all for one Group

Half-Year Financial Report as at 31 March 2021

Cloud sales grow by 11%
Substantial increase in EBIT and rising EBIT margin

	Sales (in EUR millions)	EBIT (in EUR millions)	Cloud & Software Revenue (in EUR millions)	Recurring Revenue (in EUR millions)
10/2020 – 03/2021	185.5	10.7	109.5	97.5
10/2019 – 03/2020	182.2	9.4	107.8	91.9
Change	+2%	+14%	+2%	+6%

- » SAP Pinnacle Award 2021: »Partner of the Year – SAP S/4HANA Movement«
- » Cloud sales: up 11% to EUR 41.9 million
- » Ratio of recurring revenues: 53% (Oct 2019 – Mar 2020: 50%)
- » License sales: down 24% to EUR 12.0 million
- » LOB segment: cloud subscriptions and self-developed add-ons enhance scalability and margin potential
- » CORE segment: strong CONVERSION/4 pipeline
- » Planned acquisition of SNP Poland to take place in current financial year
- » Michael Zitz (CSO) joins the management board
- » Sales and EBIT forecasts for 2020/21 confirmed

On a path to growth – despite the pandemic

We continue to operate right in the middle of the pandemic. The reticence is clearly noticeable, especially when it comes to larger projects. The pandemic is, however, not stopping the pressure to take action to digitalise workflows and transform business models. As a result of which, our »project pipeline« is well filled at the moment. The really big wave of migrations to CONVERSION/4 is still to come, however. Our transformation subscription model not only assures our customers of a particularly safe and fast migration to SAP S/4HANA; it also moreover incorporates a unique support and innovation model following transformation. Our pre-configured business processes drawn from our business process library containing more than 600 self-developed »scope items« are particularly important in this respect, together with other additional solutions. Through our CONVERSION/4 model based on SNP's Bluefield method, we are perceived as being particularly good at innovation and capable of high performance, not just by our customers but also within the SAP ecosystem. All for One Group was recognised globally by SAP »for driving adoption of SAP S/4HANA with a conversion-factory approach«, receiving an SAP Pinnacle Award 2021 (»Partner of the Year – SAP S/4HANA Movement«). In addition, several of our customers received an »SAP Quality Award« for »outstanding software implementations«. We also now occupy a leading position in the Microsoft market, despite only really operating actively for a few years. The market observers at ISG rank us as Market Leader for »SAP on Azure« *(ISG Provider Lens Microsoft Ecosystem 2021 – Germany, Mar 2021)*.

The acquisition of the majority stake in SNP Poland Sp. z o.o. in Suchy Las near Posen/Poland (SNP Poland) from SNP Schneider-Neureither & Partner SE, Heidelberg, is to take place in the current financial year. The transaction is closely linked to our subscription model for conversion to SAP S/4HANA, the shortage of experts and the changes occurring in our markets. We want to integrate SNP Poland – the number 1 provider of SAP and managed application services in Poland with a wealth of experience, expertise and resources for »SAP S/4HANA Conversion« – into our Group. We are very well prepared for the anticipated wave of migrations to SAP S/4HANA over the coming years.

As an acknowledged expert in customer centricity, Michael Zitz was appointed Chief Sales Officer (CSO) and has enhanced our management board team since 1 April 2021. In addition, the annual general meeting on 11 March 2021 elected Karl Astecker, a former IT manager and CIO with many years of experience, to the company's supervisory board.

EARNINGS SITUATION

Sales performance

in KEUR	10/2020 – 03/2021	10/2019 – 03/2020
Cloud services and support (1)	41,882	37,695
Software licenses and support (2)	67,660	70,093
Software licenses	12,030	15,917
Software support (3)	55,630	54,176
Consulting and services	75,990	74,370
Sales revenues	185,532	182,158
Cloud and software revenues (1) + (2)	109,542	107,788
Recurring revenues (1) + (3)	97,512	91,871

The strategy of comprehensively taking customers' competitiveness in the digital world to the next level is driving growth at All for One Group SE – despite the pandemic and clearly noticeable reticence on the part of customers. Recurring revenues increased from both cloud services and support (plus 11% to EUR 41.9 million) and software support (plus 3% to EUR 55.6 million). At EUR 97.5 million in total (plus 6%), recurring revenues now account for 53% (Oct 2019 – Mar 2020: 50%) of total sales.

