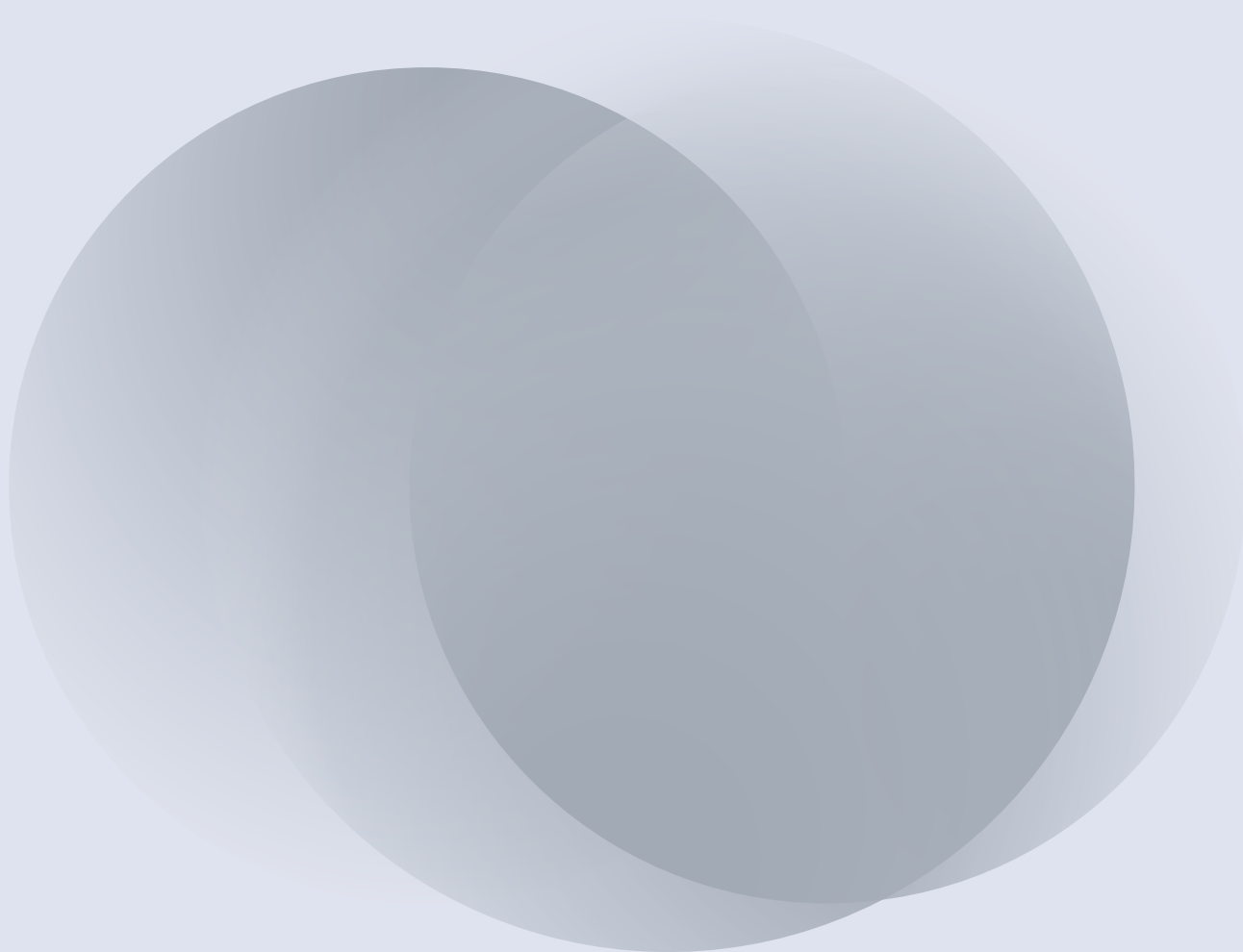


INTERIM STATEMENT

Q1 2023



Key figures

CANCOM GROUP

in € million	Q1 2023	Q1 2022*	Δ
Revenue	317.7	296.7	+ 7.1 %
Business volume	433.0	392.1	+ 10.4 %
Gross profit	117.0	107.0	+ 9.3 %
EBITDA	24.1	26.4	- 8.8 %
EBITDA margin	7.6 %	8.9 %	- 1.3 Pp
EBITA	13.5	16.5	- 18.1 %
EBIT	12.8	15.4	- 17.3 %
Employees (average)	3,976	3,651	+ 8.9 %
	31.3.2023	31.12.2022	Δ
Balance sheet total	1,230.0	1,305.1	- 5.8 %
Equity	704.6	694.8	+ 1.4 %
Equity ratio	57.3	53.2	+ 4.1 Pp
Cash/equivalents	330.4	393.2	- 16.0 %

* All key financial figures for 2022 include the effects from the sale and deconsolidation of the business activities in the United States of America (HPM Incorporated). The explanations on the classification of the CANCOM USA Group can be found in section 2.2.3. of the consolidated financial statements of the Annual Report 2022 of CANCOM SE.

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Group Interim Report

for the period 1 January to 31 March 2023

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 and Slovakia.

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 supported in their day-to-day business operations by likewise 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 Slovakia. 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 at the level of the Group as a whole.

Business model and sales markets

CANCOM's range of products and services 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 hybrid IT service provider for the customer.

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

This broad-based product and service offering enables the CANCOM Group to generate revenue both on the basis of the company's own skills and services (service business) and from remuneration and commissions for the sale of third-party IT products (sale of goods). Within this business model, management is pursuing a course of strategic transformation of the CANCOM Group into a hybrid IT service provider in which an increasing proportion of business activity is to be the provision of IT services, specifically managed services.

Geographically, the CANCOM Group is primarily active in Germany, but also in Austria, Belgium and Switzerland. 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, 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. In addition, the availability of IT hardware and software on the world market is an external factor that cannot be influenced.

