues to assume slightly

higher growth rates of 6.7 percent and 8.8 percent respectively in the IT hardware and software market segments in its forecast from July 2022. For IT services, the growth forecast has not changed in the course of the first half of the year and remains at 3.7 percent. However, the market for information technology in the first half of 2022 was characterised by persistent supply bottlenecks for IT components.

Outlook: Information technology (IT) market 2022, Germany*
(Change compared to previous year in %)

Software	+ 8.8
IT services	+ 3.7
IT hardware (incl. semiconductors)	+ 6.7

*) Source: Bitkom/IDC, July 2022.

Business performance in the first half of 2022

In the reporting period from 1 January to 30 June 2022, the CANCOM Group generated revenue of € 595.5 million (previous year: € 635.1 million). The main reasons for this development were the supply bottlenecks for IT components and the special situation of delayed demand from existing framework agreements with public-sector clients. Towards the end of the first half of 2022, however, improvements in the availability of IT components began to emerge and, at the same time, demand from public sector customers increased very strongly from June onwards. By contrast, the generally cautious economic outlook has so far had no direct negative impact on business development in the reporting period and order intake was at a high level overall in the first half of 2022.

EBITDA for the CANCOM Group in the first half of 2022 was € 51.1 million (previous year: € 52.9 million). Looking at the CANCOM Group's business segments, the very significant growth of the Cloud Solutions segment supported business development, while the contribution of the IT Solutions segment was lower compared to the previous year.

Order situation - Annual Recurring Revenue

Within the Group's Cloud Solutions segment, CANCOM's business includes managed services. Managed services contracts result in recurring revenue over a fixed multi-year contract term. Plannable recurring revenue enables a projection of expected future revenue over the next twelve months, starting from the last month of the respective reporting period. This Annual Recurring Revenue (ARR)¹ amounted to € 203.9 million at the end of the first half of the year, an increase of 24.8 percent year-on-year (June 2021: € 163.4 million). The ARR growth was achieved purely organically in the reporting period.

In the IT Solutions segment, information on the order situation as of the reporting date is not meaningful. This is due to the way in which contracts are often structured. They often cover longer periods, but their volume can change within these periods (framework agreements). However, there can also be very short periods between the order and the realisation of sales. Reporting on the volume of orders is therefore not meaningful and for this reason is not included in the CANCOM Group's financial reports.

Employees

As at 30 June 2022, the CANCOM Group employed 3,698 people (30 June 2021, adjusted: 3,503). This corresponds to an increase of 5.6 percent compared to the previous year's reporting date.

The employees were active in the following areas:

CANCOM Group: Employees

	30.06.2022	30.06.2021	30.06.2021 (Adjusted*)
Professional Services	2,203	2,497	2,058
Distribution	829	882	808
Central Services	666	723	637
Total	3,698	4,102	3,503

*) Number of employees as at 30 June 2021 excluding employees of the CANCOM UK Group.

The average number of employees in the first half of 2022 was 3,681 (prior-year period: 3,491).

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

1 ARR = Monthly Recurring Revenue from the provision of Managed Services, from consumption-based subscription models (XaaS), the AHP Enterprise Cloud and from cloud licences and rental models x 12 months

Results of operations, financial position and net assets of the CANCOM Group

Notes:

As a result of the sale of the business activities in the United Kingdom and Ireland, the business results of the associated Group companies are summarised in full in the CANCOM Group's income statement under the item "Result from discontinued operations". The key financial figures of the income statement presented below are therefore shown for the prior-year period without the contributions of the business activities in the United Kingdom and Ireland. Detailed explanations can be found in section A.2.2.3 of the notes to the consolidated financial statements in the CANCOM Group Annual Report 2021.

Furthermore, the business activities in the United States of America (CANCOM USA Group) were fully classified as "held for sale" in June 2022. The key financial figures of the income statement presented below are therefore presented for the prior-year period and the current reporting period without the contributions of the business activities in the United States of America. Explanations can be found in section A.2.2.3 of the notes to the consolidated financial statements of this half-year report.

Earnings situation

CANCOM Group: Revenue (in € million)

H1 2022		595.5
H1 2021		635.1

The CANCOM Group achieved consolidated revenue of € 595.5 million in the first half of 2022 (previous year: € 635.1 million). The overall revenue development of the CANCOM Group in the reporting period was organic. In the reporting period, CANCOM generated € 412.0 million (previous year: € 461.2 million) from the sale of goods, i.e. in particular hardware and software, and € 183.6 million (previous year: € 173.9 million) from the provision of services.

Geographically, the CANCOM Group's revenue in Germany in the reporting period was € 543.7 million (previous year: € 604.2 million). In international business, revenue grew to € 51.8 million (previous year: € 30.8 million).

In the Cloud Solutions Group segment, CANCOM achieved a year-on-year increase in revenue to € 145.6 million in the first half of 2022 (previous year: € 114.0 million). In the IT Solutions Group segment, revenue for the CANCOM Group between January and June 2022 was € 449.6 million compared to the same period last year (previous year: € 521.0 million).

In the second quarter of 2022, the CANCOM Group's revenue was € 298.8 million (previous year: € 303.6 million). In the Cloud Solutions segment, revenue improved to € 70.1 million in the second quarter (previous year: € 55.0 million). The IT Solutions segment achieved revenue of € 228.5 million in the second quarter (previous year: € 248.5 million).

The CANCOM Group's other operating income rose to € 6.6 million in the first half of 2022 (previous year: € 4.9 million). In the second quarter, other operating income was € 3.1 million (previous year: € 4.2 million).

The total output of the CANCOM Group in the first half of the year was € 605.7 million (previous year: € 643.2 million).

In the second quarter, total output was € 303.7 million (previous year: € 309.4 million).

CANCOM Group: Cost of materials (in € million)

	H1 2022	H1 2021
Cost of materials/cost of purchased services	-393.8	-435.9

The cost of materials totalled € 393.8 million in the first half of 2022 (previous year: € 435.9 million). In the second quarter, the value was € 198.8 million (previous year: € 205.2 million).

CANCOM Group: Gross profit (in € million)

H1 2022		212.0
H1 2021		207.3

The gross profit² of the CANCOM Group increased in the first half of 2022 compared with the same period of the previous year to € 212.0 million (previous year: € 207.3 million). The gross profit margin rose to 35.6 percent in the reporting period (previous year: 32.6 percent).

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

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

In the Cloud Solutions Group segment, gross profit rose to € 74.0 million in the reporting period (previous year: € 61.3 million). In the IT Solutions Group segment, CANCOM posted gross profit of € 128.8 million (previous year: € 133.5 million).

The second quarter of 2022 produced a consolidated gross profit of € 104.9 million (previous year: € 104.1 million). In the Cloud Solutions segment, gross profit rose to € 35.0 million in the second quarter (previous year: € 29.9 million) and in the IT Solutions segment it was € 65.2 million in the second quarter (previous year: € 68.0 million).

CANCOM Group: Personnel expenses

(in € million)

	H1 2022	H1 2021
Wages and salaries	-115.0	-111.3
Social security contributions	-20.5	-19.8
Equity-settled share-based payment transactions	+0.1	-0.7
Expenses for retirement benefits	-0.2	-0.2
Share-based payments with cash settlement	-0.1	0.0
Total	-135.6	-131.9

Personnel expenses amounted to € 135.6 million in the first half of 2022 and were thus higher than in the same period of the previous year (previous year: € 131.9 million). The personnel expense ratio was 22.8 percent (previous year: 20.8 percent).

In the second quarter of 2022, personnel expenses amounted to € 67.0 million (previous year: € 65.7 million) and the personnel expense ratio was 22.4 percent (previous year: 21.6 percent).

Other operating expenses amounted to € 25.1 million in the first six months of 2022 (previous year: € 22.1 million). For the second quarter, other operating expenses amounted to € 13.1 million (previous year: € 11.4 million).

CANCOM Group: EBITDA

(in € million)

H1 2022	51.1
H1 2021	52.9

In the first half of 2022, EBITDA³ for the CANCOM Group was € 51.1 million (previous year: € 52.9 million).

In the Cloud Solutions segment, EBITDA rose to € 41.5 million in the first half-year (previous year: € 35.3 million), while in the IT Solutions segment it amounted to € 17.9 million (previous year: € 26.3 million).

In the second quarter of 2022, EBITDA for the CANCOM Group was € 24.7 million (previous year: € 27.0 million).

In the Cloud Solutions segment, EBITDA rose to € 18.9 million in the second quarter compared to the previous year (previous year: € 17.7 million). In the IT Solutions segment, EBITDA amounted to € 9.5 million in the second quarter (previous year: € 13.8 million).

CANCOM Group: EBITDA margin

(in %)

H1 2022	8.6
H1 2021	8.3

In the reporting period from January to June 2022, the EBITDA margin of the CANCOM Group improved to 8.6 percent (previous year: 8.3 percent).

The EBITDA margin in the Cloud Solutions segment was 28.5 percent (previous year: 31.0 percent). The EBITDA margin in the IT Solutions segment was 4.0 percent (previous year: 5.0 percent).

In the second quarter of 2022, the EBITDA margin for the CANCOM Group was 8.2 percent (previous year: 8.9 percent). In the Cloud Solutions segment, the EBITDA margin for the second quarter was 27.0 percent (previous year: 32.1 percent) and in the IT Solutions segment it was 4.2 percent (previous year: 5.6 percent).

CANCOM Group: Depreciation and amortisation

(in € million)

	H1 2022	H1 2021
Scheduled depreciation of property, plant and equipment	6.9	7.0
Scheduled amortisation of software	6.6	4.1
Scheduled amortisation of rights of use	6.7	6.3
Scheduled amortisation on customer bases etc.	2.1	3.2
Impairment of goodwill	0.0	0.0
Total	22.3	20.6

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

³ EBITDA = profit for the period + income taxes + foreign exchange gains/losses + depreciation and amortisation of financial assets + income from investments + other financial result + interest result + depreciation and amortisation of property, plant and equipment, intangible assets and rights of use

Depreciation and amortisation increased to € 22.3 million in the first half of 2022 (previous year: € 20.6 million). In the second quarter, depreciation and amortisation amounted to € 11.3 million (previous year: € 10.3 million).