Despite the good pipeline, licensing revenues continue to decrease considerably due to the pandemic and cloud transformation (»Rise with SAP«) (minus 24% to EUR 12.0 million), whereas consulting and services revenues were 2% up year on year (Oct 2019 – Mar 2020: EUR 74.4 million). Accordingly, total revenues of EUR 185.5 million were 2% above the prior-year figure. Disregarding the declining non-recurring license revenues, sales growth would have been 4%.

The increase in recurring revenues (up EUR 5.6 million) substantially more than offset the decrease in non-recurring revenues (software licenses, minus EUR 3.9 million). As a result, we were able to further strengthen our business model with the aid of cloud revenues, while at the same time reducing our dependency on licensing revenues that are both volatile and difficult to plan.

Earnings performance

in KEUR	10/2020 – 03/2021	10/2019 – 03/2020
Sales revenues	185,532	182,158
Cost of materials and purchased services [1]	-69,492	-67,207
Personnel expenses	-85,531	-80,058
Depreciation, amortisation and impairment on intangible, fixed and right-of-use assets	-10,756	-11,221
Impairment losses on financial assets	54	-66
Other operating expenses/income [1]	-9,091	-14,214
EBIT	**10,716**	**9,392**
Financial result	-686	-731
EBT	**10,030**	**8,661**
Income tax	-3,006	-2,638
Result for the period	**7,024**	**6,023**

1) Prior-year figures reclassified (please refer to section »Earnings situation« for further details)

The higher cost of materials and purchased services (plus 3% to EUR 69.5 million) is a result of the growth in sales. The marked increase in recurring revenues resulted in higher procurement expenditure on cloud subscriptions and software support services. Overall, the cost of materials ratio is at the prior-year level of 37%.

As discussed in our annual report 2019/20 in section »B. Changes to the accounting and valuation methods«, All for One Group has made a change in disclosure to improve the presentation of its results of operations in the consolidated statement of profit and loss. Computer centre operating expenses – formerly included under »Other operating expenses« – are now recognised as purchased services and included under »Cost of materials and purchased services«. Prior-year figures have been adjusted accordingly to improve comparability. The reclassification effect for the period Oct 2019 – Mar 2020 amounted to KEUR 5,428.

The increase in personnel expenses was proportionately higher than the sales trend, rising to EUR 85.5 million (plus 7%). In addition to specifically growing our workforce (plus 2% to 1,682 full-time positions), we also paid a special bonus to employees in recognition of their outstanding dedication in financial year 2019/20 (»Covid-19«). As a result, the ratio of personnel expenses to sales increased to 46% (Oct 2019 – Mar 2020: 44%). The significant decline in other operating expenses to EUR 11.1 million (minus 31%) was predominantly due to strict cost management as well as a sharp decrease in travel expenses. In connection with an increased use of cloud technologies of hyperscalers, depreciation, amortisation and impairment of intangible, fixed and right-of-use assets decreased to EUR 10.8 million (minus 4%).

EBITDA totalled EUR 21.5 million (Oct 2019 – Mar 2020: EUR 20.6 million), an increase of 4%. The EBITDA margin relative to sales was 11.6% (Oct 2019 – Mar 2020: 11.3%). At the same time, the increase in EBIT was proportionately much higher than the sales trend, increasing 14% to EUR 10.7 million. The sustained increase in recurring revenues and the focused implementation of changing the way we work in the wake of the pandemic have contributed to this positive earnings performance and more than offset the lack of contributions to earnings from declining license sales. As a result, the EBIT margin increased to 5.8% (Oct 2019 – Mar 2020: 5.2%).

The financial result for the half-year period was at the prior-year level of minus EUR 0.7 million. Income taxes amounted to minus EUR 3.0 million (Oct 2019 – Mar 2020: minus EUR 2.6 million), while EBT increased by 16% to EUR 10.0 million. The income tax rate is thus at the prior-year level of 30%. The result for the period and earnings per share both rose by 17% to EUR 7.0 million and EUR 1.39 respectively.

Sales and earnings performance by segment

	CORE		LOB	
in KEUR	10/2020 – 03/2021	10/2019 – 03/2020	10/2020 – 03/2021	10/2019 – 03/2020
Statement of profit and loss				
Sales to external customers	151,581	149,960	33,951	32,198
Intersegment sales	2,959	2,796	4,852	5,148
Sales revenues	154,540	152.756	38.803	37,346
Segment EBIT	7,476	8,294	3,235	1,093

A look at our segments clearly demonstrates the progress we are making with both the digitalisation of our clients and our own transformation.

