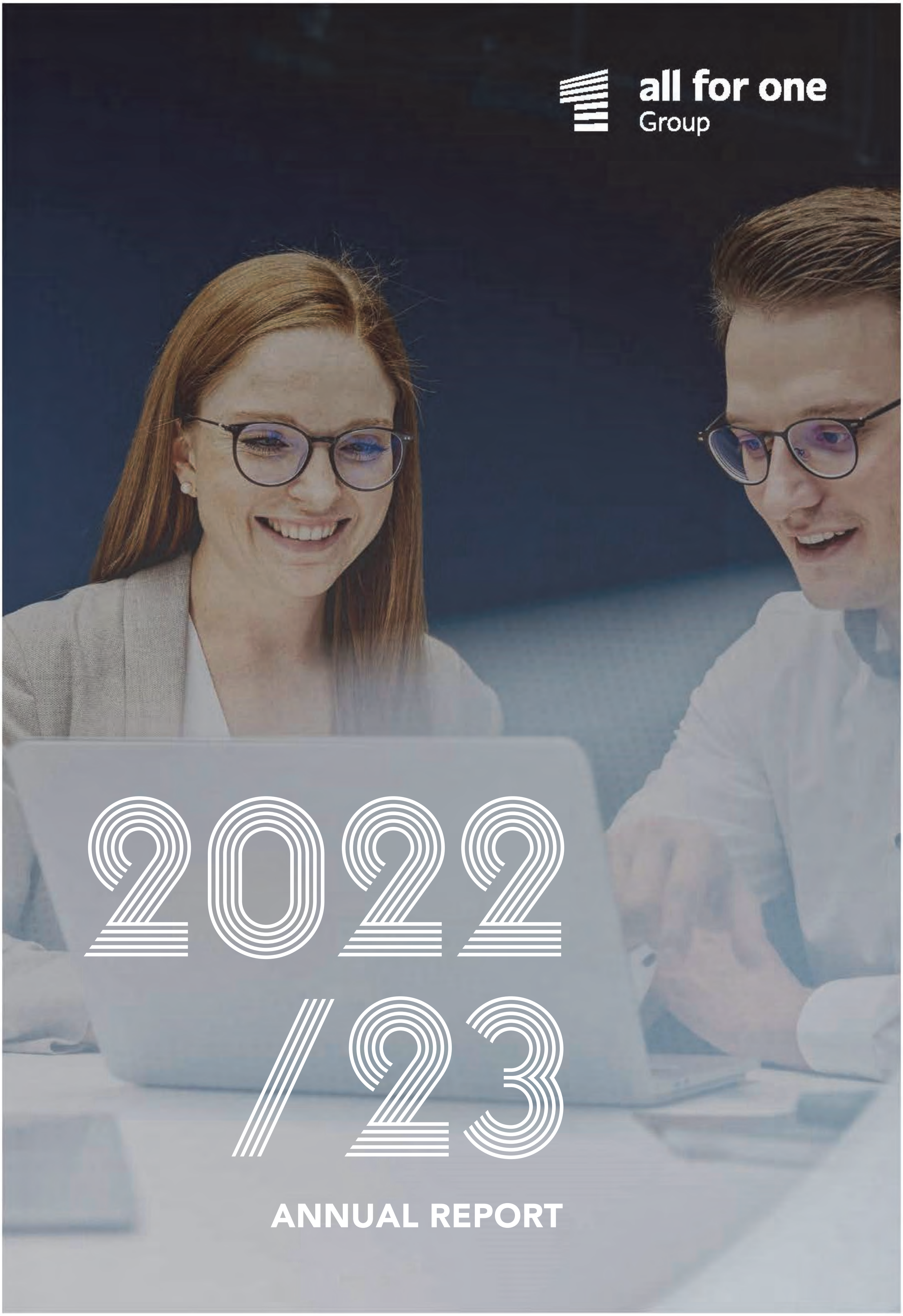


all for one
Group

2022/23

ANNUAL REPORT

KEY FIGURES

CONVERSION/4
REVENUE

+54%
EUR 18.6 MILLION

SHARE OF
RECURRING REVENUE

55%
EUR 266.3 MILLION

CO_2 EMISSION
SCOPE 1 AND 2

6,279 tCO_2e

PROPORTION OF WOMEN
IN MANAGEMENT

19.9%

NUMBER OF
EMPLOYEES

2,858

PROPORTION OF EMPLOYEES
OUTSIDE OF GERMAN-SPEAKING
COUNTRIE

~25%

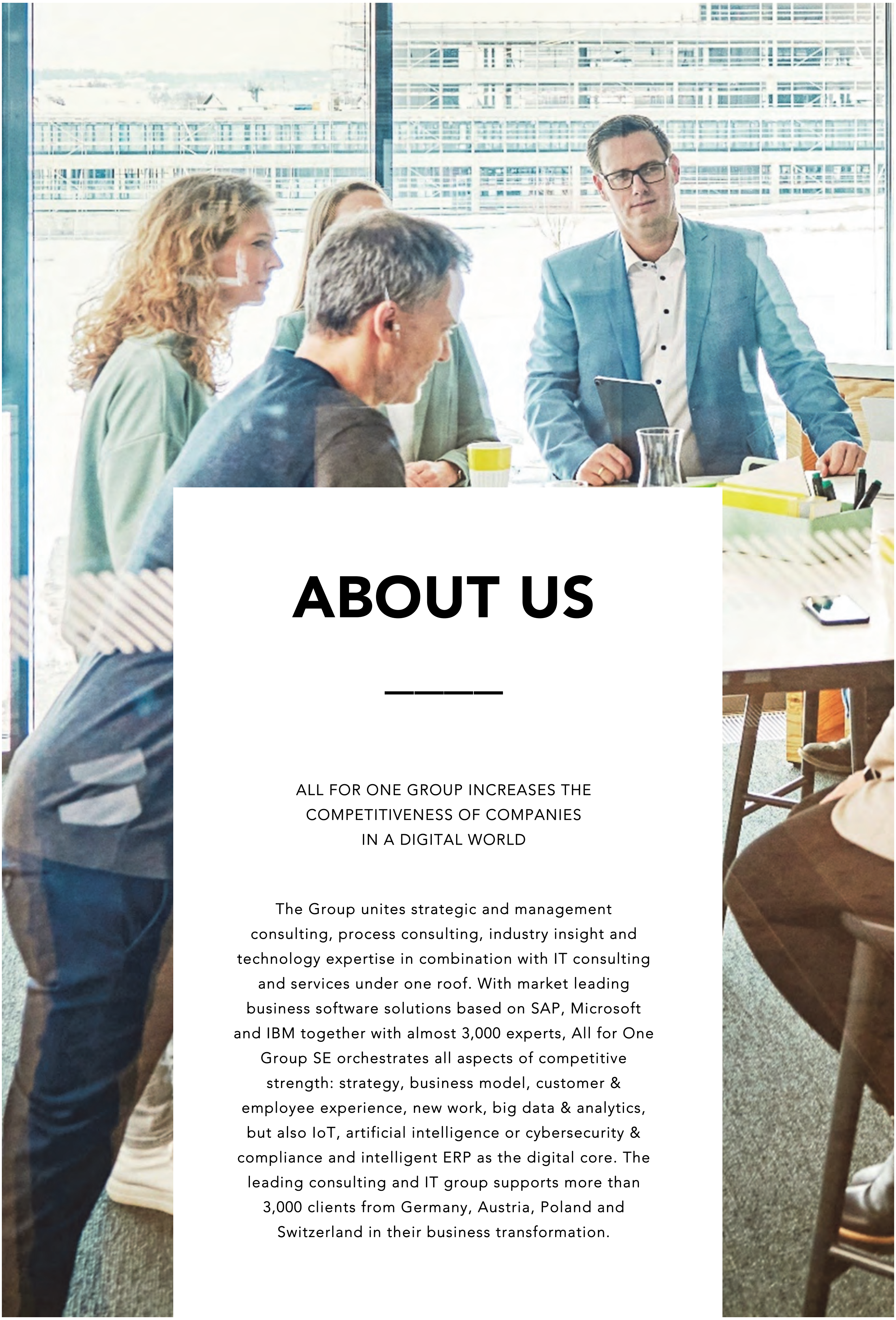
EQUITY RATIO

29%

DISTRIBUTION QUOTA
(DIVIDEND EUR 1.45)

65%

IFRS in EUR millions, unless otherwise stated	10/2022 – 09/2023	10/2021 – 09/2022	Absolute delta	Delta in %
Earnings situation				
Sales revenue	488.0	452.7	35.3	8
EBIT before M&A Effects (non-IFRS)	17.7	27.3	-9.6	-35
EBIT margin before M&A effects (non-IFRS) (in %)	3.6	6.0		
EBIT	14.9	17.6	-2.7	-15
EBIT margin (in %)	3.1	3.9		
Result for the period	11.2	11.0	0.2	2
Balance sheet				
Total assets	341.7	339.9	1.8	1
Equity	100.0	97.9	2.1	2
Equity ratio (in %)	29	29		
Net debt	58.6	43.4	15.2	35
Employees				
Number of employees (at end of financial year)	2,858	2,758	100	4
Full-time equivalents (ø)	2,526	2,332	194	8
Share				
Number of shares (ø)	4,982,000	4,982,000	0	0
Share price (at end of financial year, in EUR)	39.9	44.6	-4.7	-11
Market capitalisation (at end of financial year)	198.8	222.2	-23.4	-11
Earnings per share (in EUR)	2.23	2.20	0.03	1
Non-financial performance indicators				**Delta in Percentage points**
Employee retention (in %)	89.9	91.2		-1.3
Health index (in %)	96.3	96.6		-0.3



ABOUT US

ALL FOR ONE GROUP INCREASES THE COMPETITIVENESS OF COMPANIES IN A DIGITAL WORLD

The Group unites strategic and management consulting, process consulting, industry insight and technology expertise in combination with IT consulting and services under one roof. With market leading business software solutions based on SAP, Microsoft and IBM together with almost 3,000 experts, All for One Group SE orchestrates all aspects of competitive strength: strategy, business model, customer & employee experience, new work, big data & analytics, but also IoT, artificial intelligence or cybersecurity & compliance and intelligent ERP as the digital core. The leading consulting and IT group supports more than 3,000 clients from Germany, Austria, Poland and Switzerland in their business transformation.

TABLE OF CONTENTS

EXCELLENT STANDING IN THE SAP ENVIRONMENT

FOCUS ON GLOBAL SERVICE ORGANISATION AND MARGINS

LARS LANDWEHRKAMP
CO-CEO

MICHAEL ZITZ
CO-CEO

STEFAN LAND
CFO

Stefan Land, Lars Landwehrkamp and Michael Zitz – how would you recap the past financial year?
Stefan Land: We were affected by the general economic conditions, of course, just like everyone else. Stagnating growth and inflation prompted our customers to be noticeably reluctant to invest. We were not able to pass higher costs onto our customers in full. And we restructured our SAP core area – with particular emphasis on the service organisation – which had the non-recurring effect of pushing our margin down. But I don't just want to look at the unfavourable external conditions. Instead, I would like to focus more on the positive trends.

We generated organic sales growth of 8% to EUR 488 million. Our pipeline is looking excellent and is also growing. Cloud revenues, in particular, are steadily increasing in both absolute terms and when measured in revenue; recurring revenues increased by 11% and meanwhile account for 55% of total sales. The reorganisation I mentioned will have a positive impact on the cost side in the current financial year. All of which gives us grounds for optimism – notwithstanding the problematic overall economic conditions; we are striving to achieve an EBIT margin before M&A effects of at least 7 – 8% in financial year 2024/25.

Michael Zitz: If I might jump in, I would like to specifically raise the topic of cloud revenues again. Over the past years, we have successfully transitioned from a traditional system house – with a very large percentage of licensing business – to the cloud. We are now the leading SAP cloud partner in Central Europe! In my view, that is an extraordinary achievement. But it also poses a challenge: We must continue to offer our customers top-rate consulting and services in order to remain their partner of choice, even in the cloud.

The leading SAP cloud partner in Central Europe – could you please explain that further?
Lars Landwehrkamp: Most of the SAP portfolio has meanwhile shifted to the cloud. It started in the 2010s – mostly with line of business solutions, such as e-commerce or

CRM solutions. In the meantime, the ERP system SAP S/4HANA – the core of the SAP portfolio – is also provided from the cloud. This trend has now reached the entire customer base.

To come back to your question: We are the strongest partner in terms of sales of all SAP cloud solutions in Central Europe. This achievement encompasses all the key individual categories, as well: Not just cloud ERP, but also BTP – the central SAP cloud platform – and the SAP cloud solutions for sales, marketing, commerce and service: we are the strongest partner in all these categories. I think we can be proud of ourselves.

> We are the leading SAP partner in Central Europe for both key moves involving SAP – to the cloud and to SAP S/4HANA. This is an extraordinary achievement and an excellent foundation on which to build over the coming years!
>
> MICHAEL ZITZ
> CO-CEO

Michael Zitz: : Many SAP users – i.e. our customers – are currently facing the need to make two big moves if they want to benefit from the new products and services and the innovative strength of SAP. One of them, as mentioned above, is the move to the cloud. And the other is the conversion to the new ERP generation – SAP S/4HANA. We are in an outstanding position. After all, we are not just the leading SAP cloud partner in Central Europe; with our CONVERSION/4 subscription, we are also the leading conversion partner around the globe. Specifically, that means we have converted the biggest number of companies to SAP S/4HANA – more than any other SAP partner the world over. All of which gives us experience, allowing us to offer our customers a level of reassurance that nobody else can match. This reassurance is one of the deciding factors for many customers when converting to SAP S/4HANA. After all, this is a critical transformation project with direct impact on the core processes of a business – if mistakes are made, the cost can quickly soar. Just imagine, the new ERP system goes live – and suddenly production comes to a standstill because of an unforeseen error …

How far have companies progressed in this conversion to SAP S/4HANA? How long will this transformation remain your core business?
Stefan Land: SAP has set the stage by officially announcing that it will end support in 2027. So far, however, a mere 20% of businesses have migrated to SAP S/4HANA. We are noticing, of course, that demand is continuously rising. We now need to channel this demand in our direction and assist these companies with their conversion to S/4. CONVERSION/4 undoubtedly offers us an ideal lever for acquiring new customers in the shape of existing SAP users who may believe we are better capable of conversion than their current SAP partner. What we are also noticing is that more and more companies from the upper midmarket – businesses that generate billions of euros in sales – are contacting us. Which shows how good our reputation is in the marketplace.

Michael Zitz: The conversion projects will also benefit us over the long term. We want to use SAP S/4HANA transformations to initiate a general discussion about transformation with our customers. We need to show them that we are the ideal partner to offer them comprehensive support over the long term. The acquisitions and integrations of the past years that have significantly expanded both our portfolio and our expertise put us in a very good position to be just the right partner for supporting and implementing comprehensive transformations.

Talking of which: There are no business acquisitions to report this year, which is unusual for All for One.
Michael Zitz: That's true – you and we have been accustomed to something different over the past years. At the moment, however, we are driving integration throughout the Group rather than buying new companies. We are focusing, above all, on our Regional Delivery Centers (RDCs) in Egypt and Turkey. And, to a certain degree, Poland, where we already have around 700 employees – i.e. about one quarter of the entire workforce. We want and need to integrate them much more closely in our projects in future.

> We are accelerating the expansion of our globally operating service organisation and driving strong growth in our Regional Delivery Centers. Which is important from an efficiency and margins perspective – but is also our response to the shortage of experts.
>
> STEFAN LAND
> CFO

Stefan Land: We need to do this, on the one hand, for reasons of economic viability. Our projects will involve more and more standardised services – which will largely be provided by the RDCs. On the one hand, this standardisation enhances quality. But it also helps us to deliver projects cost efficiently, of course. Equally important for us, however, is the fact that our RDCs are an excellent response to the shortage of experts. The colleagues who work there are highly qualified and experienced experts with excellent knowledge of English – and frequently German. What is also very important: It is easier for us to recruit good new members of staff in these locations than in our legacy markets in Central Europe. Which is indispensable, given the strong expansion we are planning for the RDCs. In summary, it is safe to say that the RDCs – i.e. specifically our colleagues in Egypt, Turkey and Poland – are an essential key to the future success of our Group.

Let us move from the regions to headquarters: In November, you again expanded the top management. Why?
Lars Landwehrkamp: Maybe I can be the first to answer – and hope my colleagues are okay with that. I pride myself on being a »founding father« of All for One. Meanwhile, All for One Group has a workforce of around 3,000 employees. This is a size that necessitates further sharing of the responsibility. April 2021 marked the first expansion of the management board when Michael (Zitz, editor's note) joined us; initially as Chief Sales Officer before becoming Co-CEO in November 2022. At the same time in November 2022, Ralf Linha was appointed Chief Regional Delivery Officer and we were able to convince Carsten Lange to join us from the outside as Chief Sales Officer.

Michael Zitz: And now, starting on 1 November 2023, we have again considerably expanded the management. The areas of responsibility of Carsten Lange and Ralf Linha have been expanded with Carsten Lange now taking on Group-wide responsibility for project business, for example, as Chief Commercial Officer (CCO). As Chief Operating Officer (COO), Ralf Linha's responsibilities now also include delivery, services & support, technology and cloud strategy for the Group as a whole.

Lars Landwehrkamp: At the same time, our long-term management colleague Christian Hopfner agreed to take on the role of Chief Strategy Officer (CSO) to our great pleasure. His future responsibilities in this role will focus on strategy and portfolio, IT and processes, and the Group's ecosystem and partnerships. Last but not least we were able to convince Ursula Porth – an experienced HR manager – to join us from Software AG. In her role as Chief Human Resources Officer (CHRO) of All for One Group, she heads up the HR division and, in doing so, is responsible for our staff of some 3,000 colleagues throughout the Group. Her responsibilities will include driving the perception of All for One as an international and highly attractive employer, fostering talent, and nurturing our corporate culture, which I believe to be unique.

We didn't hear any mention of sustainability – where is it anchored?
Michael Zitz: We see sustainability as a topic of central importance for which I am directly responsible. Since 2020/21, we have been publishing a sustainability report that details our goals and actions. I want to pick out a few key points. If we are talking about environmental sustainability, three areas for action are material for us as a consulting and IT company. Firstly, we need to rethink mobility. As consultants, we used to be on site at our customers'

C. HOPFNER CSO | **R. LINHA** COO | **C. LANGE** CCO | **U. PORTH** CHRO | **M. ZITZ** CO-CEO | **S. LAND** CFO | **L. LANDWEHRKAMP** CO-CEO premises. This has changed considerably – not least because of Covid-19 – and remote work has taken on a much greater role. But we want to make further progress in the area of mobility and are creating new incentives – such as offering our employees a railcard covering 100% of all train costs as an alternative to company cars. The two other areas for action are our office premises and the cloud and IT infrastructure that we manage for our customers.

LARS LANDWEHRKAMP
CO-CEO

What about social sustainability?
Michael Zitz: Diversity and equal opportunities are anchored in our values. At the moment, we are focusing particularly on the share of women in management. Both in our own Group and in the IT sector in general, the ratio is still much too low at currently around 20%. But I also want to mention a specific diversity project called »Changemakers«. This is an integration project involving SAP and its partners such as ourselves that aims to integrate refugees into the SAP labour market. Participants are trained to become SAP consultants, giving them a good chance of success on the labour market. But we also consciously look beyond the boundaries of the Group and provide financial support to projects proposed by colleagues. These range from a school programme in Uganda to local homework help for disadvantaged youngsters – we have great respect for the voluntary commitment of all our colleagues.

Stefan Land: The promissory note loan with a so-called ESG bridge that we placed very successfully on the capital market last year shows how seriously we take sustainability. For this loan, we specified two ESG performance indicators – Scope 1 and 2 CO^2 emissions and the share of women in management that Michael has already mentioned. We will be publishing the targets for these two metrics at the end of 2023. Failure to subsequently meet these targets will result in a higher margin for investors. It really makes sense to firmly embed our sustainability targets into our financing efforts in this manner.

Do you also support your customers with sustainability advice and services?
Michael Zitz: Yes, of course. Many ESG requirements and regulations are based on data and require appropriate consulting services and IT systems. We offer three areas of focus: One is strategy and roadmap consulting through our subsidiary Allfoye Managementberatung GmbH. Secondly, control and measurement regimes based on sustainability criteria, such as ESG reporting procedures and sustainability performance management. And the third large area of focus is sustainable supply chains and production. We have a lot of customers in the manufacturing industry, particularly, who are going to have to deal with numerous requirements and regulations in the coming years – such as supply chain legislation, extended producer responsibility, or measuring product carbon footprints. Over the past months, we have amassed a lot of expertise in these fields and are witnessing increasing demand for the same.

We are ideally equipped for the future with our newly created top management comprising a good blend of experienced managers both from within All for One and from outside.

LARS LANDWEHRKAMP
CO-CEO

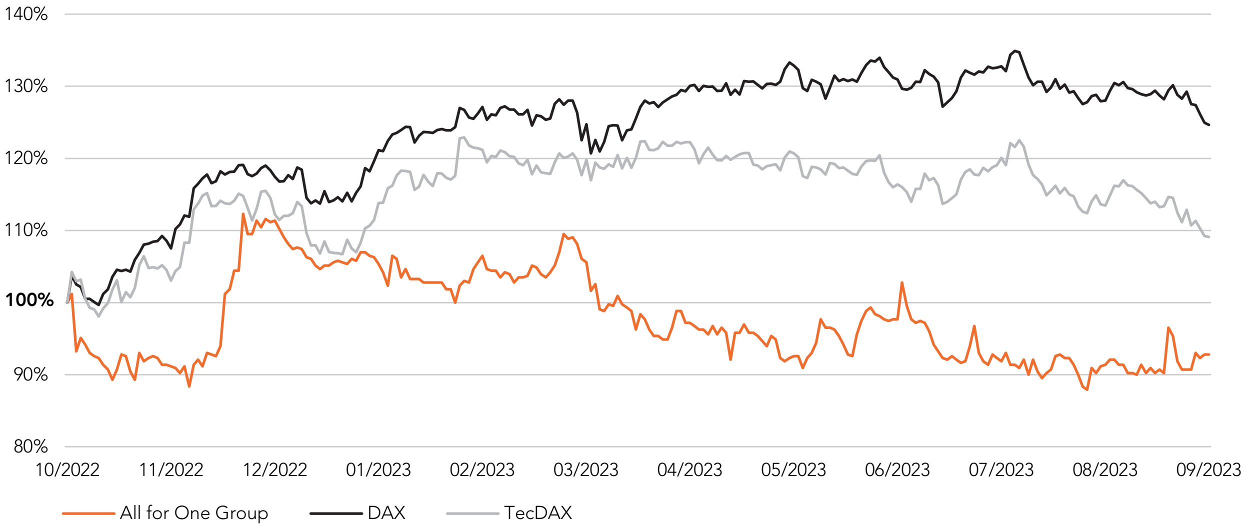
Many thanks for the information. We would like to close with a question for you, Lars Landwehrkamp. Your CEO contract expires in September 2024. What are your plans after that?
Lars Landwehrkamp: To start I would like to say how delighted I am that the supervisory board has accepted our proposal and has extended the contracts of my two management board colleagues – to 2027 in the case of Stefan Land and to 2028 in the case of Michael Zitz. Together with the four Group Executives, we have assembled a top management that we believe puts us in an exceedingly good position as we move forwards. After September 2024, I myself will continue to be available in an advisory capacity for two years – after all, my 30 years of experience on All for One's management board must be good for something (laughs). At the moment, that all seems to be very far into the future, however. At present, we are focusing on the topics discussed, in which we must and will continue to invest all our efforts.

Many thanks for talking to us!

INVESTOR RELATIONS

SHARE PRICE WITH UPWARD POTENTIAL STABLE DIVIDEND

SHARE PERFORMANCE 2022/23, INDEXED



SHARE PERFORMANCE IN A CHALLENGING MARKET ENVIRONMENT

The shares started the financial year at EUR 43.0 (3 Oct 2022) before being dragged down – like all tech stocks generally – by the ongoing uncertainty in the markets. The general rally on the stock markets in November and the publication of positive business results allowed the share price to benefit from the upward trend, peaking for the year at EUR 47.9 on 30 November 2022. Notwithstanding a minor countermovement in March, the share price subsequently declined considerably, unlike the benchmark trend – both the DAX and the TecDax posted very positive performance from the start of the calendar year until reaching an all-year high. Neither All for One shares nor other small and mid-cap stocks were able to keep pace with this upward trend. External factors – such as the Russia-Ukraine conflict, high inflation rates, the European Central Bank's (ECB) decision to raise base rates, and the general uncertainty – exerted pressure on All for One Group shares. Following a brief recovery to EUR 47.1 (7 Mar 2023), the share price came under pressure again and joined the negative trend of many other tech stocks. Although the share price briefly recovered in the 1st half 2023 to EUR 44.2 (23 Jun 2023), it dropped to its lowest price of EUR 37.8 (21 Aug 2023) following the ad hoc announcement of plans to restructure the CORE (ERP and collaboration solutions) segment and the publication of revised earnings guidance. Towards financial year end, the share price recovered slightly to close the year at EUR 39.9 (29 Sep 2023).

Over the course of the year under review, the market capitalisation decreased by 11% from EUR 222.2 million to EUR 198.8 million. At the current share price, market observers still see substantial upward potential.

FIRST ANNUAL GENERAL MEETING TO RESUME PHYSICAL ATTENDANCE

After two virtual events due to the pandemic, the first annual general meeting in person took place on 16 March 2023. Some 67.7% of the Company's share capital was represented and all proposals put to the vote were approved by a majority. The attendance by numerous shareholders underlined confirmed their interest in All for One Group and their willingness to engage in discussions with the management board.

COMMUNICATION WITH THE CAPITAL MARKET

In the interim reports, quarterly video conferences and information provided in this Annual Report addressed in detail the current trends and challenges along with other opportunities facing All for One Group. Various channels – including social media, for example – were increasingly used to report on the business performance and outlook for the Company. The Investor Relations section on the website also provides a wealth of information about All for One Group shares that is constantly updated (www.all-for-one.com/ir-english).

In addition, more than 200 meetings with institutional investors and analysts took place in the year under review at investors' conferences and roadshows, both one on one and in small groups, both virtually and – increasingly – face to face.

In June, some 200 IT experts from the customer side visited the headquarters in Filderstadt to study in detail the core processes of production companies in the midmarket. The event featured presentations by respected experts, as well as customer project reports, show cases, live demos and interactive workshops. With a clear focus on specific solutions and real digitalisation projects in order to share valuable practical lessons learned and provide new stimulus for the industry. The Capital Markets Day took place at the same time, offering investors, analysts and banking partners the opportunity to experience All for One Group and its customers live and in person and, in doing so, to gain insights into what they do in practice

SHARE BUYBACK PROGRAMME

On 12 October 2022, All for One Group SE resolved to implement a share buyback programme via the stock exchange to repurchase up to 100,000 treasury shares with a maximum volume of EUR 5.5 million over a period of 12 months. Under this programme, a total of 33,220 shares with a value of EUR 1.4 million were repurchased up to 30 September 2023. On 12 October 2023, All for One Group SE resolved to extend the current share buyback until 11 October 2024.

STABLE DIVIDENDS

A dividend payment of EUR 1.45 (prior year: EUR 1.45) per eligible share will be proposed to the annual general meeting on 14 March 2024. Relative to Group earnings after tax of EUR 11.2 million in financial year 2022/23 (2021/22: EUR 11.0 million), this equates to a distribution quota of 65% (2021/22: 66%) as of 30 September 2023. The company plans to uphold its sustainable dividend policy in the future.

Key figures	
ISIN / WKN	DE0005110001 / 511 000
Market segment	Prime Standard
Stock exchange centre	Frankfurt Stock Exchange
Date of listing	30 Nov 1998 (then: AC-Service AG)
Indices	CDAX, Prime All Share, Technology All Share, DAXsector All Software, DAXsector Software, DAXsubsector All IT-Services, DAXsubsector IT-Services
Designated sponsors	Baader Bank, Hauck Aufhäuser Lampe Privatbank AG
Highest price financial year 2022/23 [1] (in EUR)	47.9 (30 Nov 2022)
Lowest price financial year 2022/23 [1] (in EUR)	37.8 (21 Aug 2023)
Price at start of financial year 2022/23 [1] (in EUR)	43.0 (3 Oct 2022)
Price at end of financial year 2022/23 [1] (in EUR)	39.9 (29 Sep 2023)
Market capitalisation [2] (in EUR millions)	198.8
Earnings per share in financial year 2022/23 (in EUR)	2.23
Share capital (in EUR millions)	14.95
Number of shares	4,982,000 registered shares

1) End-of-day share price (XETRA)

2) Based on closing share price on 29 September 2023 (XETRA) and 4,982,000 shares

Shareholders' structure	
Unternehmens Invest AG	ca. 15%
UIAG Informatik-Holding GmbH	ca. 25%
UIAG AFO GmbH	ca. 10%
Freefloat [3]	ca. 50%

3) Definition according to German Stock Exchange. For more information see www.all-for-one.com/share_e

REPORT OF THE **SUPERVISORY BOARD**

JOSEF BLAZICEK
CHAIR OF THE SUPERVISORY BOARD

Dear shareholders

As we look back over the financial year just ended, we would like to give you a comprehensive report on the significant developments that have taken and are taking place at All for One Group. Despite challenges beyond our control – such as rising energy costs and uncertainties in the markets – the Group was able to continue its trend of stable revenue development. The fallout from the Ukraine conflict, the knock-on effects of the Covid-19 pandemic, ongoing inflation and the ECB's restrictive interest policy continue to adversely affect economic conditions, especially in Germany. Boosted by its digitalisation services, All for One Group was nevertheless able to generate much stronger growth than the German and European economies as a whole.

The operating result was adversely affected by non-recurring expenses relating to the strategic restructuring of the service-oriented areas in the CORE (ERP) segment. Next year, we plan to focus on accelerating the expansion of our globally operating service organisation, continuing to implement our growth strategy and raising margins. All these efforts will build on our strategy with strong focus on SAP, ranging from S/4HANA transformations using CONVERSION/4, the solution developed by All for One, to cloud-based solutions for lines of business (LOB) to ongoing consulting and adaptation to technological advancements for our mostly midmarket customers.

In financial year 2022/23, a lot of the groundwork for the further orientation of the Group was laid. We made further progress with integrating the new companies and expanding our Regional Delivery Centers and successfully completed the acquisition in full of All for One Poland Sp. z o.o. in December 2022. This acquisition is strengthening our ability to deliver S/4HANA transformations and international projects, which in turn should help to boost the growth of the company.

At the same time, our CONVERSION/4 model has gained a stronger foothold in the market. In this area, we have meanwhile become the leading conversion partner the world over. No other IT service provider has, to date, migrated more businesses to the new SAP platform. The growing demand for SAP S/4HANA migration projects and the shift to the cloud will continue to be key drivers of growth in the years to come. As the leading SAP cloud partner in Central Europe, All for One Group is excellently positioned to reap the benefits of the trend towards the cloud, which is also being driven by our partners SAP and Microsoft. Additionally, we are increasingly continuing to support our customers even after their transformations. In doing so, we are generating recurring revenues that meanwhile account for 55% of our total sales. In this process, CONVERSION/4 is not just the door opener to potential new customer relationships, it also acts as the booster for downstream projects – especially in the LOB segment – and services that enable us to retain customers over the long term.

All for One Group is therefore strategically well placed to strengthen and further expand its leading position in the market. In doing so, we plan to considerably improve our profitability.

The work of our supervisory board continues to be efficient. Meetings still take place in digital or hybrid formats. We do, however, believe that face-to-face discussions within the supervisory board and between the supervisory and management boards still represent a key element of efficient supervisory board work, and therefore increasingly held meetings in person. The supervisory board diligently carried out the duties required of it as prescribed by law, the Company's articles of association, the rules of procedure and the German corporate governance code – particularly the duty of advising and overseeing the management board – during financial year 2022/23. The supervisory board was briefed thoroughly and regularly – usually through written, but also verbal reports by the management board – on the course of business, the direction the Company is taking, the economic position of All for One Group, in particular the financial and earnings situation, the risk situation, risk management and compliance and also all fundamental issues relating to corporate planning and budgeting (including financial, capital and human resource budgeting), as well as developments, decisions and plans of particular importance for the Company. These also included extraordinary events subject to mandatory reporting.

The supervisory board also requested additional and more in-depth reports as deemed necessary. The management board ensured that the supervisory board was provided with all the required information at all times and forwarded the essential decision-making documents and files to the members of the supervisory board in good time prior to each supervisory board meeting. There was no cause to warrant special investigations or audits.

In financial year 2022/23, the efforts of the supervisory board focused on managing the consequences of the energy crisis over recent years and continuing the strategic alignment of the Group with particular focus on repositioning product business and implementing the necessary changes to the structure of the service-oriented areas at All for One Group. Core supervisory board activities also included the acquisition in full of All for One Poland Sp. z o.o., the financial investment by All for One Group SE in Lanes & Planes GmbH and an analysis of various other investment opportunities. A further key area of focus of the supervisory board and its human resources committee was the sustainable planning of management board composition and the resulting extension of the appointments of management board members Lars Landwehrkamp, Stefan Land and Michael Zitz.

In between supervisory board meetings, the chair of the supervisory board was in continuous contact – and also held personal discussions – with the management board, and gathered information about the latest business developments, the status of projects and other important actions and decisions.

FOCUS OF SUPERVISORY BOARD MEETINGS

During its meetings, the supervisory board regularly concerned itself with overseeing the projects, as well as with business development, planning, budgeting, compliance management and corporate governance within the Company. The supervisory board gathered information about the risk situation and further improvements in risk management, especially in regard to the risk early warning and internal control system. In so doing, and by performing spot checks of specific cases and instances, the supervisory board and the audit committee were able to confirm their confidence in the effectiveness and efficiency of the internal and accounting-based control system. This opinion was further reinforced by the management board's statement confirming that the internal control system is appropriate and effective, and by the supporting information provided and the monitoring measures that have been put in place. No grounds were found for any objections. The board also discussed acquisition projects in great detail, and is satisfied that a comprehensive due diligence and auditing system is in place. Enhancing diversity within the Company and dealing with new legal requirements and legislative reforms were also focus of the supervisory board's work during the reporting year. The supervisory board also conducted regular self-assessments of the effectiveness of both the plenary board and its committees in performing their duties. The supervisory board incorporated findings from these assessments into its work. Moreover, the supervisory board attended training sessions in financial year 2022/23 focusing, amongst others, on aspects of sustainability and the associated auditing obligations and possible areas of supervisory board influence. In doing so, the supervisory board was provided with appropriate support from the Company.

The supervisory board held 10 meetings in the reporting year. Five meetings were held in person and five by telephone and video conference. A number of coordinating discussions were also conducted by telephone and decisions made electronically, by telephone or in writing. The following matters were discussed in particular:

A report of the material content of the circular resolution on 11 October 2022 and the meeting on **27 October 2022** was included in the supervisory board's report to the annual general meeting on 16 March 2023 and in the annual report 2021/22. By circular resolution on 11 October 2022, consent was given to the management board to exercise the share buyback authority granted by the annual general meeting. In its meeting on 27 October 2022, the supervisory board discussed the budget for financial year 2022/23 onwards. In addition, matters affecting the management board, which had been prepared by the human resources committee, were discussed and amendments to the management board contracts resolved.

A report of the material content of the meeting to discuss the annual financial statements on **8 December 2022** was included in the supervisory board's report to the annual general meeting on 16 March 2023 and in the annual report 2021/22. Focus of this meeting centred on advising and discussing in detail the documentation for the annual financial statements, finalising the annual financial statements, approving the consolidated financial statements and the agenda for the annual general meeting. The supervisory board also discussed the sustainability report, the compensation report as per Section 162 AktG, the corporate governance statement and the integrity report of All for One Group.

On **19 December 2022**, the supervisory board decided to approve the acquisition of the approx. 49% outstanding shares in All for One Poland sp. z o.o. to thus complete the full acquisition.

In its meeting on **19 January 2023**, the supervisory board discussed the proposal submitted and substantiated by the audit committee for electing auditors for financial year 2022/23, as well as preparing the Company's annual general meeting and the agenda for the annual general meeting. A report on the current state of the Company was also given.

The supervisory board meeting on **9 February 2023** focused particularly on current business development including an outlook for the financial year, the plans for All for One Group's product business and the upcoming annual general meeting.

By circular resolution on 28 Februar 2023, the management board was granted approval to execute a pension agreement for the management board.

On **15 March 2023**, the supervisory board adopted a resolution governing the revised proposal regarding the appropriation of profits to be submitted to the annual general meeting on 16 March 2023. This revision was necessitated by consequences arising from the Company's share buyback programme.

On **31 March 2023**, the supervisory board resolved to approve preparations for financial investment by All for One Group SE in Lanes & Planes GmbH.

In its meetings on **10 and 11 May 2023**, the supervisory board focused primarily on current business developments and the draft half-year financial report for financial year 2022/23. Further topics on the agenda of this meeting included the approval to financially invest in Lanes & Planes GmbH and preparations to restructure the service-oriented areas of All for One Group SE, together with the associated strategic adjustments and cyber security measures that had been put in place by the Company. An investment budget was also approved.

On **14 May 2023**, the supervisory board adopted a resolution approving the implementation of the changes to the structure of the service-oriented areas of All for One Group SE. The supervisory board also adopted the proposal of its human resources committee regarding adjustments to the target parameters governing the variable compensation of the management board.

By circular resolution dated 18 September 2023 and following preparation by its human resources committee, the supervisory board resolved to renew the appointments of management board members Lars Landwehrkamp, Michael Zitz and Stefan Land and the respective executive contracts.

At its meeting on **27 September 2023**, the supervisory board primarily discussed the budgets for financial year 2023/24 onwards. Business performance to date was also discussed at this meeting, as was the outlook for financial year 2022/23 as a whole. The auditors also informed the audit committee and the supervisory board about the planned audit procedure and changes to legal requirements. The supervisory board also focused on renewing the declaration of conformity pursuant to Section 161 of the German Stock Corporation Act (AktG). The supervisory board was also notified of the strategic alignment of All for One Group's product business and of new developments in Treasury and discussed the progress of the share buyback programme 2022.

By circular resolution on 11 October 2023 the supervisory board granted the management board approval to extend the share buyback programme 2022.

In its meeting on 27 October 2022, the supervisory board again discussed the budget for financial year 2021/22 onwards. In addition, matters affecting the management board, which had been prepared by the human resources committee, were discussed and amendments to management board contracts resolved.