CANCOM Group: EBITA
(in € million)

H1 2022		30.9
H1 2021		35.5

The CANCOM Group's EBITA⁴ in the first six months of the current financial year was € 30.9 million (previous year: € 35.5 million).

In the Cloud Solutions segment, EBITA improved to € 34.5 million in the reporting period (previous year: € 29.3 million). In the IT Solutions segment, however, EBITA was € 5.3 million (previous year: € 15.4 million).

In the second quarter, the CANCOM Group achieved EBITA of € 14.4 million (previous year: € 18.3 million). In the Cloud Solutions Group segment, EBITA rose to € 15.4 million in the second quarter (previous year: € 14.7 million). In the IT Solutions segment, EBITA amounted to € 3.3 million (previous year: € 8.3 million).

CANCOM Group: EBIT
(in € million)

H1 2022		28.8
H1 2021		32.3

The CANCOM Group's EBIT⁵ in the first half of the current financial year was € 28.8 million (previous year: € 32.3 million).

In the Cloud Solutions segment, EBIT in the reporting period was € 33.0 million (previous year: € 27.4 million) and in the IT Solutions segment EBIT was € 4.7 million (previous year: € 14.4 million).

For the second quarter of 2022, the CANCOM Group's EBIT amounted to € 13.4 million (previous year: € 16.8 million). In the Cloud Solutions segment, EBIT in the second quarter rose year-on-year to € 14.7 million (previous year: € 13.7 million). In the IT Solutions segment, however, EBIT was € 3.0 million (previous year: € 7.8 million).

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

H1 2022		20.1
H1 2021		22.0

As a result of the first half of 2022, the CANCOM Group's profit for the period amounted to € 20.1 million (previous year: € 22.0 million).

In the second quarter of 2022, the CANCOM Group's profit for the period was € 8.9 million (previous year: € 12.0 million).

Financial and asset position

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 daily business operations. In addition, the aim is to optimise profitability and, associated with this, to 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 to take advantage of business and investment opportunities.

Capital structure of the Group

The total assets of the CANCOM Group at the reporting date of 30 June 2022 amounted to € 1,294.7 million (31 December 2021: € 1,406.6 million). On the liabilities side, € 720.3 million of this was attributable to equity and € 574.4 million to debt. The CANCOM Group's equity ratio was therefore 55.6 percent at the end of June, which was below the level at the end of the 2021 financial year (31 December 2021: 57.9 percent). The debt ratio rose accordingly to 44.4 percent (31 December 2021: 42.1 percent). The shift in the balance sheet structure resulted primarily from the share buyback in the first half of 2022.

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

4 EBITA = Profit for the period + income taxes + foreign exchange gains/losses + write-downs of financial assets + income from investments + other financial result + interest result + amortisation of customer bases, order backlogs, brands and impairment of goodwill

5 EBIT = result for the period + income taxes + currency gains/losses + write-downs on financial assets + income from investments + other financial result + interest result

Both non-current and current financial liabilities to banks have a very low volume of € 3.5 million compared to total liabilities (31 December 2021: € 2.0 million). The amount of cash and cash equivalents as at the reporting date of 30 June 2022 covers this amount of interest-bearing financial liabilities. Thus, there is no net financial debt of the group or this key figure is negative ("net cash" situation).

Debt and equity

Current liabilities, i.e. liabilities with a remaining term of less than one year, totalled € 446.6 million as at the balance sheet date of the first half of 2022 (31 December 2021: € 468.1 million). The change compared to December 2021 is due to the decrease in other current financial liabilities, current contractual liabilities and other current liabilities.

At € 127.8 million as at the reporting date, non-current liabilities were roughly at the same level as at 31 December 2021 (31 December 2021: € 124.5 million). The main factor for the change was that the long-term leasing liabilities increased to € 93.1 million as at the balance sheet date of the first half of the year (31 December 2021: € 84.7 million).

As of the balance sheet date, equity was € 720.3 million lower than the comparable value (31 December 2021: € 814.1 million). The reduction in equity was mainly caused by the share buyback in the reporting period.

Essential financing measures

The financing of current business and necessary replacement investments was carried out from cash and cash equivalents and the 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 € 950.4 million as at 30 June 2022 (31 December 2021: € 1,071.7 million). Cash and cash equivalents decreased in the first half of 2022 to € 387.4 million as at 30 June 2022 (31 December 2021: € 653.0 million). The change in cash and cash equivalents was mainly caused by the acquisition of treasury shares. Due to the classification of the operating subsidiary in the USA as "held for sale", the item "non-current assets and disposal groups held for sale" amounted to € 7.8 million as at the balance sheet date of the

first half-year (31 December 2021: € 0 million). Trade receivables increased to € 370.9 million in the first half of the year (31 December 2021: € 299.1 million). Furthermore, inventories grew to € 119.7 million as at 30 June 2022 (31 December 2021: € 72.1 million).

Non-current assets amounted to € 344.3 million as at 30 June 2022 (31 December 2021: € 334.9 million). Changes occurred primarily in other non-current assets, which increased to € 28.8 million as at the balance sheet date (31 December 2021: € 20.3 million).

Cash flow and liquidity

Based on a result for the period of € 20.1 million (previous year: € 22.0 million), the cash flow from operating activities for the reporting period from January to June 2022 shows a value of € -126.1 million (previous year: € -30.9 million). The main drivers of this development were the increase in inventories and the increase in trade receivables.

Cash flow from investing activities in the first half of 2022 amounted to € -17.0 million (previous year: € -28.1 million). The main influencing factor was the lower payments for the acquisition of subsidiaries, as the payments for the purchase of Anders & Rodewyk Das Systemhaus GmbH fell in the same period of the previous year.

At € -120.9 million, cash flow from financing activities in the reporting period was below the value of the comparable period (previous year: € -15.5 million) and changed primarily due to payments for the repurchase of own shares as part of the 2021 share buyback programme.

In the first half of 2022, there was thus a decrease of € 264.0 million in cash and cash equivalents compared to the cash and cash equivalents at the beginning of the financial year. Cash and cash equivalents amounted to € 389.0 million as at 30 June 2022 (31 December 2021: € 653.0 million).

As a result, the CANCOM Group has a positive balance of cash and cash equivalents at the balance sheet date and can draw on unused credit lines with financial institutions at the balance sheet date of this half-year financial report. This puts the CANCOM Group in an exceptionally strong position to meet its payment obligations at all times.

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

In the first half of 2022, the CANCOM Group generated revenue of € 595.5 million and EBITDA of € 51.1 million. This means that an EBITDA margin of 8.6 percent was generated. Annual recurring revenue rose to € 203.9 million. In the reporting period, the Cloud Solutions segment in particular made a positive contribution to the CANCOM Group's earnings performance. The Executive Board sees this development as confirmation of the strategy of further developing CANCOM with an increasingly comprehensive managed service offering and as-a-service portfolio. According to the Executive Board's assessment, the development of the CANCOM Group in the first half of 2022 does not reflect the market potential and the continued high demand due to the difficult general conditions.

Events after the end of the reporting period

Executive Board member Rüdiger Rath, previously Chief Operating Officer (COO), has been appointed Chairman of the Executive Board with effect from 1 November 2022. Mr Rath thus succeeds Rudolf Hotter, the current CEO of CANCOM SE. On 5 July 2022, Mr Hotter agreed with the Supervisory Board at his own request to terminate his mandate as Executive Board member and CEO of the Company prematurely and by mutual consent on 31 October 2022.

On 13 July 2022, the Executive Board of CANCOM SE signed an agreement to take over the operating companies of the S&L Group. CANCOM is taking over 100 percent of the shares in S&L Systemhaus GmbH, S&L BusinessSolutions GmbH and S&L ITcompliance GmbH from the parent company S&L Holding GmbH and is strengthening its presence in western Germany with around 100 employees in Mühlheim-Kärlich.

On 18 July 2022, the Executive Board of CANCOM SE resolved, with the consent of the Supervisory Board, to cancel 3,176,151 treasury shares and to reduce the share capital of CANCOM SE by the corresponding amount of € 3,176,151.00. The shares had been acquired as part of the 2021 share buy-back programme in the period from 20 October 2021 up to and including 17 June 2022.

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

RISKS AND OPPORTUNITIES OF FUTURE DEVELOPMENT

In the reporting period, there have been no significant changes to the assessment of opportunities and risks with regard to the future development of the CANCOM Group already published in the Annual Report 2021. This is particularly the case because the current development of the global economy and the geopolitical situation, as well as the tense situation in the supply chain for IT components, are reflected in two items in particular, the "economic and (geo-)political risks" and the "supplier dependency risks" within the risk management system. These positions are already assessed as high risks in the risk assessment published in the Annual Report 2021 and are therefore in the highest possible risk level. Due to current events and the economically dynamic market situation, the "exchange rate, inflation and interest rate risks", "cyber security risks" and "internal risks" were also continuously monitored and reviewed. However, no adjustment of the risk categorisation is required for the aforementioned risk classes compared to the Annual Report 2021. A detailed list of these opportunities and risks can be found in the Annual Report 2021, which was published on 29 March 2022.

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 of preparing this report that could have an influence 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.

With regard to the CANCOM Group as a whole and the individual Group segments IT Solutions and Cloud Solutions, unforeseeable events could influence the development of the Company or individual Group segments expected 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 financial performance indicators relate exclusively to the development of the CANCOM Group in its Group structure as at the reporting date of 31 December 2021 (consolidated group), taking into account the spin-off of business activities in the USA from the forecast indicators in July 2022. Any acquisitions in the current financial year 2022 are not taken into account.

Development of the overall economy and the IT market

Overall economy

With a revenue share of around 90 percent, Germany is the most important sales market for the CANCOM Group. The most important foreign market is Austria. For all country markets in which CANCOM is active, Deutsche Bank forecasts GDP growth for 2022.

Gross domestic product outlook 2022*
(Change on previous year in %)

Germany	+ 1.2
Austria	+ 4.3

*) Source: Deutsche Bank Research, July 2022.

In addition to the general economic development in these country markets, the overall market for information and communication technology - especially in Germany - also forms an important framework and basis of comparison for assessing CANCOM's economic development.