Despite a marked decline in licensing revenues, we were able to increase CORE (ERP and collaboration solutions) segment sales by 1% to EUR 154.5 million (segment EBIT: minus 10% to EUR 7.5 million). The good progress we have been making since the end of 2018 in expanding new products and services – for IoT & machine learning, cybersecurity & compliance or new work & collaboration, for example – and our growing access to the larger midmarket are creating an ever broadening base for business, despite the pandemic. We continue to make good progress in building the pipeline for our only recently launched CONVERSION/4 subscription model based on SNP's Bluefield technology to migrate our customers to SAP S/4HANA. We expect the announced acquisition of SNP Poland to generate additional growth stimulus, given the expected wave of migrations.

In the LOB (lines of business solutions) segment, recurring cloud subscriptions combined with self-developed add-on solutions clearly demonstrate the scalability of the business model and offer future additional margin potential. With LOB segment sales increasing by 4% to EUR 38.8 million, EBIT almost tripled to EUR 3.2 million (Oct 2019 – Mar 2020: EUR 1.1 million). The EBIT margin relative to segment sales has now already reached 8.3% (Oct 2019 – Mar 2020: 2.9%). To further strengthen our employee experience portfolio as the number 1 in the SAP HR market, we have merged our holdings in Germany and Austria, which were formerly known under the names of KWP and TalentChamp, into a new brand »Empleox« through internal Group company transactions such as mergers and name changes (for more details, please see www.empleox.com).

ASSETS AND FINANCIAL SITUATION

Assets situation

The balance sheet total as at 31 March 2021 has decreased slightly to EUR 248.1 million (minus 1%). Accordingly, assets decreased in value by EUR 2.6 million. The main drivers were cash and cash equivalents (minus EUR 9.3 million), trade receivables (plus EUR 3.2 million, changes in demand for licenses, fluctuations during the pandemic) and other assets (plus EUR 2.3 million). Liabilities were affected partly by the increase in contract liabilities (plus EUR 1.2 million), lease liabilities (plus EUR 2.6 million) and other liabilities (plus EUR 3.1 million). Liabilities to employees decreased substantially by EUR 4.8 million. The decline in equity (minus EUR 5.1 million) despite the positive result for the period was due partly to the reclassification of minority interests following the increase of our stake in B4B Solutions GmbH, Graz/Austria – which was already a fully consolidated subsidiary – to 100%. Net debt (incl. IFRS 16) now amounts to EUR 26.8 million (30 Sep 2020: EUR 14.9 million). The equity ratio is 34% (30 Sep 2020: 35%).

Financial situation

Cash flow from operating activities totalled EUR 9.3 million (Oct 2019 – Mar 2020: EUR 10.4 million). The increase (in this case: plus EUR 3.1 million) in trade receivables as discussed in the »Assets situation« section above compares to a decrease of EUR 4.9 million in the previous year. Added to which, income tax payments in the reporting period under review necessitated cash outflows of EUR 2.9 million. By contrast, the figure for the previous year was influenced by cash inflows from payments and income tax refunds amounting to EUR 0.1 million. Cash flow from investing activities totalled minus EUR 1.8 million (Oct 2019 – Mar 2020: minus EUR 5.0 million). In the prior-year period, higher cash outflows were needed to fund technology investments in the cloud infrastructure. Cash flow from financing activities also changed considerably. The cash outflows totalling EUR 16.7 million include purchase price payments of EUR 4.0 million for the increased stake in B4B as discussed above. The cash inflows in the corresponding prior-year period (Oct 2019 – Mar 2020: EUR 11.4 million) were primarily due to promissory note bonds totalling EUR 23.5 million that were placed in October 2019. As a result, cash funds totalled EUR 59.8 million (31 Mar 2020: EUR 45.4 million).