Attendance by individual members of the board at the 10 meetings of the supervisory board over the course of financial year 2022/23 was as follows:

- Josef Blazicek 10 meetings)
- Paul Neumann 9 meetings
- Dr. Rudolf Knünz 10 meetings
- Karl Astecker 10 meetings
- Maria Caldarelli 10 meetings
- André Krüger in 10 meetings.

The supervisory board met both with and without the management board.

COMMITTEES

The **audit committee** monitors in particular the accounting process, the effectiveness of the internal control system, the risk management system and the internal audit system, the audit of the annual accounts and, in particular, the auditors' independence, qualifications and performance, including the commissioning of additional, non-audit-related services. To this end, the chair of the audit committee consulted regularly with the auditors with regard to the progress of the audit and reported on the same to the audit committee. The audit committee consulted regularly with the auditors, sometimes without the management board being present. The audit committee also reviews the effectiveness of the compliance management system. The audit committee consists of three members. Deputy chair of the supervisory board Paul Neumann chairs the committee. The other committee members during the 2022/23 reporting year were the chair of the supervisory board Josef Blazicek and supervisory board member Karl Astecker.

The audit committee held one meeting during the reporting year. A report of the material content of the meeting on **7 December 2022** was included in the supervisory board's report to the annual general meeting on 16 March 2023 and in the annual report 2021/22. By circular resolution dated 17 January 2023, the audit committee finalised its recommendation regarding the election of the auditors to audit the individual and consolidated financial statements. By circular resolution of 25 July 2023, the audit committee approved a non-audit service. By circular resolution adopted on 26 August 2023, the audit committee charged the management board with issuing the EU-compliant invitation to tender for the audit mandate. By circular resolution on 22 September 2023, the committee approved the tender documentation relating to this audit mandate. During the supervisory board meeting on **27 September 2023**, the audit committee discussed the assessment of the audit risk, as well as the audit strategy and planning process, with the auditors, and agreed the areas of focus for the audit of the annual financial statements.

All members of the audit committee took part in the committee meeting held in financial year 2022/23.

The audit committee also met on **30 October 2023**, **9 November 2023** and **23 November 2023** to discuss the EU-compliant invitation to tender for the audit mandate for financial year 2023/24. It also discussed the selection of audit companies in line with the relevant evaluation criteria. On 23 November 2023, meetings took place with the two auditing companies shortlisted in the selection process.

The **human resources committee** consists of three members. The chair of the supervisory board Josef Blazicek chairs the committee and coordinates the committee's work. The other committee members during the reporting year were the deputy chair of the supervisory board Paul Neumann and supervisory board member Dr. Rudolf Knünz.

This committee is primarily responsible for making recommendations to the supervisory board regarding the appointment and removal of members of the management board, for the agreements with company directors, for finalising the determination of the compensation of company directors, as well as for reviewing the management board's compensation system. It focuses on sustainable and long-term planning and takes account of the agreed diversity targets. The human resources committee also focuses on the sustainable and long-term planning of management board succession, taking account of the agreed diversity targets.

The human resources committee held four meetings during the reporting year of which three were held in person and one by video conference. In its meeting on **27 October 2022**, the human resources committee adopted a resolution governing adjustments to the management board contracts and focused on preparations to revise the rules of procedure for the management board.

In its meetings on **8 and 9 December** 2022 focused particularly on finalising and deciding on the variable compensation payable to the management board.

On **12 May 2023**, the human resources committee adopted a resolution governing calculation of the variable compensation payable to the management board.

On **15 September 2023**, the human resources committee adopted a resolution by circulation procedure proposing to the supervisory board the renewed appointment of management board members Lars Landwehrkamp, Michael Zitz and Stefan Land.

Consultations also took place between these meetings.

All members of the human resources committee took part in all four of the committee meetings held over the course of financial year 2022/23.

ANNUAL AND CONSOLIDATED FINANCIAL STATEMENTS AND COMBINED MANAGEMENT REPORT

All for One Group SE's annual general meeting of 16 March 2023 re-elected BDO AG Wirtschaftsprüfungsgesellschaft (»BDO«), Hamburg, to audit the annual financial and consolidated financial statements for financial year 2022/23. The audit committee subsequently engaged BDO to carry out the audit. BDO examined the annual financial statements, the consolidated financial statements, as well as the combined management report prepared by the management board pertaining to financial year 2022/23 and issued an unqualified audit opinion.

The documents relating to the annual accounts and the audit reports from the auditors for financial year 2022/23 were duly submitted for review to the audit committee and the supervisory board. The audit committee discussed and examined the documents at length and in detail. At the audit committee meetings on **8 and 13 December 2023**, the auditors submitted their report on the findings of their audit. The committee discussed in detail the audit findings – especially with regard to the net assets, financial position and results of operations of the Company – with the management board and the auditors and prepared the resolution to be adopted by the supervisory board at its meeting on 14 December 2023 regarding approval of the annual and consolidated financial statements. The audit committee was also satisfied that there was no evidence of bias or conflicts of interest on the part of the auditors. The audit committee was also briefed in depth about the services BDO provided that were not part of the audit itself.

In line with its supervisory function, the audit committee also reviewed the Group's internal control and risk management system as well as its compliance management system during its meetings on 8 and 13 December 2023 and expressed confidence in their effectiveness. The risk management documents for financial year 2022/23 were presented for examination to the audit committee and supervisory board in good time. Furthermore, the risk manager and the head of internal auditing reported to the audit committee about the incidents of importance in their areas in the year under review. The compliance officer also outlined the Group-wide compliance management system and was questioned by the audit committee about compliance violations. All the audit committee's questions were answered. In its meeting on 8 December 2023, the audit committee also discussed at length and reviewed the sustainability report. The management board provided complete answers to all questions relating to the same. The sustainability report has not been externally audited.

During the supervisory board meeting on **14 December 2023** to finalise the financial statements, the audit committee reported to the supervisory board about its deliberations with the auditor and the management board, its oversight and monitoring of the accounting process, and the findings of its own audit. Furthermore, the audit committee described to the supervisory board how, as part of its supervisory function, it concerns itself with the Group's internal control and risk management system, the internal audit and the compliance management system and how it had satisfied itself that the systems were effective and appropriate. The supervisory board also expressed its confidence in the effectiveness and appropriateness of the internal control and risk management system and the compliance management system following its own thorough review. The risk manager, the compliance officer, the head of internal auditing, and the management board answered all the questions that the supervisory board had about this subject. The auditor also gave a detailed report to the supervisory board about the audit and the findings that had been presented and discussed earlier in the audit committee meeting. The supervisory board carefully examined the documents relating to the annual accounts in the presence of the auditor on 14 December 2023 and concluded that the audit by BDO was conducted properly and that the audit reports and the audit itself complied with statutory requirements.

The auditor and the management board answered all the questions raised by the supervisory board. In its evaluation of the situation of the company and the Group, the supervisory board concurred with the assessment expressed by the management board in the combined management report. Based on the final results of its own examination of the annual financial statements, the consolidated financial statements, and the combined management report, the supervisory board raised no objections to the annual and consolidated financial statements prepared by the management board, followed the audit committee's recommendations, and concurred with the findings of the auditor. On 14 December 2023, the supervisory board approved the annual and consolidated financial statements prepared by the management board. The annual financial statements for All for One Group SE were thereby finalised pursuant to Section 172 AktG. After long and careful discussion, the supervisory board approved the management board's recommendation as presented for the appropriation of the net earnings.

At its meeting on 14 December 2023, the supervisory board also examined the management and supervisory boards' diversity goals as well as the current business situation. The agenda for the annual general meeting scheduled for 14 March 2024 was discussed. In its meeting on 14 December 2023, the supervisory board also learned more from the audit committee about the latter's review of the sustainability report and discussed and reviewed the same at length itself. The management board provided answers to all questions asked about the same by the supervisory board. Following the conclusion of its own review, the supervisory board raised no objections to the sustainability report compiled by the management board and adopted the recommendations of the audit committee in approving the publication of the same.

DEPENDENT COMPANY REPORT

The management board prepared a report about relationships with affiliated companies pursuant to Section 312 AktG. The auditors examined this report and issued the following audit opinion:

»Based on our audit and review in accordance with professional standards, we certify that

1. the actual information contained in the report is accurate.
2. the consideration paid by the company for the transactions listed in the report was not inappropriately high.«

The management board informed the audit committee and the supervisory board promptly about the dependent company report and the respective audit report issued by the auditors. The audit committee and the supervisory board thoroughly examined and discussed these documents again in their meetings on 8, 13 and 14 December 2023. These examinations did not give rise to any objections.

CORPORATE GOVERNANCE

During financial year 2022/23, the supervisory board and the management board were both extensively involved in improving and enhancing corporate governance within All for One Group SE and again thoroughly reviewed the new and changed recommendations and suggestions that the Government Commission on the German Corporate Governance Code made in the version of the code dated 28 April 2022. The management board and supervisory board fulfilled their obligation to prepare a joint declaration of conformity pursuant to Section 161 AktG in September 2023. The exact wording of the declaration was published on the Company's website at www.all-for-one.com/conformity-declaration. Further details on corporate governance can be found in the corporate governance statement on the Company's website. No conflicts of interest arose between the members of the management and supervisory boards during the reporting period, such as would require disclosure to the supervisory board or notification of the annual general meeting.

The supervisory board thanks the management board, management and all members of staff at All for One Group for their outstanding personal commitment, which formed the foundation for the stable development of All for One Group in financial year 2022/23. The supervisory board is convinced that the investments in the further strategic alignment of All for One Group and the structural changes that have been implemented will considerably boost the success of the Group over the coming years.

Filderstadt, 14 December 2023
For the supervisory board

Josef Blazicek
Chair of the Supervisory Board

COMBINED MANAGEMENT REPORT

ALL FOR ONE GROUP SE, FILDERSTADT
FINANCIAL YEAR FROM 1 OCTOBER 2022 TO 30 SEPTEMBER 2023

COMBINED MANAGEMENT REPORT

OF ALL FOR ONE GROUP

01

GENERAL INFORMATION

REPORTING COMPANY

All for One Group SE, Filderstadt, is a European company (Societas Europaea, SE). The company is listed in the commercial register of the District Court of Stuttgart under registration number HRB 774576. Its registered office is Rita-Maiburg-Strasse 40 in 70794 Filderstadt/Germany. All for One Group SE shares are listed in the Prime Standard of the Frankfurt stock exchange (ISIN: DE0005110001).

BASIS OF PRESENTATION

Accounting and financial statement auditing
All for One Group SE prepares its consolidated financial statements and interim reports in accordance with Section 315e of the German Commercial Code (HGB) and the applicable regulations specified in the International Financial Reporting Standards (IFRS) as applicable in the EU. The annual financial statements are prepared in accordance with the provisions of the HGB.

The option to prepare a combined management report (»management report«) was exercised by All for One Group SE. This management report combines the management reports of All for One Group SE and of All for One Group as a whole. The management report was prepared in accordance with the relevant provisions of the HGB and German accounting standards (DRS) Nos. 17 and 20.

Distinction between parent company and Group
To avoid ambiguity as to which disclosures relate to the parent company and which to the Group, the **parent company** is always referred to as »**All for One Group SE**«. For disclosures relating to the **Group**, the terms »**All for One Group**« and »**Group«** are used. In the absence of these distinctions or any other specific notes, the information relates equally to both the Group and the parent company.

Financial year
At All for One Group SE, the financial year 2022/23 (»the reporting period«, »current reporting year«, »current reporting period«, »year under review«) began on 1 October 2022 and ended on 30 September 2023. The corresponding prior year period (»comparative period«) covers the period from 1 October 2021 to 30 September 2022.

Rounding differences
Unless otherwise indicated, all amounts are reported in thousands of euros (KEUR). For technical reasons, the information provided in this management report may contain rounding differences of +/- one unit (KEUR, %, etc.).

Use of Alternative Performance Measures (APMs)
In addition to the metrics defined or specified in IFRS accounting regulations, All for One Group also publishes financial performance indicators that are derived from or based on the finalised financial statements (**»**Alternative Performance Measures**«** – APMs). The management of All for One Group sees these financial performance indicators as providing important additional information to investors and other readers of the financial reports. These financial performance indicators should therefore be seen as supplementing – but not replacing – the information provided in compliance with IFRS. In accordance with the **»**Guidelines on Alternative Performance Measures**«** issued by the European Securities and Markets Authority (ESMA), All for One Group provides a definition for the reported APMs, the rationale for their use and a reconciliation of the reported APMs to the directly reconcilable items included in the consolidated financial statements of All for One Group in this management report.

Gender-appropriate language
For reasons of better readability, gender-specific language forms are not used in this report. Where personal terms are used in the masculine form only, they are representative of all genders.

FORWARD-LOOKING STATEMENTS

This management report contains statements relating to future developments. These statements reflect both Group and third-party estimates and assumptions (such as statistics relating to the IT industry and global economic development) that were valid at the time they were made or when this report was issued. Forward-looking statements are always subject to uncertainty. If estimates and assumptions prove to be mistaken or only partially correct, actual results may deviate – quite substantially – from expectations.

02

PRINCIPLES OF THE GROUP

2.1 GROUP STRUCTURE AND ORGANISATION

LEGAL GROUP STRUCTURE

All for One Group is managed by its parent company All for One Group SE, which performs the central management tasks for the entire Group. All offices of the operationally active parent company, without exception, are located in Germany. Most of the sales are generated in Germany. In addition, the Group is predominantly present on the markets in Austria, Switzerland and Poland and operates subsidiaries in Turkey and Egypt (extended workbenches). Effective 1 November 2023, All for One Group SE expanded its top management. Alongside the management board, four group executives are taking on responsibility for the future business and the workforce, and will support the further expansion of All for One Group. The management board of All for One Group SE is also supported by a »Group Management Circle« that acts in an advisory capacity. The panel also serves to better involve the subsidiaries in Group-wide issues and ensure coordination among the individual units. Given the legal Group structure, the economic situation of the Group is influenced substantially by the economic situation of the parent company. Which is why the Group's management board has combined its discussion of the state of the Group with that of All for One Group SE into one management report.

In addition to All for One Group SE, a total of 11 domestic and 11 foreign subsidiaries are included in the consolidated financial statements of All for One Group as of 30 September 2023.

BUSINESS SEGMENTS

The management of All for One Group is aligned to its two business segments: CORE and LOB. The **CORE segment** focuses on solutions and services for companies' core business processes and especially for ERP (»Enterprise Resource Planning«), New Work & Collaboration, Cybersecurity and Internet of Things (sensor-controlled business workflows, machine learning). The **LOB segment** (»Lines of Business«) includes the business with IT solutions and services for specialised areas and topics such as sales and marketing (»Customer Experience«), human resources (»Employee Experience«) and business analytics, which are also increasingly being sourced in the cloud.

MERGERS AND ACQUISITIONS: STRATEGY AND TRANSACTIONS

Acquisitions are an important strategic tool for speeding up the expansion of All for One Group's service portfolio, tailoring products and services more closely to the needs of customers and enabling the provision of integrated support for their digital transformation. The current acquisition strategy therefore focuses particularly on strengthening the portfolio of cloud-based products and services, expanding Microsoft and security business, and further developing product business.

In the current reporting year 2022/23, M&A activities focused integrating the new companies (see notes to the consolidated financial statements (section C) of the annual report 2021/22) and increasing the majority stake in Poland.

All for One Poland
Effective 21 December 2022, All for One Group SE completed the early acquisition of all outstanding shares in All for One Poland. All for One Group SE had already acquired control over the Polish subsidiary with effect from 1 October 2021 (time of acquisition) when it purchased 51% of the shares from SNP Schneider-Neureither & Partner SE, Heidelberg. In keeping with the anticipated acquisition method, the acquisition of all shares had already been recognised in the consolidated financial statements of All for One Group SE at this time of initial acquisition (economic approach) based on reciprocal put and call options with – initially – mandatory exercise at the close of the financial year on 30 September 2024 at the latest The price paid to purchase the legally outstanding 49% stake in All for One Poland was EUR 20.9 million. Of this amount, EUR 16.0 million was paid in cash from existing liquid funds in financial year 2022/23. Derecognition of the previously recognised purchase price obligations resulted in income less transaction costs of EUR 3.2 million, which was recognised through profit.

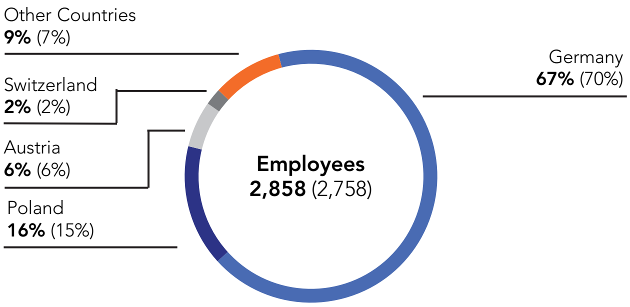
Structural and name changes
On 2 May 2022 (acquisition date), All for One Group SE acquired all the shares in customer experience experts POET GmbH, Karlsruhe, whose name has meanwhile been changed to All for One Customer Experience GmbH (»CX«). CX holds a 75% stake in the development company All for One Egypt LLC., Alexandria/Egypt (formerly: POET Egypt LLC.). Since the acquisition date, CX and its subsidiary have been fully consolidated in the consoli-

dated financial statements of All for One Group SE. The acquisition marks a major step in the expansion of All for One Group's CX business.

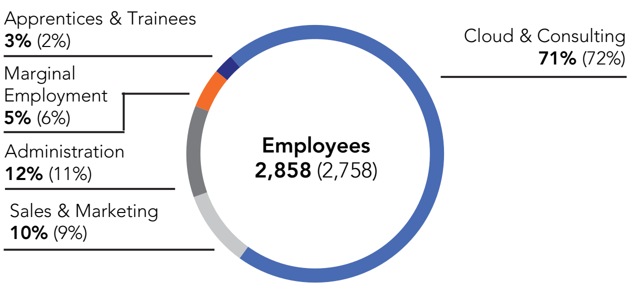
The merger of the CX division of the B4B Solutions Group in Germany and Austria with POET GmbH has further strengthened the Group's CX activities, which now operate under the name of All for One Customer Experience GmbH in Germany and Austria. The part of B4B Solutions GmbH that specialises in cloud services now operates as All for One PublicCloudERP GmbH in Germany and Austria in the CORE segment (ERP and collaboration solutions). The Swiss companies of the ASC Group and Process Partner AG now offer their expanded portfolio of products and services jointly as All for One Switzerland AG. In addition, the Group's Egyptian subsidiary has been renamed All for One Egypt LLC.

EMPLOYEES

HEADCOUNT BY COUNTRY IN % (GROUP, 30 SEP 2023)



HEADCOUNT BY FUNCTION IN % (GROUP, 30 SEP 2023)



Part-time workers are included in full in the headcount, not pro rata.

Personnel development

In light of the growing shortage of experts in the IT sector, according to information published by industry association Bitkom e.V. in July 2023, there were 137,000 vacancies in Germany – All for One Group has stepped up its efforts to attract and retain highly qualified and motivated employees. Sustainable economic performance is closely tied to the employee strategy, which aims to be an attractive employer and at keep employee motivation levels up. Corporate culture plays a key role in this respect. The »WE ARE ONE« project has developed corporate values and leadership guidelines and put them in place throughout the Group. Treating each other with respect and defining clear goals, courses of action and rules of play gives employees orientation and reassurance and promotes good and successful collaboration. To anchor this within the leadership culture, all senior executives attend workshops focusing on valuable leadership.

Corporate values coupled with a vision and culture are key aspects that define the attractiveness of an employer, which ultimately decides who will triumph in the competition for experts. Health promotion schemes and numerous other benefits play an important role in this respect, in addition to attractive remuneration, flexible work hours, working time accounts for sabbaticals, modern work environments and part-time options. Training young talent, specifically nurturing high potentials, personalised coaching and offering a wide range of training programmes are key to Group-wide personnel development. A large ratio of trainees and close cooperation with universities help to meet the demand for experts with practical experience. In the established talent fostering programme »UP Talent«, »high potentials« are made fit for future challenges. The central learning platform »ONE Academy« supports systemic further education through a Group-wide eLearning management system.

To partially offset the shortage of experts, All for One Group pursues a strategy of international development and is steadily expanding its Regional Delivery Centers in Poland, Turkey and Egypt. The highly qualified experts provide assistance, especially in the fields of development, consulting, support and administration, and are key to sustaining and improving the quality and speed of the customer response as the Group moves forward.

Accordingly, the growing internationalisation of the Group is also reflected in the personnel development programmes, with bilingual skills being nurtured through qualification programmes, software solutions and tools, and in documentation. The range of English-language training programmes and workshops on offer is steadily being expanded, as are inter-cultural training schemes.

Anchoring an »entrepreneurial mindset« as one of the key corporate values encourages the staff to act and engage on their own initiative. Numerous units within the Group have meanwhile rolled out the OKR (Objectives and Key Results) management system to increasingly align the tasks and objectives of teams and staff members with the Group strategy. These measures strengthen employee retention and innovative strength and thus make a key contribution towards the long-term success of All for One Group.

Diversity in the Group

If employed and managed properly, diversity can boost innovative strength, creativity, customer loyalty and the ability to adjust to rapidly changing markets and can make companies more successful. Countless studies confirm that diversity – in terms of gender, ethnicity, age and background – can positively impact the success of a company *(sources: BCG, Jan 2022; McKinsey, May 2020)*. It also offers a means of overcoming the shortage of experts in the IT industry. The key criteria we look out for when filling vacancies and jobs are qualifications, professional competence and »cultural fit«. Every year, the Group analyses the age structure, ratio of women and number of employees of different nationalities with the aim of promoting diversity across the entire Group to ensure that the right people come together and that a work culture can be created that inspires performance, motivation and satisfaction among both the employees and their supervisors while assuring a balanced structure. As of 30 September 2023, the average age of all employees was 40 (2021/22: 40). Our women@allforone network plays a key role by raising the visibility of women in the Group and offering them the opportunity to network and develop their potential. The ratio of women in technical professions is measured on an ongoing basis and incorporated in the Group management system as part of the »All for One-Diversity Index«.

A lot of small steps are necessary to strengthen the presence of women in MINT (maths, IT, natural sciences and technology) professions. They include participation in the annual »Girls Day« or the Equal eSports Festival in September 2023 aimed at raising enthusiasm among young people – and particularly young women and girls – for eSports and, at the same time, for the topics of relevance to All for One Group as an innovative approach to encouraging diversity and equal opportunities.

Raising the share of women in management will become one of the sustainability targets of All for One Group in future. To improve the compatibility of work and family life, part-time models have also been put in place at management level and flexible working schedules are generally possible, independent of fixed times and locations. All for One Group has also developed a mentoring programme to make technical professions more accessible to female students and graduates. As a result, the proportion of women in the Group increased to 36.2% (30 Sep 2022: 35.1%).

The Rainbow Community actively combats stereotypes, enables the valuable exchange of experience, creates a safe space for the LGBTQ+ community and raises awareness for actively practised equality. Diversity within the company also means recruiting new members of staff regardless of where they come from. In this respect, the »Changemakers« initiative launched by »socialbee« operates an inclusion project together with SAP and partner companies and offers refugees the chance to return to working life. Since 2022, we have been part of socialbee's Female Accelerator Programme offering women the opportunity to train as project managers.

Diversity at All for One Group SE

Proportion of women in %	Actual 30.09. 2023	Target 2022/23	Comparison
Supervisory board	17	17	achieved
Management board	0	20	not achieved
Second-level management	29	10	exceeded
Third-level management	21	20	exceeded

The composition of the management board remained unchanged in financial year 2022/23. Contrary to the target, the proportion of women was not achieved.

Workforce (Diversity in the Group)

	30.09. 2023	30.09. 2022
Total employees	**2,858**	**2,758**
of which women	1,035	969
of which men	1,823	1,789

Headcount of All for One Group SE

As of 30 September 2023, All for One Group SE employed 1,248 (30 Sep 2022: 1,270) people.

2.2 STRATEGY AND BUSINESS MODEL

This section is equally valid for both Group and parent company.

According to market observers such as ISG (Information Services Group GmbH, Frankfurt) or Lünendonk (Lünendonk & Hossenfelder GmbH, Mindelheim), All for One Group is one of the leading consulting and IT companies in its markets, especially in the field of SAP. The corporate strategy is tailored to enhancing the ability of customers to compete in a digital world. The Group uses its expertise and implementation skills to provide companies with comprehensive advice that encompasses all relevant issues, and aims to ensure as perfect and seamless an interaction between people, strategies, processes, data and systems as possible. The integrated business model combines strategic and management consulting, process consulting, industry expertise, technology expertise, IT consulting and services, and transformation management under one roof. In doing so, All for One Group works with its subsidiaries to »orchestrate« the interaction of the core areas and fields of action that are key to establishing the competitive strength of its customers. At the same time, the integrated business model is designed to generate the highest possible recurring revenue from cloud services and support, and software support.

The Group's **customers** mainly rank as midmarket, although a growing number can be classified as »larger« midmarket. This group is characterised particularly by annual revenues of between EUR 100 million and EUR 10 billion while retaining yet still with an »SME« culture when it comes to their organisation, processes and how importantly they want to be treated by »their« service provider.

All for One Group has years of experience and specific industry and process expertise that allows it to offer its customers the best possible advice on digitalisation. Accordingly, **the Group plans to further strengthen its industry focus in the marketplace in future.** Efforts are concentrated predominantly on companies operating in series production (e.g. component production, automotive supplies), project-oriented sectors such as mechanical and plant engineering, life sciences and the services and retail industries. In addition, the Group is increasingly operating in a number of other industries – with comprehensive line-of-business solutions, for example – which only differ marginally from one sector to the next (LOB segment).

The changes to the **sales organisation** that All for One Group implemented in the second half of financial year 2022/23 reflected the strategic direction and the Group's overarching ambition to establish not just sustainable, trusting and profitable partnerships with legacy customers but also to acquire attractive new customers to the Group and to position the diverse portfolio of products and services even more specifically in the marketplace. The Group is also aiming to put standardised processes in place along the entire sales cycle to enable efficient and successful in-house collaboration and promote an agile, uniform approach to the markets. In this regard, for example, the Global Business Services sales team (formerly: Value Lifecycle Services) has been integrated into the Customer Success Management hub (where legacy customer relationships offering potential in more than just one market unit are managed) to enable the Group to provide these legacy customers with even more comprehensive support. »Client Partners« focus on developing and acquiring customer relationships and raising profits through collaboration at top management level and interdisciplinary initiatives.

Likewise, we have joined forces with a number of carefully selected specialists as part of our »All for One Group Network Partner« scheme. The industry alliance management function assures the ability of industrial customers to compete over the long term, even those operating in sectors that do not form part of All for One Group's core focus. Through partner alliances established specifically for this purpose and with a deliberately chosen market presence of its own, the industry alliance management function supports All for One Group in building new customer groups by affording access to new target markets.

Geographically, All for One Group is particularly active in Germany, Austria, Switzerland and Poland, which is why the development of the IT market in the DACH region is a significant external factor influencing the Group's business success. In a very short space of time, Covid-19 has fundamentally changed how both All for One Group and its customers work. Having the expertise to provide IT consultancy services via remote access makes it possible for the consultants to work beyond the borders of their home markets. Accordingly, more and more colleagues from the Regional Delivery Centers in Turkey, Poland and Egypt are being involved in projects as the years go by. At the same time, the Group plans to considerably accelerate the expansion of its globally operating service organisation. After all, the increasingly global structure enables increased integration of hyperscaler offerings. In doing so, All for One Group is laying the foundations that will enable it to provide comprehensive and cost-optimised support to its increasingly international customer base in the larger midmarket.

To assure the **global provision of local support** when delivering international projects (usually for international customers), All for One Group co-founded the United

VARs global network of partners in 2006. All for One Group works with United VARs, i.e. with partners in more than 100 countries, to offer its customers global SAP services and support. »Think global, act local« is encouraging a new perspective on service that links global awareness with local commitment, thus fostering a more sustainable integration of services. As a result, SAP application services are available around the globe through a central point of contact and a single contract and service model. Local support can be offered for projects together with local, mostly market-leading partner companies, based on uniform quality standards and recognised project methods. The benefits for internationally operating corporations include 24/7 support no matter what time zone they are in, local adaptations by local partners with local knowledge of the law, customs duties, taxes and culture. It is tailored to international midmarket customers that use harmonised SAP systems around the world and want a central services solution. In addition to its superb efficiency and performance capability, United VARs also acts as the key to acquiring new accounts in the strongly export-oriented target markets in the German-speaking region. At the same time, United VARs is one of only ten »SAP Global Platinum Resellers«. This outstanding position gives All for One Group a »voice that is heard«, even in the global »SAP Channel«, to spotlight the issues raised by its midmarket customers to the global SAP organisation.

As an IT, consulting and service provider focusing on SAP, All for One Group offers its customers a coordinated portfolio of solutions and services over the entire life cycle of an IT investment. Central to the **services and solution portfolio** is the CORE area focusing on S/4HANA – highly sophisticated corporate software that forms the basis and »Digital Core« of any business software landscape. All for One Group's industry solutions for SAP S/4HANA are based on self-developed business process library (»scope items«) that can quickly and easily be tested and activated by customers, and which contains ready-to-use preconfigured business workflows and scenarios of target industries. To provide even more targeted and comprehensive support to legacy customers, offerings also include support, overseeing the customers' extensive application landscapes (»Application Services«) and operating their IT systems (»Managed Services«) in the private or public cloud. This service is provided from proprietary computer centres (co-locations) but also, increasingly, via hyperscalers.

During the transformation phases in recent years, the **portfolio of services** has been largely expanded and nowadays also encompasses »Employee Experience« (optimisation of HR processes), »Customer Experience« (ideal customer experience design, digital solutions to promote customer acquisition and retention), »Business Analytics« (data-based efficient business management using Artificial Intelligence (AI)) and »IoT & Machine Learning« (sensor-controlled business workflows). Microsoft solutions in the fields of »Cybersecurity & Compliance« (data and information security) and for »New Work & Collaboration« (designing the ideal digital work environment and enabling agile collaboration) complement the portfolio of products and services. Strategic, management and transformation consulting at »C Level« (management level) is also provided. With this comprehensive portfolio, the Group supports customers on their journey to becoming intelligent, networked, and highly progressive and innovative companies.

The **partnerships with SAP and Microsoft** are key, and All for One Group with its extensive public cloud expertise is well positioned to further reap the benefits of the dynamic cloud trend and to grasp business opportunities quickly and efficiently. The esteem in which the Group is held within the SAP ecosystem is frequently confirmed through the widest range of awards that SAP confers on its strategic partners. These include, among others, the status of some Group companies as SAP Platinum Partners, recognition within the »SAP Diamond Initiative 2023« as a leading partner in the »Midmarket and Customer Experience« category, and various SAP Quality Awards for specific projects. In addition, All for One Group has been classified as a Leader in the German IT market in the SAP Ecosystem Study 2023 conducted by prestigious ISG Provider Lens™. Detailed interviews and analyses focused on the strengths and weaknesses of technology providers and IT service providers and on their position within the competitive environment. The Group ranked among the best in the categories »SAP S/4HANA System Transformation – Midmarket, Managed Application Services for SAP ERP« and »Managed Platform and Cloud Services for SAP«. Added to which, All for One Group is an SAP-certified provider of »SAP-Cloud and Infrastructure Operations« and »SAP-Application Operations for SAP S/4HANA«. Customers also appreciate the broad portfolio of products and services of All for One Group and its expertise and again recognised the same by awarding the Group for the fourth consecutive time the accolade of »Best IT Provider 2023« in eight categories in a survey conducted by business journal brand eins among around 5,000 experts and IT specialists in user companies. Appreciation of the innovative strength, distinctive industry expertise and service orientation was voiced.

Both partners – SAP und Microsoft – are, moreover, firmly embedded in All for One Group's CONVERSION/4 model, together with **SNP** (Schneider-Neureither & Partner SE, Heidelberg) and the latter's Crystalbridge software. This innovative model not only enables companies to migrate quickly and cost-effectively from SAP Business Suite to the new SAP S/4HANA business software, but also provides efficient access to permanent innovations.

To date, All for One Group has migrated most companies to SAP S/4HANA using the Bluefield approach.

All for One Group faces intense **competition**. Besides ERP manufacturers and system resellers outside of SAP, competitors include other SAP system resellers, Microsoft partners and internationally operating IT outsourcing and technology service providers. The Group also competes with specialised suppliers offering software designed for specialised departments, such as personnel management, the financial sector or sales and marketing. Competitors also include the SAP consulting units of major international IT service groups as well as customers' own IT activities.

As part of its strategy offensive 2022, All for One Group further improved its market presence and continued to implement the new **brand architecture** (»Endorsement Strategy«) it had introduced back in 2019. The resulting visual identity is consistent for the entire Group and its individual brands, including All for One Steeb, avantum, OSC, All for One Switzerland, Empleox or allfoye. This approach will be rigorously pursued as integration progresses, in the interests of assuring a uniform presentation in the marketplace.

According to studies published by IT industry association Bitkom, the German market for IT services is extremely fragmented, comprising more than 90,000 companies operating in the areas of IT hardware, software, and IT services *(source: Bitkom e.V., Jul 2022)*. Market players are classified as large companies if their sales exceed EUR 250 million. The software and IT services segment comprises 49 companies. Whereby the 10 biggest players only account for around 31% of total market share. As far as its **position in the marketplace** is concerned, All for One Group ranks immediately below the major international players among the leading IT providers based on this definition and according to various market observers such as ISG (Information Services Group GmbH, Frankfurt) or Lünendonk (Lünendonk & Hossenfelder GmbH, Mindelheim). In 2023, the German market for IT services was estimated to be worth around EUR 49 billion by – and the trend continues to rise *(source: The market for IT services in Germany in 2022 [Der Markt für IT-Dienstleistungen in Deutschland 2022], Jul 2023)* and SITSI *(source: SITSI Market Research Services, Jul 2023)*. Estimates value the market for SAP-related services at EUR 10.3 billion in 2023 *(source: SITSI SAP Services Germany, Jul 2023), with demand expected to be strong in the areas of SAP transformations and cloud solutions, in particular*. As such, the growth potential for All for One Group continues to be substantial.

2.3 MANAGEMENT SYSTEM – FINANCIAL AND NON-FINANCIAL TARGETS

All for One Group is managed by the management board of All for One Group SE, which is solely responsible for managing the Group, defining targets and strategies, and implementing the growth strategy.

The foremost goal of corporate development is to raise the value of the business in the interests of all stakeholders and to ensure profitable growth while actively practising sustainability. The plans that are necessary to manage the operational units and the resulting need for action are derived from the long-term corporate plan – with due consideration of the trends in the competitive and market environments. The following management indicators are used to manage both the Group and All for One Group SE.

FINANCIAL PERFORMANCE INDICATORS

The following two financial performance indicators are deemed the most important for managing the business targets:

- Sales revenue (IFRS)
- EBIT before M&A effects (non-IFRS)

Planning and management efforts focus primarily on the sales and earnings performance of All for One Group.

In terms of **sales revenue**, the main focus is on recurring revenue from »Cloud Services and Support«, »CONVERSION/4« and »Software Support«. Management uses the metric of EBIT, which is disclosed in the statement of profit and loss, adjusted for income and expenses related to acquisitions (**»EBIT before M&A effects (non-IFRS)«**) for management purposes, to compare operational performance over time, and to issue forecasts. This metric reflects the »undistorted« result of operations. Both performance indicators are aligned to each other with a view to securing a profitable path of growth that is as sustainable as possible.

All for One Group pursues a strategy aimed at driving both organic and inorganic growth. In light of the acquisitions by the Group, the importance of mergers & acquisitions (»M&A«) has increased. The effects of company acquisitions influence the result of operations not just in the year of the transaction but also in subsequent years, for example with regard to acquisition-related amortisation and impairment on intangible assets. Since financial year 2021/22, the Group has therefore adjusted EBIT for income and expenses relating to M&A transactions and reconciled it to EBIT before M&A effects (non-IFRS). As part of this reconciliation, the result is adjusted for both acquisition-related amortisation and impairment on intangible assets (e.g. goodwill, trademark rights, orders on hand, customer bases) and other acquisition-related external expenses and income (e.g. legal and consulting costs, due diligence costs, ancillary transaction costs). The adjustment is performed for pending, aborted and successfully completed acquisitions.

Orders on hand do not constitute a separate performance metric at All for One Group. The figure is not calculated for the business as a whole. In light of the heterogeneous nature of the individual types of business (such as licence sales, project business, cloud subscriptions, managed cloud services agreements, software support), such a metric would only have very limited meaning. To a certain extent, an informative indication of the volume of orders on hand is provided by the disclosure of »recurring revenue«. Their revolving nature is underpinned by corresponding contracts governing cloud services and support, CONVERSION/4 and software support.

NON-FINANCIAL PERFORMANCE INDICATORS

In addition to the financial performance indicators, the management board also tracks the most important non-financial performance indicators. Given the key importance in many respects of »human capital« in a services company such as All for One Group, the Group-wide management system tracks the following two primary non-financial performance indicators:

- Employee retention
- Health index

Employee retention
The success of All for One Group's business depends significantly on the quality of service and support offered to its customers, business partners, suppliers and shareholders. Personnel continuity and the ability on this basis to establish and maintain business partner relationships that are stable, sustainable and resilient play a crucial role in how the quality of this service and support is perceived. Given this background, »employee retention« (100% minus the ratio of unwanted departures to headcount at the beginning of the reporting period, plus additions to the workforce during the financial year) is of central importance.

Health index
The established health management programme aims to maintain and enhance the workforce's high level of capability and effectiveness. In addition, the aim is to proactively counteract potential health-related absences. In this context, the »health index« (100% minus the ratio of number of days off sick to target work days in any reporting period) is of central importance.

A standardised system is used to calculate, analyse and plan these non-financial indicators on a Group-wide basis and then monitor them in terms of achieving the benchmarks and their impact on attaining the financial objectives. These performance indicators – employee retention and health index – are also geared to securing a profitable path of growth that is as sustainable as possible.

Detailed discussions of the development of the financial and non-financial performance indicators can be found in the sections »Report on economic position« and »Outlook«. Other non-financial performance indicators at subsidiary, department and team leadership levels are used for fine tuning purposes. These involve what are primarily qualitative goals. As an example, specific qualification programmes are an integral part of the performance objective agreements for many employees in the consulting field.