ICT market

According to Bitkom, the industry association for the ICT sector, the market volume for information and communication technology (ICT) in Germany will grow by 4.7 percent in 2022 and rise to € 180.7 billion. The current outlook thus points to growth in the ICT market at the level of the previous year. The development will be positively driven by the largest sub-market in the ICT sector in terms of volume, the market for information technology (IT), which is particularly significant for CANCOM. Here Bitkom expects growth of 6.7 percent to € 113.0 billion (previous year: 6.6 percent), distributed among the individual market segments as follows:

Outlook: Information technology (IT) market 2022, Germany*
(Change compared to previous year in %)

Software	+ 8.8
IT services	+ 3.7
IT hardware (incl. semiconductors)	+ 6,7

*) Source: Bitkom/IDC, July 2022.

Based on the course of business in the first half of the year and the currently foreseeable developments, the Executive Board assumes that demand in the ICT market will remain stable for the rest of the year. However, supply bottlenecks for certain hardware components will not be completely resolved in the course of the year and will burden the market development. The Executive Board continues to expect that the ICT market will develop positively for the time being, even if the economic development weakens further. The importance of modern, high-performance IT infrastructures and the consulting and IT services offered by CANCOM has grown significantly, not least as a result of the Corona pandemic.

General conditions of the forecast

The forecasts of market observers such as the International Monetary Fund (IMF) for general economic development in the country markets relevant to CANCOM in 2022 have fallen in the course of the first half of the year and also after the end of the reporting period. At the same time, the outlook of the industry association Bitkom for the ICT market in 2022 remains positive, resulting in a mixed picture of the economic conditions for the business development of the CANCOM Group.

In the opinion of the Executive Board of CANCOM SE, in addition to these economic conditions, the general conditions of the forecast that are specific to CANCOM are, on the one hand, that the supply situation will ease in the second half of the year, but that supply bottlenecks for certain hardware components are unlikely to be completely resolved in 2022. At the same time, however, order intake in the first half of 2022 was at a high level and the order backlog thus remains high. On the other hand, the special situation of delayed call-offs from existing framework agreements with public clients, which extended into the second quarter, eased noticeably in June.

Forecast for the CANCOM Group

For the second half of the year, the Executive Board expects a positive development of the CANCOM Group. Based on the development of the CANCOM Group in the first half of 2022 and on the basis of the aforementioned developments in the overall economy, the ICT market and the general conditions, the Executive Board of CANCOM SE confirms the forecast for the development of the CANCOM Group in the financial year 2022 last published in the interim statement for the first quarter of 2022.

The Executive Board of CANCOM SE continues to forecast a significant increase in revenue and consolidated gross profit for the CANCOM Group, as well as a significant increase in consolidated EBITDA and consolidated EBITA compared to the previous year.

For the Cloud Solutions Group segment, the Executive Board expects a significant increase in revenue and EBITDA. In addition, a very significant increase in annual recurring revenue (ARR) is expected compared to the value as at December 2021.

For the IT Solutions group segment, the Management Board expects a significant increase in revenue and EBITDA.

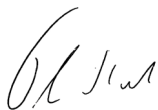
The influence of the emerging economic slowdown and the geopolitical crises on the short-term business development of the CANCOM Group, which is difficult to assess, as well as the further development of the IT supply chain situation after the improvement that has now taken place, continue to be the main risks for the forecast.

Munich, August 2022

The Executive Board of CANCOM SE



Rudolf Hotter
CEO



Thomas Stark
CFO



Rüdiger Rath
COO

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“, „assure“, „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	30.6.2022	31.12.21	30.6.2021
Current assets				
Cash and cash equivalents	B.1	387,365	652,965	264,751
Non-current assets and disposal groups held for sale	B.2	7,838	0	0
Trade receivables	B.3	370,946	299,116	326,867
Current contract assets	B.4	1,931	2,296	2,223
Capitalised current contract costs	B.4	937	937	5,313
Inventories	B.5	119,703	72,148	88,386
Other current financial assets	B.6	45,076	33,177	35,431
Other current non-financial assets		16,600	11,108	19,654
Total current assets		950,396	1,071,747	742,625
Non-current assets				
Property, plant and equipment	B.7	38,761	40,721	58,173
Intangible assets (other than goodwill)	B.8	67,534	64,491	86,653
Goodwill	B.9	113,451	113,451	223,041
Right-of-use assets	B.10	82,650	83,770	89,500
Financial assets and loans		5	5	5
Capitalised non-current contract costs	B.4	703	1,171	1,640
Deferred tax assets		7,927	5,976	8,599
Other non-current financial assets	B.6	28,785	20,295	26,811
Other non-current non-financial assets		4,441	5,017	4,878
Total non-current assets		344,257	334,897	499,300
Total assets		1,294,653	1,406,644	1,241,925

Consolidated balance sheet

LIABILITIES AND SHAREHOLDERS' EQUITY

(in T€)	Annex	30.6.2022	31.12.21	30.6.2021
Current liabilities				
Current liabilities to banks		3,498	1,997	53
Trade liabilities	B.11	320,830	316,982	327,273
Other current financial liabilities	B.12	57,639	64,646	50,825
Current employee benefit provisions		41	41	0
Current other provisions		952	2,017	1,224
Current contract liabilities	B.4	21,921	30,695	35,855
Income tax liabilities		12,080	12,660	11,106
Other current non-financial liabilities		24,990	39,084	35,866
Liabilities directly associated with non-current assets and disposal groups held for sale	B.2	4,618	0	0
Total current liabilities		446,569	468,122	462,202
Non-current liabilities				
Non-current liabilities to banks		0	12	114
Other non-current financial liabilities	B.12	103,503	99,167	107,132
Non-current employee benefit provisions		1,541	1,552	1,867
Non-current other provisions		1,840	1,712	1,494
Non-current contract liabilities	B.4	9,954	11,838	9,818
Deferred tax liabilities		10,924	10,172	16,461
Other non-current non-financial liabilities		3	0	0
Total non-current liabilities		127,765	124,453	136,886
Shareholders' Equity	B.13			
Issued capital		38,548	38,548	38,548
Capital reserves		376,703	376,846	376,154
Retained earnings including carryforwards and profit after taxes		304,062	397,789	223,546
Other reserves		739	535	4,351
Non-controlling interests		267	351	238
Total equity		720,319	814,069	642,837
Total liabilities and shareholders' equity		1,294,653	1,406,644	1,241,925

Consolidated Statement of Comprehensive Income

(in T€)	Annex	Q2		1st half year	
		1.4.2022 - 30.6.2022	1.4.2021 - 30.6.2021 (adjusted*)	1.1.2022 - 30.6.2022	1.1.2021 - 30.6.2021 (adjusted*)
Revenues	C.1	298,830	303,638	595,522	635,098
Other operating income	C.2	3,114	4,165	6,639	4,942
Work performed by the entity and capitalised		1,991	1,831	4,029	3,728
Capitalised contract costs		-234	-276	-468	-552
Total output		303,701	309,358	605,722	643,216
Material expenses/cost of purchased services	C.3	-198,754	-205,245	-393,753	-435,926
Gross profit		104,947	104,113	211,969	207,290
Personnel expenses	C.4	-66,965	-65,676	-135,575	-131,916
Depreciation, amortisation, impairment of tangible assets, intangible assets and right-of-use assets	C.5	-11,300	-10,256	-22,267	-20,619
Impairment losses for financial assets including reversals of impairment losses		-239	30	-290	-396
Other operating expenses	C.6	-13,091	-11,418	-25,052	-22,069
Operating profit (EBIT)		13,352	16,793	28,785	32,290
Interest and similar income		398	438	922	1,488
Interest and similar expenses		-884	-758	-2,024	-1,657
Other financial income		211	2	539	2
Other financial expenses		-3	0	-3	0
Foreign currency gains/losses		-7	-1	-6	25
Profit before income taxes		13,067	16,474	28,213	32,148
Income taxes		-3,813	-5,254	-8,585	-11,202
Profit after taxes from continuing operations		9,254	11,220	19,628	20,946
Profit after taxes from discontinued operations		-318	769	458	1,060
Profit after taxes		8,936	11,989	20,086	22,006
of which: attributable to owners of the parent		8,904	11,993	20,170	22,089
of which: attributable to non-controlling interests		32	-4	-84	-83
Weighted average shares outstanding (units) undiluted		35,873,254	38,548,001	36,431,792	38,548,001
Weighted average shares outstanding (units) diluted		35,873,254	38,548,001	36,431,792	38,548,001

Consolidated Statement of Comprehensive Income

(in T€)	Anhang	Q2		1st half year	
		1.4.2022 - 30.6.2022	1.4.2021 - 30.6.2021 (adjusted*)	1.1.2022 - 30.6.2022	1.1.2021 - 30.6.2021 (adjusted*)
Earnings per share from continuing operations (undiluted) in €		0.26	0.29	0.54	0.55
Earnings per share from continuing operations (diluted) in €		0.26	0.29	0.54	0.55
Earnings per share from discontinued operations (undiluted) in €		-0.01	0.02	0.01	0.03
Earnings per share from discontinued operations (diluted) in €		-0.01	0.02	0.01	0.03
Earnings per share for profit after taxes attributable to the owners of the parent (undiluted) in €		0.25	0.31	0.55	0.57
Earnings per share for profit after taxes attributable to the owners of the parent (diluted) in €		0.25	0.31	0.55	0.57

*) Siehe dazu die Erläuterungen in Abschnitt A.6.3 und Abschnitt A.6.4 dieses Konzern-Halbjahresabschlusses.