EMPLOYEES

	10/2020 – 03/2021	10/2019 – 03/2020
Employees		
Number of employees (period end)	1,917	1,838
Number of full-time equivalents (ø)	1,682	1,656
Non-financial performance indicators		
Employee retention	94.2%	92.5%
Health index	97.3%	96.7%

With the pandemic slowly fading, the severe shortage of experts could worsen substantially. Looking ahead to our growth targets, we are raising investment in building and upskilling our workforce. We have launched »OneAcademy«, our Group-wide eLearning platform offering a comprehensive programme of training and upskilling courses. As part of our »WEAREONE« programme, we have further improved our values and leadership guidelines and are striving to anchor them in our day-to-day business. Keeping our staff and their close families safe and healthy is our top priority. To this end, we have a comprehensive and coordinated programme of actions in place. Our health index continues to rise. Our employee retention also improved further and is, we believe, well above the industry average. We were again ranked among the »top employers 2021 in Germany« (7th out of 65 in the »IT« category, 27th out of 1,000 companies overall). The ranking by Focus Money and kununu (Feb 2021) spotlights those companies with particularly satisfied employees.

CORPORATE GOVERNANCE

We consistently compare the latest recommendations issued by the German government's commission for the corporate governance code (»code 2020«) with our everyday corporate governance practices. Our declaration of compliance dated 29 September 2020 (no deviations from the recommendations) was updated on 27 January 2021 and discusses two areas where we diverge with regard to the revision of our compensation system for the management board. The compensation system was approved by the annual general meeting on 11 March 2021. (for more details of our compensation system, please see www.all-for-one.com/governance_d). Our declaration of conformity for the current year is planned for September 2021. For details of directors' dealings in the reporting period, please refer to our website (www.all-for-one.com/dd_e).

OPPORTUNITIES AND RISK REPORT

Risk situation

With the global pandemic continuing, we are continuously paying particular attention to reviewing our risk situation. In terms of environmental risks, we are likely to continue to be exposed to increased »economic risks« (included in the »risks associated with social, political, overall economic and regulatory developments«, risk classification already »high«). Machinery and equipment manufacturing are picking up speed again and in 2021 have been able to make good at least some of the setbacks suffered last year. However, the willingness to invest is still being hampered by fears of the third wave increasingly spreading to industry again and border closures disrupting supply chains once more *(source: German Mechanical Engineering Industry Association (VDMA, Verband Deutscher Maschinen- und Anlagenbau), 12 Apr 2021)*. Overall, economic recovery could be delayed further. The German Council of Economic Experts *(Sachverständigenrat zur Begutachtung der gesamtwirtschaftlichen Entwicklung)*, for example, lowered its forecast of economic growth in Germany for this year from 3.7% to currently 3.1% (17 Mar 2021). Whether the strong recovery in the second half of 2021 as reflected in the prediction actually occurs is anyone's guess. Our »market and industry risks« therefore remain »high« and will probably continue to weigh on our sales success. We discussed the measures taken to mitigate the aforementioned risks in our annual report 2019/20 (see section »Opportunities and risk report«) and still believe them to be just as applicable.

In terms of »strategy risks«, we are keeping a very close eye on the possible impacts of »Rise with SAP« – a cloud initiative launched by SAP in January 2021 – on our »risks associated with co-competition from strategic partners«, which have already been classified as »high«. Back in November 2018, we launched our strategy offensive coupled with the far-reaching promise to enhance the ability of our customers to compete in a digital world. Since then we have been driving the transformation from conventional SAP reseller business to high recurring cloud revenues – much sooner than many other players in the market – and, in doing so, have created much broader access to the market for our expanded portfolio of consulting services. CONVERSION/4 marks a further step in the process, bundling the migration from SAP ERP to SAP S/4HANA together with numerous innovations into a subscription model. »Rise with SAP« will probably also make it easier and cheaper to roll out SAP S/4HANA in the cloud and could thus provide additional tailwind to our cloud strategy. Equally, the initiative could have a substantially adverse effect on our future licensing and support revenues and on our own partner programme within SAP's ecosystem. We clearly mark this position, including at a global level, through the close collaboration within our United VARs alliance – which is acknowledged around the world by SAP as a strong »sounding board«.

In terms of »financial risks«, we are paying particular attention to the »risks associated with bad debts and customers insolvencies« and are monitoring the payment behaviour of our customers very closely as part of our receivables management efforts. So far, there have been virtually no major defaults. Our insurance policies also help to mitigate this risk. Nevertheless, once the temporary suspension of mandatory declaration of insolvency is lifted or the safety net for providers of default policies is abolished, the increase in the number of defaults and customers insolvencies could be substantial.