2.4 RESEARCH AND DEVELOPMENT

Neither All for One Group nor the parent company All for One Group SE conducts research in the narrower sense of the word. Development activities to date have focused primarily on configuration and »customising« add-on solutions. Add-ons such as these include a comprehensive business process library (»scope items«) for SAP S/4HANA. They give customers a clear competitive advantage while at the same time speeding up rollout projects. All for One Group is increasingly »developing« add-on solutions for Microsoft (Collaboration) software, as well, which are being used by a lot of customers. »Development expenses« such as these are not capitalised by All for One Group as the processes between customer-specific and non-customer-specific development phases are generally iteratively closely connected and reliable separation of the expenses is therefore not possible. (See also the notes to the consolidated financial statements, section »F.13. Intangible assets«).

03

REPORT ON ECONOMIC POSITION

3.1 GENERAL ECONOMIC CONDITIONS

OVERALL ECONOMIC DEVELOPMENT AND DEVELOPMENT OF OUR TARGET MARKETS

The fallout from the war in Ukraine, the uncertainty surrounding the Middle East conflict, the legacy from the Covid-19 pandemic and the uncertainty facing supply chains continue to burden the economic climate, especially in Germany. The same holds true, both for inflation – which remains high – and for the strict interest rate policy adopted by the European Central Bank aimed at containing the same. Leading economic research institutes *(sources: IWF, Ifo Institut, RWI, BDI)* and Germany's federal government expect the German economy to contract in 2023. According to the latest forecast, the federal government expects gross domestic product growth to come in at minus 0.4%, which is still more optimistic than the joint forecast issued by the major research institutes, who are predicting minus 0.6% for 2023. Economic growth in 2024 is expected to be weak at plus 1.3% *(source: Handelsblatt, 11 Oct 2023)*. Inflation has recently declined, interest rates are expected to stabilise and, at the same time, it is becoming increasingly evident that the third quarter of 2023 could have marked the lowest point *(source: Handelsblatt, 23 Oct 2023)*. ZEW's expectations for economic growth have also improved *(source: Handelsblatt, 17 Oct 2023)*. Incoming orders in the German industry rose by 3.9% in August, whereas the trend in private spending is weaker according to market researchers GfK *(source: GfK, 27 Sep 2023)* as consumers are reluctant to buy – according to the Bundesbank – despite a robust labour market, wage rises and weakening inflation *(source: Handelsblatt, 23 Oct 2023)*.

In the wake of continuing weakness in the global economy and the uncertainty prevailing among countless customers, Germany's export-oriented economy is labouring under weak demand from abroad, especially for industrial goods. VDMA *(Verband Deutscher Maschinen- und Anlagenbau/German Mechanical Engineering Industry Association)* expects production to shrink by 2% in real terms due to a lack of new orders in 2023 *(source: VDMA, 12 Sep 2023)*. By contrast, the German electro and digital industry, which is home to numerous customers operating in the automotive supply sector, was able to grow production year on year by 3.7% in the first seven months of 2023. However, the second half of 2023 started with an order shortfall in the double-digit percentage range, at 17.4%, while the business climate has deteriorated *(source: ZVEI, Sep 2023)*. Here again, there is a lack of stimulus that would revive the business and most sectors are trending towards a lull *(source: ifo Institut, 7 Sep 2023)*.

TRENDS IN THE IT INDUSTRY

Industry association Bitkom predicts year-on-year growth of 2.1% for the German ITC (information technology, telecommunications and consumer electronics) market in the 2023. IT services are expected to grow by 5.3% whereas the IT hardware segment is down 3.6% and software is up by 9.7% *(source: Bitkom e.V., Jul 2023)*. Nevertheless, the IT services market has distanced itself even further from the trend of weak economic growth. According to Bitkom President Achim Berg (April 2023): »The digital economy is still proving to be more resilient than many other sectors of industry, despite the current crises.« Demand was driven predominantly by the pressure facing companies to complete their digital transformation, by growing SAP S/4HANA transformation business and by the migration to up-to-date software applications. By contrast, geopolitical and social problems, such as the shortage of IT experts, rising inflation and weak economic development, had an adverse effect on the sector *(source: Lünendonk Survey 2023, Jul 2023)*. In the other core markets of relevance for All for One Group, as well, the market for IT services is steadily growing, driven by the consistent trend towards digital transformation. Accordingly, the market is estimated to be worth around EUR 4.2 billion in Austria, EUR 11.6 billion in Switzerland and EUR 7 billion in Poland, and is expected to continue its growth trend *(source: SITSI, Jun 2023)*.

Both of All for One Group's primary cooperation partners – Microsoft and SAP – expect growth to remain significant with focus on developing smart solutions for digital supply chains, Industry 4.0, AI-based product applications and expanding cloud solutions *(sources: SAP, Oct 2023; Microsoft, Oct 2023)*.

UNCERTAINTIES IN THE MACROECONOMIC ENVIRONMENT

February 2023 marked the first anniversary of the Russia-Ukraine war and there is still no end in sight. At the moment it is not possible to predict the outcome of the Gaza war that escalated on 7 October 2023 and the spiralling Middle East conflict. All for One Group is still not directly affected by the fallout from the Russia-Ukraine conflict as it does not have any business relationships of any importance with suppliers and customers in Ukraine or Russia. Nevertheless, indirect impacts on All for One Group are possible, given that the political and overall economic consequences of the conflict are still not foreseeable at present. Furthermore, All for One Group is directly affected by the higher level of inflation and the strict interest rate policy of the European Central Bank aimed at containing it.

The war in Ukraine does, however, considerably impact the strategic risk posed by the general economic and geopolitical conditions. It is changing the geopolitical and economic outlook and the risk assessment of the same. The war in Ukraine and the political and economic fallout from the same – such as sanctions and possible countermeasures – could give rise to far-reaching risks for the global economy. Although All for One Group's business in Russia or Ukraine is not material, the war in Ukraine could, nevertheless, negatively impact the production processes, as well as the procurement and logistics processes of the Group's customers as a result of disruptions to supply chains and energy supplies, or shortages of components, commodities and interim products, for example. The war could, moreover, indirectly cause inflation to soar, taking with it the prices for commodities, energy and input goods. This could result in severe distortions in the global economy and on the currency, capital and foreign exchange markets if the central banks raise key interest rates too quickly or too aggressively.

The management of All for One Group observes the economic, political, geopolitical and regulatory environment in all key markets in an effort to quickly adjust its business operations and processes to changing conditions. In light of the highly volatile situation and prevailing uncertainty, however, it is not possible to entirely predict the full extent of the global impacts and consequences.

3.2 OVERALL ASSESSMENT OF BUSINESS PERFORMANCE

OVERALL STATEMENT ON BUSINESS PERFORMANCE AND ECONOMIC POSITION

The Group
Based on the aforementioned analysis of business performance and of the earnings, financial and asset situation, and after consideration of all relevant facts and circumstances, the management board of All for One Group SE believes that the Group is still in a solid economic position. Looking beyond the end of financial year 2022/23 and after completion of the first weeks of financial year 2023/24, the management board believes that the economic position of All for One Group also remains very solid.

All for One Group SE
After consideration of all relevant facts and circumstances and completion of the first weeks of financial year 2023/24, the management board believes that the economic position (assets, financial and earnings situation) of All for One Group SE is still very solid.

COMPARISON OF ACTUAL BUSINESS PERFORMANCE WITH THE ISSUED GUIDANCE

Guidance 2022/23 versus actual

in EUR millions, unless otherwise stated	Original guidance 2022/23 [1]	Adjusted guidance 2022/23 [2]	Actual 2022/23
Group			
Sales revenue (IFRS)	470 – 500	470 – 500	488.0
EBIT before M&A effects (non-IFRS) [2]	27.5 – 30.5	17.5 – 21.5	17.7
Employee retention (in %)	93.1 – 93.6	93.1 – 93.6	89.9
Health index (in %)	96.8 – 97.3	96.8 – 97.3	96.3
All for One Group SE			
Sales revenue (IFRS)	290 – 310	290 – 310	299.4
EBIT before M&A effects (non-IFRS)	6 – 8	6 – 8	-7.2
Employee retention (in %)	92.5 – 93.5	92.5 – 93.5	92.8
Health index (in %)	96.8 – 97.3	96.8 – 97.3	96.0

1) Original guidance as reported in the combined management report 2021/22.

2) Original guidance was lowered on 15 May 2023.

The Group
The guidance for financial year 2022/23 issued in the combined management report 2021/22 and adjusted on 15 May 2023 was achieved in terms of sales and EBIT before M&A effects (non-IFRS) came in at the lower end of the range.

The general economic environment and planned improvement in profitability necessitate a leaner cost structure. At the same time, the Group plans to considerably accelerate the expansion of the globally operating service organisation. Accordingly, the management board decided in May 2023 to restructure the service-oriented areas in the CORE segment, which culminated in the loss of a number of full-time jobs in the high double digits. This incurred non-recurring expenditure of EUR 8.4 million. Once the changes to the LOB segment had been completed in the past financial year, the management board implemented the changes to the structure of the service-oriented areas in the CORE segment, which marked the completion of the strategy offensive 2022. In light of these efforts, All for One Group was unable to reach its original target for EBIT before M&A effects (non-IFRS). As a result of this one-off expenditure, the Group amended its guidance for EBIT before M&A effects (non-IFRS) on 15 May 2023 to between EUR 17.5 million and EUR 21.5 million. The actual result was within the newly published range. The guidance issued in the combined management report 2021/22 predicted EBIT before M&A effects (non-IFRS) of between EUR 27.5 million and EUR 30.5 million. The sales revenues (IFRS) forecast for financial year 2022/23 remained unchanged at between EUR 470 million and EUR 500 million.

In terms of sales, the Group generated strong organic growth in the year under review, especially in the second half of the year, despite a weaker start to the year and declining licensing revenues. Capacity utilisation in the CORE segment was below budget due to a large number of days off sick at the start of financial year 2022/23 and distortions in Value Life Cycle Services. Growth was strong in cloud and CONVERSION/4 business and significant in the LOB segment.

Closer analysis of the deviation between the **EBIT before M&A effects (non-IFRS) guidance** for financial year 2022/23 that was issued in our combined management report 2021/22 and actual EBIT before M&A effects (non-IFRS) shows that, above all, the non-recurring restructuring expenses – which predominantly reflected a greater personnel cost – had an adverse impact. Moreover, costs of materials and purchased services were marginally above budget as a result of the increased use of external consulting resources (»freelancers«) from the Group's partner network and higher prices for electricity in computer centres. The increase in other operating expenses and income was primarily attributable to price increases on the part of numerous service providers and suppliers in response to inflation, and to increased business travel.

The impacts in particular of the flu and Covid-19 at the start of financial year 2022/23 caused a slight decline in the **health index** to 96.3% compared to the guidance of between 96.8% and 97.3%. The Group was unable to meet the target for **employee retention**. It believes that the lockdowns caused by Covid-19 and the uncertainty in the market generally dampened employees' willingness to change, which was reflected in a very low turnover rate in the previous year. As the labour market returned to normal and given the severe shortage of experts in the IT sector, the latter started rising again. As a result, employee retention at 89.9% was below the target value for the 2022/23 financial year due to competitive pressure and acquisitions. Nevertheless, the management of All for One Group believes it is still in line with the industry average and within the target range for the coming years.

All for One Group SE
At parent company level, the sales guidance for financial year 2022/23 issued in our combined management report 2021/22 was achieved. Earnings fell considerably short of the target range.

Closer analysis of the deviation between guidance and actual Group performance is largely valid for All for One Group SE as well.

The target range for Group EBIT before M&A effects (non-IFRS) was adjusted on 15 May 2023, although the guidance for the parent company was not explicitly corrected. As a result of the cost and sickness effects discussed in the analysis of the Group, and of the restructuring expenses, the Group fell considerably short of the All for One Group SE target for EBIT before M&A effects (non-IFRS) that was published in the combined management report 2021/22.

Employee retention was within the target range, whereas the health index fell short, in line with the guidance for the Group.

SUBSEQUENT EVENTS

Events that occurred after the closing date of the financial statements and which had a material impact on the net assets, financial position and results of operations of All for One Group are discussed in the notes to the consolidated financial statements in section »I.27. Subsequent events«.

3.3 RESULTS OF OPERATIONS OF THE GROUP

SALES REVENUE in EUR millions	
10/2022 – 09/2023	10/2021 – 09/2022
488.0	452.7
+8%	

EBIT BEFORE M&A EFFECTS (NON-IFRS) in EUR millions	
10/2022 – 09/2023	10/2021 – 09/2022
17.7	27.3
-35%	

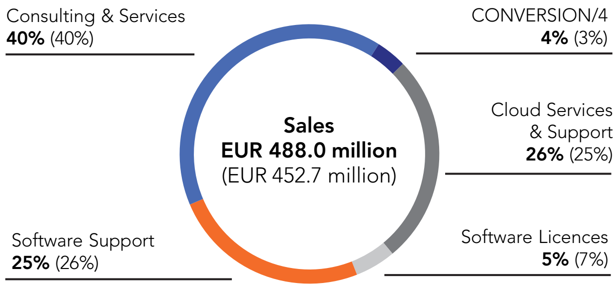
RECURRING REVENUE in EUR millions	
10/2022 – 09/2023	10/2021 – 09/2022
266.3	240.5
+11%	

RESULT FOR THE PERIOD in EUR millions	
10/2022 – 09/2023	10/2021 – 09/2022
11.2	11.0
+2%	

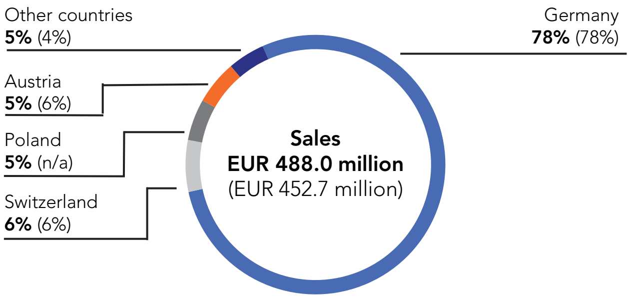
Sales revenue by type of revenue

in KEUR	10/2022 – 09/2023	10/2021 – 09/2022	Delta in %
Cloud services and support (1)	**127,737**	**112,028**	**14**
Software licences and support (2)	**144,773**	**146,607**	**-1**
Software licences	24,815	30,176	-18
Software support (3)	119,958	116,431	3
Consulting and services	**196,799**	**181,950**	**8**
CONVERSION/4 (4)	**18,643**	**12,068**	**54**
Total	**487,952**	**452,652**	**8**
Cloud and software revenue (1)+(2)	**272,510**	**258,635**	**5**
Recurring revenue (1)+(3)+(4)	**266,337**	**240,526**	**11**

BREAKDOWN OF SALES BY TYPES OF REVENUE IN %



BREAKDOWN OF SALES BY COUNTRY IN % [1]



1) Based on the domicile of the customer

ANALYSIS OF SALES REVENUE

The trend surrounding digitalisation, cloud transformation, and the need for customers to migrate to SAP S/4HANA is increasing, despite the financial year getting off to a slightly weaker start. Capacity utilisation in the CORE segment (ERP and collaboration solutions), in particular, was below budget due to a large number of days off sick at the start of financial year 2022/23 and postponements in Value Life Cycle Services. Orders and demand for the Group's digitalisation products and services remain stable, especially in the CORE segment. The Group was able to grow its sales associated with CONVERSION/4 by 54% to EUR 18.6 million, a substantial increase year on year (2021/22: EUR 12.1 million).

Sales revenues totalled EUR 488.0 million, a significant improvement of 8% on the prior-year figure of EUR 452.7 million. Adjusted for the decline in non-recurring licence revenues, sales grew by 9%. Recurring revenues increased further both from cloud services and support (plus 14% to EUR 127.7 million) and from software support (plus 3% to EUR 120.0 million). At EUR 266.3 million in total (plus 11%), recurring revenues accounted for 55% (2021/22: 53%) of total sales.

Since there is no stopping the trend towards the cloud, licence sales are expected to decline in the future while cloud revenues will increase. The existing licensing models will nevertheless continue to play a key role for much of the installed customer base, even when migrating from SAP ECC to SAP S/4HANA. As expected, licensing revenues decreased, by 18% to EUR 24.8 million compared to the unusually strong prior-year period.

The prior-year consulting and services revenues were exceeded by 8% (2021/22: EUR 181.9 million).

ANALYSIS OF EARNINGS

Earnings performance

in KEUR	10/2022 – 09/2023	10/2021 – 09/2022
Sales revenue	487,952	**452,652**
Cost of materials and purchased services	-173,994	-168,226
Personnel expenses	-229,286	-206,049
Depreciation, amortisation and impairment on intangible, fixed and right-of-use assets	-28,770	-29,491
Impairment losses on financial assets	-805	-434
Restructuring expenses	-8,442	0
Other operating expenses/income	-31,750	-30,852
EBIT	**14,905**	**17,600**
Financial result	-1,076	-1,683
EBT	**13,829**	**15,917**
Income tax	-2,627	-4,880
Result for the period	**11,202**	**11,037**

The increase in cost of materials and purchased services (plus 3% to EUR 174.0 million) was disproportionately low compared to sales revenues. Decreasing licensing expenses were offset by the increased use of external consulting resources (»freelancers«) from our partner network and higher prices for electricity in our computer centres. The cost of materials ratio was 36% compared to 37% in the prior year.

Personnel expenses increased overall by 11% to EUR 229.3 million. The ratio of personnel expenses to sales rose slightly to 47% (2021/22: 46%) This increase is partly a result of the growth in the headcount (plus 8% to an average of 2,526 FTEs) and one-off payments to staff to compensate for inflation. Personnel expenses per full-time equivalent from KEUR 88 to KEUR 91 is disproportionately low.

Depreciation, amortisation and impairment of intangible, fixed and right-of-use assets declined to EUR 28.8 million (minus 2%).

Other operating income includes, among other things, acquisition-related income from the premature increase of the stake in All for One Poland (EUR 3.9 million). At EUR 10.0 million overall, this figure is higher than the prior-year level of EUR 5.7 million.

Other operating expenses increased to EUR 41.7 million (plus 14%). This increase was mainly attributable to the inflation-related price increases by many service providers and suppliers and increased business travel.

The reorganisation of the service-oriented areas of the CORE segment, which the management board decided to implement in May 2023, incurred restructuring expenses of EUR 8.4 million.

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

in KEUR	10/2022 – 09/2023	10/2021 – 09/2022
Earnings before interest and taxes (EBIT)	**14,905**	**17,600**
+ impairment of goodwill	0	0
+ acquisition-related depreciation, amortisation and impairment on other intangible assets	6,167	8,717
+/- other acquisition-related expenses (and income)	-3,341	962
EBIT before M&A effects (non-IFRS)	**17,731**	**27,279**

EBIT before M&A effects (non-IFRS) decreased significantly by 35% to EUR 17.7 million (2021/22: EUR 27.3 million). The corresponding EBIT margin before M&A effects (non-IFRS) was 3.6% (2021/22: 6.0%).

In the same period, EBIT decreased by 15% to EUR 14.9 million, which includes a one-off profit contribution of EUR 3.2 million from the early acquisition of the outstanding 49% stake in the Polish subsidiary. At 3.1%, the EBIT margin is slightly down year on year (2021/22: 3.9%). Adjusted for the one-off special restructuring effect, EBIT before M&A effects (non-IFRS) would be EUR 26.2 million (minus 4% year on year).

The financial result was minus EUR 1.1 million and is thus above the prior-year level (2021/22: minus EUR 1.7 million). This improvement was attributable to higher financial income based on the market valuation of a financial investment (plus EUR 1.0 million) and to interest income from short-term investments. The gains were offset by higher interest expenses relating to lease liabilities in the wake of generally higher rates in the marketplace and because the volume of borrowings has increased year on year.

EBT amounted to EUR 13.8 million (minus 13% year on year).

The lower level of income taxes of minus EUR 2.6 million compared to the prior year (2021/22: minus EUR 4.9 million) is due partly to the lower EBT and partly to non-taxable income from the premature acquisition of the shares in All for One Poland. The income tax rate decreased from 31% to 19% and the result for the period increased by 1% to EUR 11.2 million (2021/22: EUR 11.0 million).

Earnings per share increased slightly from EUR 2.20 to EUR 2.23. The average number of shares in free float in financial year 2022/23 was 4,966,350 (2021/22: 4,982,000). The decrease in the number of shares in free float was due to the share buyback programme that started in the year under review.

Other comprehensive income totalled minus EUR 0.4 million (2021/22: plus EUR 2.7 million) and, in addition to unrealised profit of EUR 0.8 million (2021/22: unrealised losses of EUR 0.1 million) from currency translation, includes actuarial losses from the remeasurement of defined benefit pension plans (including tax effect) totalling minus EUR 1.3 million (2021/22: actuarial gains of plus EUR 2.8 million) in total.

ANALYSIS OF SALES REVENUE AND EARNINGS BY SEGMENT

	CORE		LOB	
in KEUR	**10/2022 – 09/2023**	**10/2021 – 09/2022 [1]**	**10/2022 – 09/2023**	**10/2021 – 09/2022 [1]**
Statement of profit and loss				
External sales revenue	421,554	397,285	66,398	55,367
Intersegment revenue	5,347	4,653	13,149	9,552
Sales revenue	**426,900**	**401,938**	**79,547**	**64,919**
Segment EBIT (EBIT before M&A effects (non-IFRS))	**9,239**	**23,199**	**8,492**	**4,070**
Segment EBIT margin before M&A effects (non-IFRS) (in %)	2.2	5.8	10.7	6.3

1) Prior-year figures adjusted (see section »21. Segment reporting« in the notes to the consolidated financial statements)

Sales in the **CORE** (ERP and collaboration solutions) segment only increased by 6% to EUR 426.9 million due to weak capacity utilisation and a high rate of sick leave at the beginning of the financial year. The strong growth in CONVERSION/4 business made a major contribution to this increase and will continue to have a positive impact on the sales of this segment. Segment EBIT before M&A effects (non-IFRS) decreased mainly as a result of the one-off special restructuring effect by minus 60% to EUR 9.2 million (decrease excluding one-off expense minus 24%). The EBIT margin before M&A effects (non-IFRS) was 2.2% (excluding one-off expenses 4.2%).

The **LOB** (lines of business) segment offers additional growth and margin potential through recurring cloud subscriptions and self-developed add-on solutions. LOB segment sales increased significantly by 23% to EUR 79.5 million and EBIT before M&A effects (non-IFRS) more than doubled to EUR 8.5 million (2021/22: EUR 4.1 million). The segment's EBIT margin before M&A effects (non-IFRS), at 10.7% (2021/22: 6.3%), is significantly above the EBIT margin for the Group as a whole. Capacity utilisation in the LOB segment is very good and offers further growth and margin potential.

3.4 ASSETS AND FINANCIAL POSITION OF THE GROUP

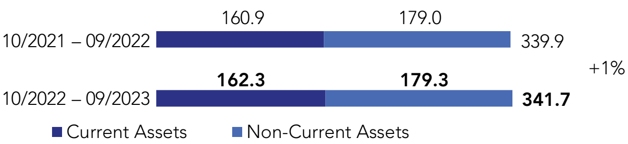
ANALYSIS OF ASSETS

Assets situation

	30.09.2023	30.09.2022	Δ in %	Definition
Equity ratio (in %)	29	29	0	Equity / Total capital
Cash and cash equivalents (in EUR millions)	62.6	77.5	19	Cash and cash equivalents (as per consolidated balance sheet)
Net debt (in EUR millions)	58.6	43.4	35	Liabilities to financial institutions, lease liabilities less cash and cash equivalents (as per consolidated balance sheet)
Days of sales outstanding (in days)	44	43	1	Trade receivables (12 months Ø) / Sales revenue x 360 days
Equity to assets (in %)	85.6	80.8	6	Equity / (Fixed assets + goodwill + other intangible assets) (as per consolidated balance sheet)

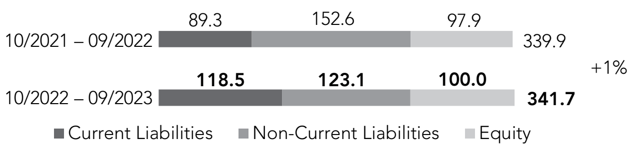
BALANCE SHEET: ASSET STRUCTURE IN EUR MILLIONS

Assets



BALANCE SHEET: CAPITAL STRUCTURE IN EUR MILLIONS

Liabilities and equity



The balance sheet total as of 30 September 2023 increased modestly to EUR 341.7 million (plus 1%). Overall, **assets** increased in value by EUR 1.8 million. Cash and cash equivalents by EUR 14.9 million to EUR 62.6 million, essentially due to the acquisition of the outstanding stake in All for One Poland, payment of the dividend of EUR 7.2 million and the purchase of a financial investment. Other current assets increased by 59% to EUR 19.9 million due to deferred advance payments and input tax refund claims, while other non-current assets rose to EUR 10.1 million (plus 42%) following the acquisition of a financial investment and its remeasurement at market value.

On the other hand, other intangible assets decreased to EUR 32.8 million (minus EUR 6.3 million). Trade receivables increased by EUR 5.0 million to EUR 61.7 million.

Despite a well-established claims management system, the average days of sales outstanding increased slightly to 44 days (2021/22: 43 days).

At EUR 241.6 million, **liabilities** remained virtually unchanged (2021/22: EUR 241.9 million). Liabilities zu employees increased by EUR 6.9 million year on year. This is primarily due to personnel obligations already contractually agreed but not yet paid out as of the reporting date as part of the restructuring programme. Other provisions increased significantly by EUR 2.6 million to EUR 4.8 million and essentially comprise anticipated redundancy costs as part of the restructuring efforts. As the business expanded, trade payables also increased (plus 49% to EUR 30.4 million). By contrast, other liabilities decreased by minus 48% to EUR 18.9 million. Of the other liabilities recognised, the premature acquisition of the shares in Poland resulted in reclassification of the relevant liabilities from non-current to current and to their decreasing in the wake of further purchase price payments. The other liabilities include purchase price obligations relating to the shares in All for One Poland and All for One Customer Experience GmbH (formerly: POET).

Equity rose by 2% to EUR 100.0 million. The equity ratio is unchanged at 29% (30 Sep 2022: 29%). Net debt now amounts to EUR 58.6 million (30 Sep 2022: EUR 43.4 million).

On 12 October 2022, All for One Group SE resolved to implement a share buyback programme via the stock exchange valid for the period from 13 October 2022 to 12 October 2023 to repurchase as many as 100,000 treasury shares, representing a volume of EUR 5.5 million (excl. transaction-related costs). Under this programme, a total of 33,220 shares with a volume of EUR 1.4 million were repurchased up to 30 September 2023. The acquisition cost of the repurchased treasury shares reduces the stated equity capital.

ANALYSIS OF FINANCIAL POSITION

Financial situation

in KEUR	10/2022 – 09/2023	10/2021 – 09/2022
Cash flow from operating activities	40,238	28,079
Cash flow from investing activities	-27,716	-29,820
Cash flow from financing activities	-27,723	3,858
Free cash flow	16,803	7,657

Calculation of free cash flow

in KEUR	10/2022 – 09/2023	10/2021 – 09/2022
Cash flow from operating activities	**40,238**	**28,079**
Payments for purchase of intangible and fixed assets	-8,835	-6,416
Proceeds from disposal of intangible and fixed assets	1,328	677
Repayment of lease liabilities	-15,928	-14,683
Free cash flow	**16,803**	**7,657**

Cash flow from operating activities totalled EUR 40.2 million (2021/22: EUR 28.1 million) and has increased significantly as a result, essentially, of higher trade receivables year on year.

Cash flow from investing activities totalled minus EUR 27.7 million (2021/22: minus EUR 29.8 million). The cash outflows mainly relate to purchase price payments to acquire the outstanding shares in All for One Poland, the purchase of a financial investment, and investments in the computer centres.

Cash flow from financing activities totalled plus EUR 27.7 million (2021/22: minus EUR 3.9 million). This result was substantially due to the repayment of lease liabilities (EUR 15.9 million), dividend payments (EUR 7.3 million) and cash outflows to purchase treasury shares under the share buyback programme (EUR 1.6 million). As a result, cash funds totalled EUR 61.8 million (30 Sep 2022: EUR 77.2 million).

Free cash flow increased to EUR 16.8 million (2021/22: EUR 7.7 million) due to a higher cash flow from operating activities.

GROUP FINANCIAL MANAGEMENT PRINCIPLES AND OBJECTIVES

Financial management at All for One Group is primarily understood as liquidity management, capital structure management and the management of interest rates. Currencies are of only minor importance. The financial management function at All for One Group strives to preserve financial independence by assuring the availability of sufficient liquidity. In doing so, it aims to sustain the financial solidity of the Group at all times. Risks should be avoided to the greatest possible extent, while risks to operational business need to be effectively hedged. Accordingly, All for One Group does not engage in speculative forward transactions nor does it currently make use of any derivative financial instruments. One particular area of financial management focus is also to monitor and ensure compliance with the covenants governing the promissory note loans used to fund the company. The financing and liquidity risks are discussed in section »4. Opportunities and risk report«.

The Group is strongly influenced by its operationally active parent company All for One Group SE. As such, the annual financial statements of All for One Group SE indicate that business performance was very similar to that discussed in the consolidated financial statements of All for One Group.

3.5 NET ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS OF ALL FOR ONE GROUP SE

The annual financial statements of All for One Group SE are prepared in line with the generally accepted accounting principles as specified in Sections 242 to 256a and 264 to 288 HGB, together with the special regulations specified in the German Stock Corporation Act (Aktiengesetz, AktG).

ANALYSIS OF ASSETS AND FINANCIAL POSITION

Balance sheet of All for One Group SE (condensed version, HGB)

in KEUR	30.09. 2023	30.09. 2022
Intangible assets	9,279	12,089
Fixed assets	28,530	26,465
Financial assets	124,238	104,561
Inventories	78	0
Receivables and other assets	42,130	34,215
Cash and cash equivalents	25,896	38,431
Accruals	12,051	10,069
Total assets	**242,202**	**225,830**
Equity	75,224	79,108
Provisions	29,230	35,870
Liabilities	134,827	106,664
Deferrals	2,544	2,646
Deferred tax liabilities	377	1,542
Total liabilities	**242,202**	**225,830**

The balance sheet total as of 30 September 2023 of All for One Group SE increased by 7% to EUR 242.2 million compared to 30 September 2022.

Intangible assets declined to EUR 9.3 million (minus EUR 2.8 million) following scheduled amortisation. In the course of expanding its cloud services, the Group invested in replacements and additions to its computer centres. Fixed assets thus increased to a total of EUR 28.5 million (plus EUR 2.1 million). Capital expenditure on fixed assets totalled EUR 12.7 million in the current reporting year (2021/22: EUR 10.7 million). As of 30 September 2023, there were no other investment commitments for legal and/or business reasons. In the prior year, there were investment commitments in the amount of EUR 13.3 million, which mainly related to planned investment in computer centres (purchase commitments).

Following the aforementioned acquisitions, financial assets totalled EUR 124.2 million and were therefore above the prior-year level of EUR 104.6 million.

In inventories, work in progress was netted completely against advance payments received for purchase orders. The net item is therefore virtually unchanged year on year at KEUR 78 (2021/22: KEUR 0). This includes both EUR 55.2 million for consulting projects that have commenced but have not yet been completed (30 Sep 2022: EUR 55.6 million) and advance payments received for purchase orders in almost the same amount (2021/22: same amount).

In total, trade receivables and other assets increased to EUR 42.1 million year on year (plus EUR 7.9 million) due to higher trade receivables (plus EUR 0.5 million to EUR 24.6 million) in the wake of the business expansion, from increased receivables from affiliated companies mainly in connection with profit transfer and to an increase in other assets to EUR 4.5 million (plus EUR 2.7 million).

Cash and cash equivalents decreased, due partly to business acquisitions and financial investments, to EUR 25.9 million (minus EUR 12.5 million).

Provisions decreased to EUR 29.2 million (minus EUR 6.6 million). The decrease was mainly due to obligations with regard to purchase price payments for acquisitions (earn-outs). The increase in liabilities of EUR 28.2 million to EUR 134.8 million was mainly due to trade payables and liabilities to affiliated companies.

Equity decreased overall from EUR 79.1 million to EUR 75.2 million and resulted from the current net profit for the year less the dividend distribution of the reporting year. The decrease is also due to the acquisition of treasury shares (EUR 1.4 million) as part of the share buyback programme. Accordingly, the equity ratio was 31% (30 Sep 2022: 35%). Net debt increased to EUR 52.4 million (30 Sep 2022: EUR 39.1 million).

Despite the uncertain economic environment discussed above, the financial position of All for One Group SE as of 30 September 2023 was robust and stable.

ANALYSIS OF THE RESULTS OF OPERATIONS

Statement of profit and loss of All for One Group SE (condensed version, HGB)

in KEUR	10/2022 – 09/2023	10/2021 – 09/2022
Sales revenue	303,205	285,078
Change in inventory of work in progress	-440	2,091
Other operating income	10,802	8,672
Cost of materials	-140,919	-133,901
Gross profit	**172,648**	**161,940**
Personnel expenses	-132,526	-117,588
Depreciation and amortisation	-13,552	-12,254
Other operating expenses	-39,730	-33,485
Operating result	**-13,160**	**-1,387**

All for One Group SE was able to increase sales revenues by 6% to EUR 303.2 million (2021/22: EUR 285.1 million). Recurring revenues increased by 10% to EUR 193.6 million and accounted for 64% (2021/22: 62%) of total sales. The increase was substantially due to an increase of EUR 9.4

million in revenues from cloud services and support whereas software support revenues were virtually unchanged year on year.

Licence sales increased significantly, by 31% to EUR 16.7 million. Consulting and services revenues rose by 7% to EUR 86.4 million.

The item »Change in inventory of work in progress« decreased to minus EUR 0.4 million (2021/22: plus EUR 2.1 million) and includes, above all, consultancy projects that have already commenced but are not yet, or have only been partially, completed.

The item »Other operating income« increased by 25% to EUR 10.8 million and includes benefits in kind to employees and income from the reversal of provisions, from asset disposals and from marketing support.

In line with the business expansion, the cost of materials increased by 5% to EUR 140.9 million. The main driver of the cost of commodities, consumables and supplies and of purchased goods was inflation. Overall, the cost of materials ratio of 46% was slightly less than the prior-year level of 48%. As a result, gross profit increased by 7% to EUR 172.6 million.

Personnel expenses increased by 13% to EUR 132.5 million while the average headcount rose by 59 to 1,259. In the year under review, restructuring expenses caused a substantial increase in personnel expenses amounting to EUR 7.2 million. The ratio of personnel expenses to sales increased from 41% to 44%.

The increase in depreciation and amortisation at All for One Group SE of 11% to EUR 13.6 million was due in particular to investments in cloud technologies in our computer centres.

The increase in other operating expenses of 19% to EUR 39.7 million was primarily due to a renewed rise in travel expenses, increased internal IT costs and risk provisioning for customer projects.

Accordingly, the operating result was minus EUR 13.2 million after minus EUR 1.4 million in the prior year.

All for One Group SE generated income of EUR 18.3 million (2020/21: EUR 14.5 million) in the reporting year through profit distributions and transfers from subsidiaries' profit transfer agreements.

Tax income for the current year amounted to EUR 1.0 million (2021/22: EUR 1.2 million). Net profit for the year increased by 56% to EUR 4.7 million.

For purposes of the guidance, sales revenues and operating profit are reconciled to the relevant financial performance indicators:

Reconciliation of sales revenue (HGB) to sales revenue (IFRS)

in KEUR	10/2022 – 09/2023	10/2021 – 09/2022
Sales revenue (HGB)	**303,205**	**285,078**
+/- valuation differences from IFRS 15	2,811	3,728
+/- disclosure differences from BilRuG	-6,590	-3,715
Sales revenue (IFRS)	**299,426**	**285,091**

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

in KEUR	10/2022 – 09/2023	10/2021 – 09/2022
Earnings before interest and taxes (EBIT) (HGB)	**-13,160**	**-1,387**
+/- valuation differences from IFRS 15	3,511	2,102
+/- valuation differences from IFRS 16	360	196
+/- valuation differences from IAS 19	-80	219
+/- valuation differences from merger gains	2,435	2,526
+/- other acquisition-related expenses (and income)	29	626
+/- other valuation and disclosure differences	-262	-47
EBIT before M&A effects (non-IFRS)	**-7,167**	**-47**

FINANCIAL MANAGEMENT PRINCIPLES AND OBJECTIVES OF ALL FOR ONE GROUP SE

The same principles and objectives apply for financial management at All for One Group SE as for the Group as a whole.

ALL FOR ONE GROUP SE RATING

In light of the solid financing structure and financial instruments used by the Group, there was still no need for All for One Group SE to commission external rating agencies to carry out assessments of the company's creditworthiness.

Deutsche Bundesbank rated the Company as possessing central bank eligibility initially until 31 December 2023. That means that lending banks can use loan receivables owing from All for One Group SE as collateral for refinancing purposes with Deutsche Bundesbank.

04

OPPORTUNITIES AND RISK REPORT

4.1 GROUP GOVERNANCE MODEL

Unless indicated otherwise, the disclosures in this opportunities and risk report are valid equally for both Group and parent company.

All for One Group is value-based and operates in a dynamic market environment. A group governance model was established to ensure the successful implementation of strategies, sustainably profitable growth, and the achievement of financial and non-financial targets and forecasts. This model is being continuously developed. It builds on the corporate culture »WE ARE ONE« and the principles of good corporate governance: responsible, sustainable and transparent leadership. The group governance model is specifically designed within the framework of the following three pillars:

- Opportunities and risk management system
- Compliance management system (incl. data protection)
- Internal control system (with internal audits)

Each pillar has specific »mechanisms« for planning and managing financial and non-financial issues, and their interactions and interdependencies. All for One Group's approach to opportunities and risk management (how opportunities and risks are identified, evaluated, managed, communicated and monitored) is the same for both financial and non-financial issues. Non-financial aspects, such as sustainability aspects, are also monitored as part of the opportunities and risk management system.

The management board is responsible for implementing effective internal control and risk management systems that are appropriate for the business activities and risk situation of All for One Group, and for assuring that the group governance model is effective. It therefore monitors both the effectiveness and the application of the systems. To this end, the risk manager, compliance officer, data protection officer and head of internal audits report to the management board. On this basis, the management board uses its discretionary judgement to evaluate the effectiveness of the relevant systems in an ongoing manner. If necessary, external consultants are engaged during the evaluation process. The supervisory board also consults directly with the people responsible for the development and application of the relevant processes.