Consolidated Statement of Comprehensive Income

(in T€)	Q2		1st half year	
	1.4.2022 - 30.6.2022	1.4.2021 - 30.6.2021	1.1.2022 - 30.6.2022	1.1.2021 - 30.6.2021
Profit after taxes	8,936	11,989	20,086	22,006
Other comprehensive income				
Items subsequently reclassified to profit after taxes (recycled)				
Gains/losses from the currency translation of foreign operations	155	-191	204	5,535
Items not subsequently reclassified to profit after taxes (not recycled)				
Gains/losses from the remeasurement of defined benefit plans	0	0		-1
Deferred taxes on items that are not reclassified to profit after taxes	0	0		0
Other comprehensive income for the period	155	-191	204	5,534
Total comprehensive income for the period	9,091	11,798	20,290	27,540
of which: attributable to owners of the parent	9,059	11,802	20,374	27,623
of which: attributable to non-controlling interests	32	-4	-84	-83

Consolidated Cash Flow Statement

(in T€)	1.1.2022 - 30.6.2022	1.1.2021 - 30.6.2021
Cash flow from operating activities		
Profit after taxes	20,086	22,006
Adjustments		
+ Depreciation, amortisation, impairment of tangible assets, intangible assets and right-of-use assets	22,497	29,713
+ Interest income and other financial income	568	168
+ Income taxes	8,590	11,331
+/- Changes in non-current provisions	111	-187
+/- Changes in current provisions	-1,065	83
+/- Gain/loss from disposal of non-current assets/liabilities	-337	-296
+/- Changes in inventories	-48,033	-25,826
+/- Changes in trade receivables, in contract assets, in capitalised contract costs and other assets	-88,094	13,535
+/- Changes in trade payables and other liabilities	-27,044	-73,577
- Interest paid	-1,493	-882
+/- Income taxes paid/received	-11,739	-7,703
+/- Other non-cash income and expenses	0	72
+/- Equity-settled share-based payment transactions	-143	680
+/- Profit from the sale of a discontinued operation	1	0
Total cash flow from operating activities	-126,095	-30,883
Cash flow from investing activities		
- Payments from acquisition of subsidiaries	-1,180	-12,991
+ Proceeds from cash acquired in the acquisition of subsidiaries	0	732
+ Proceeds from the disposal of a discontinued operation	403	0
- Payments for investments in tangible and intangible assets as well as right-of-use assets	-16,888	-16,599
+ Sales proceeds for tangible and intangible assets as well as for financial investments	464	680
+ Interest and dividends received	186	83
Total cash flows from investing activities	-17,015	-28,095
Cash flow from financing activities		
- Payments due to the repurchase of own shares	-117,362	0
+ Proceeds from non-current financial liabilities	0	20
- Payments for the repayment of non-current financial liabilities (including the portion presented as current)	-3	-1,753
- Payments for the repayment of lease liabilities (perspective of the lessee)	-11,619	-11,180
+/- Payments/proceeds resulting from issuing/repayment of current financial liabilities	1,507	-2,303
+/- Payments/proceeds resulting from financial liabilities and lease liabilities to leasing companies	7,105	695
- Payments for interest on non-current financial liabilities and lease liabilities	-543	-928
- Dividends paid	0	-36
- Payments for the acquisition of non-controlling interests	-20	-11
Total cash flow from financing activities	-120,935	-15,496
Net increase (decrease) in cash and cash equivalents	-264,045	-74,474
+/- Effect of exchange rate changes on cash and cash equivalents	73	854
+/- Cash and cash equivalents, at the beginning of the period	652,965	338,371
Cash and cash equivalents, at the end of the period	388,993	264,751
thereof		
Changes in cash and cash equivalents from continuing operations	387,365	264,751
Changes in cash and cash equivalents from discontinued operations	1,628	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€			
1.1.2021	38,548	38,548	375,474	172,765	29,503	-798	-1,186	614,306	357	614,663
Profit after taxes					22,089			22,089	-83	22,006
Other comprehensive income					-2	-1	5,537	5,534	0	5,534
Total comprehensive income					22,087	-1	5,537	27,623	-83	27,540
Profit after taxes/retained earnings				19,992	-19,992			0		0
Recognition of share-based payment transactions			680					680		680
Dividend distribution in the business year								0	-36	-36
Change due to the disposal of non-controlling interests				-10				-10		-10
30.6.2021	38,548	38,548	376,154	192,747	31,598	-799	4,351	642,599	238	642,837
1.1.2022	38,548	38,548	376,846	144,870	253,565	-646	535	813,718	351	814,069
Profit after taxes					20,170			20,170	-84	20,086
Other comprehensive income					0		204	204	0	204
Total comprehensive income					20,170	0	204	20,374	-84	20,290
Profit after taxes/retained earnings				244,509	-244,509			0		0
Recognition of share-based payment transactions			-143					-143		-143
Change due to the disposal of non-controlling interests				-19				-19		-19
Change due to the acquisition of non-controlling interests				-113,878				-113,878		-113,878
30.6.2022	38,548	38,548	376,703	275,482	29,226	-646	739	720,052	267	720,319

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 the “Group”) have been prepared in accordance with International Financial Reporting Standards or International Accounting Standards (IFRS/IAS as adopted by the EU) for the reporting period (first half of the financial year 2022).

The object of CANCOM SE and its consolidated subsidiaries is the design of IT architectures, systems integration and the provision of managed services. As a provider of complete solutions, in addition to the sale of hardware and software from well-known manufacturers, the main focus of its business activities is 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 the systems.

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

The reporting period covers the period from 1 January 2022 to 30 June 2022 (comparative period: 1 January 2021 to 30 June 2021). 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 2021 financial year. These are available on the Internet at www.cancom.de.

A.2. Consolidation and acquisitions

A.2.1. Consolidation principles

For explanations of the consolidation principles, please refer to the section with the same wording in the IFRS consolidated financial statements 2021, which in turn forms part of the CANCOM SE Annual Report 2021.

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

A.2.2.1. Company acquisitions in the reporting period

In the reporting period, neither CANCOM SE nor any of its subsidiaries acquired any companies as defined by IFRS 3.

For the companies acquired after the reporting period, we refer to section D.3.

A.2.2.2. Company disposals after the end of the comparative period

On 4 August 2021, the sale of CANCOM LTD with all its subsidiaries (CANCOM UK Group) was completed. The disposal resulted from strategic considerations and realignments in relation to the future geographic core markets of the CANCOM Group. For the CANCOM Group, the CANCOM UK Group represents a discontinued operation in accordance with IFRS 5. CANCOM has disposed of all its business activities in the United Kingdom and Ireland.

The following subsidiaries of the CANCOM Group were sold or deconsolidated after the end of the comparative period: CANCOM LTD (London/UK), CANCOM UK Holdings Limited (London/UK), CANCOM UK TOG Limited, CANCOM UK Limited, CANCOM UK Managed Services Limited, CANCOM UK Professional Services Limited, M.H.C. Consulting Services Limited (all Wisborough Green/UK), Novosco Group Limited, CANCOM Managed Services Ltd (both Belfast/UK), CANCOM Ireland Limited (Dublin/Ireland), CANCOM Communication & Collaboration Ltd (Weybridge/UK) and CANCOM Ocean Ltd (London/UK). The companies sold are allocated to different segments within the CANCOM Group; some companies are allocated to both segments. For the allocation and description of the segments, please refer to section D.1.1 of these consolidated half-year financial statements.

The result of the discontinued operation CANCOM UK Group for the reporting period and the comparative period breaks down as follows:

(in T€)	1.1.2022 until 30.6.2022	1.1.2021 until 30.6.2021
Revenues	0	70,201
Other operating income	0	704
Capitalised contract costs	0	-405
Total output	0	70,500
Cost of materials/cost of purchased services	0	-26,733
Gross profit	0	43,767
Personnel expenses	0	-26,112
Depreciation and amortisation of property, plant and equipment, intangible assets and rights of use	0	-8,831
Impairment losses on financial assets including reversals of impairment losses	0	6
Other operating expenses	0	-6,667
Operating result (EBIT)	0	2,163
Interest and similar income	0	153
Interest and similar expenses	0	-299
Other financial result Income	0	167
Other financial result Expenses	-2	0
Currency gains/losses	-1	-84
Result before income taxes	-3	2,100
Income taxes	0	-301
Profit after tax from discontinued operations	-3	1,799
of which attributable to shareholders of the parent company	-3	1,799
of which attributable to non-controlling interests	0	0

The item "other operating expenses" of the comparative period includes directly attributable disposal costs (in particular legal and consulting costs) in the amount of T€ -1,222.

The cash flows attributable to the discontinued operation CANCOM UK Group within the cash flow statement are shown in the following table:

(in T€)	1.1.2022 until 30.6.2022	1.1.2021 until 30.6.2021
Cash flow from operating activities	0	11,061
Cash flow from investing activities	403	-1,832
Cash flow from financing activities	0	-6,872
Net increase/decrease in cash and cash equivalents	403	2,357

A.2.2.3. Planned company disposals in the reporting period

In May 2022, the Executive Board of CANCOM SE decided on a specific plan to dispose of HPM Incorporated; the criteria for classifying the disposal group as "held for sale" were met in June 2022. As CANCOM will discontinue all of its business activities in the United States of America, this represents a discontinued operation in accordance with IFRS 5. The deconsolidation of HPM Incorporated is planned for the third quarter of 2022.

The result of the discontinued operation CANCOM USA Group for the reporting period and the comparative period breaks down as follows:

(in T€)	1.1.2022 until 30.6.2022	1.1.2021 until 30.6.2021
Revenues	8,920	10,111
Other operating income	1,353	0
Total output	10,273	10,111
Cost of materials/cost of purchased services	-5,738	-7,163
Gross profit	4,535	2,948
Personnel expenses	-2,402	-2,678
Depreciation and amortisation of property, plant and equipment, intangible assets and rights of use	-230	-263
Impairment losses on financial assets including reversals of impairment losses	-19	-6
Other operating expenses	-1,417	-890
Operating result (EBIT)	467	-889
Interest and similar income	2	0
Interest and similar expenses	-3	-22
Result before income taxes	466	-911
Income taxes	-5	172
Profit after tax from discontinued operations	461	-739
of which attributable to shareholders of the parent company	461	-739
of which attributable to non-controlling interests	0	0

The item "Depreciation and amortisation of property, plant and equipment, intangible assets and rights of use" for the reporting period includes impairment losses for property, plant and equipment and rights of use amounting to T€ -118.

The cash flows attributable to the discontinued operation CANCOM USA Group within the cash flow statement are shown in the following table:

(in T€)	1.1.2022 until 30.6.2022	1.1.2021 until 30.6.2021
Cash flow from operating activities	1,176	807
Cash flow from investing activities	2	-23
Cash flow from financing activities	-127	-150
Net increase/decrease in cash and cash equivalents	1,051	634
Cash and cash equivalents at the end of the period	1,628	0

A.2.3. Scope of consolidation

There were no significant changes to the CANCOM Group's scope of consolidation in the first half of the financial year 2022.