When managing our »operational risks«, assuring information security (»cyber risks, risk classification »medium«, unchanged) requires even more time and effort. The degree of professionalism and the frequency and diversity of cyber attacks are increasing further. To effectively mitigate the risks posed by this increasingly dangerous situation and to assure even better protection of both our customers' data and systems and our own application landscapes, we are continuously further enhancing our already extensive security precautions and defence mechanisms. In addition, we consistently strive to raise awareness for IT security among our staff. We use the same self-developed solutions and services – for which there is high demand in the marketplace – to further mitigate our »cyber risks« as we use when advising our customers on their own cybersecurity & compliance assurance strategies.

In the run-up to our planned acquisition of SNP Poland, we are moreover monitoring the »risks associated with company acquisitions« – which are also included under operational risks – very closely. To further reduce risk, we are subjecting this project to extensive due diligence with our own resources and external specialists.

Notwithstanding the slight shifts explained above, our evaluation of the individual risks as discussed in the annual report 2019/20 (see section »Opportunities and risk report«) remains unchanged.

Opportunity situation

We are paying equally close attention to continuously evaluating the opportunities for our future business development that we expect to arise both during and, particularly, after the pandemic. The core investments relating to our strategy offensive 2022 have mostly been made and are increasingly showing effect. Despite the pandemic, we are rolling innovations such as CONVERSION/4 out to our customers faster than ever before and are creating additional tailwind for migration to SAP S/4HANA through our planned acquisition of SNP Poland. SNP Poland will moreover expand our access to the larger midmarket, providing international competence which is frequently required for such projects in the DACH region. In the case of »Rise with SAP«, the aforementioned risks could well be accompanied by considerable opportunities to support as many as possible of our more than 2,500 customers on their migration to the cloud and to further increase our recurring revenues. Our new EDGE/4 customer loyalty programme aims to not only fortify our partnerships with our customers; rather, it offers customers different levels of opportunity to expand their digitalisation at a greater speed and to develop new business models to make themselves fit for the future. Overall, our opportunities discussed in the annual report 2019/20 (see section »Opportunities and risk report«) remain intact.

Assessment of the overall situation

The slight shifts in emphasis in our risk and opportunities profile, as discussed above, have resulted in only minor change to our overall risk profile (see section »Overall risk profile« in the annual report 2019/20). Other risks and opportunities of which we are unaware or currently believe to be of no relevance could, however, impact our business development. Having said that, however, we have not currently identified any risks which – on their own or in combination with other risks – could jeopardise our continued existence.

OUTLOOK

Our »project pipeline« is well filled overall but continues to demonstrate volatility and cause additional costs, which will probably continue into the second half of our financial year 2020/21. At the same time, however, we expect the pandemic to slowly fade, enabling us to launch increasingly larger projects from the summer onwards. We are upholding our guidance of 13 November 2020 unchanged and continue to estimate a slight increase in sales and an EBIT of between EUR 17.5 million and 20.5 million in financial year 2020/21.

Predictions are much easier when looking beyond the pandemic. We then expect growth to be substantial and the EBIT margin to be higher. The pressure on our customers to digitalise is becoming increasingly strong. By the end of 2027 – at which point maintenance for the SAP Business Suite 7 will be discontinued – we want to have converted most of our base of around 1,000 existing SAP customers – which constitutes the largest installed customer base in the German-speaking midmarket – to SAP S/4HANA, and to have acquired a lot of new customers. Moreover, SNP Poland represents a top SAP managed and application services provider, which we plan to integrate into our Group and thus be able to increasingly drive international conversion projects for our customers. Which will further increase our chances of success.