The CANCOM Group's customer base primarily comprises commercial end users, ranging from small and medium-sized enterprises to large companies and corporations, as well as public institutions. CANCOM's range of products and services 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 hybrid IT service provider for the customer.

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

In the CANCOM Group's home market, economic output, measured in terms of gross domestic product, stagnated in the first quarter of 2023 compared to the previous quarter. Compared to the first quarter of the previous year, gross domestic product rose by 0.2 percent according to the Federal Statistical Office. The development of GDP reflected the continuing difficult economic conditions with persistently high inflation. In the course of the first quarter, global supply chains continued to normalise and the distortions on energy and commodity markets triggered by

the Ukraine war also continued to decrease. The International Monetary Fund's (IMF) growth forecast for Germany for 2023 in April was -0.1 percent year-on-year, 0.1 percentage points higher than in the IMF forecast at the beginning of the year.

Austria

For Austria, CANCOM's most important foreign market, GDP in the first quarter of 2023 was 0.3 percent lower than in the previous quarter, according to the European statistics authority Eurostat. Compared to the first quarter of the previous year, GDP grew by 1.8 percent.

Gross domestic product (GDP) 2023*
(Change compared to previous quarter in %)

Germany Q1 2023	+/- 0.0
Austria Q1 2023	■ - 0.3

*) Source: Eurostat, April 2023.

ICT market

In its current survey from January 2023, the German association for the ITC industry Bitkom forecasts a growth in market volume in the ITC market in Germany of 4.2 percent to a total of € 195.8 billion. The main driver of this development is the information technology market, the largest in terms of volume, which will reach a total volume of € 126.4 billion in 2023 according to Bitkom. The industry association Bitkom expects growth in all IT submarkets in 2023.

Outlook: Information technology (IT) market 2023, Germany*
(Change compared to previous year in %)

Software	■ + 9.3 %
IT hardware (incl. semiconductors)	■ + 5.3 %
IT services	■ + 4.7 %

*) Source: Bitkom/IDC, January 2023.

The survey from January of the year is of limited value due to the time lag between the publication of this Quarterly Statement and the economic development in the first quarter. The Bitkom-ifo Digital Index, which reflects the current business situation and business expectations, rose in the first quarter of the year. Accordingly, a positive market development can be assumed.