A.3. Explanation of the recognition and measurement methods

The consolidated half-year financial statements for 2022 were prepared using the same recognition and measurement methods as were used to prepare the consolidated financial statements for the 2021 financial year. The recognition and measurement methods can be found in the annual report 2021 in section A.3 of the consolidated financial statements.

A.4. Discretionary decisions and estimation uncertainties

The information on discretionary decisions and estimation uncertainties contained in section A.4 of the consolidated financial statements for the 2021 financial year also applies in principle to these consolidated half-year financial statements for 2022.

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

The CANCOM Group applied the following pronouncements or amendments to pronouncements of the IASB or the IFRS IC for the first time in the reporting period (from 1 January 2022 to 30 June 2022):

- „Improvements to International Financial Reporting Standards“ („2018-2020 cycle“; published in 2020);
- Amendment to IAS 37 „Provisions, Contingent Liabilities and Contingent Assets“ (name of amendment: „Onerous contracts - costs of fulfilling a contract“);
- Amendment to IAS 16 „Property, Plant and Equipment“ (Amendment title: „Property, Plant and Equipment - Revenue before Intended Use“);
- Amendment to IFRS 3 „Business Combinations“ (name of the amendment: „References to the Framework“).

The IASB makes amendments to various IFRS via collective standards "Improvements to International Financial Reporting Standards". A total of four standards were amended in the 2018-2020 cycle.

The amendments to IAS 37 concern the definition of which costs an entity includes when assessing whether a contract will be loss-making. The definition of performance costs is concretised. Fulfilment costs are all costs that directly affect the contract. This means that both costs that would not be incurred without the contract and other costs directly attributable to the contract must be taken into account.

The amendments to IAS 16 clarify that revenue received by an entity from the sale of items produced while preparing the asset for its intended use (for example, product samples) and the related costs are to be recognised in profit or loss. The inclusion of such amounts in the determination of cost is not permitted.

The amendments to IFRS 3 concern a reference in the standard to the framework concept. In addition, the rules on the recognition of contingent liabilities, transfer liabilities and contingent assets entered into in the context of business combinations were specified.

None of the above changes to the rules have any significant impact on the CANCOM Group's net assets, financial position and results of operations or on its 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

A.6.1. Changes to the report structure as well as error corrections

There were no changes to the reporting structure or error corrections in the reporting period.

A.6.2. Changes in recognition and measurement methods

There were no changes in recognition and measurement methods in the reporting period.

A.6.3. Changes in presentation due to discontinued operations

Changes in presentation arose in relation to the reporting period and the comparative period in connection with the sale or planned sale of the following areas:

- Sale of the CANCOM UK Group (deconsolidation after the reporting date of the comparative period);
- planned sale of HPM Incorporated (classification of the disposal group as „held for sale“ in the reporting period).

In connection with the sale of the CANCOM UK Group, the criteria for classifying the disposal group as held for sale were met in July 2021; the sale and deconsolidation took place in August 2021 (cf. also section A.2.2.2 of these interim consolidated financial statements). As the classification was made after the end of the comparative period, no reclassifications were made to the balance sheet item “non-current assets and disposal groups held for sale” or to the balance sheet item “liabilities associated with non-current assets and disposal groups held for sale” at the end of the comparative period.

For the CANCOM Group, the CANCOM UK Group represents a discontinued operation in accordance with IFRS 5. CANCOM has sold all its business activities in the United Kingdom and Ireland. Due to the existence of a discontinued operation, in the reporting period and in the comparative period, within the statement of comprehensive income and within the segment information, corresponding reclassifications of components of profit or loss attributable to the discontinued operation (components of profit or loss of discontinued subsidiaries; directly attributable costs of disposal; other income and expenses directly attributable to the discontinued operation) were made to the item ‘Result from discontinued operations’. The composition of this item is shown in section A.2.2.2 of these interim consolidated financial statements.

In connection with the planned sale of HPM Incorporated, the criteria for classifying the disposal group as held for sale were met in June 2022. As CANCOM will thus discontinue all of its business activities in the United States of America, this represents a discontinued operation in accordance with IFRS 5. Due to the existence of a discontinued operation, in the reporting period and in the comparative period, within the statement of comprehensive income and within the segment information, corresponding reclassifications of components of profit or loss attributable to the discontinued operation (components of profit or loss of discontinued subsidiaries; other income and expenses directly attributable to the discontinued operation) were made to the item ‘Result from discontinued operations’. The composition of this item is shown in section A.2.2.3 of these interim consolidated financial statements.

For the comparative period, the reclassifications within the statement of comprehensive income and within the segment information were made retrospectively, see also the following section.

A.6.4. Adjustments within the statement of comprehensive income for the comparative period

The following table shows which items within the statement of comprehensive income (in the presentation of profit or loss for the period) have been adjusted for the period from 1 January 2021 to 30 June 2021 due to the matters described in the previous section:

(in T€)	1.1.2021 until 30.6.2021 (adjusted)	1.1.2021 until 30.6.2021 (before adjustment)	Adjustment discontinued operation CANCOM UK Group	Adjustment discontinued operation CANCOM USA Group
Revenues	635,098	715,410	-70,201	-10,111
Other operating income	4,942	5,646	-704	0
Other own work capitalised	3,728	3,728	0	0
Capitalised contract costs	-552	-957	405	0
Cost of materials/cost of purchased services	-435,926	-469,822	26,733	7,163
Personnel expenses	-131,916	-160,706	26,112	2,678
Depreciation and amortisation of property, plant and equipment, intangible assets and rights of use	-20,619	-29,713	8,831	263
Impairment losses on financial assets including reversals of impairment losses	-396	-396	-6	6
Other operating expenses	-22,069	-29,626	6,667	890
Interest and similar income	1,488	1,641	-153	0
Interest and similar expenses	-1,657	-1,978	299	22
Other financial result Income	2	169	-167	0
Currency gains/losses	25	-59	84	0
Income taxes	-11,202	-11,331	301	-172
Result from discontinued operations	1,060	0	1,799	-739

A.7. Significant events and transactions

During the reporting period or after the balance sheet date but before the publication of these interim consolidated financial statements, the following events or transactions occurred that could have a significant effect on the net assets, financial position and results of operations of the CANCOM Group:

- In the second quarter of the 2022 financial year, HPM Incorporated (disposal group) was classified as held for sale; refer to section A.2.2.3 of these consolidated half-year financial statements.
- On 5 July 2022, the Supervisory Board of CANCOM SE resolved to appoint Rüdiger Rath as the new Chief Executive Officer of CANCOM SE with effect from 1 November 2022. Rüdiger Rath will thus succeed Rudolf Hotter, who will leave the Company at his own request on 31 October 2022 after around 17 years as a member of the Executive Board. See section D.3 of these consolidated half-year financial statements.
- CANCOM SE acquired the operating companies of the S&L Group by way of an agreement dated 13 July 2022. This involves the acquisition of 100 per cent of the shares and 100 per cent of the voting rights in S&L Systemhaus GmbH, S&L BusinessSolutions GmbH and S&L ITcompliance GmbH from the parent company S&L Holding GmbH, all based in Mülheim-Kärlich. See section D.3 of these consolidated half-year financial statements.
- On 18 July 2022, the Executive Board of CANCOM SE resolved to cancel the treasury shares acquired under the 2021 share buy-back programme in the period from 20 October 2021 up to and including 17 June 2022 and to reduce the share capital by the corresponding amount of € 3,176,151; cf. section D.3 of the consolidated half-year financial statements.

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. Non-current assets and disposal groups held for sale and related liabilities

With regard to the sale of the CANCOM UK Group (for further details, see section A.2.2.2 of these interim consolidated financial statements), the criteria for classification as held for sale were not met until after the reporting date of the comparative period. Therefore, no assets and liabilities of the disposal group were reclassified in the consolidated statement of financial position as at the reporting date of 30 June 2021. In addition, the disposal group represents a discontinued operation in accordance with IFRS 5, which generally results in further presentation and disclosure requirements - in particular reclassifications within the statement of comprehensive income. Therefore, in these interim consolidated financial statements, income and expenses from the result from continuing operations have been reclassified to the result from discontinued operations within the consolidated statement of comprehensive income, and the corresponding disclosure requirements are relevant.

In connection with the discontinuation of the CANCOM USA Group (for further details, see section A.2.2.3 of these interim consolidated financial statements), the criteria for classification as held for sale were met with regard to the planned sale of HPM Incorporated as at the reporting date for the reporting period. Therefore, the assets and liabilities of the disposal group HPM Incorporated were reclassified in the consolidated statement of financial position as at 30 June 2022. The reclassified assets and liabilities are reported in the IT Solutions segment. The composition of these reclassifications is shown in the following table:

(in T€)	30.6.2022
Cash and cash equivalents	1,628
Receivables from deliveries and services	3,895
Inventories	513
Other current and non-current assets	1,802
Non-current assets and disposal groups held for sale, balance sheet disclosure	7,838
Liabilities from deliveries and services	3,669
Other current and non-current liabilities	949
Liabilities associated with non-current assets and disposal groups held for sale, balance sheet disclosure	4,618

At the end of the reporting period, an impairment test was carried out on the disposal group HPM Incorporated in accordance with IFRS 5. The book values of the balance sheet items "property, plant and equipment" and "rights of use" were fully impaired. The impairment loss recognised for this in the reporting period within the presentation of the result for the period in the item "Result from discontinued operations" amounts to T€ -118.

In accordance with IFRS 5, the planned disposal represents a discontinued operation (discontinuation of all business activities in the United States of America), which generally results in further presentation and disclosure requirements - in particular reclassifications within the statement of comprehensive income. Therefore, in these interim consolidated financial statements, income and expenses from the result from continuing operations have been reclassified to the result from discontinued operations within the consolidated statement of comprehensive income and the corresponding disclosure requirements are relevant.

B.3. Receivables from deliveries and services

Trade receivables are composed as follows:

(in T€)	30.6.2022	31.12.2021
Gross book value (before value adjustments)	372,557	300,472
Value adjustments	-1,611	-1,356
Trade receivables, balance sheet disclosure	370,946	299,116

In addition, at the end of the reporting period, trade receivables with gross carrying amounts of T€ 3,914 and valuation allowances of T€ 19 are reported in the balance sheet item "non-current assets and disposal groups held for sale" (cf. section B.2 of these interim consolidated financial statements).