OPPORTUNITIES AND RISK MANAGEMENT SYSTEM

Risks inevitably have to be taken when engaging in entrepreneurial activities. Which is why the foremost aim of the group governance model is to ensure that relevant opportunities and risks are identified, assessed, and appropriate steering mechanisms implemented at the earliest possible stage. This process aims to ensure the best possible exploitation of opportunities and the promotion of growth while at the same time mitigating risks and averting threats that might jeopardise the survival of the Group. All for One Group therefore defines opportunities as potential success that extends beyond the targets set for normal operations. Risk is defined as a development or incident that results in deviation from a target with corresponding negative impact for the Group. As such, the term opportunities and risk management system is used to mean all organisational rules and actions taken to identify and handle the opportunities and risks associated with business activity.

Opportunities management
Innovative strength and quality of solutions are critical for the businesses of All for One Group's customers. They show how to successfully digitalise business workflows or even how to design and expand new business models in order to secure competitive advantages for customers while at the same time making the Group fit for the future. The numerous individual »opportunities« offered by digital transformation therefore define the entire opportunities management to a very considerable degree. At the same time, internal workflows are becoming more efficient through the targeted use of new technologies and help the Group to successfully realise the opportunities.

An essential part of the Group's opportunities management effort is carefully examining the current and future needs of customers and their industry-specific success factors with particular regard to ongoing digital transformation. Market, industry and technology trends, opportunities, SAP and Microsoft innovations and their related software solutions are analysed with regard to how to employ them for the benefit of customers. The approach to opportunities is based on whether they enhance the value of the Company. The Group also assesses opportunities in terms of investments, human capital, capabilities, and other factors that are vital for best accessing and grasping the identified opportunities. This assessment is then reconciled with the appropriate risk mitigation measures in an attempt to achieve a balanced relationship between opportunities and risks.

Revenue and earnings forecasts (see section »5. Outlook«) reflect the degree to which the Group believes those opportunities described below are likely to arise.

Risk management
All for One Group and its parent company All for One Group SE, are exposed to a number of different risks. As part of its overall responsibility for the Group, the management board established a risk management and internal control system specifically for the purposes of early identification, assessment and implementation of appropriate and effective countermeasures against risks. In addition, a uniform compliance management system has been established throughout the Group. In particular, this system forms the basis for adequately ensuring achievement of the planned financial, non-financial, operational and strategic goals and compliance with rules and regulations. Early risk warning and internal controls are integral parts of the budgeting, control and reporting processes and as such are firmly anchored within business processes and workflows in the form of a number of monitoring and management mechanisms. Consequently, the risk management system represents an important cornerstone in business decision-making processes. Risk consolidation includes the same entities as the scope of consolidation of All for One Group.

Within the framework of the risk management system, gross risks (i.e. before risk-mitigating countermeasures) and thus also risks that can largely be avoided due to appropriate countermeasures are recorded. Risk reports are based on net figures, i.e. taking into account risk-mitigating countermeasures, and divided into various risk groups (see section »4.4. Risks associated with future business development« and specifically the sub-section »List of individual risks«).

The basic structure of the risk management organisation is essentially unchanged compared to the prior year. The organisation is headed by the risk manager under whose leadership the risk management team performs its operational risk management functions. Risk officers from the operational departments of All for One Group form the core of this team. Risk officers have also been appointed in the subsidiaries.

The risk officers continuously monitor both the development of the risks associated with their areas of responsibility and with the Group, and the effectiveness of the risk mitigation measures, which they use as a basis to prepare a risk analysis and assessment, and to report regularly to the risk manager. The risk manual prescribes a standardised method, documents the risk management organisation, processes and responsibilities and provides tools for the continuous documentation of the analysis results. The risk manager regularly hosts workshops and consultations with the risk officers. The corresponding findings and lessons learned are incorporated into the risk report that the risk manager prepares and submits to management. The management board and the risk manager discuss and review the identified and remaining risks in detail. If necessary, the management board adjusts and/or extends the existing control measures.

The risk capacity concepts that were put in place during the prior reporting period have been adapted to reflect the changes in the organisational structure within All for One Group. As part of the risk management process, focus on monitoring the primary risks – particularly the risks associated with operation of the computer centres and cyber risks – was increased in the period under review.

Organisational security and control mechanisms integrated into processes are the foremost means of monitoring the risk management system. Alongside this, the corresponding risks are also monitored on a decentralised basis within each of the departments and subsidiaries by means of special analyses and additional assigned duties and responsibilities. Added to which, the auditors engaged by All for One Group assess the suitability for purpose of the risk early warning system as part of the annual audit. This ensures that, on balance, improvements that need to be made to the risk management system are identified early on and improvements put in place.

This risk management system is fully integrated within the organisational and operational structure and provides the foundation for risk early warning and control. The internal control and compliance management systems are closely linked to the risk management system.

COMPLIANCE MANAGEMENT SYSTEM

All for One Group's compliance management system, which has been established throughout the Group, is designed to ensure compliance with and adherence to laws, regulations, guidelines and voluntary commitments, as well as conformity with standards. At the core of the system is a code of conduct derived from All for One Group's corporate values, which sets forth binding rules about behaviour that apply to each and every employee and executive. The compliance management organisation oversees adherence to the code of conduct. This organisation is led by a compliance manager and is reinforced by a compliance department and compliance coordinators in the subsidiaries. Every employee is given access to, and may review, the individual elements of the compliance management system on the Group's intranet. Tip-offs and suspected misconduct can be reported via an externally published whistleblowing portal that is valid throughout the Group (https://all-for-one.integrityline.org).

The compliance management system was further improved during financial year 2022/23. Focus centred on the further Group-wide adaptation of the organisation and processes to the strategy and business model of All for One Group, as well as providing training for compliance and data protection.

INTERNAL CONTROL SYSTEM

Basic principles of the internal control system
The Group's internal control system is based on principles, processes and measures aimed at implementing management decisions. Accordingly, the purpose of the internal control system is to operationalise and reduce business risks. Its foremost aim is to assure effectiveness and the economic viability of the business operations, the proper and dependable design of the in-house and external accounting processes, and compliance with those legal regulations of relevance for the Group.

Key features of the internal control system include:

– Control environment
– Risk assessment
– Control activities
– Information and communication
– Monitoring

One of the objectives of All for One Group's control systems is for the management board, managing directors and other executives at All for One Group to lead by example, setting the »tone from the top« when it comes to compliance with, and implementation of laws and in-house policies. In doing so, they are expected to contribute to a corporate culture that highlights the importance of ethical values and integrity in determining the success of a business while at the same time promoting widescale understanding of the need for internal controls.

The structure of the internal control system is determined substantially by the need to identify those incidents and activities that could potentially have an adverse effect on the business performance and the net assets, financial position and results of operations of All for One Group. The risk management system – which is firmly embedded in the structural and workflow organisation – is therefore closely linked to the internal control system and plays a substantial role in shaping the latter.

To assure the effectiveness of the internal control system, it includes, above all, guidelines, Group-wide accounting policies, control mechanisms embedded in processes and IT systems, and the principles of risk-oriented segregation of duties. The internal control system is based on the pillars of the »principle of dual control«, »segregation of duties«, »integrated reporting« and »internal audits«. The »principle of dual control« is implemented at operational level and monitored within the Group with the help of structured, documented and communicated policies, such as signatory guidelines, operational rules and organisational guidance. Another effective control and security mechanism is the carefully crafted and tailored rights and authorisations concept. Access and activities of individuals and groups of people to what are predominantly SAP-based and Microsoft-based applications are thus precisely defined across the entire management organisation and its functional areas. These internal systems and applications, along with their respective rights and authorisation concepts, were further developed during the reporting year. The »segregation of duties« within critical business processes further enhances the security and quality of the workflow. Individual groups of people are also assigned horizontal duties, so that a system of mutual checks and balances is implemented across the various departments and areas of responsibility.

The functional reliability and effectiveness of the internal control system at All for One Group is audited and monitored, in particular, by the internal auditing function. To enable it to perform its duties independently, the internal auditing function has been given comprehensive rights to information, auditing and inspection.

Basic principles of the internal audits

As part of internal audits, selected companies and Group processes and procedures undergo a separate audit each year that also examines their compliance with internal regulations. The management board defines the areas of main audit focus, with the audit committee adding to them where necessary. Auditing procedures and scopes are agreed in consultation with the management board. Equally, the management board is kept up to date on the progress of any audit findings over the course of the year. Audit findings and remedies are monitored centrally by the internal auditing function.

Accounting-related internal control and risk management system

The internal control and risk management system for the accounting processes is embedded in the Group-wide risk management system and includes principles, methods and actions for assuring that the accounting processes are not only effective, cost efficient and proper, but also comply with the legal requirements pursuant to Sections 289 (4) and 315 (4) HGB.

With regard to the Group accounting process, the purpose of the internal control and risk management system is to provide adequate assurance that the financial reporting mechanisms for both the consolidated financial statements of All for One Group and the individual financial statements of all subsidiaries included in the consolidation are compliant with both pertinent laws and generally accepted accounting principles.

Key features of the system include clearly defined control mechanisms (designed as technical and manual coordination processes), the segregation of duties (»principle of dual control«) and the availability of and compliance with policies and work instructions. Regardless of the design of an internal control system (»ICS«), it can never completely guarantee that material misstatements in the accounts will be avoided or discovered. They may occur, for example, as a result of misguided discretionary judgements, inadequate controls or criminal activity.

In-house IFRS accounting policies govern the standardised accounting and measurement principles for the companies in Germany and abroad that are included in the consolidated financial statements. The companies belonging to All for One Group prepare their financial statements locally and are responsible both for complying with local regulations and for correctly reconciling their local financial statements to the IFRS reporting packages that are prepared using accounting and measurement methods that are the same throughout the Group. The accounting manual issued by All for One Group aims to provide unambiguous instructions to restrict the discretionary scope of the staff when recognising, measuring and stating assets and liabilities, thus minimising the risk of inconsistent accounting practices within the Group. The process of preparing the consolidated financial statements is coordinated and monitored centrally by Group Accounting using a specified schedule of deadlines and activities.

The integrated reporting function includes a detailed planning, control and reporting system with numerous analyses and reports about the Group's situation, position and outlook. The planning process runs from the bottom up and on a monthly basis. In addition, regular forecasts are compiled for the business units (segments), their companies and departments in order to further improve management controls, to recognise any discrepancies or deviations as early as possible and to be able to counteract them with appropriate measures. The current Group information system is supplemented by management meetings and business reviews on various levels within the individual departments, companies and business units. The handling of specialist issues and developments transcends departments, corporate entities and business units, and risks are discussed, tracked, evaluated and documented.

Key changes to accounting processes in the wake of new laws, amendments to laws or changes to in-house processes are analysed promptly by Group Accounting to determine their effects and – where relevant – to integrate them into the accounting manual. Certain accounting or complex issues that are exposed to particular risks or require special expertise are monitored and addressed centrally. If necessary, external experts are engaged, especially for impairment testing, measuring pension provisions or the presentation of company acquisitions.

All key accounting-related processes are standardised throughout the Group and mapped in an IT environment. This integration of all key financial systems assures the integrity of the data relating to the individual and consolidated financial statements. Together with the accounting manual that is mandatory throughout the Group, the use of a standardised account plan throughout the Group and the centralised maintenance of the account system ensures the standardised accounting treatment of similar business transactions. This standardisation ensures, above all, uniform, proper and prompt accounting of all material business transactions. This also serves as the basis for legally compliant Group consolidation.

Specific accounting-related risks might occur, for example, in connection with unusual or complex transactions. In addition, a latent risk exists with regard to business transactions that are not processed routinely. A limited number of people have had to be granted discretionary scope with regard to the recognition and measurement of assets and liabilities, which could give rise to further potential accounting-related risks.

Group Accounting is centrally responsible for all consolidation actions and requisite coordination activities. Subsidiaries use the Group-wide standardised report schedule to submit their financial data to Group Accounting for purposes of consolidation. System controls are used to technically validate the financial statement figures submitted by the Group companies. In addition, the individual financial statements submitted by the consolidated entities are validated centrally in conjunction with the reports issued by the auditors. Proper and complete elimination of intra-Group transactions is ensured by system-based deduction and formalised enquiries. The in-house auditing function routinely evaluates the effectiveness of the internal accounting control system.

Risk reporting procedures relating to the use of financial instruments

The risks associated with financial instruments are discussed in detail in the notes to the consolidated financial statements under »Additional information about financial instruments«.

STATEMENT ISSUED BY THE MANAGEMENT BOARD WITH REGARD TO THE APPROPRIATENESS AND EFFECTIVENESS OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS

The discussions above outline the material principles behind the management board's oversight of the internal control and risk management systems. In light of the above, the management board is not aware of any circumstances that speak against the appropriateness and effectiveness of these systems. A substantive examination of this statement by the auditors is not planned.

4.2 OVERALL STATEMENT ON OPPORTUNITIES AND RISKS

Financial year 2022/23 was a key milestone on All for One Group's journey towards becoming a leading IT, consulting and service provider with strong focus on SAP. Implementation of the strategy offensive 2022 created a strong and broad foundation of IT services, expanded the installed customer base of All for One Group and prepared the ground for expanding a globally operating service organisation. The portfolio of products and services was enhanced by the four acquisitions during the year under review. The international business orientation (focusing on Germany, Switzerland, Austria and Poland) and the diverse business areas offer numerous opportunities for the Group in strongly growing IT markets. Focus will centre, for example, on further expanding CONVERSION/4 business, the stronger integration and expansion of the Regional Delivery Centers in business operations, further incorporating Microsoft services, and improving margins once the restructuring has been completed.

Moreover – in the interests of presenting a balanced picture of the opportunities and risks – both the following opportunities (see section »4.3. Opportunities for future business development«) and the below risks (see section »4.4. Risks associated with future business development«) are appropriately reflected in the Group’s revenue and earnings forecasts (see section »5. Outlook«).

According to the overall assessment and in spite of the apparent domination of reported risks compared to the opportunities explained below, the opportunities outweigh the risks. Given the market position with the large and ever-growing number of legacy customers, and in light of the highly trained workforce, and the well-developed foundation of solutions and services, management is convinced that it will be able to successfully meet the new challenges posed by this latest overall risk profile. As such, no risks have been identified which – on their own or in combination with other risks – could jeopardise the survival of the Group.

The digitalisation of business processes within All for One Group’s customer markets and the generational change to the SAP S/4HANA business software in close connection with cloud solutions for lines of business are likely to continue in the medium to long term, as are ongoing consulting activities and technological advancements. At the same time, the growing shortage of IT experts in the corporate world is leading to more outsourcing and raising the demand for IT services and solutions. The organisation and range of products and services will continue to be specifically geared to the powerful momentum of these trends.

4.3 OPPORTUNITIES FOR FUTURE BUSINESS DEVELOPMENT

The mission statement »We increase the competitiveness of companies in a digital world« is a brief and concise description of what All for One Group is striving to achieve. In order to achieve these targets, a considerable amount was invested in expanding new business and service units during the transformation phases. Once the subsequent restructuring of the service-oriented areas in CORE business (ERP and collaboration solutions) had been completed in financial year 2022/23 and focus clearly centred on SAP, the strategic cornerstones were defined in even more detail. Bearing in mind the core issues of »relevant portfolio«, »business that generates good profit margins«, »sustainable transformation« and »ready together«, opportunities were identified, which the Group plans to focus on implementing and driving to generate considerable sales and earnings potential. Key target groups for consulting services focusing on SAP and associated IT solutions and services include companies of a midmarket character with sales of up to about EUR 10 billion who operate in the core industries of series production, automotive, mechanical and plant engineering, life sciences and service providers and wholesalers.

OPPORTUNITIES OFFERED BY DIGITAL TRANSFORMATION AND MIGRATION TO SAP S/4HANA WITH CONVERSION/4

The pending discontinuation in 2027 of maintenance for obsolete SAP systems is forcing a lot of companies to migrate to SAP S/4HANA. Accordingly, many of All for One Group's installed base customers will probably be transforming their SAP landscapes to SAP S/4HANA in the years to come. Successful evolution into an intelligent, networked company is virtually unattainable without a »digital core« comprised of an entirely new generation of business software – SAP S/4HANA. The CONVERSION/4 subscription offered by All for One Group is based on the Crystalbridge technology developed by its partner SNP and assures customers of a largely automated technical transformation. In addition, customers can avail themselves of an all-inclusive package of services comprising cloud infrastructure and operation, improvements in business processes and access to ongoing innovations. Since the CONVERSION/4 subscription model was launched, numerous contracts have been signed, and demand from customers remains strong. This offers the opportunity of retaining customer loyalty over a longer period and further strengthening collaboration. The SAP installed base comprising more than 5,000 businesses in Germany alone also offers enormous growth potential. After all, the innovative model, which is offered in tandem with the »Rise with SAP« business transformation model, should give numerous other SAP business users the opportunity for a smart migration to SAP S/4HANA and, in doing so, make more use of All for One Group's standing in the SAP midmarket and the high level of visibility within the SAP organisation. Conversion to SAP S/4HANA will take another 5 – 10 years, after all, and – for many companies – constitutes a key tech transformation that can offer All for One Group further opportunities in respect of projects and services.

This also offers the opportunity to further increase recurring revenues and to therefore improve the planability and scalability of the business. A higher than planned penetration of the target markets – especially with the expanded portfolio and the identification of new customer groups – could have a positive impact on the net assets, financial position and results of operations and could lead to deviations from the revenue and earnings forecasts (see section »5. Outlook«).

OPPORTUNITIES TO GENERATE RECURRING REVENUES BY EXPANDING PRODUCT BUSINESS AND CLOUD FIRST STRATEGY

The trend towards the cloud on the market cannot be stopped, so the proportion of recurring revenues – and thus the improved ability to plan – will continue to increase through software subscription models. SAP, for example, is driving this trend with the Rise project, while other manufacturers such as Microsoft are also driving the transformation from licensing to subscription model. All for One has meanwhile become the partner with the highest sales in SAP cloud solutions in Central Europe in respect of both line-of-business solutions – for HR, distribution and trade or supply chain and procurement, for example – and ERP SAP S/4HANA. For years now, All for One Group has been offering business process optimisation solutions in an ERP environment through its business process library. A subsidiary focusing on developing IOT (»Internet of Things«) products for customers has been operating successfully in this field for years. Last but not least, the acquisition of blue-zone and its dedicated product development expertise marks an important step towards expanding the Group's own product business independently of any manufacturers. Pooling all product-specific activities of the Group under the roof of blue-zone enables the expansion of the independent marketing of self-developed solutions that are closely aligned to the Group portfolio, but which can be sold as standalone products, ideally through the Group's own network, but also through distribution partners.

This also offers the opportunity to further increase recurring revenues and to improve the planability and scalability of the business. A higher than planned penetration of the target markets – especially with new products – could have a positive impact on the net assets, financial position and results of operations and could lead to deviations from the revenue and earnings forecasts (see section »5. Outlook«).

OPPORTUNITIES AS AN INTEGRATED PROVIDER AND STRONG GROUP, IN BOTH THE MAIN AND UPPER MIDMARKETS

All for One Group is a leading IT, consulting and service provider with strong focus on SAP and with the involvement of its subsidiaries, can digitally support all business processes of its customers. On top of this, the expansion of the globally operating service organisation and associated increase in international activities, the strong standing in the SAP market with regard to conversions and cloud business as well as the customised management of legacy customers harbour potential for growing the customer base. In particular, they will open up market access to upper midmarket companies – international companies of an SME nature with sales of up to EUR 10 billion. The wide range of products and services opens up opportunities to craft new or extended integrated solutions, to add to solutions, to offer customers ongoing and comprehensive support in all areas of digitalisation and to enhance their ability to compete. The Group has specifically adapted its portfolio and market approach to respond to the pioneering role adopted, not just by the IT department but also by the specialist departments, in particular, when it comes to numerous new topics. Integrated Microsoft services are also offered.

OPPORTUNITIES OF AN EXTENDED PORTFOLIO – EXPANDING THE LINES OF BUSINESS SOLUTIONS AND COMPLEMENTARY MICROSOFT SERVICES

Smarter business processes and better technologies alone are not enough to maintain the future viability of companies and expand their competitive positions. Without the right strategy, a sophisticated »Customer Experience« for the customers of All for One Group's customers, the agility of new working worlds (»New Work and Collaboration«), the high-quality data needed for informed decisions (»Business Analytics«), and without motivated experts (»Employee Experience«), it is rare for a corporate transformation to be sustainably successful. All for One Group's portfolio therefore extends far beyond business process and technology solutions for enterprise resource planning (»ERP«). The All for One portfolio can be offered along the industry process – in some instances, in attractive packages combining solutions and services. Added to which, the ability to offer complementary Microsoft services and for networking purposes is gaining in importance. Since the digital transformation affects every single area and department of a company and thus creates many new challenges, the expanded portfolio is increasingly coming into its own. The growth and margin potential offered by lines of business solutions is huge and is set to grow more strongly.

As a result, the opportunities for succeeding in sub-markets related to »ERP« are growing. Executing more projects than budgeted could impact the net assets, financial position and results of operations and could lead to positive deviations from the revenue and earnings forecasts (see section »5. Outlook«).

OPPORTUNITIES OF THE BUY & BUILD STRATEGY

Transformation pressure and the pace of innovation in the Group's markets continue to increase. This development increases the opportunities for external growth above and beyond the organic growth targets (see section »5. Outlook«). Further successful acquisitions could significantly influence the assets, financial and earnings situation. Given the very limited ability to plan, such opportunities are only included in the revenue and earnings forecasts for financial year 2023/24 if the transactions are already sufficiently realistic.

OPPORTUNITIES OFFERED BY THE COMPETITIVE ADVANTAGE OF SUSTAINABILITY WITHIN THE GROUP AND VIS-À-VIS CUSTOMERS

As a digitalisation and transformation partner, All for One Group helps around 3,000 customers by converting technologies into business success, thus raising their ability to compete. Strategically focused efforts to implement a sustainable transformation aim to create an efficient and sustainable organisation that is aligned to the UN's sustainable development goals. All for One Group is witnessing growing demand for solutions and services focusing on sustainability, especially with regard to the careful use of natural resources and the reduction of greenhouse gas emissions. Accordingly, it is carefully expanding its portfolio of »sustainability solutions«. In financial year 2022/23, the Group made significant progress in implementing its »sustainability@allforone« initiative, which included identifying and evaluating solutions offered by SAP and Microsoft and delivering co-innovation projects with customers. All for One Group is increasingly striving to advise its customers on customised sustainability solutions. Increased digitalisation plays a key role in this respect, especially when it comes to lowering greenhouse gas emissions and energy consumption.

Sustainability within an organisation is also important, however. The sustainability activities of All for One Group build on an analysis of materiality from which key fields of action in four areas of focus were derived: climate-friendly business operations, diversity and equal opportunities, sustainability in customer business, and anchoring sustainability in the strategy. Mid-term goals were defined in financial year 2022/23 for these aspects, the »Diversity Charter« was signed, and the Group committed to reducing greenhouse gas emissions within the »Science Based Targets« initiative. Future requirements of the »Corporate

Sustainability Reporting Directive« and »European Sustainability Reporting Standards« are already being considered when further developing sustainability management.

If efforts to build and expand sustainability are even more successful than expected, it could evolve into an acknowledged competitive advantage, resulting in positive deviations from the revenues and earnings forecasts (see section »5. Outlook«).

OPPORTUNITIES OFFERED BY REGIONAL DELIVERY CENTERS

In response to the severe shortage of experts in the IT sector, All for One Group is increasingly hiring qualified candidates in countries outside its core markets, and is steadily expanding its nearshore offices (»Regional Delivery Centers«). At its subsidiary in Istanbul, for example, the headcount has been increased to 155 employees while All for One Poland with its 445 employees is a leading provider of SAP services in Poland. These colleagues are contributing their expertise to drive the growth of the Group, particularly in the areas of CONVERSION/4 and major international projects. Last but not least, the acquisition of POET GmbH included the integration of development company POET Egypt in Alexandria as All for One Egypt and its team of meanwhile 75 employees into the Group.

In a very short space of time, the Covid-19 pandemic has changed how both the Group and its customers work. Work that customers previously only would have accepted being delivered in a consultancy capacity on site is now being increasingly performed remotely. By the same token, customers are now much more willing to accept online distribution channels and nearshore delivery services. Moving forward, the clearly defined aim of these efforts is to strengthen local consulting projects with experts from the Regional Delivery Centers. In doing so, All for One Group can offer its customers international tech skills and capacity despite a prevailing shortage of experts, while at the same time achieving cost savings and enhancing project delivery efficiency.

OPPORTUNITIES OFFERED BY BETTER CUSTOMER PENETRATION

In addition to managing legacy customers and expanding the services provided to them, the sales organisation focuses particularly on acquiring strategically interesting new customers from the SAP-installed base as well as customers who are not yet working with SAP. Building on the diverse portfolio of products and services, the Group continuously develops its customer base, carefully positions its expertise in the various lines of business and triggers further digitalisation and transformation projects among its customer base with the aim of integrating Group-wide skills and services over the long term to build end-to-end solutions and processes that add value for these customers. The Group also plans to optimise collaboration within All for One Group, given that customers are increasingly demanding integrated solutions and expecting All for One Group to master this complexity for them as their integrated provider. This requires an understanding of the issues and challenges facing the customers as well as a need to support them in rethinking their business models and adjusting their organisations. All of which can be achieved by ensuring a perfect mesh among highly specialised sales units that operate at different touch points along the customer life cycle and who service different customer segments. The interaction between Market Units, Regional Units and overarching Sales Units is key to profitable growth.

OPPORTUNITIES OFFERED BY PROACTIVE SERVICES AND PARTNER NETWORKS

Ongoing innovation and the early identification of technology trends are crucial for coping with technological change and constantly evolving requirements – with regard to data protection, cybersecurity and networked systems, for example – coupled with the relatively short lifecycles of IT systems, technologies and software solutions. In striving for excellence, the Group aims to continuously and actively offer its customers services to keep their processes and IT systems up to date and fit for the future.

The established partner network helps customers »as if from a single source« to comprehensively, effectively and efficiently strengthen their ability to compete in a digital world. In addition to the close collaboration with SAP and Microsoft, the United VARs network for international rollouts and projects and the active management of industry alliances play a key role in determining the Group's standing in the marketplace. In this respect, the expanded »All for One Group Partner Management« network is proving to be increasingly beneficial. It includes experts not associated with All for One Group's core sectors – such as the Bau Allianz, Life Sciences Alliance or Food & Beverages Alliance. With their support, All for One Group can penetrate target markets even further and generate additional revenue as well as implement IT services efficiently. The aim is to profitably acquire new customers and develop the more than 600 legacy customers in the industries (life sciences, construction, food and beverages) through the new visibility gained externally and internally.

Better-than-planned progress in innovation could lead to positive deviations from the Group's revenue and earnings forecasts (see section »5. Outlook«).

OPPORTUNITIES TO BE GAINED FROM FOCUSING ON THE WORKFORCE – »READY TOGETHER«

Qualified and motivated employees are key to the success of All for One Group. All of them contribute to the growth and health of All for One Group. Focus is therefore on nurturing the corporate culture and fostering an environment that promotes personal development, structure and scalability to attain the next level of business success. Both recruiting, but also keeping and developing experts is hugely important. Growth and expansion require not just a high degree of employee engagement, but also the identification and nurturing of promising new talent and future executives. A culture that promotes diversity and equal opportunities is just as important as in-depth onboarding, training programmes, modern work environments and development schemes. In future, these efforts will be measurable in a diversity index. In addition, the Group plans to operationalise and expand employee engagement even further. After all, the requirements demanded of an employer are growing in complexity and – due to the Group's strong expansion – becoming more diverse. These requirements are joined by the changing work environment, internationalisation, digitalisation and demographic change – including not just an ageing society but also gender shifts in various areas of society. All these measures are aimed at making All for One Group attractive for its employees.

OPPORTUNITIES TO BE GAINED FROM ENHANCING IN-HOUSE EFFICIENCY THROUGH DIGITALISATION AND ECONOMIES OF SCALE

Leveraging efficiency and generating cost savings by standardising, automating and digitalising processes are key to sustainable transformation. Following completion of the transformation phases and the restructuring, focus is now on both leveraging new sales potential, and increasing the operating result and thus raising efficiency. These efforts include, for example, a digital travel management function that has been rolled out as a digital end-to-end process from booking a trip to settling the costs, the Group Analytics project to roll out a Group-wide reporting platform that uses standardised metrics, or focusing on distribution efficiency by putting a Group-wide customer relationship management (»CRM«) system in place. The new CRM improves analytics quality and enables KPIs to be established that are spot on. At the same time, it optimises collaboration that transcends all units and departments. In terms of Group-wide reporting procedures, customer analytics and 360-degree customer views, the new CRM will allow the Group to take a huge step forward and aims to enhance efficiency and productivity throughout the whole Group.

4.4 RISKS ASSOCIATED WITH FUTURE BUSINESS DEVELOPMENT

In the current reporting year, the identification and assessment of risks to future business development are again largely determined by external influences and developments.

RISK ASSESSMENT

The following tables are used to assess identified risks (net risks, i.e. after risk-mitigating countermeasures) in terms of their probability of occurrence and their impact on the net assets, financial position and results of operations and the revenue and earnings forecasts:

Probability of occurrence	**Description**
Up to 5%	Very low
> 5% up to 15%	Low
> 15% up to 30%	Medium
> 30% up to 50%	High
> 50%	Very high

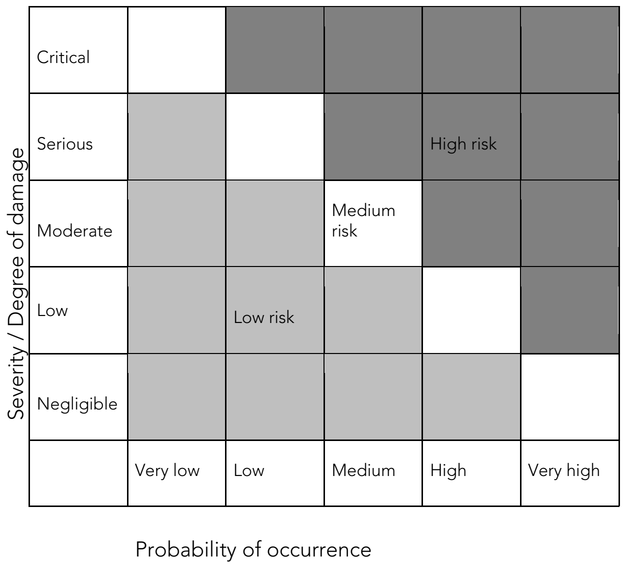
In addition to All for One Group's own experience and external appraisals, the assessment also includes comparative values from other market participants.

The severity or potential degree of damage of these identified risks ranges from »negligible« to »critical« according to the following scale. With the help of the presented scale, even risks that are difficult to quantify – such as reputation risks – can still be consistently tracked and managed. The timeframe for assessing these impacts corresponds at least to the forecast period specified in the forecast (see section »5. Outlook«).

Severity/ Degree of damage	Description	Impact in EUR
Negligible	Negligible negative impact on net assets, financial position and results of operations	0 – 250,000
Low	Limited negative impact on net assets, financial position and results of operations	250,000 – 500,000
Moderate	Some potentially negative impact on net assets, financial position and results of operations	500,000 – 2,500,000
Serious	Considerable negative impact on net assets, financial position and results of operations	2,500,000 – 5,000,000
Critical	Detrimental negative impact on net assets, financial position and results of operations	Over 5,000,000

Risk matrix

Both assessments – probability of occurrence and severity/degree of damage – are combined in the form of risk priority figures in the following risk matrix, to determine for each individual risk the corresponding risk classification, which ranges from »low risk« to »medium risk« up to »high risk«.



SUMMARY OF THE RISK SITUATION

The following is a list of the respective risks (in summary) that are identified and tracked within the framework of the risk management system.

Individual risks

	Probability of occurrence	Severity / Degree of damage	Risk category
Environmental risks			
Risks associated with social, political, overall economic and regulatory developments	high	serious	high
Market and industry risks	medium	moderate	medium
Strategy risks			
Risks associated with »co-competition« with strategic partners	high	moderate	high
Financial risks			
Financial and liquidity risks	very low	serious	low
Risks associated with bad debts and customer insolvencies	medium	moderate	medium
Operational risks			
Risks associated with the operation of computer centres	low	critical	high
Cyber risks	medium	critical	high
Data protection risks	low	serious	medium
Risks associated with human resources	medium	moderate	medium
Risks associated with acquisitions	low	moderate	low
Project risks	low	serious	medium
Risks associated with legal disputes	low	serious	medium
Compliance risks	low	serious	medium

ENVIRONMENTAL RISKS

The »environmental risks« category is where the risks stemming from overall economic, political, social and regulatory changes and developments, as well as special risks in the markets and industries of All for One Group's customers, are examined.

Risks associated with social, political, overall economic and regulatory developments
Looking ahead, the global political and overall economic situation will probably continue to be surrounded by considerable uncertainty. The increasing prices for energy and commodities as a result of the ongoing Russia-Ukraine war could put pressure on the economic recovery – in spite of government relief packages. The war and associated sanctions and embargoes could, moreover, exacerbate the supply chain problems facing customers and renew inflationary pressure. Uncertainty also prevails as to whether interest rate hikes – both past and future – will actually help to lower inflation or whether they might in fact subdue any willingness to invest and thus result in stagnating or shrinking economic output. The Middle East conflict, which intensified significantly in October 2023, could also have not completely foreseeable impacts on the political and overall economic situation in the coming reporting period. Given these factors outlined above, the overall economic situation could remain volatile into the future and create risks that could have a severely adverse effect on the business performance of All for One Group.

Added to which, social developments and the resulting stricter regulatory requirements could create considerable additional difficulties. Possible triggers prompting such stricter regulations could include ambitious targets for climate protection and energy management as well as other sustainability aspects . In addition to the burdens described above, these trends could also increase the demand for solutions, products and services for promoting sustainability and thus strengthen the »Sustainability Solutions« portfolio that All for One Group is currently expanding.

To ensure the earliest possible identification of the pace of development of the risks associated with social, political, overall economic and regulatory developments and the implementation of specific countermeasures, the trends – some of which are contradictory – are observed very closely. Given that the relevant variables are, for the most part, outside All for One Group's control, the effectiveness of any countermeasures is of course limited.

Therefore, the probability of occurrence for the risks associated with social, political, overall economic and regulatory developments is assessed as »high«. The potential impact on the net assets, financial position and results of operations as well as on the revenue and earnings forecasts (see section »5. Outlook«) is considered to be »serious«. In the overall assessment, the risks are therefore still classified as »high«.

Market and industry risks

As already discussed under the risks associated with social, political, overall economic and regulatory developments, the Russia-Ukraine war and the Middle East conflict could increasingly disrupt supply chains. In addition, economic growth could increasingly come under pressure in the face of soaring inflation and rising energy and commodity prices. The geographic markets of particular relevance for All for One Group (Germany, Austria and Switzerland) could be hit particularly hard by these developments. The same holds true for the mechanical and plant engineering, automotive supply and consumer goods industries, all of which are key sectors with a high dependency on exports and energy. The problem is further exacerbated by the fact that, in particular, companies operating in the automobile industry – who are of course customers in the supply sector – are still in the midst of far-reaching changes. These trends and changes could compete with investments in IT solutions and services – at least temporarily – and have an adverse effect on the sales success and thus the business performance of All for One Group.

As a »trusted advisor« to its customers, All for One Group is also facing an »innovator's dilemma« with regard to market and industry risks. Considerable effort must be invested in both building and expanding new topics at the same time to be able to continue comprehensively supporting customers in strengthening their ability to compete.

Furthermore, the ongoing transformation towards cloud computing is also associated with risks. Sustainable success in the sale of cloud solutions to raise recurring revenues could increasingly lead to lower-than-planned non-recurring revenues from the sale of conventional software licences, before they are more than offset by – albeit lower but at least recurring – revenues from cloud-based software utilisation, which could take years to materialise. Ongoing market consolidation and the rapid pace of innovation could, moreover, impact the further expansion and orientation of the Group's managed services for operating and supporting extensive corporate software landscapes.

To reduce market and industry risks, All for One Group places great importance on an integrated market presence and a comprehensive, Group-wide customer approach that targets both new and installed base customers. It is precisely the targeted, active support and further development of Group-wide installed base customers that allows the Group-wide service and product portfolio to be positioned, and potential to be better leveraged. As a result, All for One Group is increasingly acting as a service provider who has mastered both the business software platforms and, above all, the integration of the same and can therefore professionally manage and support its customers' entire software landscape and the operation of the same. All for One Group also achieves a high level of customer satisfaction and the resulting increase in customer loyalty by providing its customers with integrated advice on all aspects of their process, solution and system architecture.

To further intensify customer relationships and improve the resulting customer experience, All for One Group is also continuously strengthening its Group-wide sales organisation. This includes the rollout of a new customer relationship management system in the prior year, which is standardised throughout the Group and aims to improve sales and marketing activities. It was rolled out last year and further developed in the year under review. The »EDGE/4« customer innovation programme – which was launched in 2021 and is subject to continuous improvement – is aimed at expanding customer relationships, raising the perception across the market of All for One Group as an innovation partner, and developing profitable innovation projects. In addition, All for One Group is extending its market access from SMEs towards the »upper« mid-market while at the same time raising its skill levels to ensure its ability to grow internationally with its customers. To achieve this, All for One Group is intensifying its collaboration within the United VARs alliance and and is expanding its Regional Delivery Centers. These measures aim not just to strengthen the ability of All for One Group to compete, but also to counter the transformation risks and the prevailing pressure on prices and margins.

The range of solutions and services in the CORE segment (business software for companies' core business processes) is clearly aligned to the specific needs of the large reference customer base in selected industries. This is not the case in the LOB (»Lines of Business«) segment, where All for One Group meets very similar requirements with its specific range of solutions and services in virtually all sectors of industry and can thus increasingly venture into new industries.

In addition, the CONVERSION/4 model established by All for One Group offers its customers a subscription option for smart migration to SAP S/4HANA. This migration is being necessitated by the announced end of SAP maintenance by 2027. Here, too, All for One Group is constantly striving to improve the design of its products and services in order to better meet the specific requirements of its customers. In doing so, All for One Group can reduce the transformation risks of its customers overall while increasing its own recurring revenues and setting itself apart from the competition.

In an attempt to further reduce market and industry risks, All for One Group's managed cloud services are being ever more closely connected to the computing resources of large hyperscalers, such as Microsoft Azure and increasingly Amazon Web Services (AWS), with their virtually limitless upward and downward scalability. Furthermore, computer centres are consistently used in the form of co-location services from leading providers and their facilities. This offers added flexibility.