RESPONSIBILITY STATEMENT BY THE LEGAL REPRESENTATIVES

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

Lars Landwehrkamp CEO	Michael Zitz CSO	Stefan Land CFO

CONSOLIDATED STATEMENT OF PROFIT AND LOSS OF ALL FOR ONE GROUP

from 1 October 2020 to 31 March 2021

in KEUR	10/2020 – 03/2021	10/2019 – 03/2020	01/2021 – 03/2021	01/2020 – 03/2020
Sales revenues	185,532	182,158	89,969	89,813
Other operating income	2,016	1,884	992	367
Cost of materials and purchased services [1]	-69,492	-67,207	-32,015	-32,551
Personnel expenses	-85,531	-80,058	-43,219	-39,907
Depreciation, amortisation and impairment on intangible, fixed and right-of-use assets	-10,756	-11,221	-5,401	-5,480
Impairment losses on financial assets	54	-66	-65	-164
Other operating expenses [1]	-11,107	-16,098	-5,497	-7,476
EBIT	10,716	9,392	4,764	4,602
Financial income	10	6	4	5
Financial expense	-696	-737	-355	-358
Financial result	-686	-731	-351	-353
Earnings before tax (EBT)	10,030	8,661	4,413	4,249
Income tax	-3,006	-2,638	-1,243	-1,351
Result for the period	7,024	6,023	3,170	2,898
attributable to owners of the parent	6,907	5,915	3,162	2,835
attributable to non-controlling interests	117	108	8	63
Earnings per share				
Undiluted and diluted earnings per share (in EUR)	1.39	1.19	0.63	0.57

1) Prior-year figures reclassified (please refer to section »Earnings situation« for further details)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME OF ALL FOR ONE GROUP

from 1 October 2020 to 31 March 2021

in KEUR	10/2020 – 03/2021	10/2019 – 03/2020	01/2021 – 03/2021	01/2020 – 03/2020
Result for the period	7,024	6,023	3,170	2,898
Items that may be reclassified to profit or loss in subsequent periods				
Unrealised profits (+) / losses (-) from currency translation	-77	-65	-80	-13
Other comprehensive income	-77	-65	-80	-13
Total comprehensive income	6,947	5,958	3,090	2,885
attributable to owners of the parent	6,830	5,850	3,082	2,822
attributable to non-controlling interests	117	108	8	63

CONSOLIDATED BALANCE SHEET OF ALL FOR ONE GROUP
as at 31 March 2021

Assets in KEUR	31.03.2021	30.09.2020
Current assets		
Cash and cash equivalents	59,831	69,089
Finance lease receivables	4,460	4,111
Trade receivables	41,285	38,087
Contract assets	4,835	4,905
Income tax assets	1,026	448
Other assets	8,724	8,604
	120,161	125,244
Non-current assets		
Goodwill	30,679	30,738
Other intangible assets	31,523	32,945
Fixed assets	13,946	15,473
Right-of-use assets	37,698	35,032
Finance lease receivables	7,462	6,674
Deferred tax assets	477	708
Other assets	6,115	3,890
	127,900	125,460
Total assets	248,061	250,704

Liabilities and equity in KEUR	31.12.2019	31.12.2020
Current liabilities		
Other provisions	1,359	1,315
Liabilities to financial institutions	7	7
Lease liabilities	11,223	10,426
Trade payables	16,468	16,784
Contract liabilities	11,017	9,770
Liabilities to employees	17,828	22,596
Income tax liabilities	2,255	1,827
Other liabilities	9,179	6,261
	69,336	68,986
Non-current liabilities		
Pension provisions	3,794	3,809
Other provisions	690	690
Liabilities to financial institutions	48,367	48,346
Lease liabilities	27,055	25,252
Deferred tax liabilities	14,326	14,187
Other liabilities	788	650
	95,020	92,934
Equity		
Issued capital	14,946	14,946
Reserves	68,601	73,797
Share of equity attributable to owners of the parent	83,547	88,743
Non-controlling interests	158	41
	83,705	88,784
Total liabilities and equity	248,061	250,704

CONSOLIDATED CASH FLOW STATEMENT OF ALL FOR ONE GROUP

from 1 October 2020 to 31 March 2021

in KEUR	10/2020 – 03/2021	10/2019 – 03/2020
Result for the period	7,024	6,023
Income tax	3,006	2,638
Financial result	686	731
Depreciation, amortisation and impairment on intangible, fixed and right-of-use assets	10,756	11,221
Increase (+) / decrease (-) in value adjustments and provisions	-53	-1,314
Increase (-) / decrease (+) in trade receivables	-3,123	4,861
Increase (+) / decrease (-) in trade payables	-307	-5,158
Increase (-) / decrease (+) in other assets and other liabilities	-5,779	-8,735
Income tax refunds (+) / income tax payments (-)	-2,909	125
Cash flow from operating activities	9,301	10,392
Payments for purchase of intangible and fixed assets	-1,958	-5,284
Proceeds from sale of intangible and fixed assets	103	170
Purchase of subsidiary, net of cash and cash equivalents acquired	0	-65
Sale of subsidiary, net of cash and cash equivalents disposed of	0	-7
Interest received	12	216
Cash flow from investing activities	-1,843	-4,970
Repayment of lease liabilities	-5,991	-5,761
Proceeds from liabilities to financial institutions	0	23,500
Repayment of liabilities to financial institutions	-4	-10
Payment for acquisition of non-controlling interests	-4,000	0
Interest paid	-665	-289
Dividend payments to shareholders and non-controlling interests	-5,994	-6,007
Cash flow from financing activities	-16,654	11,433
Increase (+) / decrease (-) in cash and cash equivalents	-9,196	16,855
Effect of exchange rate fluctuations on cash funds	-62	3
Cash funds at start of period	69,089	28,498
Cash funds at end of period	59,831	45,356