Business performance in the first three months of 2023

In the reporting period from 1 January to 31 March 2023, the CANCOM Group's consolidated revenue increased by 7.1 percent to € 317.7 million. Gross profit also developed positively compared to the first quarter of the previous year, rising by 9.3 percent to € 117.0 million. The operating result before interest, taxes, depreciation and amortisation (EBITDA), however, was € 24.1 million and thus below the value of the previous year. While the development of revenue and gross profit was largely in line with expectations, the operating result was affected by inflation-related higher operating expenses as well as personnel costs. As a special effect, expenses of around € 1.0 million had an impact on the EBITDA, which were related to the implementation of the internal profitability and efficiency programme. Customer demand remained good despite an environment characterised by economic uncertainties and the order backlog was also at a high level.

Employees

As at 31 March 2023, the CANCOM Group employed 3,976 people (31 March 2022: 3,651), an increase of 8.9 percent compared to the previous year's reporting date.

The staff members were active in the following areas:

CANCOM Group: Employees

	31.03.2023	31.03.2022	31.03.2022 (adjusted)*
Professional Services	2,446	2,184	2,171
Distribution	852	844	833
Central Services	678	658	647
Total	3,976	3,686	3,651

*) Adjustment: Number of employees as at 31 March 2022 excluding employees of the CANCOM USA Group.

On average, 3,976 people were employed in the CANCOM Group (previous year's period (adjusted): 3,651 employees).

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

Note:

In connection with the sale of the business activities in the USA, the previous year's figures have been adjusted. For more information, please refer to section A.2.2.3 of the notes to the 2022 consolidated financial statements of CANCOM SE.

Earnings situation

CANCOM Group: Revenue (in € million)

Q1 2023	317.7
Q1 2022*	296.7

*) Adjusted

In the first three months of the fiscal year 2023, the CANCOM Group achieved growth in consolidated revenue to € 317.7 million (previous year (adjusted): € 296.7 million). The CANCOM Group's organic¹ revenue, i.e. without the influence of company acquisitions, was € 313.6 million in the first quarter. In the period under review, CANCOM generated € 218.6 million (previous year (adjusted): € 203.2 million) from the sale of goods, i.e. in particular hardware and software: 203.2 million) and from the provision of services € 99.1 million (previous year (adjusted): € 93.5 million).

Geographically, the CANCOM Group's revenue in the reporting period in Germany was € 272.5 million (previous year (adjusted): € 274.3 million). In international business, revenue amounted to € 45.2 million (previous year (adjusted): € 22.4 million).

The business volume² of the CANCOM Group, i.e. correspondingly before the application of IFRS 15 with classification of transactions as principal (gross disclosure) or agent (net disclosure), totalled € 433.0 million between January and March 2023 (previous year (adjusted): € 392.1 million).

The CANCOM Group's other operating income reached € 1.3 million in the first three months of 2023 (previous year (adjusted): € 3.5 million).

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

1 Organic share of financial ratios = respective financial ratio (GAAP or non-GAAP) - contributions from companies that have been part of the scope of consolidation for less than 12 months
2 Business volume = revenue before adjustment according to IFRS 15 (principal/agent classification); corresponds to accounting before 2020

The total operating performance of the CANCOM Group in the reporting period from January to March 2023 was € 319.6 million (previous year (adjusted): € 302.0 million).

CANCOM Group: Cost of materials
(in € million)

	Q1 2023	Q1 2022*
Cost of materials/cost of purchased services	-202.6	-195.0

*) Adjusted

The CANCOM Group's cost of materials in the first three months of 2023 totalled € 202.6 million (previous year (adjusted): € 195.0 million).

CANCOM Group: Gross profit
(in € million)

Q1 2023	117.0
Q1 2022*	107.0

*) Adjusted

In the first three months of 2023, the CANCOM Group's gross profit³ rose by 9.3 percent year-on-year to € 117.0 million (previous year (adjusted): € 107.0 million). The gross profit margin in the reporting period was 36.8 percent (previous year: 36.1 percent).