Given that the knock-on effects of the Russia-Ukraine war and the Middle East conflict, especially, are largely outside the sphere of influence of All for One Group, certain market and industry risks remain despite the mitigation. Their probability of occurrence is assessed as »medium«. The potential impact on the net assets, financial position and results of operations as well as on the revenue and earnings forecasts (see section »5. Outlook«) is considered to be »moderate«. In the overall assessment, these risks are therefore classified as »medium«.

STRATEGY RISKS

The »strategy risks« category is where the impacts of changing competitive situations along the supply chains and in »business networks« are analysed. These include, in particular, the risks associated with strategic partnerships, their solutions, technologies, partner models and resulting competitive situations (»co-competition«). These trends and the associated risks are assessed individually as follows:

Risks associated with »co-competition« with strategic partners

The strategic partners of All for One Group are also exposed to severe transformation pressure and are continuously adapting and aligning their strategies. Changes such as these could increasingly lead to risks of competition (»co-competition«) from strategic customers or suppliers.

For example, customers could implement strategic initiatives to cement their customers' loyalty that involve the development of their own industrial platforms and proprietary IT-affiliated business models that build on the same. The IT resources and services needed to achieve this could, to a greater extent than planned, be provided by the company itself, or procured directly from strategic partners of All for One Group.

In addition, suppliers – particularly operators of major platforms (»hyperscalers«), for example – could successfully attempt to offer All for One Group's customers their own higher quality support on top of their infrastructure-based services and thus increase the price and margin pressure on the Group-wide service portfolio. All for One Group's strategy of increasingly helping »larger« midmarket companies to enhance their ability to compete could also lead to new competitive situations with major »players«.

Further risks are associated with All for One Group's focus on the portfolio of a few selected providers of business software, especially SAP and Microsoft. In addition, the strategic cooperation of All for One Group SE with SNP Schneider-Neureither & Partner SE, Heidelberg, could also lead to diverging business interests and thus increase the risks of competitive situations with strategic partners.

Adjustments to the midmarket strategies of strategic partners, and changes to contractual rules, terms and conditions for partner sales could adversely affect the further success of All for One Group's products and services in the marketplace. Such risks come into play in »Rise with SAP«, for example, which brings together a range of business transformation service offerings designed to make it easier for customers to migrate to SAP S/4HANA Cloud. Overall, »Rise with SAP« is expected to have a significant adverse effect on future licence and software support revenues and All for One Group's own partner programme within SAP's ecosystem, but could at the same time increase subscription revenues.

Innovations on the part of strategic partners could also be subject to unexpected shifts and changes in direction. Trends to which All for One Group does not react appropriately or quickly enough could thus take a different direction than planned, temporarily result in gaps in the service portfolio or impair the quality of the Group's customer service and support.

To reduce the above risks, dependencies on strategic partners are closely monitored. For example, All for One Group examines in detail which self-developed solutions can set the Group and its customers apart. The standard scope of the solutions is then expanded very specifically, and customer-specific service and solution architectures are crafted. Examples of this include the integration of »Rise with SAP« in the CONVERSION/4 transformation model.

The creation of synergies with strategic partners also helps to reduce the risks. The performance of All for One Group in the SAP market and as a member of United VARs – one of only ten SAP global platinum resellers – is important for the progress of SAP's own business. Moreover, the global standing of United VARs, which is well respected by SAP globally as a key »sounding board«, is helping All for One Group to promote the interests of its midmarket customers within the global SAP organisation.

Added to which, All for One Group always maintains very close contact with its strategic partners. Working together on a co-innovation level, new customer requirements are identified and customised solutions developed in response. As a result, All for One Group is not only able to continuously optimise its portfolio of products and services and align it to market needs; it can also raise its perception as a key innovation partner in the widescale market.

Microsoft also plans to further increase the growth momentum of its indirect business, to which end it is increasingly relying on major partners with extensive innovative and distribution competence. Added to which, the pace of development towards agile and digitalised working worlds has increased enormously. This is providing additional tailwind to All for One Group's »communications & collaboration activities«. All for One Group has also developed new service packages based on Microsoft and thus strengthened its position within Microsoft's partner sales. This ensures that the Group is increasingly able to draw attention to its interests. The risks associated with the Group's strategic partnership with SNP are reduced partly through comprehensive and well-balanced cooperation agreements and by the acquisition of »All for One Poland«.

The probability of occurrence of the risks associated with »co-competition« with strategic partners is assessed as »high«. The potential impact on the net assets, financial position and results of operations as well as on the revenue and earnings forecasts (see section »5. Outlook«) is considered to be »moderate«. In the overall assessment, these risks are therefore still classified as »high«

FINANCIAL RISKS

The »financial risks« category is where mainly financial- and liquidity-related risks and risks associated with bad debts and customer insolvencies are addressed. These risks are assessed individually as follows:

Financial and liquidity risks

All for One Group's liabilities to financial institutions largely comprise issued promissory note loans (see section »3.4. Group assets and financial situation«). For example, in financial year 2021/22 All for One Group SE successfully placed new promissory note loans for EUR 40 million on the capital market at attractive long-term financing terms. The Group also has approved blanket credit lines.

The promissory note loans are unsecured and not subordinated. Should certain events occur, the holders of the promissory notes are, in some cases, authorised to raise the interest margin or, as applicable, to call the promissory note loans due immediately. These events primarily involve adhering to the agreed targets for equity and for the ratio of net debt and EBITDA. Should there be certain changes in the shareholder structure of All for One Group SE (change of control), the creditors will also be authorised to cancel their loan commitments and call the loans due immediately. In addition, the promissory note loans issued by All for One Group SE in the year under review include for the first time sustainability components that influence the margin.

All for One Group carefully monitors compliance with the terms and conditions of the promissory note loans. Furthermore, earnings, as well as the assets and financial situation, are monitored monthly using a Group-wide reporting system and variances to budget are analysed to specifically counteract any unplanned outflows or insufficient inflows of cash.

The probability of occurrence of these financial and liquidity risks is assessed as »very low«. The potential impact on the net assets, financial position and results of operations as well as on the revenue and earnings forecasts (see section »5. Outlook«) is considered to be »serious«. In the overall assessment, these risks are therefore classified as »low«.

Risks associated with bad debts and customer insolvencies

The risks associated with bad debts and customer insolvencies are also included within the category of »financial risks«. The factors already described in the discussion of risks associated with social, political, overall economic and regulatory developments – and particularly the severe rises in energy prices – could culminate in a larger number of insolvencies among All for One Group's customer base. Added to which, legal relief regarding the mandatory declaration of insolvency could increase the risk of customer defaults and insolvencies.

All for One Group has implemented systems and practices for the early detection of risks of insolvency among customers in order to limit exposure as effectively as possible. Strict claims management, based on a software program, enables changes in the payment behaviour of individual customers to be identified and monitored from an early stage. Appropriate insurance cover reduces this risk further.

Given the current developments, the probability of occurrence of risks associated with bad debts and customer insolvencies is assessed as »medium«. The potential impact on the net assets, financial position and results of operations as well as on the revenue and earnings forecasts (see section »5. Outlook«) is considered to be »moderate«. In the overall assessment, these risks are therefore classified as »medium«.

OPERATIONAL RISKS

Risks associated with the operation of computer centres, cyber risks, data protection risks, risks associated with human resources, risks associated with acquisitions, project risks, risks associated with legal disputes and compliance risks are all addressed under »operational risks«. These risks are assessed individually as follows:

Risks associated with the operation of computer centres
As a provider of computer centre services, All for One Group is exposed to the risk of unscheduled interruptions to service – due to the failure of hardware components, for example. These could have a severe adverse impact on the operations not just of All for One Group but also its customers, which could negatively affect business performance and the reputation of the Group.

Extensive measures are employed to reduce the risks associated with the operation of computer centres. Systems and applications are operated redundantly in modern buildings and infrastructures that are geographically separate from each other. In the event of an interruption in systems operations, which in the case of disaster could extend to the failure of an entire computer centre, operations can be continued from other computer centres. Likewise, All for One Group places great importance on regularly reviewing workflow and communication disaster recovery plans that have been put in place and are modified when necessary to ensure their continuous improvement. All for One Group also invests in sophisticated and cutting-edge technologies – for permanent data mirroring and backup purposes, for example – from pre-eminent manufacturers.

When assessing the risks associated with its operation of computer centres, All for One Group always includes current political and overall economic developments in its considerations. In recent years it has become evident that power supplies in Germany, in particular, can be jeopardised at short notice by such developments, which means that appropriate precautions need to be taken. State of the art and redundant emergency power generators and cooling systems, in particular, reduce this risk. If a temporary power failure occurs, they assure the continued operation of the computer centre. The system-controlled management and supervision of the systems and applications – which has already been comprehensively tested – can also be performed entirely remotely.

The probability of occurrence of risks associated with the operation of computer centres is assessed as »low«. The potential impact on the net assets, financial position and results of operations as well as on the revenue and earnings forecasts (see section »5. Outlook«) is considered to be »critical«. In the overall assessment, these risks are therefore classified as »high«.

Cyber risks
The business model of All for One Group and the business operations of its customers are dependent to a large degree on unimpaired data and workflows. Cyber attacks on All for One Group – regardless of whether they are launched by third parties or employees – could result in considerable interruptions to operations, data losses, ransom demands and the manipulation of access systems or payment processes for both All for One Group and its customers. Such attacks can include using malware to infiltrate software applications, distributed denial of service (DDoS) attacks, or the theft or misuse of data. Ultimately, cyber attacks can cause huge losses and massive reputational damage.

Cyber attacks are noticeably becoming steadily more frequent, diverse and professional. The Federal Office for Information Security [Bundesamt für Sicherheit in der Informationstechnik] has identified a tense to critical threat for the year 2023, which comes on top of an already tense overall situation (see Situation Assessment of the Federal Office for Information Security dated 2 Nov 2023).

Against this backdrop, the management of cyber risks continues to occupy a very large space for All for One Group. To effectively reduce the corresponding risks and to better protect the data and systems of its customers as well as its own application landscapes, All for One Group has established a Group-wide cybersecurity organisation. Supported by external service providers and in-house cybersecurity & compliance consultants, this organisation continuously optimises the Group-wide information security management system and implements and coordinates measures to reduce cyber risks. For example, All for One Group is continuously expanding its existing measures and tools to manage vulnerability and monitor its IT landscape to identify any gateways and new types of attack patterns as early as possible and to take appropriate remedial action. In addition, employees attend regular mandatory training programmes to raise awareness. These programmes cover both general principles that must be observed as well as current developments and new lessons learned. The purpose of the training is to take even better account of the »human safety factor« and the additional safety requirements of mobile working.

The fact that All for One Group's IT service management is subject to strict process definitions that also meet the requirements of international auditing standard ISAE 3402 (»International Standard on Assurance Engagements 3402«) is another risk-minimising factor. IT service management is continuously being adapted to reflect lessons learned, and compliance is monitored. As All for One Group also protects and controls access to its information systems through comprehensive authorisation systems, a very high level of security is achieved for both its own and its customers' data. Furthermore, insurance policies – specifically cyber insurance – reduce the risk and can limit the potential damage.

Various audits and certifications are regularly conducted by third parties and also serve as supplementary quality control for All for One Group's information security management system. Examples include ISO/IEC 27001 certification (information security) and other manufacturer-related certifications (e.g. SAP-Certified Provider in Hosting Operations).

Considering the multitude of established technical and organisational measures, the probability of occurrence of cyber risks is increased to »medium« in the reporting year. The potential impact on the net assets, financial position and results of operations as well as on the revenue and earnings forecasts (see section »5. Outlook«) is considered to be »critical«. In the overall assessment, these risks are therefore classified as »high«.

Data protection risks
As an IT service provider, especially for cloud services and HR business process outsourcing, All for One Group processes a large amount of personal data – relating to employees, suppliers, customers and business partners, for example – on behalf of its customers. Extensive personal information is also processed with the systems and applications used for in-house processes. Such data is particularly sensitive and is subject to the very strict requirements of the EU General Data Protection Regulation, which, among other things, requires service providers such as All for One Group to comply with extensive information, documentation, verification and reporting obligations. Violations can incur extremely heavy fines and enormous reputational damage.

During the run-up to the regulatory developments of the past years, All for One Group was already starting to implement a uniform Group-wide data protection management system. In addition to the ISO 27001 audit (information security), a certification of the data protection processes as per ISO 27018 (data protection for cloud services) was successfully completed. The corresponding certifications are maintained on an ongoing basis and serve to assure both external quality control and an even better dovetailing of the in-house data protection and cybersecurity organisation, which already collaborates very closely.

In financial year 2022/23, a large number of well-coordinated individual steps were implemented to again ensure the targeted expansion of the data protection management system. Focus was on further improving and digitalising the process organisation of the data protection management system, which is now presented even more prominently and accessibly on the Group's intranet. In addition, the in-house training programme was optimised to further raise employee awareness of data protection. Most recently, the further development of the reporting system was also advanced in order to ensure an even faster response to risks related to data protection.

Overall, the implemented measures aim to maintain and continuously expand the existing high level of protection for (personal) data at All for One Group. The probability of occurrence of data protection risks is assessed as »low«. The potential impact on the net assets, financial position and results of operations as well as on the revenue and earnings forecasts (see section »5. Outlook«) is considered to be »serious«. In the overall assessment, these risks are classified as »medium«.

Risks associated with human resources
The sustainability of economic success is inseparably linked to a sufficiently highly qualified and motivated workforce. Failure to recruit new resources, retain and develop existing staff or find adequate replacements for departing employees promptly could impair the quality of advice and customer loyalty and thus also the business performance of All for One Group.

The shortage of experts is the driving factor behind the risks associated with human resources and it is worsening noticeably. The growing demand for specialists and correspondingly tight labour markets is likely to persist, given the faster pace of innovation and increased transformation pressure, both in the IT market and among customers. In addition, other factors can also influence the risks associated with human resources. For example, employees continue to work out of office. In light of this trend, there is the danger of losing personal contact and thus a »feeling« for key changes affecting the Group's employees, customers and suppliers. In addition, project risks (see sub-section »Project risks«) could impact the workload of consultants and, in particular, result in their not having enough to do. Each of these factors could impair employee retention and employer attractiveness and thus have a negative impact on All for One Group.

To reduce the risks associated with human resources, All for One Group is continuously expanding its personnel development and training programmes. In doing so, the Group makes extensive use of its Group-wide eLearning platform »ONE Academy«, which employees can use very flexibly, even when they are out of office. These efforts also aim to strengthen the high level of expertise of All for One Group's employees so that they can continue to advise customers comprehensively on all aspects of digitalisation. Other programmes enable and simplify in-house job changes, thus reducing staff turnover.

To avoid the loss of personal contact to employees, regular and transparent bulletins on key events, developments, programmes and initiatives provide information, particularly in Group-wide video conferences and on the wide-reaching intranet platform. As maintaining employee health is one of All for One Group's highest priorities, special training sessions and health promotion schemes are offered that also address the possible effects of mobile working on mental and physical health. Furthermore, All for One Group continuously monitors its non-financial performance indicators, which are geared towards managing human capital (see section »2.3. Management system – financial and non-financial targets«).

In light of the difficulty in recruiting consulting resources, some of the marketplace's leading automation tools have been embedded in the CONVERSION/4 program. This enables at least some of the individual transformation steps to be mechanically processed, and allows the more efficient use of the available human capital. To reduce the risk associated with the shortage of experts, more qualified employees have been recruited to the Regional Delivery Centers.

To make the Group's corporate values even more tangible externally and in house, and to sustainably increase employee loyalty and recruitment success even during transformation processes, All for One Group is also driving the establishment and maintenance of its employer brand – this process with widescale employee involvement in workshops and digital surveys, for example – is another way of anchoring the corporate values and leadership guidelines even more firmly in day-to-day business. The efforts of the SE works council also help to mitigate the risks associated with human resources – with the aid of the HR Council composed of equal numbers of SE works council and corporate management representatives.

In view of the countermeasures taken, the probability of occurrence of risks associated with human resources is increased to »medium« in the reporting year. The potential impact on the net assets, financial position and results of operations as well as on the revenue and earnings forecasts (see section »5. Outlook«) is reduced to »moderate« in the reporting year. In the overall assessment, these risks are therefore classified as »medium«.

Risks associated with acquisitions

Corporate acquisitions can be subject to economic, legal or cultural misjudgements. They are also, by their very nature, exposed to integration risks, particularly with regard to acquired customers and employees. If said risks materialise, they could have a negative impact on the expansion of All for One Group's regional delivery centers and on the leveraging of planned synergies. Risks associated with acquisitions can therefore seriously harm business development and, accordingly, the balance sheet value of the acquired investment interests.

To reduce the risk, All for One Group always subjects its projects to comprehensive due diligence involving both in-house resources and external experts. Added to which, extensive post-merger actions are implemented, which are always flanked by professional change management to ensure not only the organisational but also cultural integration of the acquired companies into All for One Group. The Group-wide eLearning platform »ONE Academy« and the in-house »English@all-for-one« project that is increasingly establishing English as the main language for in-house and external communication also both serve to reduce potential integration risks.

Despite All for One Group's wealth of experience with acquisitions and the care taken with preparation, due diligence and integration, risks always remain. The probability of occurrence of risks associated with acquisitions is assessed as »low«. The potential impact on the net assets, financial position and results of operations as well as on the revenue and earnings forecasts (see section »5. Outlook«) is considered to be »moderate«. In the overall assessment, these risks are therefore classified as »low«.

Project risks

One key element of All for One Group's business model is the planning and implementation of extensive software and systems landscapes at customer locations. These projects can extend over periods of several years. Partners are often involved in the delivery of projects, alongside the Group's own consultants. Added to which, the success of projects is dependent to a large degree on the resources and requisite involvement of customers.

Projects can take longer than planned, if customers choose to pause projects in light of overall economic developments, for example. The same applies in cases where new functional requirements or deviations from recommended best practices arise or where the dynamics of the customer's business demand that resources be directed more to their daily operations than to the project. As a result, fixed-price projects particularly can have a negative impact on returns. Added to which, customer dissatisfaction with the delivery of a project could lead to defaults and legal disputes and could harm the good reputation of All for One Group and hinder the acquisition of new projects.

In order to reduce the impact of project risks, All for One Group concentrates its project business on selected industries in countries where German is spoken. Reinforced by ongoing qualification measures for its consultants, the Group has amassed a high level of business process competence through this focus. Self-developed integrated project management methods also help to ensure compliance with the agreed project objectives. For example, aspects such as quality and risks, project progress and resources, cost and communication within the project are monitored on an ongoing basis. All for One Group has its own business process and add-on solutions that offer considerable help in containing project risks as does the global partner network United VARs in the case of international projects.

When migrating to the new software generation, All for One Group relies on market-leading transformation technologies that have been firmly embedded in its »CONVERSION/4« subscription model.

In addition, insurance cover is in place that can also limit project risks. All for One Group also considers relevant project risks when planning its financial budgets.

In spite of these countermeasures, project risks remain. Their probability of occurrence is assessed as »low«. The potential impact on the net assets, financial position and results of operations as well as on the revenue and earnings forecasts (see section »5. Outlook«) is increased to »serious« in the reporting year. In the overall assessment, these risks are therefore classified as »medium«.

Risks associated with legal disputes
Due to its sustained growth over many years and its portfolio of products and services, All for One Group is naturally exposed to heightened risks from potential legal disputes that could arise as a consequence of the individual risks described above. Disputed rollout projects, for example, could lead to defaults and even to demands for compensation. Added to which, All for One Group is continuously investing in the expansion of its strategies and, increasingly, in the development of self-developed products. In doing so, violations of existing third-party property rights could occur. In addition, more legal disputes relating to employment relationships could occur on the human capital side, given the strong growth of the Group.

To limit the risks associated with legal disputes, All for One Group further expanded its own legal and compliance organisation in financial year 2022/23, and has adjusted existing insurance policies. In addition, specialised external law firms are engaged to provide support where necessary.

The probability of occurrence of risks associated with legal disputes is assessed as »low«. The potential impact on the net assets, financial position and results of operations as well as on the revenue and earnings forecasts (see section »5. Outlook«) is considered to be »serious«. In the overall assessment, these risks are therefore classified as »medium«.

Compliance risks
Compliance risks include all types of violations of applicable laws and the regulations in place at All for One Group, such as the Code of Conduct. Compliance risks can lead not only to heavy fines, but also to criminal charges, claims from parties who have suffered losses, and enormous reputational damage. Both the Group and the parent company could suffer considerable damage as a result of failure to comply with applicable laws or standards of integrity, for example violations of anti-corruption and bribery legislation or acts of discrimination.

All for One Group has established a compliance management system to reduce compliance risks (see section »4.1 Group Governance Modell«, sub-section »Compliance Management System«).

The probability of occurrence of compliance risks is assessed as »low«. The potential impact on the net assets, financial position and results of operations as well as on the revenue and earnings forecasts (see section »5. Outlook«) is considered to be »serious«. In the overall assessment, these risks are therefore classified as »medium«.

05

OUTLOOK

5.1 OVERALL ECONOMIC OUTLOOK

Most recent forecasts predict negative GDP growth of between minus 0.4% and minus 0.6% in 2023 *(source: Tagesschau (German news broadcast), 28 Sep 2023).* According to the joint forecast issued by the leading economic think tanks, economic growth is expected to pick up slightly in 2024 but to still remain weak at plus 1.3% *(sources: Handelsblatt, 11 Oct 2023; Handelsblatt, 28 Sep 2023).* After that, a clear upswing is anticipated in the wake of inflation rates falling to 2.6% in 2024 and further down to 1.9% in 2025, due above all to lower energy prices *(source: Ifo Institut, 7 Sep 2023)*, and of a rise in consumer spending and initial optimistic signals from industry. Core inflation is expected to decrease at a slower place, especially among labour-intensive service providers, as rising wage costs continue to exert pressure on prices *(source: Ifo Institut, 7 Sep 2023).* According to Germany's Federal Statistical Office, the drop in economic output in the third quarter – at minus 0.1% – was less than expected *(source: Federal Statistical Office, 30 Oct 2023).* The President of the ZEW – Leibniz Centre for European Economic Research believes that Germany has reached its lowest point and will start growing again *(source: Handelsblatt, 30 Oct 2023).*

Given the persisting weakness in the global economy and the uncertainty of numerous customers, which is having a tangible impact on the business of, and outlook for the export-focused mechanical engineering industry, production is expected to decline by 2% in real terms in 2024. At the same time, this sector of industry is proving to be extremely robust with capacity utilisation levels holding firm *(source: VDMA (Verband Deutscher Maschinen- und Anlagenbau/German Mechanical Engineering Industry Association), 12 Sep 2023).* In August 2023, the German electro and digital industry reported sales growth of 8%. At the same time, however, the business climate in the sector deteriorated for the sixth consecutive month due, not least, to a smaller volume of foreign orders in September *(source: ZVEI (Zentralverband Elektrotechnik – und Elektronikindustrie e.V./German Electro and Digital Industry Association), 10 Oct 2023).* According to the latest consumer spending barometer issued by the German Retail Association HDE (Handelsverband Deutschland), consumer sentiment improved slightly in October 2023 and has regained the level witnessed before the start of the Ukraine war. The trend for the remainder of the year is, however, expected to be weak. Private spending is not expected to recover – i.e. to regain its status as a driver of overall economic growth in Germany – until 2024 *(source: HDE, 2 Oct 2023).*

5.2 PROBABLE DEVELOPMENT OF THE INDUSTRY

Digital transformation remains one of the key topics of corporate focus, leading to increased investment in modernising IT and rolling out new technologies. Topics such as IT modernisation, cloud transformation, process automation, artificial intelligence and cybersecurity will remain key areas of focus on CIO agendas over the coming years. Accordingly, the need for increased digital and IT spending is expected to continue. Despite the current political and economic challenges, forecasts for 2024 expect sales to increase by between 4.4% and 13.5%, depending on the market segment *(sources: Lünendonk, Jul 2023; SITSI Market Research, Jul 2023; Bitkom e.V., Jul 2023).*

In terms of sales, industry continues to be the largest customer group in the German IT services market. Demand from the industrial sector has continued to grow (share of 35%), whereas the financial sector (share of 20.4%) has decreased slightly. The public sector (share of 9%) still lags behind in terms of digitalisation *(source: Lünendonk, Jul 2023).*

In the other main markets of relevance for All for One Group, too, the market for IT services is expected to grow steadily over the years to come. For financial year 2024, Austria is forecast to grow by 10.7%, Switzerland by 10.2% and Poland by 11.8% *(source: SITSI Market Research, PL market figures Apr 2023, CH market figures Jul 2023, AT market figures Jul 2023).*

The renaissance in the IT services market can be traced back to requirements changing in the wake of digital and cloud transformation, which have resulted in growing complexity and new requirements regarding software life cycles that include timeliness, scalability, security, 24/7 availability and automation. As cloud utilisation and the requirements regarding information security increase, the significance of managed cloud services is growing, while areas such as cybersecurity, release management, integration of new applications and flexible IT structures are also gaining in importance *(sources: Lünendonk, Jul 2023; Statista IT Services: market data & analysis 2023).*

5.3 PROBABLE DEVELOPMENT OF THE GROUP AND ALL FOR ONE GROUP SE

in EUR millions, unless otherwise stated	Actual 2022/23	Forecast 2023/24
Group		
Sales revenue (IFRS)	488.0	505 – 525
EBIT before M&A effects (non-IFRS)	17.7	32 – 36
Employee retention (in %)	89.9	89 – 90
Health index (in %)	96.3	96.5 – 97.0
All for One Group SE		
Sales revenue (IFRS)	299.4	300 – 320
EBIT before M&A effects (non-IFRS)	4.1	3 – 9
Employee retention (in %)	92.8	91 – 92
Health index (in %)	96.0	96.5 – 97.0

In financial year 2023/24, the company is on the verge of a promising upswing, driven by its clear focus on sustainable growth and profitability. Following successful completion of the changes in the LOB (lines of business solutions) segment over the past financial year 2021/22, the strategy offensive 2022 was closed out by implementing and completing the restructuring of the service-oriented areas in the CORE (ERP and collaboration solutions) segment.

In addition to expanding the Regional Delivery Centers in Poland, Egypt and Turkey, the Group aims to strengthen the international structure of its service organisation in the future to enable it to extend its first-class worldwide services and support to customers. Continuous improvement of the collaboration throughout the Group and of the industry-specific end-to-end processes also remains a key target to further enhance customer efficiency and All for One Group margins.

All for One Group is focusing mainly on digitalising company in-house processes along the entire value and supply chain, which represents a core success factor in today's business environment. Accordingly, the SAP ERP solutions continue to form the indispensable »backbone« for All for One Group customers.

All for One Group has positioned itself as the leading provider of migrations to SAP S/4HANA and boasts an unparalleled number of successful transformations to SAP S/4HANA in a large number of companies. No other service provider the world over has a comparable track record in this field.

Nowadays, the SAP focus is on cloud offerings, an area where All for One Group occupies an outstanding position. Accordingly, in terms of sales generated using SAP cloud solutions in the Central and Eastern European partner network, the Group is the leading partner for SAP cloud solutions both in the central field of ERP and in lines of business solutions. Focused expansion of cloud business is increasingly generating sustainably recurring revenues while software licence sales are decreasing. Revenues from cloud services, and consulting and services, are expected to increase. Software support revenues will probably stabilise at their present level

In the CORE segment (ERP and collaboration solutions), the broad portfolio of solutions focusing on ERP will be supplemented by growth anticipated from the rising demand for transformation projects with CONVERSION/4. Likewise, the Group plans to expand the portfolio of Microsoft-based services for improving communication and collaboration in companies on their journey towards digital worlds of work (»new work«) and for cybersecurity & compliance.

The LOB (lines of business) segment is expected to offer additional growth and margin potential through recurring cloud subscriptions and self-developed add-on solutions. The cloud-based »Employee Experience« activities (HR planning, personnel development, recruitment, knowledge management, etc.) and the »Business Analytics« activities for analysing business data to aid corporate budgeting and management also offer good growth and margin potential. In addition, the fast-growing CX business, which enables customers to better manage their sales, marketing and service units, was brough together under one roof.

Overall, capital expenditure is expected to decrease in financial year 2023/24, as the focus will be on intensifying the CONVERSION/4 portfolio, improving prosesses and increasing profitability. However, if attractive opportunities arise in the field of cybersecurity or in the Microsoft environment, the Group plans to leverage them to add to the portfolio.

Improving in-house processes, generating economies of scale and increasing the intra-Group integration of employees in regional delivery centers should all raise the profitability of business operations and thus result in higher margins.

Renewed economic setbacks due to geopolitical uncertainties caused by the wars in Ukraine and the Middle East, high inflation, global supply chain problems, etc. cannot be ruled out, by any means, and would result in lower demand, and increased defaults and insolvency among our customer base, which could jeopardise achieving the guidance.

Sales are predicted in a range of between EUR 505 million and EUR 525 million for financial year 2023/24 (2022/23: EUR 488.0 million).

Based on these predictions, the management board anticipates EBIT before M&A effects (non-IFRS) of between EUR 32 million and EUR 36 million (2022/23: EUR 17.7 million).

Sales and EBIT before M&A effects (non-IFRS) are used as the financial performance indicators for both All for One Group and for the parent company, All for One Group SE. On the other hand, the annual financial statements of All for One Group SE are prepared in accordance with German commercial law (HGB).

The non-financial performance indicators of employee retention and health index were again used by the parent company All for One Group SE as well as the Group as a whole as supplemental management and control parameters. For the financial year 2023/24, both parent company and the Group have set the target of maintaining the »employee retention« level of the 2022/23 reporting year. The Group expects the »health index« to be up year on year in financial year 2023/24.

MEDIUM-TERM OUTLOOK

In light of the global uncertainty prevailing in the markets, it is again difficult at present to offer a medium-term outlook. All for One Group is budgeting for robust organic sales growth over the coming years in the mid-single-digit percentage range (depending on future inflation levels, among other things) that will be supplemented by inorganic growth in areas of the portfolio offering future promise. The Group expects EBIT before M&A effects (non-IFRS) to range between 7% and 8% of sales revenues in financial year 2024/25.

06

INFORMATION CONCERNING TAKEOVERS

INFORMATION PERSUING TO SECTIONS 289A (1), 315A (1) HGB

Composition of issued share capital (no. 1)
The issued share capital of EUR 14,946,000 (30 Sep 2022: EUR 14,946,000) consists of 4,982,000 (30 Sep 2022: 4,982,000) registered no-par-value shares with a nominal value of EUR 3 per share. With regard to the treasury shares acquired in financial year 2022/23, please refer to the discussion in the notes to the annual financial statements of All for One Group SE (section »C.4. Equity«).

Restrictions on voting rights or the transfer of shares (no. 2)
The management board is not aware of any restrictions affecting voting rights or the transfer of shares, or in particular of any restrictions that could result from agreements among the shareholders.

Direct or indirect shares in the capital that exceed 10% of the voting rights (no. 3)
– Unternehmens Invest AG, Vienna/Austria
– UIAG Informatik-Holding GmbH, Vienna/Austria
– UIAG AFO GmbH, Vienna/Austria

Holders of shares with special rights (no. 4)
No All for One Group SE shares confer special rights of control.

Type of voting rights control for employee shares (no. 5)
There are no employees holding an interest in the share capital of All for One Group SE, who cannot directly exercise their rights of control.

Legal provisions and stipulations in the articles of association governing the appointment and removal of members of the management board and on amending the articles of association (no. 6)

a) Appointment of members of the management board
In accordance with Section 84 (1) AktG and Article 7 (1) of the articles of association, the members of the management board are appointed by the supervisory board for a maximum term of five years. The management board consists of at least two people in accordance with Article 7 (2) of the articles of association. Furthermore, the supervisory board determines the number of members on the management board in accordance with the provisions set forth by law. The supervisory board can appoint a member of the management board to chair the management board and may also appoint deputy members of the management board. Pursuant to Section 85 (1) AktG the court can, in urgent cases and on petition by an involved party, appoint a member in the event that the management board is a member short (for example, when there is only one member of the management board in office). Pursuant to Section 85 (2) AktG, the term of the court-appointed member of the management board expires as soon as the original deficiency is corrected.

b) Removal of members of the management board
The supervisory board may revoke the appointment as member of the management board and the appointment as chair of the management board with good cause in accordance with Section 84 (4) sentence 1 AktG. Good cause according to Section 84 (4) sentence 2 AktG is gross dereliction of duty, inability to properly manage the business or a vote of no confidence by the annual general meeting, unless such confidence by the shareholders was withdrawn for clearly irrelevant reasons. The revocation of appointment to the management board is effective according to Section 84 (4) sentence 4 AktG until its invalidity is legally established.

c) Amendments to the articles of association
Pursuant to Section 179 (1) sentence 1 AktG, a resolution of the annual general meeting is required for any amendment to the articles of association. The supervisory board is, however, authorised according to Article 18 of the articles of association in connection with Section 179 (1) sentence 2 AktG to approve amendments to the articles of association that only affect its wording.

According to Section 179 (2) sentence 1 AktG, a resolution by the annual meeting on amending the articles of association requires a majority vote that includes at least three-quarters of the represented share capital at the time the resolution was adopted. According to Section 179 (2) sentence 2 AktG, the articles of association may set forth other requirements and a different capital majority, although only a larger capital majority may be stipulated for any changes to the corporate purpose. On the basis of this statutory authority, Article 15 (3) sentence 3 of the articles of association provides that resolutions for amending the articles of association be approved by simple majority vote to the extent that such is legally permissible.

Authority of the management board, particularly regarding its ability to issue or repurchase shares (no. 7)
In accordance with Article 6 (5) of the articles of association, and with the consent of the supervisory board, the management board is authorised until 11 March 2025 to increase the share capital by as much as EUR 7,473,000 through one or more issues of new registered shares for cash and/or contributions in kind (2020 Authorised Capital). Shareholders must always be granted subscription rights. The new shares may also be taken over by one or more financial institutions with the obligation to offer them for subscription to the shareholders. The management board, with the consent of the supervisory board, will specify the conditions of the share issue.

The supervisory board is authorised to revise the wording of the articles of association to reflect the scope of the capital increase from authorised capital or after the expiration of the authorisation period. The management board is, however, authorised with the consent of the supervisory board to exclude statutory subscription rights for shareholders:

a) to the extent needed to even out fractional amounts;

b) when a given volume of shares does not exceed 50% of the share capital and is being issued for contributions in kind for the purpose of buying companies or equity interests in companies or business units, or for the purpose of acquiring claims against the company;

c) when a capital increase in exchange for cash contributions does not exceed 10% of the share capital and the issue price of the new shares is not substantially lower than the stock exchange price (Section 186 (3) sentence 4 AktG); when using this authorisation to exclude subscription rights according to Section 186 (3) sentence 4 AktG, the exclusion of subscription rights on the basis of other authorisations according to Section 186 (3) sentence 4 AktG must be taken into account.

The annual general meeting of 12 March 2020 authorised the management board in accordance with Section 71 (1) No. 8 AktG to repurchase shares of All for One Group SE stock in a total amount of up to 10% of the share capital by 11 March 2025. This corresponds to 498,200 registered no-par-value shares.

On 12 October 2022, the management board of All for One Group SE made use of this authorisation and resolved to implement a share buyback programme valid for the period from 13 October 2022 to 13 October 2023 to repurchase up to a total of 100,000 treasury shares, representing a volume of up to EUR 5.5 million (excluding incidental acquisition costs). In this context, reference is also made in the notes to the consolidated financial statements (section »I.27. Subsequent events«).

Material agreements under the condition of a change of control as a result of a takeover bid (no. 8)
Certain changes in the shareholder structure of All for One Group (change of control) may result in the holders of the promissory note loans being able to call their share of the bonds due payable immediately.

Indemnity agreements in the event of a takeover bid (no. 9)
No company indemnity agreements with members of the management board or other employees have been made for the event of a takeover bid.

07

DEPENDENT COMPANY REPORT

All for One Group SE has compiled a dependent company report for financial year 2022/23 as required in Section 312 (3) AktG.

Unternehmens Invest AG, together with its subsidiaries UIAG Informatik-Holding GmbH, Vienna/Austria, and UIAG AFO GmbH, Vienna/Austria, holds the majority of voting rights in All for One Group SE and thus controls it. All for One Group SE, Filderstadt, is therefore a company solely dependent on Unternehmens Invest AG pursuant to Sections 16 (1), (2); 17 (2) AktG.

In its concluding statement on the dependent company report, the management declares that All for One Group SE received appropriate consideration for all of the legal transactions listed in the dependent company report in accordance with the circumstances known to it at the time the legal transactions were conducted. No measures were taken or omitted at the instigation of or in the interests of the controlling company or one of its affiliates.

08

NON-FINANCIAL GROUP REPORT

8.1 SUSTAINABILITY REPORT

All for One Group SE has prepared its sustainability report for the reporting year 2022/23 separately in accordance with the criteria of the DNK (German Sustainability Code of the Council for Sustainable Development), which is published on the Group website. It includes the non-financial reporting in accordance with Sections 289b, 289c, 315b, 315c HGB, particularly with regard to the five required aspects of environmental matters, staff matters, social matters, respect for human rights, combating corruption and bribery. The sustainability report also includes the EU taxonomy disclosures.

In addition, the sustainability report also complies with specific standards issued by the Global Reporting Initiative (GRI) and includes a discussion of how the NAP (»National action plan for economic growth and human rights«) is implemented. Calculation and disclosure of direct and indirect greenhouse gas emissions (GHG emissions) were based on the provisions of the »Greenhouse Gas Protocol«.

Pursuant to Section 317 (2) sentence 4 HGB, these disclosures are not subject to a substantive examination by the auditors. The DNK has, however examined the sustainability report to ensure its completeness and has provided a qualified feedback. Following the final review, the DNK confirmed the inclusion of its feedback by All for One Group SE (certified »Sustainability Code User«).

The supervisory board of All for One Group SE has reviewed this sustainability report and approved it for publication. The sustainability report has been published on both the Group website at www.all-for-one.com/csr_e and the DNK website at www.deutscher-nachhaltigkeitskodex.de.

8.2 EU TAXONOMY

EU taxonomy disclosures as specified in Taxonomy Regulation 2020/851 were included in the sustainability report of All for One Group SE together with the additional delegated acts.