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

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

(in T€)	Level 2	Level 3	Total
Value adjustments as at 1.1.	563	793	1,356
Reclassifications as "held for sale"	-19	0	-19
Transfer to level 3	-52	52	0
Transfer to level 2	-2	2	0
Revaluation of the value adjustment (addition, release)	170	120	290
Derecognition due to write-off of the receivable	0	-16	-16
Value adjustments as at 30.6.	660	951	1,611

The amount of T€ -290 (comparative period: T€ -396) recorded in the reporting period within the statement of comprehensive income in the result for the period in the item "Impairment losses on financial assets including reversals of impairment losses" is composed of the amounts included in the previous table for the revaluation of the impairment loss of T€ -290 (comparative period: T€ -386) as well as for the derecognition due to the write-off of the receivable of T€ 16 (comparative period: T€ 10); in addition, it includes losses from the derecognition/write-off of receivables of T€ -18 (comparative period: T€ -63) as well as from gains due to payments received from receivables already derecognised/written off of T€ 2 (comparative period: T€ 43).

The amount of T€ -19 (comparative period: T€ 0) reclassified from the item "Impairment losses on financial assets including reversals of impairment losses" to the item "Result from discontinued operations" in the statement of comprehensive income in the period under review is composed of amounts for the revaluation of the impairment loss of T€ -19 (comparative period: T€ 0).

For trade receivables, impairments and reversals of impairments for expected credit losses are determined using an impairment matrix. Please refer to the information on default risks in section D.6.5 of the consolidated financial statements for the 2021 financial year.

B.4. Contract assets, contract liabilities and capitalised contract costs

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

(in T€)	30.6.2022	31.12.2021
Current contract assets	1,931	2,296
Contract assets, balance sheet disclosure	1,931	2,296

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

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

(in T€)	30.6.2022	31.12.2021
Current contractual liabilities	21,921	30,695
Long-term contractual liabilities	9,954	11,838
Contractual liabilities, balance sheet disclosure	31,875	42,533

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€)	30.6.2022	31.12.2021
Capitalised short-term contract costs	937	937
Capitalised long-term contract costs	703	1,171
Capitalised contract costs, balance sheet disclosure	1,640	2,108

In the reporting period, contract costs of T€ 0 (comparative period: T€ 0) were capitalised as contract initiation costs. The capitalised contract initiation costs essentially relate to three projects (comparable period: four projects), which are allocated to the Cloud Solutions segment. In the reporting period, scheduled amortisation of capitalised contract initiation costs in the amount of € 288 thousand (comparative period: € 371 thousand) and of capitalised contract performance costs in the amount of € 180 thousand (comparative period adjusted: € 181 thousand) was carried out.

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

B.5. Inventories

Inventories mainly contain goods, in particular hardware components and software. They are composed as follows:

(in T€)	30.6.2022	31.12.2021
Finished goods, merchandise, raw materials and supplies	119,638	71,848
Prepayments made	65	300
Inventories, balance sheet disclosure	119,703	72,148

The cost of finished goods, merchandise, raw materials and supplies amounted to T€ 358,277 in the reporting period (comparative period adjusted: T€ 402,790).

B.6. Other financial assets

The other current financial assets are as follows:

(in T€)	30.6.2022	31.12.2021
Receivables from finance leases	27,830	22,010
Bonus claims on suppliers	10,234	9,520
Creditors with debit balances	6,329	589
Purchase price receivables from company disposals	452	858
Actuarial reserve in the form of reimbursement rights	130	100
Demands on workers	101	56
Receivables from time deposits	0	44
Other current financial assets, balance sheet disclosure	45,076	33,177

Other non-current financial assets are composed as follows:

(in T€)	30.6.2022	31.12.2021
Receivables from finance leases	26,785	18,592
Receivables from companies in which participations are held	1,596	1,288
Receivables from deposits	342	343
Assets from employee benefits	62	72
Other non-current financial assets, balance sheet disclosure	28,785	20,295

B.7. Property, plant and equipment

Property, plant and equipment are as follows:

(in T€)	30.6.2022	31.12.2021
IT data centres	11,737	11,980
Motor vehicles	3,522	4,964
Land and buildings	2,384	2,381
Rent assets	197	235
UCC communication systems	146	208
Operating equipment for the logistics centre	57	111
Other operating and office equipment	20,718	20,842
Property, plant and equipment, balance sheet disclosure	38,761	40,721

B.8. Intangible assets (excluding goodwill)

Intangible assets (excluding goodwill) break down as follows:

(in T€)	30.6.2022	31.12.2021
Software acquired against payment	48,602	43,162
Customer bases	7,275	9,354
Order books	114	150
Self-created software	11,543	11,825
Intangible assets (excluding goodwill), balance sheet disclosure	67,534	64,491

The item “purchased software” includes in particular ERP systems and a cloud-based Agility platform. They are amortised according to schedule and have an average remaining useful life of four years.

The customer bases, order backlogs, brand and other intangible assets are mainly based on company acquisitions made in previous periods. The items are amortised over their respective expected useful lives. The customer bases have an average remaining useful life of three years, the order backlogs have an average remaining useful life of 3.5 years.

The item “Internally generated software” mainly includes the AHP Private Cloud Platform in the amount of T€ 7,995 (31.12.2021: T€ 8,218), which is amortised on a scheduled basis over its expected useful life. The average remaining useful life is three years.

B.9. Goodwill

Goodwill breaks down as follows:

(in T€)	30.6.2022	31.12.2021
CANCOM Managed Services GmbH	58,159	58,159
CANCOM GmbH	44,004	44,004
- thereof IT Solutions	36,852	36,852
- thereof Cloud Solutions	7,152	7,152
CANCOM Public Group	7,049	7,049
CANCOM ICT Service GmbH	2,522	2,522
CANCOM a + d IT solutions GmbH	1,717	1,717
Goodwill, balance sheet disclosure	113,451	113,451

B.10. Rights of use

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

(in T€)	30.6.2022	31.12.2021
Rights of use for land and buildings	71,270	73,287
Rights of use for operating and office equipment	2,764	2,937
Rights of use for motor vehicles	8,616	7,546
Rights of use, balance sheet disclosure	82,650	83,770

B.11. Liabilities from deliveries and services

Trade payables are essentially made up of liabilities for merchandise supplied and liabilities for services purchased.

B.12. Other financial liabilities

The other current financial liabilities are as follows:

(in T€)	30.6.2022	31.12.2021
Leasing liabilities	29,830	22,348
Financial liabilities to financial service providers	10,791	20,974
Financial liabilities to leasing companies	8,501	9,564
Accounts receivable with credit balances	5,980	5,458
Purchase price liabilities	1,567	1,230
Outstanding cost accounts	387	489
Liabilities for interest and bank charges	329	293
Supervisory Board Remuneration	156	312
Derivative financial liabilities	98	583
Liabilities from share buybacks	0	3,395
Other current financial liabilities, balance sheet disclosure	57,639	64,646

Other non-current financial liabilities are composed as follows:

(in T€)	30.6.2022	31.12.2021
Leasing liabilities	93,083	84,717
Financial liabilities to leasing companies	8,857	3,361
Purchase price liabilities	1,563	11,089
Other non-current financial liabilities, balance sheet disclosure	103,503	99,167

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. Revenues**

The turnover for the reporting period and the comparative period breaks down as follows:

(in T€)	1.1.2022 until 30.6.2022	1.1.2021 until 30.6.2021 (adjusted*)
from the sale of goods	411,958	461,207
from the provision of services	183,564	173,891
Total	595,522	635,098
thereof from the sale of goods		
Attributable to the Cloud Solutions segment	57,486	33,755
Attributable to the IT Solutions segment	354,471	427,452
of which from the provision of services		
Attributable to the Cloud Solutions segment	88,089	80,196
Attributable to the IT Solutions segment	95,476	93,695

(in T€)	1.1.2022 until 30.6.2022	1.1.2021 until 30.6.2021 (adjusted*)
Revenue from contracts with customers	577,561	632,512
Leasing income	17,961	2,586
Total	595,522	635,098

*) See the explanations in section A.6.3 and section A.6.4 of these consolidated half-year financial statements.

The following table shows how the revenue from contracts with customers for the reporting period and the comparative period is broken down according to the two options provided under IFRS 15 for recognising revenue from contracts with customers over time. The table also shows to which segment the revenues from contracts with customers are to be allocated.

(in T€)	1.1.2022 until 30.6.2022	1.1.2021 until 30.6.2021 (adjusted*)
Timing of revenue recognition		
Products transferred at one time	393,997	458,621
Products and services transferred over a period of time	183,564	173,891
Total	577,561	632,512
thereof		
Attributable to the Cloud Solutions segment	146,690	116,271
Attributable to the IT Solutions segment	430,871	516,241

*) See the explanations in section A.6.3 and section A.6.4 of these consolidated half-year financial statements.

C.2. Other operating income

Other operating income for the reporting period of T€ 6,639 (comparative period restated: T€ 4,942) mainly relates to operating currency gains of T€ 4,262 (comparative period restated: T€ 513) and income from sub-leases of T€ 1,860 (comparative period: T€ 1,641).

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

The cost of materials/cost of purchased services in the reporting period consists of the cost of raw materials, consumables and supplies and purchased merchandise of T€ 358,277 (comparative period adjusted: T€ 402,790) and the cost of purchased services from the core business of T€ 35,476 (comparative period adjusted: T€ 33,136).

C.4. Personnel expenses

The personnel expenses of the reporting period and the comparative period are made up as follows:

(in T€)	1.1.2022 until 30.6.2022	1.1.2021 until 30.6.2021 (adjusted*)
Wages and salaries	-114,998	-111,292
Social security contributions	-20,460	-19,781
Expenses for retirement benefits	-170	-164
Equity-settled share-based payment transactions	143	-679
Share-based payments with cash settlement	-90	0
Total	-135,575	-131,916

*) See the explanations in section A.6.3 and section A.6.4 of these consolidated half-year financial statements.