CANCOM Group: Personnel expenses
(in € million)

	Q1 2023	Q1 2022*
Wages and salaries	64.3	58.1
Social security contributions	11.7	10.2
Equity-settled share-based payment transactions	0.0	0.2
Expenses for retirement benefits	0.1	0.1
Share-based payments with cash settlement	0.1	0.0
Total	76.2	68.6

*) Adjusted

Personnel expenses amounted to € 76.2 million in the first three months of 2023 and were thus higher than in the same period of the previous year (previous year (adjusted): 68.6 million). The personnel expense ratio was 24.0 percent (previous year: 23.1 percent).

Other operating expenses amounted to € 16.9 million in the first quarter (previous year (adjusted): € 12.0 million).

CANCOM Group: EBITDA
(in € million)

Q1 2023	24.1
Q1 2022*	26.4

*) Adjusted

In the reporting period from January to March 2023, the EBITDA⁴ of the CANCOM Group was € 24.1 million (previous year (adjusted): € 26.4 million). Organically, an EBITDA of € 22.5 million was achieved.

CANCOM Group: EBITDA margin
(in %)

Q1 2023	7.6
Q1 2022*	8.9

*) Adjusted

In the reporting period from January to March 2023, the EBITDA margin of the CANCOM Group was 7.6 percent (previous year: 8.9 percent).

CANCOM Group: EBITA
(in € million)

Q1 2023	13.5
Q1 2022*	16.5

*) Adjusted

The CANCOM Group's EBITA⁵ in the first three months of the current financial year amounted to € 13.5 million (previous year (adjusted): € 16.5 million). Organically, EBITA of € 12.1 million was achieved.

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

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

4 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

5 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

CANCOM Group: EBIT
(in € million)

Q1 2023	12.8
Q1 2022*	15.4

*) Adjusted

The CANCOM Group's EBIT⁶ in the first quarter of the current financial year was € 12.8 million (previous year (adjusted): € 15.4 million).

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

Q1 2023	10.1
Q1 2022*	11.1

*) Adjusted

As a result of the first three months of the financial year, the CANCOM Group's profit for the period amounted to € 10.1 million (previous year (adjusted): 11.2 million).

In the income statement, the contribution to earnings of the sold companies in the USA in 2022 is shown summarised in the item „Result from discontinued operations“.

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 balance sheet total of the CANCOM Group at the reporting date of 31 March 2023 was € 1,230.0 million (31 December 2022: € 1,305.1 million). On the liabilities side, € 704.6 million of this was attributable to equity and € 525.5 million to debt. The CANCOM Group's equity ratio was thus 57.3 percent at the end of March, higher than at the end of the 2022 financial year (31 December 2022: 53.2 percent). The debt ratio fell accordingly to 42.7 percent (31 December 2022: 46.8 percent). There were no non-current or current financial liabilities to banks as at the balance sheet date, nor as at the balance sheet date for the 2022 financial year on 31 December 2022. Cash and cash equivalents at the balance sheet date of 31 March 2023 amounted to € 330.4 million (31 December 2022: € 393.2 million). 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 € 403.7 million as at the balance sheet date of 31 March 2023 (31 December 2022: € 479.8 million). The change compared to December 2022 is due in particular to the decrease in trade payables and other current liabilities.

At € 121.7 million, non-current liabilities were below the level at the end of the year (31 December 2022: € 130.5 million). Only other non-current financial liabilities changed significantly and fell to € 95.3 million (31 December 2022: € 103.0 million).

Equity increased due to the transfer of the profit for the period to retained earnings and amounted to € 704.6 million as at the balance sheet date (31 December 2022: € 694.8 million).

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

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

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 € 888.7 million as at 31 March 2023 (31 December 2022: € 958.7 million). Cash and cash equivalents decreased in the first three months of 2023 to € 330.4 million as at 31 March 2023 (31 December 2022: € 393.2 million), being the main driver of the decrease in current assets. Trade receivables also decreased and amounted to € 395.9 million as at the first quarter reporting date (31 December 2022: € 409.2 million). Inventories increased to € 92.0 million (31 December 2022: € 83.0 million).