09 COMPENSATION REPORT

All for One Group SE has compiled the compensation report for financial year 2022/23 in compliance with the regulations of Section 289f (2) (1a) in conjunction with Section 315d HGB. The report is available on the Group website at www.all-for-one.com/compensation-report. A substantive examination by the auditors is not planned.

10 CORPORATE GOVERNANCE STATEMENT

All for One Group SE has published its corporate governance statement (Section 289f HGB), respectively the Group corporate governance statement (Section 315d HGB) on the Group website at www.all-for-one.com/corporate-governance-statement. The statement includes the declaration of compliance with the German Corporate Governance Code as required in Section 161 AktG, which can be viewed at www.all-for-one.com/conformity-declaration. A substantive examination by the auditors is not planned.

Filderstadt, 13 December 2023
All for One Group SE

Lars Landwehrkamp Co-CEO	Michael Zitz Co-CEO	Stefan Land CFO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CONSOLIDATED FINANCIAL STATEMENTS

ALL FOR ONE GROUP SE, FILDERSTADT
FINANCIAL YEAR FROM 1 OCTOBER 2022 TO 30 SEPTEMBER 2023

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
OF ALL FOR ONE GROUP

in KEUR	Notes	10/2022 – 09/2023	10/2021 – 09/2022
Sales revenue	E.1	487,952	452,652
Other operating income	E.2	9,992	5,674
Cost of materials and purchased services	E.3	-173,994	-168,226
Personnel expenses	E.4	-229,286	-206,049
Depreciation, amortisation and impairment on intangible, fixed and right-of-use assets	E.5	-28,770	-29,491
Impairment losses on financial assets	F.11	-805	-434
Restructuring expenses	E.6	-8,442	0
Other operating expenses	E.7	-41,742	-36,526
EBIT		**14,905**	**17,600**
Financial income	E.8	1,518	17
Financial expense	E.8	-2,594	-1,700
Financial result		**-1,076**	**-1,683**
EBT		**13,829**	**15,917**
Income tax	E.9	-2,627	-4,880
Result for the period		**11,202**	**11,037**
attributable to owners of the parent		11,056	10,967
attributable to non-controlling interests		146	70
Earnings per share			
Undiluted and diluted earnings per share (in EUR)	E.10	2.23	2.20

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
OF ALL FOR ONE GROUP

in KEUR	Notes	10/2022 – 09/2023	10/2021 – 09/2022
Result for the period		**11,202**	**11,037**
Items that will not be reclassified to profit or loss in subsequent periods			
Remeasurements of defined benefit liability plans	F.18	-1,484	3,390
Related tax		209	-543
Items that might be reclassified to profit or loss in subsequent periods			
Unrealised profits (+) / losses (-) from currency translation		840	-113
Other comprehensive income		**-435**	**2,734**
Total comprehensive income		**10,767**	**13,771**
attributable to owners of the parent		10,626	13,701
attributable to non-controlling interests		141	70

CONSOLIDATED BALANCE SHEET
OF ALL FOR ONE GROUP

Assets

in KEUR	Notes	30.09.2023	30.09.2022
Current assets			
Cash and cash equivalents	G.	62,587	77,464
Finance lease receivables	F.11	4,205	4,102
Trade receivables	F.12	61,658	56,685
Contract assets	F.12	11,030	8,322
Income tax assets		2,910	1,790
Other assets	F.13	19,937	12,536
		162,326	**160,899**
Non-current assets			
Goodwill	F.14	66,784	65,992
Other intangible assets	F.14	32,836	39,140
Fixed assets	F.15	17,322	16,022
Right-of-use assets	F.16	44,487	43,807
Finance lease receivables	F.11	7,167	6,799
Deferred tax assets	F.17	645	86
Other assets	F.13	10,084	7,120
		179,325	**178,966**
Total assets		**341,652**	**339,865**

Equity and liabilities

in KEUR	Notes	30.09.2023	30.09.2022
Current liabilities			
Other provisions	F.19	4,068	1,412
Liabilities to financial institutions	F.20	4,034	58
Lease liabilities		13,316	13,044
Trade payables		30,369	20,369
Contract liabilities		12,083	14,738
Liabilities to employees		33,714	26,768
Income tax liabilities		3,776	3,435
Other liabilities	F.20	17,173	9,468
		118,533	**89,292**
Non-current liabilities			
Pension provisions	F.18	1,287	630
Other provisions	F.19	757	852
Liabilities to financial institutions	F.20	73,360	77,357
Lease liabilities		30,451	30,371
Deferred tax liabilities	F.17	15,463	16,407
Other liabilities	F.20	1,755	27,009
		123,073	**152,626**
Equity			
Issued capital	H.	14,946	14,946
Reserves	H.	86,170	82,750
Treasury shares	H.	-1,373	0
Share of equity attributable to owners of the parent		**99,743**	**97,696**
Non-controlling interests	H.	302	251
		100,045	**97,947**
Total liabilities and equity		**341,652**	**339,865**

CONSOLIDATED CASH FLOW STATEMENT
OF ALL FOR ONE GROUP

in KEUR	Notes	10/2022 – 09/2023	10/2021 – 09/2022
Result for the period		**11,202**	**11,037**
Income tax	E.9	2,627	4,880
Financial result	E.8	1,076	1,683
Depreciation, amortisation and impairment on intangible, fixed and right-of-use assets [1]	E.5 E.6	29,060	29,491
Increase (+) / decrease (-) in value adjustments and provisions		1,988	-216
Gains (-) / losses (+) from the disposal of non-current assets		-1,042	-630
Increase (-) / decrease (+) in trade receivables		-4,928	-6,057
Increase (+) / decrease (-) in trade payables		9,915	-3,198
Increase / decrease in other assets and liabilities		-5,150	-2,180
Interest received		524	17
Income tax refunds (+) / payments (-)		-5,034	-6,748
Cash flow from operating activities		**40,238**	**28,079**
Payments for purchase of intangible and fixed assets		-8,835	-6,416
Proceeds from sale of intangible assets and fixed assets		1,328	677
Purchase of subsidiary, net of cash and cash equivalents acquired		-17,429	-24,081
Payments for acquisition of other financial investments		-2,780	0
Cash flow from investing activities		**-27,716**	**-29,820**
Repayment of lease liabilities		-15,928	-14,683
Proceeds from liabilities to financial institutions		0	40,108
Repayment of liabilities to financial institutions		-37	-11,035
Proceeds from purchase price instalments from disposal of subsidiaries		0	12
Payments for acquisition of non-controlling interests		0	-2,000
Payments for share buyback programme		-1,600	0
Interest paid		-2,864	-1,274
Dividend payments		-7,294	-7,270
Cash flow from financing activities		**-27,723**	**3,858**
Increase (+) / decrease (-) in cash and cash equivalents		**-15,201**	**2,117**
Effect of exchange rate fluctuations on cash funds		-203	111
Cash funds at start of financial year	G.	77,201	74,973
Cash funds at end of financial year	G.	**61,797**	**77,201**

1) including impairment on right-of-use assets from the restructuring programme

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
OF ALL FOR ONE GROUP

	Share of equity attributable to owners of the parent						Non-controlling interests	Equity
in KEUR	Issued share capital	Capital reserve	Currency translation reserve	Retained earnings	Treasury shares	**Total**		
Notes	H.	H.	H.	H.	H.		H.	
01.10.2021	**14,946**	**11,228**	**777**	**64,268**	**0**	**91,219**	**209**	**91,428**
Result for the period	0	0	0	10,967	0	10,967	70	11,037
Other comprehensive income	0	0	-113	2,847	0	2,734	0	2,734
Total comprehensive income	**0**	**0**	**-113**	**13,814**	**0**	**13,701**	**70**	**13,771**
Dividend distributions	0	0	0	-7,224	0	-7,224	-46	-7,271
Acquisition of treasury shares	0	0	0	0	0	0	0	0
Acquisition of a subsidiary with non-controlling interests	0	0	0	0	0	0	18	18
Transactions with owners of the company	**0**	**0**	**0**	**-7,224**	**0**	**-7,224**	**-28**	**-7,253**
30.09.2022	**14,946**	**11,228**	**664**	**70,858**	**0**	**97,696**	**251**	**97,947**
01.10.2022	**14,946**	**11,228**	**664**	**70,858**	**0**	**97,696**	**251**	**97,947**
Result for the period	0	0	0	11,056	0	11,056	146	11,201
Other comprehensive income	0	0	845	-1,275	0	-430	-5	-435
Total comprehensive income	**0**	**0**	**845**	**9,781**	**0**	**10,626**	**141**	**10,766**
Dividend distributions	0	0	0	-7,205	0	-7,205	-90	-7,294
Acquisition of treasury shares	0	0	0	0	-1,373	-1,373	0	-1,373
Acquisition of a subsidiary with non-controlling interests	0	0	0	0	0	0	0	0
Transactions with owners of the company	**0**	**0**	**0**	**-7,205**	**-1,373**	**-8,578**	**-90**	**-8,667**
30.09.2023	**14,946**	**11,228**	**1,509**	**73,434**	**-1,373**	**99,743**	**302**	**100,045**

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS

ALL FOR ONE GROUP SE, FILDERSTADT
FINANCIAL YEAR FROM 1 OCTOBER 2022 TO 30 SEPTEMBER 2023

F

EXPLANATORY NOTES TO THE CONSOLIDATED BALANCE SHEET 85

G

EXPLANATORY NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT 103

H

EXPLANATORY NOTES TO THE CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 104

I

OTHER EXPLANATORY NOTES 104

NOTES

TO THE CONSOLIDATED FINANCIAL STATEMENTS
OF ALL FOR ONE GROUP

A

BASIS OF PREPARATION

REGISTERED OFFICE AND LEGAL FORM OF THE COMPANY

All for One Group SE, Filderstadt, is a European company (Societas Europaea, SE). The company is listed in the commercial register of the District Court of Stuttgart under registration number HRB 774576. Its registered office is Rita-Maiburg-Strasse 40 in 70794 Filderstadt, Germany. All for One Group SE shares are listed in the Prime Standard of the Frankfurt stock exchange (ISIN: DE0005110001).

Parent company and, at the same time, overall parent company of All for One Group SE is Unternehmens Invest AG, Vienna/Austria, which – together with its subsidiaries UIAG Informatik-Holding GmbH, Vienna/Austria, and UIAG AFO GmbH, Vienna/Austria – holds the majority of the voting rights in All for One Group SE. Unternehmens Invest AG prepares consolidated financial statements for the smallest and largest groups of companies to which All for One Group SE belongs as a subsidiary, which it presents to the relevant company register court in Austria for disclosure.

BUSINESS ACTIVITIES AND SEGMENTS

All for One Group SE and the subsidiaries it controls (together »All for One Group« or »Group«) unite strategic and management consulting, process consulting, industry insight and technology expertise, and IT consulting and services under one roof. All for One Group develops its own software services and uses industry and add-on solutions – primarily based on SAP, Microsoft and IBM – to orchestrate all aspects of competitive strength. They encompass intelligent enterprise resource planning (ERP) – the digital core of any corporate IT – together with strategy, business models, customer & employee experience, new work, big data & analytics, as well as the internet of things, machine learning, and cybersecurity & compliance.

The management, planning and control of All for One Group are aligned to its two segments: »CORE« and »LOB«. The CORE segment focuses on the core business processes of companies and offers solutions and services for ERP, new work & collaboration, internet of things, machine learning, and cybersecurity & compliance, for example. The LOB (»Lines of Business«) segment includes the Group's business with IT solutions for departments such as Sales and Marketing, or HR (»customer & employee experience«).

ACCOUNTING STANDARDS AND GENERAL BASIS OF PRESENTATION

The consolidated financial statements of All for One Group SE for the financial year 2022/23, which ended on 30 September 2023, have been prepared in accordance with Section 315e of the German Commercial Code (HGB) and in compliance with the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as applicable in the European Union (EU). All of the International Financial Reporting Standards (IFRSs), International Accounting Standards (IASs) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) whose application was mandatory for the financial year 2022/23 have been taken into consideration. In addition, all legal disclosure and explanatory obligations pursuant to the HGB that go beyond the regulations of the IASB have been fulfilled.

The financial year 2022/23 of All for One Group began on 1 October 2022 and ended on 30 September 2023. The corresponding prior year period (»prior year«) thus comprises the period from 1 October 2021 to 30 September 2022.

The consolidated financial statements of All for One Group SE have been prepared in accordance with the historical cost principle and under the going concern assumption.

The consolidated statement of profit and loss has been prepared using the total cost method. Where items on the consolidated balance sheet and/or the consolidated statement of profit and loss and/or the statement of comprehensive income have been grouped together to enhance the clarity of presentation or for reasons of materiality, they are disclosed separately in the notes. The accounting methods used for individual items on the consolidated balance sheet and the consolidated statement of profit and loss and/or the consolidated statement of comprehensive income are explained in the individual notes, together with the specific relevant disclosures.

The presentation of the figures in the consolidated balance sheet distinguishes between current and non-current assets and liabilities. Assets and liabilities are classified as current if they are due within one year or within a longer normal business cycle. Deferred tax assets and liabilities are always recognised as non-current items on the consolidated balance sheet.

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

The consolidated financial statements of All for One Group SE for the financial year from 1 October 2022 to 30 September 2023 were approved by the management board on 13 December 2023 and forwarded to the supervisory board for its consent.

CHANGES TO THE ACCOUNTING AND VALUATION METHODS

NEW AND AMENDED STANDARDS AND INTERPRETATIONS APPLIED FOR THE FIRST TIME IN FINANCIAL YEAR 2022/23

The same accounting methods were used in the consolidated financial statements of All for One Group SE for financial year 2022/23 as had been applied the previous year (financial year 2021/22). When preparing the consolidated financial statements as of 30 September 2023, however, All for One Group also applied for the first time the following new and/or amended standards and interpretations as adopted by the European Union into EU law:

Standards / Interpretations

	Title	**Initial application All for One Group**	**Adopted by the EU**	**Impact on All for One Group**
Amendments to IFRS 3	Reference to the conceptual framework	01.10.2022	endorsed on 28.06.2021	no impact
Amendments to IAS 16	Proceeds before intended use	01.10.2022	endorsed on 28.06.2021	no material impact
Amendments to IAS 37	Onerous contracts – Cost of fulfilling a contract	01.10.2022	endorsed on 28.06.2021	no material impact
Annual improvements	Annual improvements to IFRSs cycle 2018 - 2020: amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41	01.10.2022	endorsed on 28.06.2021	no material impact

CHANGE IN PRESENTATION IN THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS

In financial year 2022/23, All for One Group added an item to its consolidated statement of profit and loss to improve clarity and transparency. The costs directly related to the restructuring measures implemented in the year under review (which mainly include personnel expenses) are recognised separately in a new item »Restructuring expenses«. The prior-year figure has not been adjusted.

STANDARDS AND INTERPRETATIONS WHOSE APPLICATION WILL BECOME MANDATORY IN FUTURE

The IASB and IFRS IC have issued the following announcements whose application was not yet mandatory in financial year 2022/23. All for One Group does not plan to apply these new and/or amended standards and interpretations prematurely.

Standards / Interpretations

	Title	Initial application All for One Group	Adopted by the EU	Impact on All for One Group
IFRS 17	Insurance contracts	01.10.2023	endorsed on 19.11.2021	no relevance
Amendments to IFRS 17	Initial application of IFRS 17 and IFRS 9 – Comparative information	01.10.2023	endorsed on 08.09.2022	no relevance
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of accounting policies	01.10.2023	endorsed on 02.03.2022	no material impact
Amendments to IAS 8	Definition of accounting estimates	01.10.2023	endorsed on 02.03.2022	no material impact
Amendments to IAS 12	Recognition of deferred tax arising from a single transaction	01.10.2023	endorsed on 11.08.2022	no impact
Amendments to IAS 12	Easier recognition of deferred taxes from global minimum taxation	01.10.2023	endorsed on 08.11.2023	no relevance
Amendments to IFRS 16	Lease liability in a sale and leaseback	01.10.2024	endorsed on 20.11.2023	no relevance
Amendments to IAS 1	Classification of liabilities as current or non-current including the deferral of effective date and classification of non-current liabilities with covenants	expected on 01.10.2024	open	impact is currently being analysed
Amendments to IAS 7 and IFRS 7	Supplier finance arrangements	expected on 01.10.2024	open	no relevance
Amendments to IAS 21	Effects of changes in foreign exchange rate: Lack of exchangeability	expected on 01.10.2025	open	no relevance

SCOPE OF CONSOLIDATION, CONSOLIDATION PRINCIPLES AND CURRENCY TRANSLATION

SCOPE OF CONSOLIDATION

These consolidated financial statements include All for One Group SE and those of its subsidiaries in Germany and abroad over which it exercises control. Control is considered to exist if All for One Group SE has exposure or rights to fluctuating returns on its investment in an entity and if it can use its power over this entity to influence said returns. Generally, majority ownership of the (direct or indirect) voting rights is assumed to constitute control. The financial statements of the relevant subsidiaries are included in the consolidated financial statements from the start of possible exercise of control until the possibility to exercise control no longer exists.

These consolidated financial statements as of 30 September 2023 include both All for One Group SE and 11 subsidiaries (prior year: 11) in Germany and 11 subsidiaries (prior year: 13) abroad, all of which were fully consolidated.

Company	Direct share in %	Indirect share in %
AC Automation Center S.à.r.l., Luxembourg/Luxembourg	90.0	10.0
AC Automation Center SA/NV, Zaventem/Belgium	100.0	
All for One Austria GmbH, Vienna/Austria	100.0	
All for One Customer Experience GmbH, Karlsruhe/Germany (formerly: POET GmbH)	100.0	
All for One Egypt LLC., Alexandria/Egypt (formerly: POET Egypt LLC.)		75.0
All for One Customer Experience GmbH, Vienna/Austria	100.0	
All for One Poland Sp. z o.o., Suchy Las (Poznan)/Poland	100.0	
All for One PublicCloudERP GmbH, Graz/Austria (formerly: B4B Solutions GmbH)	100.0	
All for One PublicCloudERP GmbH, Ratingen/Germany (formerly: B4B Solutions GmbH)		100.0
All for One Steeb Yazılım Servisleri Limited Sirketi, Istanbul/Turkey	100.0	
All for One Switzerland AG, St. Gallen/Switzerland (formerly: Process Partner AG)	100.0	
ALLFOYE Managementberatung GmbH, Düsseldorf/Germany	100.0	
avantum consult GmbH, Filderstadt/Germany (formerly: Düsseldorf/Germany)	100.0	
blue-zone GmbH, Hagenberg/Austria (formerly: CDE – Communications Data Engineering GmbH)	100.0	
blue-zone GmbH, Rosenheim/Germany	100.0	
Empleox GmbH, Heilbronn/Germany	100.0	
Empleox Austria GmbH, Vienna/Austria		100.0
Empleox BPO GmbH, Hamburg/Germany		100.0
Grandconsult GmbH (in liquidation), Filderstadt/Germany	100.0	
OSC GmbH, Lübeck/Germany	100.0	
OSC Smart Integration GmbH, Hamburg/Germany		100.0
OSC Business Xpert GmbH, Burgdorf/Germany		51.0

Exemption provided by Section 264 (3) HGB
The following subsidiaries have exercised their right of exemption under Section 264 (3) HGB and are exempt from their obligation to prepare, audit and disclose annual financial statements and a management report under commercial law in accordance with the provisions applicable to listed companies for financial year 2022/23:

- Empleox GmbH, Heilbronn
- avantum consult GmbH, Filderstadt
- OSC GmbH, Lübeck
- All for One Customer Experience GmbH, Karlsruhe

CHANGES IN THE SCOPE OF THE CONSOLIDATION

	Germany	Abroad	Total
Number of companies as of 01.10.2021	**9**	**8**	**17**
Additions from acquisitions	2	4	6
Additions due to foundation	0	1	1
Disposals from sale/ mergers/liquidation	0	0	0
Number of companies as of 30.09.2022	**11**	**13**	**24**
Number of companies as of 01.10.2022	**11**	**13**	**24**
Additions from acquisitions	0	0	0
Additions due to foundation	0	0	0
Disposals from sale/ mergers/liquidation	0	2	2
Number of companies as of 30.09.2023	**11**	**11**	**22**

CHANGES IN THE SCOPE OF THE CONSOLIDATION IN FINANCIAL YEAR 2022/23

All for One Poland
Effective 21 December 2022, All for One Group SE completed the early acquisition of all outstanding shares in All for One Poland. All for One Group SE had already acquired control over the Polish subsidiary with effect from 1 October 2021 (time of acquisition) when it purchased 51% of the shares from SNP Schneider-Neureither & Partner SE, Heidelberg. In keeping with the anticipated acquisition method, the acquisition of all shares had already been recognised in the consolidated financial statements of All for One Group SE at this time of initial acquisition (economic approach) based on reciprocal put and call options with – initially – mandatory exercise at the close of the financial year on 30 September 2024 at the latest. The price paid to purchase the legally outstanding 49% stake in All for One Poland was EUR 20.9 million. Of this amount, EUR 16.0 million was paid in cash from existing liquid funds in financial year 2022/23. Derecognition of the previously recognised purchase price obligations resulted in income less transaction costs of EUR 3.2 million, which was recognised through profit.

All for One Customer Experience
On 2 May 2022, All for One Group SE acquired all shares in customer experience (CX) experts POET GmbH, Karlsruhe, whose name has meanwhile been changed to All for One Customer Experience GmbH (»CX«). CX holds a 75% stake in the development company POET Egypt LLC., Alexandria/Egypt. Since the acquisition date, CX and its subsidiary have been included in the consolidated financial statements of All for One Group SE by means of full consolidation. The acquisition is allowing All for One Group to take a large step forward in expanding its CX portfolio. The experts working for the Karlsruhe-based IT service provider and its development company in Egypt strengthen the Group's portfolio of CX products.

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

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

The acquisition-date fair values of the acquired assets and liabilities at the time of the business combination, are shown in the following table:

All for One Customer Experience

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

Gross trade receivables amounted to KEUR 1,032 at the acquisition date. Of these, KEUR 55 are probably not recoverable.

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

All for One Customer Experience

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

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

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

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

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

CHANGES IN THE SCOPE OF THE CONSOLIDATION IN FINANCIAL YEAR 2021/22

Further companies acquired in addition to »All for One Customer Experience« in the prior year (»All for One Poland« and »ASC Group«) are discussed in the notes to the consolidated financial statements (section C) of the annual report 2021/22.

CONSOLIDATION PRINCIPLES

The financial statements of All for One Group SE and its consolidated subsidiaries are prepared in accordance with uniformly applicable measurement and valuation principles as of the reporting date for the consolidated financial statements (30 Sep 2023). Measurement, valuation, consolidation and structuring principles were applied consistently by all the companies included in the consolidated financial statements. All intra-Group assets, liabilities, income and expenses are eliminated during consolidation, as are all cash flows from business transactions between the companies included in the consolidated financial statements. The income tax effects of consolidation operations that affect profit or loss were taken into consideration and deferred taxes recognised.

The acquisition method is used to consolidate the subsidiaries' capital. Accordingly, the purchase price of the investment (consideration transferred) is allocated to the acquired identifiable assets and liabilities, as well as the contingent liabilities, on the basis of their fair values at the acquisition date. Deferred taxes were recognised on hidden reserves and liabilities identified during initial consolidation unless they were recognised for tax purposes. In subsequent periods, identified hidden reserves and liabilities are treated in the same way as the corresponding assets and liabilities. Any positive difference between the purchase price of the investment (consideration transferred) and the proportionate net fair values of the identifiable assets, liabilities and contingent liabilities is recognised as goodwill. Costs incurred in connection with the acquisition of a company are recognised as expenses. Non-controlling interests in an acquired company are measured on the basis of the proportionate share in the identifiable net assets of the acquired company and recognised as »Non-controlling interests« in the consolidated balance sheet of All for One Group. The future recognition of shares attributable to non-controlling shareholders in subsequent periods is determined by the relevant profit or losses, distributions and currency translation differences. Shares attributable to non-controlling shareholders are reported as a separate item in equity on the consolidated balance sheet. Transactions that involve non-controlling interests and do not result in a loss of control are recognised as equity transactions without affecting profit or loss. Forward transactions relating to the acquisition of further shares in existing subsidiaries are recognised using the anticipated acquisition method, i.e. shares attributable to non-controlling shareholders are not stated.

CURRENCY TRANSLATION

The items recognised in the financial statements of the individual companies within the Group are valued on the basis of the respective functional currency. All for One Group's reporting currency is the euro (EUR).

Transactions in foreign currencies are translated into the functional currency at the prevailing rate of exchange on the date of the business transaction. Monetary assets and liabilities in foreign currencies are translated at the exchange rate on the reporting date. Exchange differences are recognised in the statement of profit and loss under other operating expenses or income respectively. Non-monetary assets and liabilities valued at historical cost in a foreign currency are translated at the exchange rate on the day of the business transaction.

Financial statements of consolidated companies whose functional currency differs from the Group's reporting currency are translated as follows: The assets and liabilities are translated at the (mid-)rate of exchange applicable on the reporting date, equity is translated at historical rates, and income and expenditure are converted at the annual average exchange rate. Translation differences arising due to changes in exchange rates from one financial year to the next are always recognised under »Currency translation reserve« in equity without affecting profit or loss.

The most important changes in exchange rates in relation to the euro were as follows:

	Year-end rate		Average exchange rate	
	30.09. 2023	30.09. 2022	10/2022 – 09/2023	10/2021 – 09/2022
CHF	0.9670	0.9561	0.9791	1.0230
TRY	29.0514	18.0841	22.8205	15.8271
PLN	4.6283	4.8483	4.6200	4.6568
EGP	32.6707	19.1270	30.8006	19.4310

Turkey was classified as hyperinflationary for the first time in financial year 2021/22. As a result, IAS 29 was applied retrospectively, starting on 1 October 2021, to the activities of All for One Steeb Yazılım Servisleri Limited Sirketi, Istanbul/Turkey. IAS 29 requires application of a general price index as of the reporting date to adjust non-monetary assets and liabilities, equity and all items on the statement of profit and loss to eliminate the effects of inflation and to reflect a profit or loss derived from the netted monetary items. The index used by All for One Group for this purpose was the consumer price index issued by the Turkish statistics office (30 Sep 2023: 1,691; 30 Sep 2022: 1,047; 30 Sep 2021: 571). The balance sheet items and all income and expenses were then translated to euros – the reporting currency – at the exchange rate applicable on the reporting date. As the effects resulting from indexing the items on the balance sheet and the statement of profit and loss were immaterial from a Group perspective, no adjustment was made.

DISCRETIONARY MANAGEMENT DECISIONS AND ESTIMATION UNCERTAINTIES

To a limited extent, estimates and discretionary assumptions must be made when preparing the consolidated financial statements of All for One Group SE which impact the measurement, amount and recognition of the assets and liabilities, income and expenses, and contingent liabilities in the financial statements.

Key discretionary management decisions and estimation uncertainties relate particularly to the recognition and measurement of valuation allowances on trade receivables and contract assets (notes 12 and 22), the amount and likelihood of occurrence of provisions (note 19) and the recognition and measurement of current and deferred tax assets and liabilities (note 17). When assessing these discretionary judgements and estimation uncertainties, management is guided by empirical values from the past, estimates by experts (lawyers, rating agencies, associations, etc.) and its findings from careful consideration of different scenarios. Since actual results and developments outside management's sphere of control may differ considerably from the stated developments and assumptions, All for One Group reviews the estimates and assumptions made by management on an ongoing basis. Changes in estimates are recognised through profit or loss if and when knowledge improves.

Key discretionary decisions relating to corporate mergers are made with regard to recognising and measuring acquired assets and liabilities, including goodwill, and variable purchase price components (section C. and note 14). In the case of reciprocal options to acquire further shares in existing subsidiaries – forward transactions by nature – significant discretion is exercised when fictitiously recognising the future acquisition of those shares not yet owned by All for One Group at the time of acquiring the majority stake (»anticipated acquisition« method).

Key discretionary decisions with regard to revenue recognition are made when determining the contract unit for accounting purposes (contract collation), when defining separate performance obligations, when determining the timing of completion of the performance obligations (possibly together with determination of the method for measuring performance progress), when determining individual sale prices, when assessing significant financing components and when capitalising contract acquisition costs:

- The decision whether to collate multiple separately agreed IT service contracts with one customer that have an identical or similar timeline into (just) one contract unit for accounting purposes can involve not inconsiderable discretionary judgements in individual instances.

- Determining whether a promise of performance must be treated as a separate performance obligation (e.g. if implementation services are to be performed or if customers are offered options of acquiring additional products and services) can involve not inconsiderable discretionary judgements in individual instances.

- In the case of customer-specific consultancy projects to be executed within a specific time frame, management believes that the input-based efforts expended method is fundamentally best suited to measuring performance progress given the existence of a direct connection between the consultancy services already provided by All for One Group (e.g. consultancy hours worked up to reporting date) and the transfer of the right of disposal to the customer. Estimates of performance progress are based on empirical values and are monitored and adjusted on an ongoing basis.

- If multiple performance obligations exist, the estimated contract fee must be allocated to the identified performance obligations based on the relative individual sale prices in each case. All for One Group only uses alternative suitable methods to estimate individual sale prices if prices for the individual goods and services are not directly observable in the marketplace. Depending on the specific facts and circumstances, preference is given to the »expected cost plus margin« approach.

- Significant financing components must always be considered when determining transaction prices if the timing of performance and payment differs. Identifying whether a significant financing component exists (at all) in individual instances requires discretionary assessment of all relevant facts and circumstances pertaining to the relevant individual case.

- IFRS 15 requires that contract acquisition costs be capitalised and written off parallel to the transfer of right of disposal to the underlying goods and services to the customer. Determining both the scope of the contract acquisition costs to be capitalised and the write-down period can involve not inconsiderable discretionary judgement in individual instances. All for One Group SE is choosing to avail itself of the option of immediately recognising an expense in cases where the period of amortisation would be less than one year. Accordingly, the sales commission owing on software licences, for example, is therefore not capitalised.

– Costs associated with contract fulfilment as defined in IFRS 15 must be capitalised and subjected to scheduled amortisation over the estimated useful life. Determining both the scope of the contract fulfilment costs to be capitalised and the period of amortisation can involve not inconsiderable discretionary judgement in individual instances.

Material discretionary judgements when accounting for leases under IFRS 16 relate to individual property lease contracts containing options to extend after the primary term (including any subsequent automatic extensions of rental periods) that were not included when measuring the lease liabilities. They were left out due to the lack of sufficient certainty that these options would be exercised, which could lead to undiscounted potential cash outflows. For further details of these financial obligations not reported on the balance sheet, please refer to the discussion in note 23.

RUSSIA-UKRAINE CONFLICT AND UNCERTAINTIES IN THE MACROECONOMIC ENVIRONMENT

All for One Group is not directly affected by the fallout from the Russia-Ukraine conflict as it does not have any business relationships of any importance with suppliers and customers in Ukraine or Russia. Nevertheless, indirect impacts on All for One Group are possible, given that the political and overall economic consequences of the conflict are still not foreseeable at present. Furthermore, All for One Group is directly affected by the highler level of inflation and the strict interest rate policy of the European Central Bank aimed at containing it.

Accordingly, the discretionary judgements and estimates made by All for One Group are surrounded by more uncertainty than usual, in particular when calculating the impairment on trade receivables (»expected credit loss model«), when testing goodwill and trademark rights with indefinite useful lives for impairment. According to the underlying assumptions, neither the Russia-Ukraine conflict nor the increased uncertainties in the macroeconomic environment are impacting the net assets, financial position and results of operations of All for One Group to any significant extent.

EXPLANATORY NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS

1. Sales revenue

All for One Group generates sales revenue primarily from the sale of software licences and the provision of specific IT services (cloud contracts, outsourcing and managed services, software maintenance agreements, software implementation and optimisation projects, management and technology consulting, and training). Contract terms vary depending on the relevant activities. Revenue from the sale of software licences is generally recognised when the software is delivered. By contrast, contract terms for IT services tend to span periods ranging from several months to five years, although individual contracts can be outside this range. Invoices for services provided are generally payable immediately or within a short period of up to 60 days. For internal reporting purposes, All for One Group breaks its sales revenue down by type, country and business segment (»CORE« and »LOB«).

Sales revenue by type of revenue

in KEUR	10/2022 – 09/2023	10/2021 – 09/2022
Cloud services and support (1)	**127,737**	**112,028**
Software licences and support (2)	**144,773**	**146,607**
Software licences	24,815	30,176
Software support (3)	119,958	116,431
Consulting and services	**196,799**	**181,949**
Consulting	187,282	172,605
Services	9,305	9,257
Other revenue	212	87
CONVERSION/4 (4)	**18,643**	**12,068**
Total	**487,952**	**452,652**
Cloud and software revenue (1)+(2)	**272,510**	**258,635**
Recurring revenue (1)+(3)+(4)	**266,338**	**240,527**

The item »Other revenue« includes interest income on receivables from finance leases.

Sales revenue by country [1]

in KEUR	10/2022 – 09/2023	10/2021 – 09/2022
Germany	381,937	354,095
Switzerland	31,458	29,014
Austria	26,595	26,504
Poland	25,361	25,129
Luxembourg	10,360	9,124
Other countries	12,241	8,786
Total	**487,952**	**452,652**

1) Based on domicile of the customer

For details of the sales broken down by business segment (»CORE« and »LOB«), please refer to the segment report in note 21.

OUTSTANDING PERFORMANCE OBLIGATIONS

All for One Group uses the practical expedient of not disclosing the portion of the transaction price that is attributable to outstanding performance obligations as long as the original term of the relevant customer contracts is not more than one year or performance corresponds to the claim to reimbursement. The conditions for applying this practical expedient are, however, not met by some customer-specific IT services that are subject to PoC completion and some multi-component contracts. The transaction price relating to these performance obligations that are wholly or partially outstanding amounted to EUR 78.0 million as of 30 September 2023 (prior year: EUR 72.2 million). Most of the related revenue will probably be recognised within the twelve months following the reporting date.

Of the advance payments by customers that were recognised as contract liabilities as of 1 October 2022 (prior year: 1 Oct 2021) in an amount of EUR 13.2 million (prior year: EUR 8.8 million), EUR 13.1 million (prior year: EUR 8.5 million) were stated as sales revenues in financial year 2022/23.

Significant accounting policies

Sales revenue is measured on the basis of the consideration that is agreed with a customer in a contract and which All for One Group receives and realises when that customer gains control over the agreed goods and services. Such control can be transferred at a specific point in time or over a specific period. Revenue is stated exclusive of sales tax and less any reductions, such as credits, trade discounts, and the like. Significant financing components must always be considered when determining transaction prices if the timing of performance and payment differs by more than one year.

Contracts with customers regularly contain different promises of performance (IT products and/or IT services) which may require classification as separate performance obligations and, as a result, partial allocation of the contract price. Determining whether an IT product or IT service must be classified as a separate performance obligation (e.g. in the case of software implementation projects or if customers are offered options of acquiring additional products and services) can involve not inconsiderable discretionary judgements in individual instances. If several services are provided to one customer, they must either be specified in separate individual contracts or combined into a single contract consisting of several performance obligations. Where economically interdependent services are agreed with a customer in separate, individual contracts within a narrow time frame, they must be collated into a standard multi-component contract.

Revenue relating to the sale of software licences and other IT products is recognised at the time of software delivery (start of transfer of use). Within All for One Group, IT services are generally realised in instalments over the course of service provision. Likewise, sales relating to customer-specific consultancy projects are realised in line with the progress of performance over the course of the project (PoC (percentage of completion) method). All for One Group uses input-based methods – and specifically the efforts expended method – to determine revenue from customer-specific consultancy projects. This method involves determining the degree of completion as a ratio of the consultancy hours worked up to reporting date compared to the total estimated number of hours for the project as a whole. The product of these two variables constitutes the portion of project revenue (cumulative performance) to be realised as of the reporting date. As required under IFRS 15, the recognition of contract revenue includes contract modifications – i.e. amendments and supplements – in addition to the revenue from the initial contract. If cumulative performance as of the reporting date exceeds the project services that have already been invoiced or the advance payments that have already been made or are due, the balance is recognised as a contract asset and included in »Contract assets« (current portion) respectively »Other assets« (non-current portion) in the balance sheet. By contrast, if the balance is negative, it is recognised as a contract liability and included in »Contract liabilities« (current portion) respectively »Other liabilities« (non-current portion) in the balance sheet. Anticipated contract losses are taken into consideration on the basis of the identifiable risks and included immediately and in full in the contract result.

2. Other operating income

in KEUR	10/2022 – 09/2023	10/2021 – 09/2022
Advertising and marketing reimbursements from partners	1,370	1,476
Income from purchase price obligations	3,867	146
Income from disposal of assets	1,047	644
Reversal of provisions	567	574
Income from co-payments from employees	669	548
Income from currency differences	214	519
Investment tax credits / Subsidies (public authorities)	0	402
Insurance compensation	458	332
Income from subleases	447	217
Income from cost allocation to partners	100	97
Other income	1,253	719
Total	**9,992**	**5,674**

Significant accounting policies
Other operating income stated by All for One Group includes all income that is earned in the course of business operations but has no connection to its core business. Other operating income is measured at the fair values of the considerations (to be) received less any discounts or other similar deductions.

3. Cost of materials and purchased services

in KEUR	10/2022 – 09/2023	10/2021 – 09/2022
Purchased services	-155,252	-143,614
Cost of materials	-18,742	-24,612
Total	**-173,994**	**-168,226**

Purchased services mainly include expenses for SAP maintenance contracts. The cost of materials is primarily a result of the purchase of SAP software licencing rights and the procurement of hardware for customer projects.

Significant accounting policies
Expenditure on materials is recognised through profit or loss when a service is used, or the cost incurred. The amounts to be recognised as cost of materials and/or purchased services are based on the carrying amounts of the inventories and/or the price of purchased third-party performance.

4. Personnel expenses

in KEUR	10/2022 – 09/2023	10/2021 – 09/2022
Salaries and wages	-193,992	-173,044
Social security contributions	-32,084	-28,615
Defined contribution plan expenses	-1,050	-1,314
Defined benefit plan service costs	80	-750
Other personnel expenses	-2,240	-2,326
Total	**-229,286**	**-206,049**

Average headcount by function

	10/2022 – 09/2023	10/2021 – 09/2022
Cloud and consulting	1,968	1,823
Sales and marketing	246	234
Administration and management	312	275
Total	**2,526**	**2,332**

The average number of employees during financial year 2022/23 was 2,588 (prior year: 2,383). In addition, the workforce in financial year 2022/23 included an average of 57 apprentices/trainees (prior year: 55) and 145 in marginal employment, on parental leave and on extended sick leave (prior year: 134).