C.5. Depreciation

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

(in T€)	1.1.2022 until 30.6.2022	1.1.2021 until 30.6.2021 (adjusted*)
Scheduled depreciation of property, plant and equipment	-6,866	-7,015
Impairments on property, plant and equipment	0	0
Scheduled amortisation of software	-6,584	-4,105
Impairments on software	0	0
Scheduled amortisation of rights of use	-6,702	-6,262
Impairments on rights of use	0	0
Scheduled amortisation on customer bases etc.	-2,115	-3,237
Impairments on customer bases etc.	0	0
Total	-22-267	-20,619

*) See the explanations in section A.6.3 and section A.6.4 of these consolidated half-year financial statements.

C.6. Other operating expenses

The other operating expenses of the reporting period and the comparative period are composed as follows:

(in T€)	1.1.2022 until 30.6.2022	1.1.2021 until 30.6.2021 (adjusted*)
Repairs, maintenance, rental leasing	-5,416	-4,408
Room costs	-2,814	-3,235
Third-party services	-2,493	-2,436
Costs of the delivery of goods	-2,322	-2,369
Car costs	-1,850	-945
Operating currency losses	-1,826	-1,424
Hospitality and travel expenses	-1,684	-807
Communication and office costs	-1,156	-1,386
Training costs	-1,039	-819
Legal and consulting fees	-919	-1,291
Advertising costs	-863	-594
Insurance and other charges	-862	-901
Fees, costs of monetary transactions	-300	-276
Stock exchange and representation costs	-207	-164
Other operating expenses	-1,301	-1,014
Total	-25,052	-22,069

*) See the explanations in section A.6.3 and section A.6.4 of these consolidated half-year financial statements.

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 Group reports two business segments - Cloud Solutions and IT Solutions.

Management controls the CANCOM Group on the basis of the services, goods and software offered in these two business segments. The Cloud Solutions business segment differs from the IT Solutions business segment in terms of its field of activity and in terms of its trading and service processes. Furthermore, the two business segments differ in terms of the growth strategy pursued in each case and in terms of their general strategic importance.

The CANCOM Group does not choose to aggregate business segments for reporting purposes.

Segment information

(in T€)	Cloud solutions		IT solutions	
	1.1.2022 until 30.6.2022	1.1.2021 until 30.6.2021 (adjusted*)	1.1.2022 until 30.6.2022	1.1.2021 until 30.6.2021 (adjusted*)
Revenue				
Revenue from external customers	145,574	113,951	449,603	521,028
Inter-segment sales	7,828	8,812	3,661	5,857
Total income	153,402	122,763	453,264	526,885
Cost of materials/expenses for purchased services	-74,149	-55,412	-329,914	-394,271
Personnel expenses	-31,750	-28,785	-97,062	-95,919
Other income and expenses	-5,993	-3,254	-8,402	-10,415
EBITDA	41,510	35,312	17,886	26,280
Scheduled depreciation and amortization	-6,972	-5,974	-12,608	-10,843
Scheduled amortization	-1,579	-1,957	-536	-1,005
Operating result (EBIT)	32,959	27,381	4,742	14,432
Interest income	418	639	510	859
Interest expenses	-70	-51	-2,694	-2,237
Other financial result Income	176	0	82	2
Other financial result Expenses			-3	
Currency gains/losses				
Income before income taxes	33,483	27,969	2,637	13,056
Income taxes				
Result from discontinued operations	0	2,762	466	-411
Result for the period				
thereof attributable to shareholders of the parent company				
thereof attributable to non-controlling shareholders				

*) See the explanations in section A.6.3 and section A.6.4 of these consolidated half-year financial statements.

Total operating segments		Other companies		Reconciliation statement		Consolidated	
1.1.2022 until 30.6.2022	1.1.2021 until 30.6.2021 (adjusted*)	1.1.2022 until 30.6.2022	1.1.2021 until 30.6.2021 (adjusted*)	1.1.2022 until 30.6.2022	1.1.2021 until 30.6.2021 (adjusted*)	1.1.2022 until 30.6.2022	1.1.2021 until 30.6.2021 (adjusted*)
595,177	634,979	345	119				
11,489	14,669	362	222	-11,851	-14,891		
606,666	649,648	707	341	-11,851	-14,891	595,522	635,098
-404,063	-449,683	-119	-99	10,429	13,856	-393,753	-435,926
-128,812	-124,704	-6,763	-7,212	0	0	-135,575	-131,916
-14,395	-13,669	-2,169	-1,713	1,422	1,035	-15,142	-14,347
59,396	61,592	-8,344	-8,683	0	0	51,052	52,909
-19,580	-16,817	-572	-565	0	0	-20,152	-17,382
-2,115	-2,962	0	-275	0	0	-2,115	-3,237
37,701	41,813	-8,916	-9,523	0	0	28,785	32,290
928	1,498	1,818	2,915	-1,824	-2,925	922	1,488
-2,764	-2,288	-1,084	-2,294	1,824	2,925	-2,024	-1,657
258	2	281	0	0	0	539	2
-3	0			0	0	-3	0
				-6	25	-6	25
36,120	41,025	-7,901	-8,902	-6	25	28,213	32,148
				-8,585	-11,202	-8,585	-11,202
466	2,351	-2	-1,077	-6	-214	458	1,060
						20,086	22,006
						20,170	22,089
						-84	-83

D.1.1. Description of the reportable segments

D.1.1.1. Cloud Solutions (IT as a Service)

The Cloud Solutions (IT as a Service) operating segment includes the companies CANCOM Managed Services GmbH, CANCOM Slovakia s.r.o. plus the area of CANCOM GmbH and CANCOM Public GmbH to be allocated to the Cloud Solutions segment. The Cloud Solutions (IT as a Service) segment includes business with (remote and/or shared) managed services as well as product and service business (hardware, software and services) that can be directly allocated to managed services customers. Characteristic of managed services are, among other things, recurring revenues for service level-based services and/or services with defined response times. As part of its range of services, the CANCOM Group is able to take over the complete or partial operation of IT for customers with such scalable as-a-service services - in particular shared managed services.

The development in the IT market is characterised by high dynamics and speed; manufacturers are constantly developing new as-a-service approaches and expanding these with increasing dynamism. The different as-a-service variants can involve a wide variety of combinations of hardware/software consumption and corresponding services and their provision by CANCOM or the manufacturer itself. CANCOM generally presents as-a-service models in the Cloud Solutions business segment, provided that the company provides its own services on a pro rata basis. In this as-a-service segment, CANCOM offers customers the necessary guidance and support for the transformation and operation of their corporate IT into a cloud delivery architecture. In the context of providing as-a-service services, "cloud" refers to a cloud delivery architecture with location- and device-independent and usually broadband network-based access - especially data and application access - to central IT resources. Hybrid delivery models consisting of IT-as-a-Concept and IT-as-a-Service components are also increasingly developing in the IT market; hybrid delivery models are becoming more widespread.

Selling costs attributable to Cloud sales are included in the Cloud Solutions operating segment. The Cloud business also benefits from synergies with general CANCOM sales and marketing, the costs of which are allocated to the IT Solutions reporting segment. There are asymmetrical allocations here; in the case of symmetrical allocations, the personnel expenses allocated to the Cloud Solutions reporting segment would be correspondingly higher and the EBITDA control variable correspondingly lower.

This had no effect on the management's allocation of resources to the reporting segments in the reporting period and in the comparative period.

D.1.1.2. IT Solutions

The IT Solutions operating segment includes the companies CANCOM GmbH, CANCOM Computersysteme GmbH, CANCOM a + d IT solutions GmbH, CANCOM (Switzerland) AG, CANCOM ICT Service GmbH, CANCOM Public GmbH, CANCOM Public BV, CANCOM physical infrastructure GmbH, CANCOM, Inc. and HPM Incorporated plus the area of CANCOM GmbH and CANCOM Public GmbH, which is allocated to the Cloud Solutions segment and the Other Companies segment. With this business segment, the CANCOM Group offers comprehensive support for all aspects of IT infrastructure and applications. It includes IT strategy consulting, project planning and implementation, system integration, IT procurement via eProcurement services or as part of projects, as well as professional IT services and support.

D.1.1.3. Other companies

Other companies' includes CANCOM SE, CANCOM VVM GmbH, CANCOM VVM II GmbH plus the part of CANCOM GmbH that is allocated to the 'Other companies' segment. CANCOM SE and the division of CANCOM GmbH allocated to this segment include the staff or management function. As such, it provides a range of services to its subsidiaries. In addition, this area includes the costs of central Group management and investments in internal Group projects.

D.1.1.4. Breakdown of deconsolidated subsidiaries

With regard to the subsidiaries deconsolidated after the end of the comparative period as part of the sale of the CANCOM UK Group (for further details, see section A.2.2.2 of these interim consolidated financial statements) after the end of the comparative period resulted in the following breakdown of business segments:

- The Cloud Solutions operating segment included CANCOM Communication & Collaboration Ltd plus CANCOM UK Managed Services Limited, CANCOM Managed Services Ltd and CANCOM Ireland Limited, which are allocated to the Cloud Solutions segment.

- The IT Solutions operating segment included CANCOM UK TOG Limited, CANCOM UK Limited, CANCOM UK Managed Services Limited, CANCOM UK Professional Services Limited, M.H.C. Consulting Services Limited, Novosco Group Limited, CANCOM Managed Services Ltd and CANCOM Ireland Limited, plus CANCOM UK Managed Services Limited, CANCOM Managed Services Ltd and CANCOM Ireland Limited, which are allocated to the Cloud Solutions segment and the Other Companies segment.
- The companies CANCOM LTD, CANCOM Ocean Ltd and CANCOM UK Holdings Limited were reported under „other companies“.

D.1.2. Valuation principles for the result of the segments

The accounting methods used 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 2021 financial year. The allocation of assets and liabilities as well as expenses and income to reportable segments is made using the accounting policies described in section D.1.1 of these interim consolidated financial statements for the 2022 financial year, there are no asymmetrical allocations.

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

There is no presentation of segment assets, segment liabilities and investments, as the internal reporting system is based exclusively on key earnings figures by segment for Group management purposes.

D.1.3. Reconciliation accounts

The reconciliation item shows issues that are not directly related to the business segments and other companies. These include sales within the segments and income tax expenses.

The income tax expense is not part of the results of the business segments. Since the tax expense is allocated to the parent company in the case of a tax group, the allocation of income tax does not necessarily correspond to the structure of the segments.