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY OF ALL FOR ONE GROUP

from 1 October 2020 to 31 March 2021

	Share of equity attributable to owners of the parent					Non-controlling interests	Equity
in KEUR	Issued share capital	Capital reserve	Currency translation reserves	Retained earnings	Total		
01.10.2019	14,946	11,228	1,103	55,298	82,575	-284	82,291
Result for the period	0	0	0	5,915	5,915	108	6,023
Other comprehensive income	0	0	-65	0	-65	0	-65
Total comprehensive income	0	0	-65	5,915	5,850	108	5,958
Dividend distribution	0	0	0	-5,978	-5,978	0	-5,978
Distribution to non-controlling interests	0	0	0	0	0	-29	-29
Acquisition of non-controlling interests	0	0	0	0	0	0	0
Transactions with owners of the company	0	0	0	-5,978	-5,978	-29	-6,007
31.03.2020	14,946	11,228	1,038	55,235	82,447	-205	82,242
01.10.2020	14,946	11,228	846	61,723	88,743	41	88,784
Result for the period	0	0	0	6,907	6,907	117	7,024
Other comprehensive income	0	0	-77	0	-77	0	-77
Total comprehensive income	0	0	-77	6,907	6,830	117	6,947
Dividend distribution	0	0	0	-5,978	-5,978	0	-5,978
Distribution to non-controlling interests	0	0	0	0	0	-16	-16
Acquisition of non-controlling interests	0	0	0	-6,048	-6,048	16	-6,032
Transactions with owners of the company	0	0	0	-12,026	-12,026	0	-12,026
31.03.2021	14,946	11,228	769	56,604	83,547	158	83,705

CONDENSED NOTES TO THE INTERIM REPORT OF ALL FOR ONE GROUP

from 1 October 2020 to 31 March 2021

1. General principles

Unless otherwise indicated, »All for One Group SE«, »All for One Group«, »company«, or »Group« in this interim report all refer to All for One Group SE, including its subsidiaries. This half-year financial report of All for One Group SE as specified in Sections 115 and 117 Securities Trading Act [WpHG] has been prepared in conformity with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and with Section 51a of the regulations issued by the Frankfurt Stock Exchange (FWB). The interim report also complies with the requirements of IAS 34 Interim Financial Reporting and has not been audited. The consolidated financial statements were prepared in accordance with the accounting and measurement methods applying as of 30 September 2020. The figures include all ongoing business transactions and deferrals that the company deems necessary to ensure correct presentation of the interim results. The company believes that the information and explanations presented in this report present a fair and true picture of its net assets, financial position and results of operations. Our business is subject to various seasonal fluctuations, while major contract acquisitions and the execution of large contracts can significantly change sales and earnings results.

This interim report contains forecasts, estimates and expectations that involve risks and uncertainties. Actual results and developments may differ considerably from our expectations and assumptions. Such deviations may be the result of changes in the general economic situation and competitive environment, especially in our core business areas and markets, or amendments to laws, especially those governing taxation. We are under no obligation to update the statements in this interim report.

The consolidated financial statements have been prepared in line with the going concern principle. Please refer to our discussion in the interim management report for information about the current coronavirus situation.

2. Sales revenues

Sales by type

in KEUR	10/2020 – 03/2021	10/2019 – 03/2020
Cloud services and support (1)	41,882	37,695
Software licenses and support (2)	67,660	70,093
Software licenses	12,030	15,917
Software support (3)	55,630	54,176
Consulting and services	75,990	74,370
Sales revenues	185,532	182,158
Cloud and software revenues (1) + (2)	109,542	107,788
Recurring revenues (1) + (3)	97,512	91,871

Sales by country

in KEUR	10/2020 – 03/2021	10/2019 – 03/2020
Germany	157,112	157,861
Austria	11,856	9,507
Switzerland	8,838	7,405
Luxembourg	5,734	4,397
Italy	745	1,443
Other countries	1,247	1,545
Total	185,532	182,158

3. Impairment expenses

Impairment expenses on intangible, fixed and right-of-use assets were not recognised in the first half of financial year 2020/21 nor in the relevant comparison period. Impairment losses on financial assets were recognised separately in the statement of profit and loss.