Significant accounting policies
Personnel expenses include all benefits (monetary and in-kind benefits) paid by All for One Group to its staff. They are recognised when a benefit is provided, or a cost incurred. The principle of accrual is applied to personnel expenses to allocate them to the period in which the entitlement of the relevant member of staff at All for One Group arises.

Part-time employees are converted into full-time employees when indicating the headcount.

The average headcount does not include board members, apprentices/trainees, staff with mini jobs and employees on parental or long-term sick leave.

5. Depreciation, amortisation and impairment on intangible, fixed and right-of-use assets

A breakdown of the depreciation, amortisation and impairment on intangible, fixed and right-of-use assets is included in the presentation of changes in fixed assets. Please refer to the relevant schedule of fixed assets and discussions in notes 14, 15 and 16.

6. Restructuring expenses

On 14 May 2023, All for One Group decided to restructure the service-oriented areas in its »CORE« segment. Actions and activities related to this decision incurred costs totalling KEUR 8,442 in financial year 2022/23.

in KEUR	10/2022 – 09/2023	10/2021 – 09/2022
Personnel-related expenses	-7,265	0
Impairment on right-of-use assets	-290	0
Other restructuring expenses	-887	0
Total	**-8,442**	**0**

Personnel expenses substantially comprise redundancy payments (KEUR 4,592), costs associated with release from duties (KEUR 1,487) and with additional bonuses (KEUR 634) in connection with the termination of employment contracts.

Reducing rental space by merging workstations in the service-oriented areas resulted in impairment of KEUR 290 on right-of-use assets.

The other restructuring expenses are attributable to the engagement of external consultants to implement the restructuring measures (KEUR 646) and costs for legal counsel, legal disputes and court proceedings (KEUR 241).

7. Other operating expenses

in KEUR	10/2022 – 09/2023	10/2021 – 09/2022
Internal information processing	-11,667	-8,841
Vehicle costs	-7,326	-6,294
Travel and overnight accommodation expenses	-4,844	-3,701
Marketing and advertising	-3,204	-3,495
Consulting and financial statement preparation costs	-2,792	-2,961
Human resource management expenses	-2,435	-2,952
Cost of premises	-2,957	-2,622
Insurance	-950	-888
Expenses from currency differences	-280	-158
Other expenses	-5,287	-4,614
Total	**-41,742**	**-36,526**

Significant accounting policies

All for One Group recognises all operations-related reductions in assets in other operating expenses if they cannot be allocated to any of the other expense items on the consolidated statement of profit and loss or are not recognised separately for reasons of immateriality.

8. Financial result

in KEUR	10/2022 – 09/2023	10/2021 – 09/2022
Interest income from short-term investments	541	3
Remeasurements	973	0
Other interest income	4	14
Financial income	**1,518**	**17**
Bank loan interest expenses	-1,425	-953
Interest expenses for lease liabilities	-1,053	-427
Custody fees	0	-178
Net interest for defined benefit plans	5	-7
Other interest expenses	-121	-135
Financial expenses	**-2,594**	**-1,700**
Financial result	**-1,076**	**-1,683**

Significant accounting policies

The financial income/financial expenses recognised by All for One Group include all income and expenses that are generated/incurred in the course of its financing activities and do not result from operations (e.g. valuation differences on financial assets and financial liabilities including intra-Group finance arrangements resulting from adjustments to exchange rates for foreign currencies). Financial income and expenses are recognised in the period to which they relate in the consolidated statement of profit and loss using the effective interest rate method.

Financial income mainly includes interest income from short-term investments (overnight money, fixed-term deposits, time deposits, etc.).

In addition to the interest expense on loans and finance leases, financial expenses also include other expenses directly related to financing of, or investments in, financial assets, unless they must be recognised in equity.

9. Income tax

Breakdown of income tax by geographical location

in KEUR	10/2022 – 09/2023	10/2021 – 09/2022
Current tax expenses		
National	-1,510	-3,352
Foreign	-2,452	-2,492
Total	**-3,962**	**-5,844**
Deferred tax expenses / income		
National	824	284
Foreign	511	680
Total	**1,335**	**964**
Balance	**-2,627**	**-4,880**

Breakdown of income tax by integral components

in KEUR	10/2022 – 09/2023	10/2021 – 09/2022
Current tax result		
Current income tax for the reporting year	-3,755	-5,682
Current income tax relating to prior periods	-207	-162
Total	**-3,962**	**-5,844**
Deferred tax result		
Change in temporary differences	1,233	871
Change in tax assets from tax loss carry forwards	102	93
Total	**1,335**	**964**
Balance	**-2,627**	**-4,880**

TAX RECONCILIATION

The following reconciliation shows the difference between expected and actual income tax expenses. The tax expenses were calculated by multiplying the tax rate of 30.5% (prior year: 30.4%) applicable for financial year 2022/23 by the earnings before tax. This tax rate constitutes a combined income tax rate derived from the standard corporation tax rate of 15.0% plus 5.5% solidarity surcharge and an effective trade tax rate of 14.6% (prior year: 14.5%). The relevant country-specific income tax rates applicable for the foreign companies ranged between 15.5% and 25.0% (prior year: between 12.7% and 25.0%).

in KEUR	10/2022 – 09/2023	10/2021 – 09/2022
EBT	13,828	15,917
Expected tax expenses	**-4,211**	**-4,839**
Deviations:		
Current tax expenses / income relating to prior periods	-207	-162
Tax differences relating to prior periods	254	0
Non-deductible expenses	-668	-601
Tax-free income	1,547	143
Waiver of capitalisation of loss carry forwards for current year	0	-35
Use of uncapitalised loss carry forwards for current year	12	0
Effect of different tax rates	818	676
Tax rate changes	21	-3
Other influences	-193	-59
Total	**-2,627**	**-4,880**

Significant accounting policies

The tax income/tax expense recognised by All for One Group relates to the taxes charged in individual countries on taxable profits, and to changes in deferred tax accruals. Income tax is recognised on the basis of the legal regulations applicable and/or approved as of the reporting date and in the amount expected to be refunded by, or paid to, the tax authorities.

Management routinely assesses individual tax matters to determine whether applicable tax regulations allow any room for interpretation. Tax provisions are formed where amounts included in tax returns will probably not materialise (uncertain tax positions). The amount is derived from the best possible estimate of the anticipated tax payment (expected amount or most probable amount of uncertain tax).

For information on deferred tax accounting, please refer to the detailed discussion of the applicable accounting methods in note 17.

Other taxes, such as transaction taxes or taxes on wealth and capital are reported as operating expenses.

10. Earnings per share

in KEUR	10/2022 – 09/2023	10/2021 – 09/2022
Numerator in KEUR		
Result for the period (attributable to owner of the parent)	11,056	10,967
Denominator in shares		
Weighted average number of ordinary shares outstanding	4,966,350	4,982,000
Undiluted and diluted earnings per share in EUR	**2.23**	**2.20**

Neither in the current nor prior reporting period were any options issued that would have entitled lenders, employees, management board or supervisory board members to acquire All for One Group SE shares. Accordingly, no dilution occurred with regard to the earnings per share as of 30 September 2023 and 30 September 2022, respectively.

Significant accounting policies

When calculating undiluted earnings per share, the profits attributable to the holders of All for One Group SE ordinary shares are divided by the weighted average number of ordinary shares in free float during the year.

When calculating diluted earnings per share, the profits attributable to the holders of All for One Group SE ordinary shares are divided by the weighted average number of ordinary shares in free float during the year, plus the weighted average number of ordinary shares that would result if all potentially dilutive ordinary shares were to be converted to ordinary shares.

EXPLANATORY NOTES TO THE CONSOLIDATED BALANCE SHEET

11. Finance lease receivables

As a lessor, All for One Group enters into finance lease agreements for IT equipment with its customers. Contracted finance leases run for an average term of five years.

in KEUR	Due ≤1 year	Due >1≤5 years	Due >5 years	Total 30.09. 2023
Finance lease receivables (gross)	4,241	7,707	0	11,948
Less unrealised financial income	-36	-540	0	-576
Finance lease receivables (net)	**4,205**	**7,167**	**0**	**11,372**

in KEUR	Due ≤1 year	Due >1≤5 years	Due >5 years	Total 30.09. 2022
Finance lease receivables (gross)	4,121	6,971	0	11,092
Less unrealised financial income	-19	-172	0	-191
Finance lease receivables (net)	**4,102**	**6,799**	**0**	**10,901**

Significant accounting policies

In the accounting procedures for lessors, IFRS 16 distinguishes between finance leases and operating leases. Leases are classified as finance leases if – pursuant to the lease agreement – essentially all the risks and opportunities associated with ownership are transferred to the lessee.

Finance lease amounts due from lessees are recognised as »Finance lease receivables« in an amount equivalent to the net investment in the lease contracts. Finance lease income is spread over the respective reporting periods to ensure the interest on the outstanding net investment relating to the leases remains constant in each period.

12. Trade receivables and contract assets

in KEUR	10/2022 – 09/2023	10/2021 – 09/2022
Trade receivables	62,647	57,387
Contract assets	11,030	8,322
Gross carrying amount	**73,677**	**65,709**
Impairment	-989	-702
Net carrying amount	**72,688**	**65,007**

Changes in impairment of doubtful accounts

in KEUR	30.09. 2023	30.09. 2022
Impairment on 1 October	**-702**	**-1,254**
Additions	-937	-679
Usage	532	1,078
Reversals	132	148
Foreign currency differences	-14	5
Impairment on 30 September	**-989**	**-702**

Significant accounting policies

Trade receivables are recognised at the time of occurrence at the fair value of the consideration provided (transaction price). Trade receivables are never discounted since they generally do not contain a material financing component and are due within one year, as a rule.

The following are recognised as contract assets:

- customer-specific consulting projects subject to PoC accounting (especially software implementation and software optimisation projects), where cumulative services exceed the project services that have already been delivered and invoiced or the advance payments that have already been made or are due (the balance is recognised as an asset);
- positive allocation effects arising from dividing the total transaction price of a multi-component contract among individual performance obligations based on relative individual sale prices; and
- other IT services that have already been provided but not yet billed.

Trade receivables and contract assets are subsequently recognised at amortised cost (less impairment). To determine impairment All for One Group uses a simplified method to calculate the method for calculating expected credit losses on the on the basis of calculated loss rates (so-called »expected credit loss model«). Accordingly, impairment is determined using an impairment matrix based on empirical credit loss data adjusted for forward-looking factors of significance for the borrowers and the general economic environment. Trade receivables and contract assets with impaired creditworthiness are subjected to special examination of the default risks on a case by case basis. Indicators of impaired creditworthiness include, in particular, significant financial difficulties or the likelihood of insolvency of a debtor. Impairment is recognised in the valuation allowance through profit or loss in the consolidated statement of profit and loss. If the reasons for impairment cease to exist in subsequent periods, the value is written up to no more than the original purchase price and recognised as profit. Impairment losses on trade receivables and earnings from write-ups are netted and recognised separately as »Impairment losses on financial assets« in the consolidated statement of profit and loss.

Impairment of doubtful trade receivables and contract assets includes assessments regarding a customer's credit rating. If a customer's financial data deteriorates, deviations from the expected impairment may occur.

13. Other assets

	30.09.2023			30.09.2022 [1]		
in KEUR	**Current**	**Non-current**	**Total**	**Current**	**Non-current**	**Total**
Contract fulfilment costs	1,004	800	1,804	758	1,032	1,790
Other prepaid services	10,048	3,089	13,137	7,448	3,813	11,261
Financial investments	0	3,763	3,763	0	0	0
Pre-tax claims	2,887	0	2,887	1,156	0	1,156
Contract acquisition costs	537	1,868	2,405	376	1,731	2,107
Inventories	2,368	0	2,368	1,935	0	1,935
Sundry other assets	3,093	564	3,657	863	544	1,407
Total	**19,937**	**10,084**	**30,021**	**12,536**	**7,120**	**19,656**

1) Prior-year figures adjusted

Sundry other non-current assets include contract assets of KEUR 140 (prior year: KEUR 158).

Significant accounting policies

Other assets include both financial and non-financial assets.

Financial assets are based on a contract representing a financial asset for the one party and a financial liability or equity instrument for the other. At All for One Group, the financial assets predominantly comprise cash and cash equivalents, finance lease receivables, trade receivables and financial investments. Financial assets are recognised in the consolidated balance sheet when All for One Group gains contractual entitlement to cash or other financial assets from a third party.

When recognised for the first time, a financial asset is classed as one of the following, and measured:

- measured at amortised cost; or
- measured at fair value.

Classification is based on the business model for managing debt instruments and on the characteristics of the contractual cash flows. Debt instruments are measured at amortised cost if they are held as part of a business model whose objective is to collect contractual cash flows, and the terms of the contract specify fixed dates for cash flows that solely constitute redemption and interest payments on the outstanding capital. Debt instruments not measured at amortised cost are recognised at fair value through profit or loss.

In the case of equity instruments that are not held for trading purposes and are therefore measured at fair value through profit or loss, the option exists to recognise changes in the fair value through other comprehensive income (FVTOCI). In such instances, amounts recognised in other comprehensive income may not be subsequently reclassified to the consolidated statement of profit and loss. The option must be examined for each specific instrument and decisions are irrevocable.

The financial assets held by All for One Group (excluding the financial investments) are predominantly non-derivative financial assets with contractual payment obligations consisting solely of interest and principal payments on the outstanding nominal amount and which are held with the aim of receiving the contractually agreed cash flows. Accordingly, these financial assets – primarily cash and cash equivalents (incl. short-term investments) and trade receivables – are assigned to the »measured at amortised cost« category. In contrast, equity shares (financial investments) held by the Group are categorised as »measured at fair value through profit or loss« (FVTPL).

Impairment of debt instruments measured at amortised cost is recognised in the amount of expected credit loss. On each reporting date, it is adjusted to reflect any changes in the credit risk of the relevant financial instruments since first-time recognition and usually reflects the amount of expected credit losses over the term.

If objective substantial signs indicate impairment of a financial asset, it is individually tested for impairment. Such indications of impairment might include deterioration in a debtor's credit rating with associated payment delays, or pending bankruptcy. The expected credit losses on financial and other receivables are determined on the basis of the risk of defaults expected to occur either over the next twelve months or over the residual term. An examination on each reporting date determines whether the credit risk has increased significantly.

The following information or expectations might be indicative of a significant increase in the credit risk:

- significant change in the internal or external credit rating of the financial instrument;
- detrimental changes in general business, financial or economic conditions that significantly impact the creditworthiness of the relevant customer;
- signs that a customer is in considerable financial difficulties; or
- failure to meet payment deadlines.

By contrast, a simplified model based on an impairment matrix is used to recognise the expected credit loss on trade receivables. Please refer to the detailed discussion in note 12 for more information.

In contrast to financial assets, non-financial assets are especially those that arise on the basis of legal provisions, as well as deferrals and advance payments. Non-financial assets at All for One Group mainly comprise contract assets, contract acquisition costs, contract fulfilment costs, inventories, accruals from maintenance contracts and pre-tax claims. Please refer to the discussion in note 12 for more information about contract assets. Contract acquisition costs incurred in initiating a contract with a customer (in particular sales commissions) are expensed as incurred unless the amortisation period exceeds one year. Otherwise, the contract acquisition costs are capitalised and amortised over the expected duration of the customer relationship (3 to 10 years). In addition, All for One Group capitalises contract fulfilment costs as per IFRS 15 that arise in fulfilment of a contract with a customer and are not covered by the scope of application of any other standard (in particular initial project expenses associated with managed services). Contract fulfilment costs are subject to scheduled amortisation over the estimated useful life. Contract acquisition and fulfilment costs are recognised as current and non-current »Other assets« on the balance sheet and discussed separately in the notes to the consolidated financial statements. The amortisation of contract acquisition costs is only recognised in »Personnel expenses« whereas contract fulfilment costs are amortised in both »Personnel expenses« and »Cost of materials and purchased services«. Impairment must be recognised if the carrying amount of the capitalised costs exceeds the residual value of the expected consideration from the customer for the delivery of goods or provision of services less the outstanding associated costs.

14. Intangible assets

in KEUR	Goodwill	Trademark rights	Customer relationships	Other intangible assets	Total
Costs					
01.10.2021	**32,527**	**12,417**	**50,288**	**10,052**	**105,284**
Foreign currency differences	296	0	166	-107	355
Change in scope of consolidation	35,214	126	12,157	5,888	53,385
Additions	0	0	0	388	388
Disposals	0	0	0	-41	-41
30.09.2022	**68,037**	**12,543**	**62,611**	**16,180**	**159,371**
01.10.2022	**68,037**	**12,543**	**62,611**	**16,180**	**159,371**
Foreign currency differences	794	0	211	111	1,116
Change in scope of consolidation	-25	0	29	7	11
Additions	0	0	119	361	480
Disposals	0	0	0	28	28
30.09.2023	**68,806**	**12,543**	**62,970**	**16,687**	**161,006**
Accumulated amortisation and impairment					
01.10.2021	**1,797**	**127**	**35,273**	**7,501**	**44,698**
Foreign currency differences	248	0	-12	-70	166
Amortisation	0	17	5,099	4,300	9,416
Impairment	0	0	0	0	0
Disposals	0	0	0	-41	-41
30.09.2022	**2,045**	**144**	**40,360**	**11,690**	**54,239**
01.10.2022	**2,045**	**144**	**40,360**	**11,690**	**54,239**
Foreign currency differences	-23	0	48	111	136
Amortisation	0	12	5,423	1,548	6,983
Impairment	0	0	0	0	0
Disposals	0	0	0	28	28
30.09.2023	**2,022**	**156**	**45,831**	**13,377**	**61,386**
Carrying amounts					
30.09.2022	**65,992**	**12,399**	**22,251**	**4,490**	**105,132**
30.09.2023	**66,784**	**12,387**	**17,139**	**3,310**	**99,620**

GOODWILL

Goodwill is attributable as follows to the cash-generating units (CGUs) or groups of cash-generating units of All for One Group:

in KEUR	30.09. 2023	30.09. 2022
All for One Poland Sp. z o.o., Suchy Las (Poznan)/Poland	20,566	19,632
All for One Group SE, Filderstadt	12,126	12,126
All for One Switzerland AG, St. Gallen/Switzerland	10,210	–
ASC Group (ASC Management Consulting AG, Engelberg/Switzerland, and Advance Solutions Consulting GmbH, Baden/Switzerland)	0	7,658
Process Partner AG, St. Gallen/Switzerland	0	2,668
Empleox GmbH, Heilbronn (sub-group)	9,398	9,398
All for One Customer Experience GmbH, Karlsruhe	6,741	6,767
avantum consult GmbH, Filderstadt	2,569	2,569
OSC GmbH, Lübeck (sub-group)	2,327	2,327
blue-zone GmbH, Hagenberg/Austria	1,301	1,301
blue-zone GmbH, Rosenheim	892	892
All for One PublicCloudERP GmbH, Graz/Austria (sub-group)	529	529
All for One Austria GmbH, Vienna/Austria	125	125
Total	**66,784**	**65,992**

With regard to the changes in the scope of consolidation discussed in section C. following the merger of former ASC Group into Process Partner AG to create All for One Switzerland AG, the two cash-generating units of ASC Group (ASC Management Consulting AG, Engelberg/-Switzerland, and Advance Solutions Consulting GmbH, Baden/Switzerland) and Process Partner AG, St. Gallen/-Switzerland, were also merged to form a single group of cash-generating units (All for One Switzerland AG, St. Gallen/Switzerland). In future, All for One Switzerland AG will constitute the lowest level within All for One Group at which goodwill is monitored for internal management purposes.

TRADEMARK RIGHTS, CUSTOMER RELATIONSHIPS AND OTHER INTANGIBLE ASSETS

Trademark rights are corporate brands acquired through business combinations that – unlike a product brand – generally do not have a life cycle. Accordingly, it is not possible to define an economic useful life. An unlimited useful life must therefore be assumed. Performance of the mandatory impairment tests at the end of a respective reporting period did not reveal any need to write down the capitalised trademark rights in the current reporting period 2022/23 nor in the previous year.

Customer relationships refer to the customer bases acquired through business combinations. They are subject to linear amortisation over an estimated useful life of between 36 and 180 months. No impairment losses were recognised either in the current reporting year 2022/23 or in the previous year.

Research and development activities at All for One Group are mainly carried out within the framework of customer orders. The expenses incurred are charged directly to the customer and therefore do not represent original research and development expenses for All for One Group. There are no other significant non-customer-related research and development expenses.

IMPAIRMENT TESTING OF GOODWILL AND TRADEMARK RIGHTS

Goodwill is tested for impairment at the level of the smallest cash-generating unit (CGU) or groups of cash-generating units, based on value in use (»Discounted Cash Flow« method). In addition, All for One Group tests trademark rights for impairment by determining the recoverable amount based on fair value less costs of disposal (using a licence price analogy method). To estimate the fair value of trademark rights, management must estimate the probable cash flows from future trademark-relevant sales revenue together with a market-oriented licensing rate for the pertinent brand names, as well as specifying an appropriate discount rate to determine the present value of these cash flows.

The cash flow forecasts used to test impairment are based on management's four-year business plan. External sources are also used in the preparation of such plans, which also incorporate price agreements derived from empirical values, anticipated increases in efficiency and a revenue trend derived from the strategy. Prospective cash flow statements are derived from the resulting plan and plausible assumptions made regarding trends in the coming years, assuming a growth rate of 1%. Growth is predicted to be in the mid-single-digit percentage range over the detailed planning period. At the level of the cash-generating units (CGUs) of All for One Group, the budgets assume constant or slightly higher EBIT margins, such as are customary in the sector. EBIT before M&A effects (non-IFRS) is expected develop to a level in the lower single-digit percentage range by the end of the detailed planning period. EBIT margins in the LOB segment are assumed to exceed those in the CORE segment. The discount rate used for impairment testing of goodwill and trademark rights with indefinite useful lives was derived from the weighted average cost of equity and borrowed capital, based on the »Capital Asset Pricing Model«. The cost of equity is based on a risk-free capital market interest rate for the relevant period and allows for a beta factor for the sector and a risk premium relating to the relevant capital market. Based on the tax situation, this was used to deduce a pre-tax discount rate.

Impairment testing of goodwill and trademark rights with indefinite useful lives did not reveal any need for impairment in the current reporting period 2022/23 nor in the prior year. As part of a sensitivity analysis for the cash-generating units (CGUs) of All for One Group to which goodwill has been allocated, an increase in the discount rate of one percentage point, a decrease in the long-term growth rate of 0.5 percentage points and a reduction in the EBIT margin of 25% were assumed. Apart from both the CGUs All for One Poland Sp. z o.o., Suchy Las (Poznan)/Poland (»CGU Poland«) and All for One Group SE, Filderstadt (»CGU All41G SE«), none of these parameter changes, either in isolation or in possibly conceivable combinations, would result in a need for impairment. As far as the sensitivity analysis using potentially possible changes in the material valuation parameters (higher discount rate, lower long-term growth rate or reduced EBIT margin) for CGU Poland is concerned, when viewed in isolation only a 10.3% reduction in the EBIT margin would result in the recoverable amount relating to CGU Poland equalling its carrying amount. A reduction of 25% in the EBIT margin would possibly necessitate recognition of an impairment loss for CGU Poland of EUR 3.5 million. If the changes in the material valuation parameters (higher discount rate, lower long-term growth rate or reduced EBIT margin) are viewed in isolation, only a 23.0% reduction in the EBIT margin would result in the recoverable amount relating to CGU All41G SE equalling its carrying amount. A reduction of 25% in the EBIT margin would possibly necessitate recognition of an impairment loss for CGU All41G SE of EUR 1.6 million.

Impairment testing of the goodwill and trademark rights with indefinite useful lives was based on the following pre-tax discount rates:

in %	30.09.2023	30.09.2022
All for One Poland Sp. z o.o., Suchy Las (Poznan)/Poland	16.40	14.35
All for One Group SE, Filderstadt	16.15	14.80
All for One Switzerland AG, St. Gallen/Switzerland	13.31	0.00
ASC Group (ASC Management Consulting AG, Engelberg/Switzerland, and Advance Solutions Consulting GmbH, Baden/Switzerland)	0.00	11.96
Process Partner AG, St. Gallen/Switzerland	0.00	12.12
Empleox GmbH, Heilbronn (sub-group)	16.15	15.03
All for One Customer Experience GmbH, Karlsruhe	16.15	15.10
avantum consult GmbH, Filderstadt	16.15	15.05
OSC GmbH, Lübeck (sub-group)	16.15	15.20
blue-zone GmbH, Hagenberg/Austria	14.64	13.66
blue-zone GmbH, Rosenheim	16.15	14.73
All for One PublicCloudERP GmbH, Graz/Austria (sub-group)	16.15	14.74
All for One Austria GmbH, Vienna/Austria	14.64	13.66

In view of the consequences of the Russia-Ukraine conflict and the increased macroeconomic uncertainties, forecasts in financial year 2022/23 with regard to the duration and extent of the impact on cash flows are surrounded by considerable uncertainty. Management has analysed the potential impact on the expected future business of All for One Group on the basis of estimates and assumptions based on the best available information. In this context, the management of All for One Group sees no need for impairment of goodwill.

Significant accounting policies

Intangible assets

The intangible assets held by All for One Group essentially comprise software, licences, trademarks and patents, customer relationships and goodwill. When recognised for the first time, individually acquired intangible assets are stated at purchase price. The purchase price of intangible assets acquired as part of a business combination corresponds to the fair value at the acquisition date.

Capitalisation of an internally developed intangible asset is conditional upon future benefit accruing to All for One Group in all probability from the asset and upon the cost being reliably determined. The technological feasibility of software solutions developed by All for One Group is only ever given shortly before market maturity. During the research and development phase, the processes are generally iteratively closely connected. As a result, the research and development expenses cannot be reliably separated. Development expenses occurring after technological feasibility has been achieved are not material. Accordingly, All for One Group always recognises research and development expenses when they occur.

Following first-time recognition, intangible assets are stated at purchase or manufacturing price less cumulative amortisation and cumulative impairment losses. The scheduled amortisation of intangible assets with quantifiable useful lives is linear over the contractual/estimated useful life. The useful lives used by All for One Group range between 1 and 15 years.

Purchased (derivative) goodwill arising from the capital consolidation of subsidiaries is recognised separately as an asset in the consolidated balance sheet of All for One Group. By contrast, internally developed (original) goodwill is not allowed to be capitalised.

Goodwill impairment

Capitalised goodwill is tested for impairment at least once a year or whenever signs of goodwill impairment are identified. A single-stage procedure is used to test goodwill impairment at the level of the cash-generating unit (CGU) to which the goodwill is allocated. Goodwill is tested for impairment at the level of the legal entities and/or subgroups. The impairment test compares the carrying amount of the cash-generating unit with the recoverable amount. If the carrying amount exceeds the recoverable amount, impairment of the recoverable amount is recognised through profit or loss. The impairment expense is first allocated to the goodwill; any amounts exceeding the same are then allocated proportionately to the assets of the CGU, subject to specific restrictions. Goodwill impairment in earlier periods may not be subsequently written up if the reasons for original impairment cease to exist.

The recoverable amount is the higher of fair value less costs of disposal or value in use of the asset. Fair value less costs of disposal is the amount that could be recovered by selling an asset in an arm's length transaction between knowledgeable, willing parties and after deduction of the costs relating to the sale. Value in use is the present value of the estimated future cash flows expected from continued use of an asset and its disposal at the end of its useful life.

Impairment of other intangible, fixed and right-of-use assets

On each reporting date, All for One Group examines all right-of-use, fixed and intangible assets for signs of impairment. If facts or changes in circumstances indicate that the carrying amount of an asset may not be recoverable, the asset is tested for impairment. In addition, intangible assets whose useful lives cannot be determined, or which are not yet being used by the company, are tested for impairment at the end of each financial year. This impairment test compares the carrying amount of the asset with the recoverable amount. The recoverable amount is determined individually for each asset or, if this is not possible, for the cash-generating unit (CGU) to whom the asset is allocated. If the carrying amount exceeds the recoverable amount, impairment of the recoverable amount is recognised through profit or loss. Impairment losses are recognised (for goodwill, other intangible assets and fixed assets) under »Depreciation, amortisation and impairment on intangible, fixed and right-of-use assets« in the consolidated statement of profit and loss, while write-ups (where permissible) are recognised as other operating income.

If the reasons for impairment of fixed, other intangible or right-of-use assets in earlier periods cease to exist, the assets are written up to no more than the amortised cost and recognised through profit or loss.

15. Fixed assets

in KEUR	Leasehold improvements	IT systems	Operating and office equipment	Total
Acquisition and production costs				
01.10.2021	**5,781**	**33,253**	**6,186**	**45,220**
Currency translation	-58	30	-56	-84
Change in scope of consolidation	76	344	131	551
Additions	768	4,440	1,088	6,296
Disposals	-23	-643	-504	-1,170
Reclassifications	0	0	0	0
30.09.2022	**6,544**	**37,424**	**6,845**	**50,813**
01.10.2022	**6,544**	**37,424**	**6,845**	**50,813**
Currency translation	-29	-12	-64	-105
Change in scope of consolidation	0	0	0	0
Additions	168	7,637	547	8,352
Disposals	-195	-2,175	-336	-2,706
Reclassifications	0	11,371	0	11,371
30.09.2023	**6,488**	**54,245**	**6,992**	**67,725**
Accumulated depreciation and impairment				
01.10.2021	**2,067**	**23,357**	**4,556**	**29,980**
Currency translation	-36	33	-19	-22
Depreciation	576	4,749	631	5,956
Impairment	0	0	0	0
Disposals	-23	-626	-474	-1,123
Reclassifications	0	0	0	0
30.09.2022	**2,584**	**27,513**	**4,694**	**34,791**
01.10.2022	**2,584**	**27,513**	**4,694**	**34,791**
Currency translation	-27	7	-31	-51
Depreciation	568	5,523	640	6,731
Impairment	0	0	0	0
Disposals	-63	-2,158	-200	-2,421
Reclassifications	0	11,353	0	11,353
30.09.2023	**3,062**	**42,238**	**5,103**	**50,403**
Carrying amounts				
30.09.2022	**3,960**	**9,911**	**2,151**	**16,022**
30.09.2023	**3,426**	**12,007**	**1,889**	**17,322**

Also included under leasehold improvements are those improvements over which the lessor has since assumed legal ownership, but which remain in the beneficial ownership of the lessee for the term of the lease. IT systems substantially comprise the computer centres operated by All for One Group. The reclassifications relate to the acquisition of IT systems from leases that were formerly classified as right-of-use assets (see note 16). The item operating and office equipment includes office machines and equipment, office furniture and furnishings, as well as company cars.

Significant accounting policies

Fixed assets

Fixed assets are recognised at historical acquisition and production cost less cumulative linear depreciation and cumulative impairment losses. Acquisition costs include all expenses directly attributable to the purchase. Investment subsidies and tax-free investment allowances are deducted from the carrying amounts of the relevant assets. IAS 16 requires that dismantling and removal obligations be capitalised as part of the acquisition and production costs of the relevant asset. The acquisition cost of fixed assets acquired as part of a business combination corresponds to the fair value at the acquisition date. Retrospective acquisition and production costs are only capitalised if future benefit is likely to accrue to All for One Group and the cost can be reliably determined.

Depreciation is linear over the expected useful life. Tenant fixtures and fixtures in rental premises may be subject to linear depreciation over the shorter term of the lease contract. Scheduled depreciation is based essentially on the following useful lives:

- Leasehold improvements: 2 – 15 years
- IT systems: 3 – 6 years
- Operating and office equipment: 4 – 13 years

Maintenance and repairs are expensed in the period in which they occur. The acquisition and production costs and relevant cumulative depreciation are derecognised if fixed assets are scrapped or sold, and any book gains or losses are recognised through profit or loss in other operating income or other operating expenses.

Impairment of fixed assets

Please refer to the detailed discussion of the applicable accounting methods in note 14.

16. Right-of-use assets

Right-of-use assets from leases

in KEUR	Buildings	IT systems	Operating and office equipment	Total
Acquisition and production costs				
01.10.2021	**33,566**	**22,444**	**10,717**	**66,727**
Currency translation	-105	-22	-47	-174
Change in scope of consolidation	2,477	392	517	3,386
Additions	6,765	5,352	3,657	15,774
Disposals	-3,100	-419	-1,598	-5,117
Reclassifications	0	0	0	0
30.09.2022	**39,603**	**27,747**	**13,246**	**80,596**
01.10.2022	**39,603**	**27,747**	**13,246**	**80,596**
Currency translation	-2	18	35	51
Change in scope of consolidation	0	0	0	0
Additions	4,680	5,286	6,031	15,997
Disposals	-1,038	0	-1,826	-2,864
Reclassifications	0	-11,371	0	-11,371
30.09.2023	**43,243**	**21,680**	**17,486**	**82,409**
Accumulated depreciation and impairment				
01.10.2021	**9,919**	**11,487**	**5,363**	**26,769**
Currency translation	-45	-7	-9	-61
Depreciation	6,082	4,115	3,922	14,119
Impairment	0	0	0	0
Disposals	-2,066	-419	-1,553	-4,038
Reclassifications	0	0	0	0
30.09.2022	**13,890**	**15,176**	**7,723**	**36,789**
01.10.2022	**13,890**	**15,176**	**7,723**	**36,789**
Currency translation	-29	8	0	-21
Depreciation	6,354	4,683	4,017	15,054
Impairment	290	0	0	290
Disposals	-1,038	0	-1,799	-2,837
Reclassifications	0	-11,353	0	-11,353
30.09.2023	**19,467**	**8,514**	**9,941**	**37,922**
Carrying amounts				
30.09.2022	**25,713**	**12,571**	**5,523**	**43,807**
30.09.2023	**23,776**	**13,166**	**7,545**	**44,487**

The right-of-use assets from leases relate to property lease contracts, EDP infrastructure leases, especially hardware, and lease contracts governing operating and office equipment items, especially company car leases. The terms of the leases range from one to twelve years.

Significant accounting policies
Lease contract recognition

IFRS 16 defines a lease as a contract under which the lessor conveys the right to the lessee to use an identified asset for a period of time in exchange for one or several payments. The same holds true for agreements that do not expressly describe the transfer of such a right. Within the scope of its business transactions, All for One Group acts as a lessee (of buildings, computer centres and vehicles, for example) and as a lessor (essentially in connection with the leasing of IT products).

In the case of leases in which it acts as lessee, All for One Group capitalises a right-of-use asset and recognises a corresponding lease liability for all lease instalments that are payable over the term of the contract. Simplified application is used for low value leases and current leases (term of less than twelve months), where payments are recognised as straight-line expenses in the consolidated statement of profit and loss. All for One Group exercises the option under IFRS 16.4 and does not apply the provisions on lease accounting (IFRS 16) to intangible assets (e.g. software licences).

The cost of acquiring a right-of-use asset is derived essentially from the present value of all future lease instalments plus any lease payments at or prior to commencement of the lease, together with the cost of contract fulfilment and the estimated cost of returning the lease asset to its original state. Subsequent measurement is at purchase price less cumulative (scheduled) depreciation and cumulative impairment losses. Right-of-use leased assets are recognised separately in the balance sheet and broken down in the notes to the consolidated financial statements. Depreciation and impairment on capitalised right-of-use assets are recognised in the consolidated statement of profit and loss under »Depreciation, amortisation and impairment on intangible, fixed and right-of-use assets«. Right-of-use assets are written down over the useful life of the underlying asset if they are specifically designed so that the relevant lease payments incorporate the transfer of title to the underlying asset at the end of the lease term or it is highly likely that a purchase option will be exercised. In all other instances, right-of-use assets are subject to scheduled depreciation over the term of the lease.

The current and non-current lease liabilities recognised separately in »Lease liabilities« were measured for the first time at the present value of the outstanding lease payments. When remeasured, the carrying amount of the lease liabilities is increased by the annual interest expense and reduced by the lease payments effected. The resulting interest expenses are recognised in the consolidated statement of profit and loss under the financial result (»Financial expenses«).

For information on the impairment of right-of-use leased assets, please refer to the detailed discussion of the relevant accounting methods in note 14.

In the case of leases in which All for One Group acts as lessor, please refer to the detailed discussion of the relevant accounting methods in note 11.

17. Deferred tax assets and deferred tax liabilities

in KEUR	Deferred tax assets 30.09.2023	Deferred tax assets 30.09.2022	Deferred tax liabilities 30.09.2023	Deferred tax liabilities 30.09.2022	Deferred tax expenses (-) / Deferred tax income (+)[1] 10/2022 – 09/2023	Deferred tax expenses (-) / Deferred tax income (+)[1] 10/2021 – 09/2022
Valuation differences from:						
Acquisitions	0	0	8,626	10,867	2,287	2,125
Revenue recognition						
IFRS 15 allocations	58	66	257	105	-158	-95
POC method	7	0	5,936	4,407	-1,523	-772
Contract acquisition costs	0	0	598	621	23	-220
Contract fulfilment costs	0	0	195	253	58	-3
Value adjustments on receivables	159	112	20	24	46	10
Leases						
Lessors	0	0	1,362	1,313	-49	21
Lessees	139	132	50	66	21	-27
Promissory note loans	0	0	44	55	11	-23
Pension commitments	420	332	0	2	-117	8
Other employee benefits	1,086	452	0	0	635	-27
Other provisions	130	156	24	23	-27	-34
Tax loss carry forwards	407	304	0	0	103	95
Outside basis differences	0	0	130	75	-55	17
Other divergences	112	-37	94	27	80	-111
Total (before netting)	**2,518**	**1,517**	**17,336**	**17,838**	**1,335**	**964**
Netting	-1,873	-1,431	-1,873	-1,431		
Net amount	**645**	**86**	**15,463**	**16,407**		

1) Recognised in the consolidated statement of profit and loss

The recognition of deferred tax assets is derived from the business plan of the relevant Group companies. These business plans are reviewed annually and require a whole host of estimates. They are based, for example, on interpretations of existing tax legislation and regulations in the relevant countries. These estimates can change in the wake of changes in the market or competitive environment, customer structure or general economic conditions. When initially recognising and remeasuring deferred tax assets from unused tax loss carry forwards, the future earnings position of the subsidiaries is estimated. In light of the severe volatility and limited visibility, planning horizons are limited to one to three years. By the same token, loss carry forwards with a likelihood of realisation extending beyond this period are not, or no longer, capitalised. Numerous internal and external factors can have a more positive or more adverse effect on deferred tax assets and liabilities. Changes can occur, for example due to adjustments to tax rates, to finalised tax assessments and to more or less favourable trends in the taxable earnings forecast by subsidiaries. Such factors may necessitate adjustments to recognised tax assets and liabilities. Given the need for regular remeasurement, the recognition of deferred tax assets and liabilities is therefore subject to considerable fluctuation.