D.1.4. Information on geographical areas and products and services

(in T€)	Turnover according to the location of the customer		Turnover by registered office of the companies	
	1.1.2022 until 30.6.2022	1.1.2021 until 30.6.2021 (adjusted*)	1.1.2022 until 30.6.2022	1.1.2021 until 30.6.2021 (adjusted*)
	Germany	499,073	572,181	543,682
Abroad	96,449	62,917	51,840	30,855
Total Group	595,522	635,098	595,522	635,098

(in T€)	Non-current assets	
	30.6.2022	31.12.2021
Germany	328,614	320,272
Abroad	7,716	8,649
Total Group	336,330	328,921

*) See the explanations in section A.6.3 and section A.6.4 of these consolidated half-year financial statements.

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

In the reporting period and in the comparative period, no individual customer generated revenue that accounted for 10 per cent or more of the CANCOM Group's revenue. There are therefore no disclosure requirements relating to dependencies on customers.

Non-current assets include all non-current assets except deferred tax assets.

Revenue from external customers is not reported for each product and service or for each group of comparable products and services because the information is not available and the cost of collection would be excessive.

D.2. Further disclosures on financial instruments

The following table shows the carrying amounts of financial assets IFRS 9 as well as the fair values at the end of the reporting period and financial liabilities by measurement category according to (30 June 2022):

(in T€)	Carrying amount 30.6.2022	FA_AC ¹ Amortised cost	FA_FVOCI ² Fair value	FA_FVPL/ FL_FVPL ³ Fair value	FL_AC ⁴ Amortised cost	No category Accounting in accordance with IFRS 16	Fair value 30.6.2022
Current assets							
Cash and cash equivalents	387,365	387,365					387,365
Receivables from deliveries and services	370,946	370,946					370,946
Other current financial assets	45,076	17,246				27,830	45,076
- Receivables from finance leases						27,830	27,830
- other items		17,246					17,246
Non-current assets							
Financial assets and loans	5		5				5
Other non-current financial assets	28,785	2,000				26,785	29,236
- Receivables from finance leases						26,785	27,236
- other items		2,000					2,000
Current liabilities							
Current liabilities to credit institutions	3,498				3,498		3,498
Liabilities from deliveries and services	320,830				320,830		320,830
Other current financial liabilities	57,639			1,664	26,145	29,830	57,639
- Leasing liabilities						29,830	29,830
- contingent consideration in accordance with IFRS 3				1,566			1,566
- derivative financial liabilities				98			98
- other items					26,145		26,145
Long-term debt							
Other non-current financial liabilities	103,503			1,563	8,857	93,083	/
- Leasing liabilities						93,083	/
- contingent consideration in accordance with IFRS 3				1,563			1,563
- other items					8,857		8,794
Assets, total	832,177	777,557	5	0	/	54,615	832,628
Liabilities, total	485,470	/	/	3,227	359,330	122,913	/

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

2) Measurement category „financial assets 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 according to IFRS 9 as well as the fair values as at 31 December 2021:

(in T€)	Carrying amount 31.12.2021	FA_AC ¹	FA_FVOCI ²	FA_FVPL/ FL_FVPL ³	FL_AC ⁴	Keine Kategorie	Fair value 31.12.2021
		Amortised cost	Fair value	Fair value	Amortised cost	Accounting in accordance with IFRS 16	
Current assets							
Cash and cash equivalents	652,965	652,965					652,965
Receivables from deliveries and services	299,116	299,116					299,116
Other current financial assets	33,177	11,167				22,010	33,177
- Receivables from finance leases						22,010	22,010
- other items		11,167					11,167
Non-current assets							
Financial assets and loans	5		5				5
Other non-current financial assets	20,295	1,703				18,592	20,746
- Receivables from finance leases						18,592	19,043
- other items		1,703					1,703
Current liabilities							
Current liabilities to credit institutions	1,997				1,997		1,997
Liabilities from deliveries and services	316,982				316,982		316,982
Other current financial liabilities	64,646			1,813	40,485	22,348	64,646
- Leasing liabilities						22,348	22,348
- contingent consideration in accordance with IFRS 3				1,230			1,230
- derivative financial liabilities				583			583
- other items					40,485		40,485
Long-term debt							
Long-term liabilities to credit institutions	12				12		12
Other non-current financial liabilities	99,167			3,361	11,089	84,717	/
- Leasing liabilities						84,717	/
- contingent consideration in accordance with IFRS 3				3,361			3,361
- other items					11,089		11,026
Assets, total	1,005,558	964,951	5	0	/	40,602	1,006,009
Liabilities, total	482,804	/	/	5,174	370,565	107,065	/

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

2) Measurement category „financial assets 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 as well as for 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 at the respective reporting dates.

The measurement of financial assets and financial liabilities at fair value is carried out according to 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 are directly observable in active markets. At the second level, the valuation is made on the basis of valuation models that incorporate observable market data (e.g. interest rates, exchange rates). The third level provides for the application of valuation models that do not use 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 price quotation on the balance sheet date multiplied by the number of units in the portfolio (level 1).

The fair value of forward exchange contracts is determined using a discounted cash flow method. Future payments are estimated based on forward exchange rates (observable rates at the reporting date) and the contracted forward exchange rates, discounted at 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 determined as the present values of the payments expected with the assets and liabilities and on the basis of market interest rates of comparable financial instruments (level 2).

The disclosure of the fair values of the lease liabilities is waived with reference to IFRS 7.29 (d).

The fair values determined for contingent consideration from company acquisitions are based on different valuation models. Since, in addition to input factors observable on the market (e.g. risk-adjusted discount rates), company-specific input factors (and thus input factors not observable on the market) are also included in the respective valuation model, these are assigned to Level 3. In detail, this involves the following situation:

- four contingent purchase price liabilities and an equity guarantee from the acquisition of the shares in Anders & Rodewyk Das Systemhaus für Computertechnologien GmbH, which were recognised for the first time in the comparative period.

The contingent consideration from the acquisition of the shares in Anders & Rodewyk Das Systemhaus für Computertechnologien GmbH is, on the one hand, a performance-based component (earn out) - i.e. contingent payments depending on the EBIT of the acquired company for a total of four periods until 31 December 2023 amounting to T€ 3,545. On the other hand, the seller has given a guarantee that the balance sheet equity according to the German Commercial Code (HGB) corresponds to a certain minimum amount as of 31 December 2020. Should the equity on the balance sheet date deviate from the guaranteed equity, the total purchase price will change accordingly by the negative or positive deviation amount. The equity capital on the reporting date of 31 December 2020 was T€ 391 higher than the guaranteed equity capital (positive deviation amount). The total purchase price of the shares thus increases by T€ 391. The amount was paid to the seller in the comparative period.

The development of contingent consideration allocated to Level 3 of the fair value measurement hierarchy is shown in the following table for the reporting period:

(in T€)	Contingent consideration
Status 1.1.2022	4,591
Change from derecognition/revaluation	-281
Access	0
Disposals/Compensations	-1,180
Status 30.6.2022	3,130

In the reporting period, there was unrealised income from revaluation amounting to T€ 232 (comparative period: expenses of T€ 108), which was recognised in the presentation of the result for the period in the item "other financial income".

D.3. Significant events after the reporting period

On 5 July 2022, the Supervisory Board of CANCOM SE resolved to appoint Rüdiger Rath as the new Chief Executive Officer of CANCOM SE with effect from 1 November 2022. Rüdiger Rath will thus succeed Rudolf Hotter, who will leave the company at his own request on 31 October 2022 after around 17 years as a member of the Executive Board. Rudolf Hotter had been Chairman of the Executive Board of CANCOM SE since 2020 and had asked the Supervisory Board to terminate his contract early; severance payments will therefore not be due. Together with the change at the top of the Executive Board, the Supervisory Board also decided to expand the Executive Board of CANCOM SE from three to four members.

In July 2022, CANCOM SE acquired 100 percent of the shares or 100 percent of the voting rights with a nominal value of T€ 200 in S&L Systemhaus GmbH, T€ 25 in S&L BusinessSolutions GmbH and T€ 100 in S&L ITcompliance GmbH, all based in Mülheim-Kärlich. This S&L Group is an IT service provider, had 98 employees (including managing directors) at the time of initial consolidation and generated revenue of T€ 15,472 (HGB) in the financial year 2021. With the acquisition, CANCOM intends to expand its presence in the west of Germany and, in particular, to extend its offering in the areas of managed services, network technologies and IT compliance. The total purchase price comprises a fixed purchase price component to be paid in cash of T€ 10,096 and a variable purchase price component. The variable purchase price component is a performance-based component (earn-out) - i.e. conditional payments depending on the total EBIT of the acquired companies for a total of four periods until 31 July 2025.

At the time the consolidated financial statements were released for publication, the acquisition of the S&L Group was incomplete within the meaning of IFRS 3 due to the fact that the purchase price allocation had not yet been completed. For this reason, the assets and liabilities acquired at the time of initial consolidation are not shown, nor is the goodwill resulting from the acquisition disclosed.

The acquisition of the S&L Group is expected to result in goodwill that will not be deductible for tax purposes. The reason for the recognition of the goodwill will be expected synergies from the regionally strengthened business activity, especially in connection with offers from the areas of IT security, IT compliance and data protection. In connection with the acquisition, costs in the amount of T€ 108 were recognised in the reporting period within the presentation of the result for the period in the item "other operating expenses".

On 18 July 2022, the Executive Board of CANCOM SE resolved to cancel the treasury shares acquired under the 2021 share buy-back programme in the period from 20 October 2021 up to and including 17 June 2022 and to reduce the share capital by the corresponding amount of € 3,176,151. The share capital of currently € 38,548,001 amounts to € 35,371,850 after the capital reduction and is divided into 35,371,850 no-par value shares with an amount of share capital of € 1.00 per share.

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 interim consolidated 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 2022

The Executive Board of CANCOM SE



Rudolf Hotter
CEO



Thomas Stark
CFO



Rüdiger Rath
COO

CANCOM SE

Investor Relations

Erika-Mann-Straße 69

80636 München

Germany

Phone +49 89 54054-5193

Fax +49 8225 996-45193

ir@cancom.de

www.cancom.de