Non-current assets amounted to € 341.4 million as at 31 March 2022 (31 December 2022: € 346.4 million). The changes in the individual items were not significant.

Cash flow and liquidity

Based on a result for the period of € 10.1 million (previous year: € 11.2 million), the cash flow from operating activities was € -43.6 million (previous year: € -76.3 million). The improvement was mainly due to the reduction in receivables of € 20.6 million (previous year: € -6.3 million).

Cash flow from investing activities amounted to € -6.6 million in the first three months (previous year: € -8.9 million) and was thus below the level of the previous year. Payments in connection with the acquisition of subsidiaries increased to € -3.6 million (previous year: € -1.2 million). The main influencing factor was the payment of the purchase price for NWC Services GmbH. Compared to the same period last year, payments for investments in property, plant and equipment, increasing intangible assets and rights of use (CapEx) were significantly lower at € -4.5 million (previous year: € -8.0 million). As a result of rising interest on bank balances, CANCOM recorded cash inflows of € 1.3 million (previous year: € 0.1 million).

Cash flow from financing activities amounted to € -12.2 million and was thus significantly above the value of the same quarter of the previous year, which was extraordinarily increased by the share buyback (previous year: € -80.9 million).

After the first three months of the financial year, there was a decrease in cash and cash equivalents of € 62.5 million. Cash and cash equivalents amounted to € 330.4 million as at 31 March 2023. As a result, the CANCOM Group continues to have a high level of positive cash and cash equivalents at the reporting date of 31 March 2023 and can draw on unused credit lines with financial institutions at the reporting date for this release. The CANCOM Group is therefore in an exceptionally strong position to meet its payment obligations at all times.

Events after the end of the reporting period

On 24 April 2023, the CANCOM Group announced that an agreement had been concluded between the shareholders of the parent company of K-Businesscom AG, KBC Beteiligungs GmbH, and CANCOM on the transfer of all shares in KBC Beteiligungs GmbH to CANCOM SE. The transaction is still subject to the usual conditions precedent, in particular the approval of the antitrust authorities. Subject to approval, the transaction is expected to be completed in June 2023.

The total volume of the transaction is around € 165 million, which is made up of a purchase price share in cash of around € 58 million and a capital increase against contribution in kind with the issue of around 3.5 million new no-par value bearer shares of CANCOM SE to the shareholders of the KBC Beteiligungs GmbH by using the Authorised Capital I/2018. After completion of the transaction, it is planned that CANCOM SE will repay existing financial liabilities of KBC Beteiligungs GmbH in the amount of around € 37 million in the short term.

K-Businesscom AG (KBC), headquartered in Vienna, is Austria's leading ICT solutions provider and, in addition to its home market of Austria, is also active in Switzerland, Germany, Romania and the Czech Republic. With around 1,650 employees, KBC offers a comprehensive solution portfolio and supports its customers as an end-to-end digital business engineer in the digital transformation of their business models. KBC's services range from system integration to a comprehensive managed service offering with individual outsourcing solutions and standardised XaaS solutions to the development of customised software solutions as well as IoT, AI and analytics applications.

In the financial year 2022/2023, which ended on 31 March 2023, KBC generated revenues of around € 520 million and EBITDA of around € 28 million. With the acquisition of the KBC Group, the CANCOM Group is massively expanding its position in the Austrian market. The completion of the transaction is still subject to the usual conditions precedent, in particular the approval of the cartel authorities. Subject to the approval of the authorities, the transaction is expected to be completed in June 2023.

Risks and opportunities of future development

In the period under review, there were no significant changes to the assessment of opportunities and risks relating to the future development of the CANCOM Group published in the Annual Report 2022. Due to the persistently high inflation and the ever-increasing key interest rates, the assessment of exchange rate, inflation and interest rate risks in the financial risks has been increased. This risk is now assessed as medium (previously: low). Furthermore, a review of the individual risks in the risk inventory was carried out at the beginning of the 2023 business year. As a result, some individual risks from the project risks were reclassified to the area of operational disruption risks due to affiliation and better categorisation. After the reclassification, the project risks are assessed as low (previously: medium). The operational disruption risks continue to be assessed as medium. A detailed list and assessments of these opportunities and risks can be found in the Annual Report 2022, which was published on 30 March 2023.