4. Dividend distribution

The annual general meeting of 11 March 2021 approved a dividend for the financial year 2019/20 of EUR 1.20 (prior year: EUR 1.20) per share entitled to dividends, which led to a distribution of KEUR 5,978 (prior year: KEUR 5,978).

5. Segment reporting

in KEUR	CORE 10/2020 – 03/2021	CORE 10/2019 – 03/2020	LOB 10/2020 – 03/2021	LOB 10/2019 – 03/2020	Consolidation 10/2020 – 03/2021	Consolidation 10/2019 – 03/2020	Total 10/2020 – 03/2021	Total 10/2019 – 03/2020
External sales revenues	151,581	149,960	33,951	32,198	0	0	185,532	182,158
Intersegment revenues	2,959	2,796	4,852	5,148	-7,811	-7,944	0	0
Sales revenues	154,540	152,756	38,803	37,346	-7,811	-7,944	185,532	182,158
Depreciation, amortisation and impairment	-9,661	-9,892	-1,100	-1,334	5	5	-10,756	-11,221
Segment EBIT	7,476	8,294	3,235	1,093	5	5	10,716	9,392
Financial result	–	–	–	–	–	–	-686	-731
EBT	–	–	–	–	–	–	10,030	8,661

6. Financial instruments: Disclosures at fair value

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

in KEUR	Carrying amount 31.03. 2021	Carrying amount 30.09. 2020	Fair value 31.03. 2021	Fair value 30.09. 2020
Finance lease receivables	11,922	10,785	12,038	10,923
Liabilities to financial institutions	48,374	48,353	50,002	49,724

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

A commitment to invest in fixed assets exists in the amount of KEUR 3,109 (30 Sep 2020: KEUR 7,008). In addition, we are committed to leases that have been agreed but have not yet started. Amounting to KEUR 10,499 (30 Sep 2020: KEUR 1,193), these leases essentially relate to property and IT infrastructure.

8. Related party transactions

At the annual general meeting of 11 March 2021, Karl Astecker, member of the administrative board of Qino Engineers AG, Hünenberg/Switzerland, was elected to the company's supervisory board. Supervisory board member Peter Fritsch did not stand for reelection. Otherwise, there have been no substantial changes in our relationships with related parties compared to 30 September 2020. All transactions are settled at arm's length conditions. For further details, please refer to Note 23. in the notes to the consolidated financial statements for financial year 2019/20.

9. Subsequent events

With Michael Zitz as chief sales officer (CSO), the management board of All for One Group SE has grown from formerly two to three members. He is also co-founder of B4B Solutions GmbH, Graz/Austria, which has been a part of All for One Group since 2016. The new composition of the management board came into effect on 1 April 2021.

No other events subject to disclosure occurred since 31 March 2021.

IR SERVICE

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

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

ALL FOR ONE GROUP SE

All for One Group SE (ISIN DE0005110001) enhances the competitive ability of its customers in a digital world. The Group unites strategic and management consulting, process consulting, industry insight and technology expertise, IT consulting and services under one roof. With market leading business software solutions based on SAP, Microsoft and IBM together with more than 1,900 experts, All for One Group SE orchestrates all aspects of competitive strength: intelligent Enterprise Resource Planning (ERP) as the digital core of any future-proof corporate IT, strategy, business model, customer & employee experience, new work, big data & analytics, but also IoT, artificial intelligence or cyber security & compliance. All for One Group SE is assisting more than 2,500 clients with their transformation and the expansion of their ability to compete. Market observers rank the leading consulting and IT group as the number 1 in the German-speaking SAP market. As a founding member of United VARs – the most powerful global alliance of SAP Partners – All for One Group SE also provides a comprehensive portfolio of consulting and other services, together with best-in-class local support in more than 100 countries. All for One Group SE is listed in the Prime Standard on the Frankfurt Stock Exchange and achieved sales of approx. EUR 355 million in the financial year 2019/20.

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