In addition to the changes to the overall assessment of the risks mentioned above, the risk matrix was also revised. Firstly, the options for classifying the probability of occurrence have been expanded, resulting in the classes ‚low‘ (0 percent to < 25 percent), ‚medium‘ (25 percent to < 50 percent), ‚high‘ (50 percent to < 75 percent) and ‚very high‘ (75 percent to 100 percent). Secondly, the bandwidths of the loss potentials were revised on the basis of the profitability of the CANCOM Group. Low loss potentials now correspond to a net loss of up to € 4.0 million, medium loss potentials are between € 4.0 million and € 8.0 million net loss, high loss potentials are between € 8.0 million and € 12.0 million net loss, and very high loss potentials are above € 12.0 million net loss.

The revision of the risk matrix has not resulted in any changes to the overall risk ratings.

FORECAST REPORT

The Executive Board does not foresee any significant changes for the CANCOM Group in the general economic conditions or in the industry environment compared to the presentations made in the forecast report of the Annual Report 2022, to which reference is made in this context.

The acquisition of K-Businesscom AG announced after the reporting period is not included in this forecast.

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 interim statement 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, unforeseeable events could influence the development of the company 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 key financial performance indicators relate exclusively to the development of the CANCOM Group in its Group structure as at the reporting date of 31 December 2022 (consolidated group).

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. Deutsche Bank forecasts that Germany’s gross domestic product will stagnate in 2023. In Austria, Deutsche Bank expects a decline in gross domestic product of 0.5 percent.

Gross domestic product outlook 2023*
(Change on previous year in %)

Germany	+/- 0.0
Austria	■ - 0.5

*) Source: Deutsche Bank Research, March 2023.

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.

ITC 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 4.2 percent in 2023 (previous year: 4.6 percent) and rise to € 195.8 billion. The current outlook thus points to continued growth in the ICT market. 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 important for CANCOM. Here Bitkom expects growth of 6.3 percent to € 126.4 billion (previous year: 6.6 percent), distributed among the individual market segments as follows:

Outlook: Information technology (IT) market 2023, Germany*
(Change compared to previous year in %)

Software	 + 9.3
IT hardware (incl. semiconductors)	 + 5.3
IT services	 + 4.7

*) Source: Bitkom/IDC, January 2023.

Based on the course of business in the first three months of the year and the currently foreseeable developments, the Executive Board assumes that demand in the ICT market will remain at the level forecast by Bitkom. Supply bottlenecks for certain hardware components are increasingly dissolving, but continue to weigh on market development.

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 2023 have not been significantly adjusted in the course of the first three months of the year. The outlook suggests that economic development will stagnate or decline slightly compared to the previous year. In contrast, the industry association Bitkom noted an increasing improvement in the business climate and business expectations in the ICT sector in the first quarter. Both indicators had already recovered significantly in the fourth quarter of the previous year. Business expectations rose at the end of the first quarter to their highest level since the beginning of the war in Ukraine. Accordingly, the Executive Board expects a positive development for the German market in the course of the year.

According to the Executive Board, in addition to the expected market development, the further normalisation of the availability of hardware is an essential framework condition for the forecast. Order intake after the first three months of the year remains at a high level and the order backlog is still high.

Forecast for the CANCOM Group

Based on the business development in the first quarter of the year, the Executive Board of CANCOM SE confirms the forecast made in the Annual Report 2022. The trends and development already described in the forecast report of the annual report still exist and the Executive Board assumes that the CANCOM Group will continue to be able to participate in the positive market development. Accordingly, the Executive Board continues to assume the following development of the key performance indicators of the CANCOM Group:

Performance indicators
(in € million)


	Forecast 2023	2022
Revenue	1,320 bis 1,390	1,292.9
Gross profit	460 bis 485	437.9
EBITDA	114 bis 124	104.9
EBITA	70 bis 80	54.3

The development of the economy, which is difficult to assess, on the short-term business development of the CANCOM Group as well as the further development of the IT supply chain situation and inflation are the main risks for the forecast.

Munich, May 2023

The Executive Board of CANCOM SE


Rüdiger Rath
CEO


Thomas Stark
CFO

Note on the audit review

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

Note rounding

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

Disclaimer future-oriented statements

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

Consolidated balance sheet

ASSETS

(in T€)	31.3.2023	31.12.2022	31.3.2022
Current assets			
Cash and cash equivalents	330,387	393,171	486,808
Trade receivables	395,880	409,176	290,586
Current contract assets	1,680	1,684	1,962
Capitalised current contract costs	937	937	937
Inventories	92,009	82,975	96,315
Other current financial assets	33,583	45,443	42,020
Other current non-financial assets	34,208	25,283	19,326
Total current assets	888,684	958,669	937,954
Non-current assets			
Property, plant and equipment	35,633	37,109	39,637
Intangible assets (other than goodwill)	55,826	57,405	65,848
Goodwill	125,185	125,185	113,451
Right-of-use assets	82,447	84,138	82,871
Financial assets and loans	5	5	5
Capitalised non-current contract costs	0	234	937
Deferred tax assets	8,007	7,828	8,427
Other non-current financial assets	26,323	27,935	31,472
Other non-current non-financial assets	7,937	6,598	4,243
Total non-current assets	341,363	346,437	346,891
Total assets	1,230,047	1,305,106	1,284,845

Consolidated balance sheet

LIABILITIES AND SHAREHOLDERS' EQUITY

(in T€)	31.3.2023	31.12.2022	31.3.2022
Current liabilities			
Current liabilities to banks	0	0	5
Trade liabilities	276,374	326,002	283,013
Other current financial liabilities	56,872	59,972	56,706
Current employee benefit provisions	47	47	41
Current other provisions	2,258	2,034	838
Current contract liabilities	30,248	28,581	26,178
Income tax liabilities	3,201	9,471	10,797
Other current non-financial liabilities	34,707	53,657	26,329
Total current liabilities	403,707	479,764	403,907
Non-current liabilities			
Non-current liabilities to banks	0	0	11
Other non-current financial liabilities	95,327	103,035	106,692
Non-current employee benefit provisions	1,003	1,110	1,546
Non-current other provisions	1,402	1,449	1,695
Non-current contract liabilities	12,983	13,178	10,524
Deferred tax liabilities	11,026	11,747	12,651
Other non-current liabilities	2	2	0
Total non-current liabilities	121,743	130,521	133,119
Shareholders' Equity			
Issued capital	35,372	35,372	38,548
Capital reserves	379,993	379,990	377,035
Retained earnings including carryforwards and profit after taxes	289,787	279,620	331,417
Other reserves	-781	-471	584
Non-controlling interests	226	310	235
Total equity	704,597	694,821	747,819
Total liabilities and shareholders' equity	1,230,047	1,305,106	1,284,845

Consolidated Statement of total Comprehensive Income

(in T€)	1.1.2023 - 31.3.2023	1.1.2022 - 31.3.2022 (adjusted*)
Revenues	317,681	296,692
Other operating income	1,334	3,525
Work performed by the entity and capitalised	845	2,038
Capitalised contract costs	-234	-234
Total output	319,626	302,021
Material expenses/cost of purchased services	-202,642	-194,999
Gross profit	116,984	107,022
Personnel expenses	-76,156	-68,610
Depreciation, amortisation, impairment of tangible assets, intangible assets and right-of-use assets	-11,321	-10,967
Impairment losses for financial assets including reversals of impairment losses	181	-51
Other operating expenses	-16,931	-11,961
Operating profit (EBIT)	12,757	15,433
Interest and similar income	2,206	524
Interest and similar expenses	-923	-1,140
Other financial income	809	328
Other financial expenses	-65	0
Foreign currency gains/losses	3	1
Profit before income taxes	14,787	15,146
Income taxes	-4,790	-4,772
Profit after taxes from continuing operations	9,997	10,374
Profit after taxes from discontinued operations	85	776
Profit after taxes	10,082	11,150
of which: attributable to owners of the parent	10,167	11,266
of which: attributable to non-controlling interests	-85	-116
Weighted average shares outstanding (units) undiluted	35,371,850	36,996,536
Weighted average shares outstanding (units) diluted	35,371,850	37,069,655
Earnings per share from continuing operations (undiluted) in €	0.29	0.28
Earnings per share from continuing operations (diluted) in €	0.29	0.28
Earnings per share from discontinued operations (undiluted) in €	0.00	0.02
Earnings per share from discontinued operations (diluted) in €	0.00	0.02
Earnings per share for profit after taxes attributable to the owners of the parent (undiluted) in €	0.29	0.30
Earnings per share for profit after taxes attributable to the owners of the parent (diluted) in €	0.29	0.30

*) see the explanations in section A.7. of the consolidated financial statements of CANCOM SE in the Annual Report 2022.

Consolidated Statement of total Comprehensive Income

(in T€)	1.1.2023 - 31.3.2023	1.1.2022 - 31.3.2022
Profit after taxes	10,082	11,150
Other comprehensive income		
Items subsequently reclassified to profit after taxes (recycled)		
Gains/losses from the currency translation of foreign operations	-310	49
Items not subsequently reclassified to profit after taxes (not recycled)		
Other comprehensive income for the period	-310	49
Total comprehensive income for the period	9,772	11,199
of which: attributable to owners of the parent	9,857	11,315
of which: attributable to non-controlling interests	-85	-116

Consolidated Cash Flow Statement

(in T€)	1.1.2023 - 31.3.2023	1.1.2022 - 31.3.2022
Cash flow from operating activities		
Profit after taxes	10,082	11,150
Adjustments		
+ Depreciation, amortisation, impairment of tangible assets, intangible assets and right-of-use assets	11,321	11,023
+ Interest income and other financial income	-2,132	290
+ Income taxes	4,789	4,772
+/- Changes in non-current provisions	-160	-27
+/- Changes in current provisions	225	-1,180
+/- Gain/loss from disposal of non-current assets/liabilities	-91	-150
+/- Changes in inventories	-9,035	-24,157
+/- Changes in trade receivables, in contract assets, in capitalised contract costs and other assets	20,567	-6,292
+/- Changes in trade payables and other liabilities	-63,510	-63,722
- Interest paid	-819	-646
+/- Income taxes paid/received	-14,876	-7,593
+ Equity-settled share-based payment transactions	4	189
Total cash flow from operating activities	-43,635	-76,343
Cash flow from investing activities		
- Payments from acquisition of subsidiaries	-3,600	-1,180
- Payments for investments in tangible and intangible assets as well as right-of-use assets	-4,473	-8,022
+ Sales proceeds for tangible and intangible assets as well as for financial investments	112	218
+ Interest and dividends received	1,349	86
Total cash flows from investing activities	-6,612	-8,898
Cash flow from financing activities		
- Payments due to the repurchase of own shares	0	-78,831
- Payments for the repayment of non-current financial liabilities (including the portion presented as current)	0	-1
- Payments for the repayment of lease liabilities (perspective of the lessee)	-9,616	-6,217
+/- Payments/proceeds resulting from issuing/repayment of current financial liabilities	0	-1,991
+/- Payments/proceeds resulting from financial liabilities and lease liabilities to leasing companies	-2,295	6,368
- Payments for interest on non-current financial liabilities and lease liabilities	-317	-258
Total cash flow from financing activities	-12,228	-80,930
Net increase (decrease) in cash and cash equivalents	-62,475	-166,171
+/- Effect of exchange rate changes on cash and cash equivalents	-309	14
+/- Cash and cash equivalents, at the beginning of the period	393,171	652,965
Cash and cash equivalents, at the end of the period	330,387	486,808
thereof		
Changes in cash and cash equivalents from continuing operations	330,387	486,808
Changes in cash and cash equivalents from discontinued operations	0	0

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