As of 30 September 2023, the German companies had tax loss carry forwards totalling KEUR 2,958 (30 Sep 2022: KEUR 2,745). These are attributable to the subsidiaries Grandconsult GmbH i.L. (in liquidation), Filderstadt, in the amount of KEUR 2,284 (30 Sep 2022: KEUR 2,285), Allfoye Managementberatung GmbH, Düsseldorf, in the amount of EUR 0 (30 Sep 2022: KEUR 224) and blue-zone GmbH, Rosenheim, in the amount of KEUR 674 (30 Sep 2022: 236). Deferred tax assets were recognised on KEUR 674 of these loss carry forwards (30 Sep 2022: KEUR 460).

In addition, the Austrian companies have tax loss carry forwards totalling KEUR 874 (30 Sep 2022: KEUR 673). These are attributable to the subsidiaries All for One PublicCloudERP GmbH, Vienna/Austria (formerly: B4B Solutions GmbH, Graz/Austria), in the amount of KEUR 202 (30 Sep 2022: KEUR 192) and Empleox Austria GmbH, Vienna/Austria, in the amount of KEUR 672 (30 Sep 2022: KEUR 481). Deferred tax assets were recognised on KEUR 874 of these loss carry forwards (30 Sep 2022: KEUR 673).

Based on its estimates of future business development, All for One Group assumes that sufficient taxable income will probably be available to enable utilisation of the capitalised deferred tax assets. Future utilisation of tax loss carry forwards amounting to KEUR 2,284 (30 Sep 2022: KEUR 2,285) is not expected. Tax loss carry forwards do not lapse over time.

No deferred tax liabilities were recognised on tax-relevant temporary differences of KEUR 390 (5% of KEUR 7.806) (prior year: KEUR 1,305, 5% of KEUR 26,104) in connection with shares in subsidiaries, given the unlikelihood of any reversal of these temporary differences in the foreseeable future.

Significant accounting policies

As per IAS 12, deferred taxes are recognised for all temporary differences between the amounts in the tax balance sheet and the IFRS consolidated balance sheet. Temporary differences result in taxable or tax-deductible amounts when an asset is realised, or a liability paid. Taxable temporary differences result in recognition of a deferred tax liability, while tax-deductible temporary differences are recognised as a deferred tax asset. In addition, deferred tax assets are generally recognised on loss carry forwards if it is likely that these can be used in the future. The amount of probable tax charge or tax relief in subsequent financial years is deferred at the tax rate applying at the time of realisation.

The carrying amount of deferred tax assets is examined each year on the reporting date and reduced if the availability of sufficient taxable income to claim the full or partial amount no longer seems likely. The relevant impacts of any changes in tax rates on the deferred tax assets and liabilities are recognised through profit or loss. As per IAS 12, deferred tax assets and liabilities are not discounted and are always recognised as non-current assets and liabilities in the consolidated balance sheet.

Deferred tax assets and liabilities are netted if All for One Group has a legally enforceable right to offset current tax assets against current tax liabilities, and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the same taxable entity.

Current and deferred taxes are recognised through profit or loss as an expense or income unless they relate to items recognised directly in equity, in which case the taxes are also recognised in equity without affecting profit or loss.

The estimates of deferred taxes on loss carry forwards are substantially dependent on the earnings performance of the relevant tax entities. Accordingly, the amounts actually occurring in future periods may differ from these estimates.

18. Pension provisions

Defined benefit plans

	Present value of defined benefit obligation		Fair value of plan assets		Net liabilities / assets from defined benefit plans	
in KEUR	10/2022 – 09/2023	10/2021 – 09/2022	10/2022 – 09/2023	10/2021 – 09/2022	10/2022 – 09/2023	10/2021 – 09/2022
Balance on 1 October	**24,386**	**17,651**	**23,771**	**15,159**	**615**	**2,492**
Change in scope of consolidation	0	8,813	0	7,584	0	1,229
Recognised in profit and loss						
Current service cost	402	842	0	0	402	842
Past service cost	-482	-92	0	0	-482	-92
Net interest on net debt	629	71	634	64	-5	7
	549	**821**	**634**	**64**	**-85**	**757**
Recognised in other comprehensive income						
Loss/profit from revaluations						
Actuarial loss/gains from:						
demographic assumptions	0	0	0	0	0	0
financial assumptions	485	-6,275	-365	-910	850	-5,365
experience-based adjustments	87	687	0	0	87	687
Return on plan assets	0	0	-547	-1,288	547	1,288
Foreign currency differences	-201	2,268	-194	2,165	-7	103
	371	**-3,320**	**-1,106**	**-33**	**1,477**	**-3,287**
Other items						
Payments made	-3,331	-253	-3,331	-253	0	0
Employer contributions	0	0	714	571	-714	-571
Contributions by employee beneficiaries	771	674	777	679	-6	-5
	-2,560	**421**	**-1,840**	**997**	**-720**	**-576**
Balance on 30 September	**22,746**	**24,386**	**21,459**	**23,771**	**1,287**	**615**
Of which reported as:						
Pension provisions	22,746	22,534	21,459	21,904	1,287	630
Other non-current assets (so-called net asset value)	0	1,852	0	1,867	0	-15
	22,746	**24,386**	**21,459**	**23,771**	**1,287**	**615**
Of which attributable to:						
Germany	5,372	5,619	5,008	5,254	364	365
Switzerland	17,374	18,767	16,451	18,517	923	250
	22,746	**24,386**	**21,459**	**23,771**	**1,287**	**615**

Provisions for pension obligations are made in the consolidated financial statements of All for One Group with regard to five (30 Sep 2022: twelve) pension schemes for commitments to pay pension, disability and surviving dependants' benefits. Consolidation of several pension schemes in Switzerland resulted in a negative past service cost in the period under review. The amount of benefit is generally dictated by the length of service and salary of an employee. In addition, there is one (30 Sep 2022: one) domestic employee-financed pension scheme in the form of a direct commitment, which is secured by a congruent and pledged reinsurance policy. Although the risk of All for One Group having to guarantee a return if the insurance company is considered unable to do so is very low, IAS 19 requires that this employee-financed pension scheme be classified as a defined benefit pension plan.

The recognition of pension obligations is also exposed to other risks relating to changes in actuarial parameters, which are shown in the following table. The actuarial interest rate is exposed to the most significant risk of change; for more details, please refer to the following separate sensitivity analyses. The assumptions underlying actuarial measurement differ from one scheme to the next as they allow for the specific investment strategy and personnel structure of the affiliated companies. The following table lists the key plan figures that are relevant for calculation, the weighted average assumptions on which calculation is based, and the weighted average assumptions on which the actuarial calculations relating to the defined benefit pension plans are based. Calculation of the obligations in Germany was derived from the 2018G guideline tables issued by Klaus Heubeck, which served as the biometric basis for computation. In Switzerland, the BVG 2020 (prior year: BVG 2020) generation tables are used as the biometric basis for calculating the obligations.

in %	30.09.2023	30.09.2022
Discount rate Germany	4.34	3.95
Discount rate Switzerland	2.10	2.40
Salary development Germany	0.00 – 2.50	0.00 – 2.00
Salary development Switzerland	2.00	2.00
Pension development Germany	2.30	2.00
Pension development Switzerland	0.00	0.00

On 30 September 2023, the weighted average duration of the defined benefit obligations was 5.4 years (prior year: 5.5 years) in Germany and 15.6 years (prior year: 15.1 years) in Switzerland.

Plan assets

in KEUR	30.09.2023	30.09.2022
Debt instruments	6,415	6,898
Equity instruments	5,429	6,216
Assets held by insurance companies	4,908	5,161
Property	2,468	3,665
Cash and cash equivalents	165	185
Other plan assets	2,074	1,646
Total	**21,459**	**23,771**

All for One Group may be exposed to risks associated with defined benefit commitments due to possible fluctuations in the obligations arising from defined benefit schemes and to fluctuations in the plan assets. Fluctuations in the defined benefit obligations may be caused, in particular, by changes in financial assumptions – such as discount rates – and changes in demographic assumptions. The market value of the plan assets and therefore any fluctuations are primarily dictated by the situation on the capital markets. A broadly diversified investment strategy with a long-term horizon is used to minimise the risk associated with the plan assets and to cushion short-term fluctuations on the capital market.

The expected employer contributions for All for One Group's defined benefit plans for the financial year 2023/24 are KEUR 651 (prior year: KEUR 624).

Future pension payments

in KEUR	30.09.2023	30.09.2022
Year 1	1,260	1,480
Year 2	1,273	1,242
Year 3	1,174	1,198
Year 4	1,038	1,113
Year 5	1,164	954
Following 5 years	5,646	4,948
Total	**11,555**	**10,935**

The following sensitivity analyses illustrate the impacts of changes in singular parameters on the present value of the defined benefit obligation in the event of changes in the discount rate of 0.25% points, and changes in pension trends of 0.25% points or 0.5% points, assuming none of the other assumptions change. The sensitivity analyses may therefore not accurately represent the actual change in the defined benefit obligation since it is unlikely that changes to the assumptions will occur in isolation.

	Defined benefit plans	
in KEUR	**Increase**	**Decrease**
Germany		
Discount rate (+/- 0.25% points)	-73	66
Pension progression (+/- 0.5% points)	66	-71
Switzerland		
Discount rate (+/- 0.25% points)	-447	445
Pension progression (+0.25% points)	349	–

DEFINED CONTRIBUTION PLANS

In the year under review, payments to defined contribution pension schemes (including the statutory pension insurance scheme) totalled KEUR 1,050 (prior year: KEUR 1,314).

Significant accounting policies

The pension provisions relate solely to defined benefit pension plans. The cost of providing the benefits under these plans is determined using the projected unit credit method. Actuarial assessment is performed on every reporting date. The recognised provisions for defined benefit pension plans are determined in accordance with actuarial models based on material assumptions, such as discount factors, mortality rates, and salary and pension trends. Remeasurements arising from actuarial gains and losses, the impacts of the asset ceiling and the income from plan assets (excluding interest payable on the net liability) are recognised directly in other comprehensive income. The remeasurements recognised in other comprehensive income form part of retained earnings and are no longer reclassified through profit or loss to the consolidated statement of profit and loss in subsequent periods. Past service cost is recognised as a personnel expense if the plan changes.

The net interest is determined by multiplying the discount rate and the net liability (pension obligation less plan assets) or net asset value. The defined benefit costs are comprised of the following components:

- the service cost (including current and past service cost and any gains or losses from plan changes, curtailments or settlements)
- the net interest income or expense relating to the net liability or net asset value; and
- the remeasurement of the net liability or net asset value

All for One Group recognises service cost as a personnel expense in its consolidated statement of profit and loss, while the net interest expense is included as financial income or expenses. Gains or losses from plan curtailments/settlements are recognised directly through profit or loss.

Payments relating to defined contribution pension plans are recognised through profit or loss as a personnel expense when the eligible employees have performed the work.

19. Other provisions

in KEUR	01.10. 2022	Change in scope of consoli- dation	Additions	Interest effects	Usage	Reversals	Currency effects	30.09. 2023
Warranty and damage claims	729	0	710	0	-1,000	-27	0	412
Impending losses	483	0	479	0	-576	-1	0	385
Severance payments	182	0	114	0	-100	0	0	196
Restructuring programme	0	0	3,075	0	0	0	0	3,075
Other provisions	18	0	0	0	0	-18	0	0
Other current provisions	**1,412**	**0**	**4,378**	**0**	**-1,676**	**-46**	**0**	**4,068**
Anniversary provision	743	0	2	28	0	-53	0	720
Severance payment reserve	109	0	0	0	-48	-26	2	37
Other non-current provisions	**852**	**0**	**2**	**28**	**-48**	**-79**	**2**	**757**
Total	**2,264**	**0**	**4,380**	**28**	**-1,724**	**-125**	**2**	**4,825**

The amount recognised as »Severance payments« as of 30 September 2023 is virtually entirely attributable to redundancy payments that were still outstanding on the closing date and were related to the restructuring efforts in the service-oriented areas of the CORE (ERP and collaboration solutions) segment that were commenced in financial year 2022/23 and which included the loss of a number of full-time jobs in the upper double-digits. Please refer to note 6 for further details.

Significant accounting policies

A provision is formed as per IAS 37 if one of the entities in All for One Group has a current (legal or constructive) obligation based on a past event as a result of which the outflow of resources embodying economic benefit to fulfil the obligation is probable and the amount of the obligation can be reliably estimated. The provision to be recognised as a liability must represent the best possible estimate of the expenditure required to fulfil the current obligations on the reporting date. Provisions that do not result in an outflow of resources in the following year are recognised at the settlement amount that is discounted to the reporting date after consideration of any anticipated cost increases. The present value of a provision is calculated using interest rates before taxes that consider both current market expectations with regard to the interest rate effect, and the risks specific to the obligation. If the provision is discounted, the increase over time is recognised as a financial expense. These estimates are reviewed on the reporting date. Reimbursement claims (based on insurance contracts, for example) are only capitalised as separate assets if the receipt of the reimbursement is virtually assured. The cost of recognising a provision as a liability is recognised net of the reimbursements in the consolidated statement of profit and loss. Provisions for **warranty or damage claims** relate to warranties arising from legal or contractual obligations from disputed individual services already provided within the scope of IT services and are formed on the basis of empirical values. These obligations are not treated as separate performance obligations and are therefore included as estimates in the total contract cost. Provisions are also recognised for contractual obligations where the unavoidable costs involved in fulfilling or revoking them are greater than the expected benefits and value to be received (onerous contracts) (**»Impending losses«**). Provisions for **severance payments** are recognised when existing employment relationships must be terminated for operational reasons or dissolved by mutual consent. The amount of such severance payments is not always established definitively at the time the balance sheet is prepared. In such cases, provisions are recognised in the amount that would be expected to be paid were the matter to be settled through a legal process. **Restructuring provisions** include expenses relating to fundamental reorganisations that materially impact the nature and areas of focus of the business of All for One Group. **Anniversary commitments** are valued using the internationally recognised projected unit credit method. Under this method, the value of this obligation is defined as the actuarial present value of the anniversary benefits that the employees have earned according to their length of service as at the reporting date. Any existing assets used to fund the obligation are measured at fair value. The provisions for legal entitlement to so-called severance payments upon retirement or dismissal by the employer (**»Severance payment reserve«**) are calculated using the mathematical principles of the projected unit credit method as per IAS 19.

20. Liabilities to financial institutions and other liabilities

in EUR millions	Repayment date	Amount
Promissory note 2017 – 2024	30.05.2024	4.0
Promissory note 2019 – 2025	17.10.2025	7.5
Promissory note 2019 – 2027	18.10.2027	16.0
Promissory note 2020 – 2026	19.10.2026	10.0
Promissory note 2022 – 2028	16.05.2028	23.5
Promissory note 2022 – 2030	16.05.2030	16.5
Total		**77.5**

All of the promissory note loans incur interest at fixed rates ranging between 0.90% and 2.55%, depending on the tranche.

The promissory note loans with bullet maturity are neither subordinated nor secured. All tranches are subject to covenants that would entitle the lender to cancel the loans and call the total amount of EUR 77.5 million due for immediate payment if certain changes were to be made to the shareholder structure of All for One Group (»Change of Control«). Added to which, the creditors of the promissory note loan tranches issued in the years 2017, 2019 and 2020 are entitled to raise the interest margin or – in the case of the 2017 tranche – to call the promissory note loans due for immediate payment if certain events occur that trigger covenants in the loan agreements. By contrast, the tranches borrowed in the year 2022 include sustainability components, in addition to the »Change of Control« clause, which will be defined by the end of 2023 and could result in a higher interest margin. All covenants regarding key financials were complied with, both in financial year 2022/23 and in the comparable prior period.

As of 30 September 2023, All for One Group also had approved lines of credit at banks in the amount of KEUR 8,088 (prior year: KEUR 9,425). Aval guarantees for rental security deposits are being utilised in the amount of KEUR 1,259 (prior year: KEUR 1,253).

Other liabilities

	30.09.2023			30.09.2022		
in KEUR	Current	Non-current	Total	Current	Non-current	Total
Purchase price obligations	6,102	0	6,102	1,521	25,659	27,180
Tax liabilities	9,705	0	9,705	6,743	0	6,743
Sundry liabilities	1,366	1,755	3,121	1,204	1,350	2,554
Total	**17,173**	**1,755**	**18,928**	**9,468**	**27,009**	**36,477**

Sundry other non-current liabilities include contract liabilities of KEUR 59 (prior year: KEUR 39) and liabilities to employees of KEUR 1.696 (prior year: KEUR 1,311).

Significant accounting policies
Other liabilities include both financial and non-financial liabilities.

The financial liabilities of All for One Group are comprised mainly of promissory note loans, lease liabilities, trade payables and purchase price obligations. Financial liabilities are recognised in the consolidated balance sheet when All for One Group has a contractual obligation to transfer cash or other financial assets to a third party.

When recognised for the first time, a financial liability is classed as one of the following, and measured:

– Measured at amortised cost;
  or
– Measured at fair value.

A financial liability is allocated to the category »fair value through profit and loss« (»FVTPL«), if it is classed as held for trading, constitutes a derivative, or is designated as such when recognised for the first time. In addition, liabilities arising from contingent considerations classed as liabilities in connection with business combinations as defined in IFRS 3 are to be allocated to the category FVTPL.

All financial liabilities are initially recognised at fair value (less any directly attributable transaction costs, if appropriate). Financial liabilities, that are measured at fair value through profit or loss must also be recognised at fair value in subsequent measurements. Net gains or losses, including interest expenses, are recognised through profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Interest expenses and currency translation differences are recognised through profit or loss.

Financial liabilities are derecognised when the underlying obligation has been fulfilled or cancelled or has expired. Gains or losses on derecognition are recognised through profit or loss.

Other non-financial liabilities are liabilities based on a contract whose subject does not constitute a financial asset for the one party and a financial liability or equity instrument for the other. They include, above all, liabilities arising on the basis of legal provisions, as well as deferrals and advance payments. The non-financial liabilities of All for One Group are comprised mainly of liabilities to employees, contract liabilities and income tax liabilities. The balance sheet item »Liabilities to employees« essentially comprises liabilities arising from outstanding vacation entitlements, outstanding fixed and variable remuneration components, agreed severance payments, commissions, flexitime or overtime compensation, bonuses, and social security amounts owing. The following are recognised as contract liabilities:

– customer-specific consultancy projects subject to PoC accounting (especially software implementation and software optimisation projects), where the project services that have already been invoiced or the advance payments that have already been made or are due exceed cumulative performance (the balance is recognised as a liability);
– negative allocation effects arising from dividing the total transaction price of a multi-component contract among individual performance obligations based on relative individual sale prices; and
– other IT services that have already been billed but not yet provided.

The current portion of the contract liabilities is recognised as a current liability in the balance sheet item »Contract liabilities« while the non-current portion is included with the non-current »Other liabilities«.

Measuring fair value
All for One Group measures certain financial instruments at their fair value on each reporting date. Fair value is the price payable on the measurement date for the sale of an asset or transfer of a liability in a normal business transaction between market participants. All assets and liabilities measured or recognised at fair value in the consolidated financial statements are classified according to the measurement hierarchy discussed below, based on the input factor of the lowest level of relevance for overall measurement of the fair value:

– Level 1: Prices quoted (without adjustment) on active markets for identical assets or liabilities;
– Level 2: Measurement methods where the input factor of the lowest level of relevance for overall measurement of the fair value is directly or indirectly observable in the market;
– Level 3: Measurement methods where the input factor of the lowest level of relevance for overall measurement of the fair value is not observable in the market.

EXPLANATORY NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

in KEUR	30.09.2023	30.09.2022
Bank balances	40,802	60,448
Fixed-term deposits	21,770	17,000
Cash in hand	15	16
Cash and cash equivalents (balance sheet)	**62,587**	**77,464**
Restricted cash	-290	-263
Fixed-term deposits with a term > 3 months	-500	0
Cash funds (cash flow statement)	**61,797**	**77,201**

The average interest on bank deposits was 0.76% (prior year: 0.00%). The fixed-term deposits of KEUR 21,770 (prior year: KEUR 17,000) have an average residual term of less than one month and accrue average interest of 3.45%.

The changes in the year under review in those financial liabilities whose cash flows are shown as cash flows from financing activities in past and future cash flow statements were as follows:

			Non-cash changes			
in KEUR	**01.10.2022**	**Cash changes**	**Currency effects**	**Change in scope of consolidation**	**Other effects**	**30.09.2023**
Liabilities to financial institutions	77,415	-37	0	0	16	77,394
Lease liabilities	43,415	-15,928	13	0	16,267	43,767
Total	**120,830**	**-15,965**	**13**	**0**	**16,283**	**121,161**

			Non-cash changes			
in KEUR	**01.10.2021**	**Cash changes**	**Currency effects**	**Change in scope of consolidation**	**Other effects**	**30.09.2022**
Liabilities to financial institutions	48,396	29,073	0	0	-54	77,415
Lease liabilities	40,434	-14,683	-58	3,003	14,719	43,415
Purchase price obligations	2,000	-2,000	0	0	0	0
Total	**90,830**	**12,390**	**-58**	**3,003**	**14,665**	**120,830**

Other effects relate to newly recognised leases. The total cash outflows for leases in financial year 2022/23 amounted to KEUR 17,626 (prior year: KEUR 15,629), of which KEUR 16,981 (prior year: KEUR 15,110) is attributable to interest and principal repayments for lease liabilities, KEUR 78 (prior year: KEUR 128) to short-term leases and KEUR 567 (prior year: KEUR 391) to leases of low-value assets.

Significant accounting policies

The balance sheet item »Cash and cash equivalents« comprises cash in hand and call deposits with banks, short-term investments (e.g. call money, fixed-term deposits, time deposits) and immediately available financial investments that are exposed to negligible risks of fluctuation in value only (e.g. money market funds). Cash and cash equivalents are measured at amortised cost. Please refer to the detailed discussion in note 13 for more information. In contrast, the cash and cash equivalents on the statement of cash flows include – in addition to the freely available cash – only cash equivalents with terms of no more than three months from the date of acquisition.

The cash flows relating to a financial year are collated in the consolidated cash flow statement to provide information about the movement of the cash and cash equivalents of All for One Group over the course of a financial year.

A distinction is made between operating, investment and financing activities.

Cash flow from operating activities is calculated indirectly by adjusting earnings before tax for non-cash transactions and for transactions relating to investment or financing activities. Both cash flow from investment activities and cash flow from financing activities are calculated directly by offsetting gross inflows against gross outflows.

EXPLANATORY NOTES TO THE CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

As of 30 September 2023, the issued share capital was divided into 4,982,000 (30 Sep 2022: 4,982,000) registered no-par-value shares (individual share certificates) and was fully paid in. The arithmetic nominal value of the shares in circulation remains unchanged at EUR 3.00 per share.

The capital reserve consists primarily of the premium from the issue of shares. The currency translation reserve was accrued from translation gains and losses from the conversion of non-euro-denominated financial statements of foreign Group companies included in the consolidation. This reserve is reclassified to profit or loss as soon as the relevant companies are deconsolidated.

The annual general meeting of 12 March 2020 approved – in each case limited until 11 March 2025 – the creation of new authorised capital totalling EUR 7,473,000 and an authorisation to repurchase shares of All for One Group SE up to a total amount of 10% of the share capital. This corresponds to 498,200 registered no-par-value shares.

On 12 October 2022, All for One Group SE resolved to implement a share buyback programme via the stock exchange valid for the period from 13 October 2022 to 12 October 2023 to repurchase as many as 100,000 treasury shares, representing a volume of EUR 5.5 million (excl. transaction-related costs). Under this programme, a total of 33,220 shares with a value of EUR 1.37 million were repurchased up to 30 September 2023. Accordingly, 4,948,780 shares were in free float as of 30 September 2023 (30 Sep 2022: 4,982,000 shares). The acquisition cost of the repurchased treasury shares reduces the stated equity capital.

The annual general meeting of 16 March 2023 approved a dividend of EUR 1.45 (prior year: EUR 1.45) per share, which was distributed in an amount of EUR 7.2 million (prior year: EUR 7.2 million).

Non-controlling interests

in KEUR	30.09.2023	30.09.2022
Carrying amount 1 October	**251**	**209**
Distribution to non-controlling interests	-90	-46
Profit share of the current year	146	70
Acquisition of a subsidiary with non-controlling interests	0	18
Currency effects	-5	0
Carrying amount 30 September	**302**	**251**

As of 30 September 2023, non-controlling interests were held in OSC Business Xpert GmbH, Burgdorf (stake unchanged at 49%) and All for One Egypt LLC., Alexandria/Egypt (formerly: POET Egypt LLC.) (stake unchanged at 25%).

OTHER EXPLANATORY NOTES

21. Segment reporting

The segment report is aligned to the internal management and reporting procedures of All for One Group (»Management Approach«) based on individual Group companies and sub-groups that make up the Group's segments. The organisation and management of All for One Group are aligned to its two business segments: **»CORE«** and **»LOB«**. The **»CORE«** operating segment includes software solutions for the areas of ERP (enterprise resource planning) and corporate-wide collaboration for midmarket customers. This operating segment also provides consulting and infrastructure services. The **»LOB«** (»Lines of Business«) segment includes business with IT solutions for departments such as sales and marketing, or HR, which are increasingly being sourced in the cloud. This business segment has its own brands to enable it to target individual lines of business in companies. An intra-Group sale of a sub-business between the CORE and LOB segments in 1st half-year 2022/23 aimed at merging the »Customer Experience« product portfolio has changed the composition of the segments compared to the prior year. Prior-year figures have been adjusted accordingly to improve comparability.

The following segment information reflects the parameters utilised in the internal reporting and management systems, and which the management board uses for performance assessment and resource allocation purposes. The same recognition and valuation methods apply as for the consolidated financial statements. Intersegment sales are recognised at arm's length prices. In addition to sales revenue, management uses earnings before interest and tax (»EBIT«) for management purposes, and to compare operational performance over time and issue forecasts. Extraordinary effects are reconciled to an adjusted EBIT, if necessary, to enable transparent assessment and better comparability of operational performance over time. The extraordinary effects relate to influences that the management board believes to be capable – by virtue of their nature, frequency and/or volume – of substantially detracting from the informative value of the key financial indicators of the sustainability of the earnings strength at All for One Group. For control purposes, acquisition-related depreciation and amortisation are presented separately or aggregated. Depreciation and amortisation from acquisitions pertain mainly to the customer relationships and intangible assets that result from completed acquisitions.

	CORE		LOB		Consolidation		Total	
in KEUR	10/2022 – 09/2023	10/2021 – 09/2022 [1]	10/2022 – 09/2023	10/2021 – 09/2022 [1]	10/2022 – 09/2023	10/2021 – 09/2022 [1]	10/2022 – 09/2023	10/2021 – 09/2022 [1]
External sales revenue	421,554	397,285	66,398	55,367	0	0	487,952	452,652
Intersegment revenue	5,347	4,653	13,149	9,552	-18,486	-14,205	10	0
Sales revenue	**426,900**	**401,938**	**79,547**	**64,919**	**-18,486**	**-14,205**	**487,962**	**452,652**
Depreciation, amortisation and impairment	-25,993	-19,785	-2,980	-997	203	10	-28,770	-20,772
Segment EBIT (EBIT before M&A effects (non-IFRS))	**9,239**	**23,199**	**8,492**	**4,070**	**0**	**10**	**17,731**	**27,279**
+ Acquisition-related depreciation, amortisation and impairment on other intangible assets							-6,167	-8,717
+/- Other acquisition-related expenses (and income)							3,341	-962
EBIT							14,905	**17,600**
Financial result							-1,076	-1,683
EBT							**13,829**	**15,917**

1) Prior-year figures adjusted

Non-current assets by country [1]

in KEUR	30.09. 2023	30.09. 2022
Germany	114,623	118,457
Poland	27,527	27,647
Switzerland	14,251	15,109
Austria	9,704	9,677
Other countries	1,239	825
Total	**167,344**	**171,715**

1) Except for finance lease liabilities, deferred tax assets and other financial assets

SALES REVENUE BY COUNTRY

Please refer to the breakdown in note 1.

22. Additional information about financial instruments

FINANCIAL RISKS

In the course of its normal business operations, All for One Group is exposed to various financial risks, including default, liquidity and market (currency and interest rate) risks. The risk management system and its objectives, methods and processes are described in the risk report, which forms part of the combined management report. Financial risk is managed according to the principles established by the company. These govern the company's protection against currency, interest and credit risks, as well as its cash management and short-term and long-term financing. The goal is to reduce financial risks while weighing the hedging costs against the risks being taken. Derivative financial instruments to hedge the mainstream business may be used when deemed appropriate. In order to minimise the counterparty credit risk, transactions are only made with first-class counterparts.

DEFAULT RISKS

Default risks arise primarily from affording clients time to make payments and from the counterparty risk involved in financial transactions. The maximum default risk is theoretically the sum of the carrying amounts of the financial assets stated in the consolidated balance sheet.

The creditworthiness of customers is subject to regular examination. Credit assessments and dunning procedures mitigate the risk of bad debts. Outstanding receivables relating to business operations are monitored on an ongoing basis. All for One Group has put appropriate control mechanisms in place to ensure that services are only provided to customers who have proven to be creditworthy in the past and that the default risk associated with these transactions is within reasonable limits. Default risks are reflected by appropriate impairment. Risk-cluster-specific default rates are calculated on the basis of historical default data and after consideration of forward-looking macroeconomic indicators (anticipated insolvency rates) and estimation of the economic impact of the Russia-Ukraine conflict and the associated macroeconomic effects.

Value adjustment matrix for financial year 2022/23

			Value adjustment matrix			
in KEUR	**30.09.2023**	**Value adjustment matrix not applied**	**Not overdue**	**Up to 30 days overdue**	**31 – 90 days overdue**	**Over 90 days overdue**
Trade receivables (gross carrying amount)	62,647	4,798	45,518	9,834	1,770	727
Contract assets (gross carrying amount)	11,030	0	11,030	–	–	–
Weighted average default rate	–	–	0.20%	0.34%	2.90%	39.36%
Impairment	-989	-507	-112	-33	-51	-286

Value adjustment matrix for financial year 2021/22

			Value adjustment matrix			
in KEUR	**30.09.2022**	**Value adjustment matrix not applied**	**Not overdue**	**Up to 30 days overdue**	**31 – 90 days overdue**	**Over 90 days overdue**
Trade receivables (gross carrying amount)	57,387	3,329	44,726	6,620	2,329	383
Contract assets (gross carrying amount)	8,322	0	8,322	–	–	–
Weighted average default rate	–	–	0.19%	0.32%	2.89%	25.53%
Impairment	-702	-413	-103	-21	-67	98

Finance lease receivables substantially relate to receivables from the public sector and are therefore exposed to only minor default risk.

LIQUIDITY RISKS

All for One Group places the utmost importance on maintaining solvency at all times. Each company maintains an adequate amount of cash. The lead operating company All for One Group SE also has liquidity reserves and unused operational funding lines of credit.

The promissory note loans with bullet maturity are neither subordinated nor secured. All tranches are subject to covenants that would entitle the lender to cancel the loans and call the total amount of EUR 77.5 million due for immediate payment if certain changes were to be made to the shareholder structure of All for One Group (»Change of Control«). Added to which, the creditors of the promissory note loan tranches issued in 2017, 2019 and 2020 are entitled to raise the interest margin or – in the case of the 2017 tranche – to call the promissory note loans due for immediate payment if certain events occur that trigger covenants in the loan agreements. By contrast, the tranches borrowed in 2022 include sustainability components, in addition to the »Change of Control« clause, that will be defined by the end of 2023 and could result in a higher interest margin. All covenants regarding key financials were complied with, both in financial year 2022/23 and in the comparable period. Because the management board continuously monitors compliance with the terms and conditions of the promissory note loans, the risks resulting from such covenants are considered to be minor.

The following tables show the financial liabilities classed by maturity based on the residual term on the relevant reporting date. Reconciliation to the amounts shown in the consolidated balance sheet is not possible since the cash flows in the tables have not been discounted.

in KEUR	Due ≤1 year	Due >1≤5 years	Due >5 years	Total 30.09. 2023
Trade payables	30,369	0	0	30,369
Liabilities to financial institutions	4,037	57,003	16,500	77,540
Lease liabilities	13,961	27,199	4,455	45,615
Purchase price obligations	6,109	0	0	6,109
Total	**54,476**	**84,202**	**20,955**	**159,633**

in KEUR	Due ≤1 year	Due >1≤5 years	Due >5 years	Total 30.09. 2022
Trade payables	20,369	0	0	20,369
Liabilities to financial institutions	58	21,538	56,000	77,596
Lease liabilities	13,404	24,432	6,635	44,471
Purchase price obligations	1,529	25,728	0	27,257
Total	**35,360**	**71,698**	**62,635**	**169,693**

MARKET RISKS

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risks include currency risks and risks of interest rate changes.

Fluctuations in currency rates have an impact on the presentation of assets and liabilities in the consolidated financial statements that are prepared in euros, insofar as assets and liabilities are denominated in currencies other than the euro. As far as **currency risk** is concerned, All for One Group strives to use the same currency to fund its assets. Revenue is recognised within the individual companies predominantly in the same currency as that used for expenses. To the extent deemed necessary, risks remaining in foreign-currency accounting are mitigated using currency transactions (futures, options). Foreign currency hedges were neither used in the financial year 2022/23 nor in the prior year.

Floating-rate liabilities with long terms are exposed to **risks of changes in interest rates**. All for One Group minimises such risks by using interest hedges and the continuous monitoring of global interest rate policies. Since the only non-current financial liabilities at present relate to the promissory note loans issued by the company at fixed rates, interest rates were not hedged in financial year 2022/23 nor in the prior year. Accordingly, any potential change in interest rates of +/- 100 basis points would have no impact on net Group earnings before tax.

FINANCIAL INSTRUMENT CATEGORIES

	Carrying amount per measurement category (IFRS 9)					
	Financial assets		Financial liabilities			
in KEUR	At fair value through profit and loss	At amortised cost	At fair value through profit and loss	At amortised cost	IFRS 7 not applicable	30.09.2023
Current assets						
Cash and cash equivalents	–	62,587	–	–	–	62,587
Trade receivables	–	61,658	–	–	–	61,658
Other assets	–	2,573	–	–	17,364	19,937
Non-current assets						
Other assets	3,763	406	–	–	5,915	10,084
Current liabilities						
Liabilities to financial institutions	–	–	–	4,034	–	4,034
Trade payables	–	–	–	30,369	–	30,369
Other liabilities	–	–	6,102	238	10,833	17,173
Non-current liabilities						
Liabilities to financial institutions	–	–	–	73,360	–	73,360
Other liabilities	–	–	–	–	1,755	1,755
Total	**3,763**	**127,224**	**6,102**	**108,001**	**35,867**	

	Carrying amount per measurement category (IFRS 9)					
	Financial assets		Financial liabilities			
in KEUR	At fair value through profit and loss	At amortised cost	At fair value through profit and loss	At amortised cost	IFRS 7 not applicable	30.09.2022
Current assets						
Cash and cash equivalents	–	77,464	–	–	–	77,464
Trade receivables	–	56,685	–	–	–	56,685
Other assets	–	423	–	–	12,113	12,536
Non-current assets						
Other assets	–	366	–	–	6,754	7,120
Current liabilities						
Liabilities to financial institutions	–	–	–	58	–	58
Trade payables	–	–	–	20,369	–	20,369
Other liabilities	–	–	1,521	131	7,816	9,468
Non-current liabilities						
Liabilities to financial institutions	–	–	–	77,357	–	77,357
Other liabilities	–	–	25,659	–	1,350	27,009
Total	**0**	**134,938**	**27,180**	**97,915**	**28,033**	

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

in KEUR	Carrying amount 30.09. 2023	30.09. 2022	Fair value 30.09. 2023	30.09. 2022
Finance lease receivables	11,372	10,901	11,063	10,324
Liabilities to financial institutions	77,394	77,415	69,453	67,992

Finance lease receivables, liabilities to financial institutions and lease liabilities are recognised at amortised cost and are stated as separate items, classified by maturity, in the balance sheet. The fair value of the finance lease receivables, liabilities to financial institutions and lease liabilities is calculated using the present value of the payments relating to the asset/liability. Calculation of the fair value is based in each case on current interest rate parameters that reflect market-driven changes in conditions and expectations. The valuation parameters for determining the fair value are based on non-observable market data (level 3).

»Other non-current assets« include a financial investment (currently only in unlisted equity securities) that is measured at fair value through profit or loss. The comprehensive valuation approach takes into account a large number of quantitative and qualitative factors such as actual and planned results, liquidity position, recent or planned transactions. The valuation parameters for determining the fair value are based on non-observable market data (level 3).

The item »Other liabilities« on the balance sheet includes purchase price components from acquisitions that are measured at fair value through profit or loss. The fair value is calculated as the present value of the expected discounted cash flows based on the planned further business development of the affected entities. The valuation parameters for determining the fair value are based on non-observable market data (level 3).

Net result from financial instruments by measurement categories

in KEUR	10/2022 – 09/2023	10/2021 – 09/2022
Financial assets at amortised cost	-802	-347
Financial assets at fair value through profit or loss	973	0
Financial liabilities at amortised cost	-36	-46
Financial liabilities at fair value through profit or loss	-39	-55
Total	**96**	**-448**

CAPITAL MANAGEMENT DISCLOSURES

The capital management function aims to assure the availability of liquidity and thus the continuation of business as well as sustainably raising the value of the company and ensuring a reasonable return on equity. Based on the financing concept, the management board of All for One Group SE regularly examines various key figures relating to the company's capital and studies the capital market. Key financial indicators include, above all, net liquidity/debt and the equity ratio.

in KEUR	30.09. 2023	30.09. 2022
Liabilities to financial institutions	77,394	77,415
Lease liabilities	43,767	43,415
Cash and cash equivalents	62,587	77,464
Net debt (-) / Net liquidity (+)	-58,574	-43,366
Equity	100,045	97,947
Equity ratio (in % of the balance sheet total)	**29%**	**29%**

All for One Group manages the capital structure and adjusts it to allow for changes in general economic conditions. Failure to comply with certain financial indicators specified in lending agreements (»Covenants«) would entitle lenders of All for One Group to raise the interest rates, as well as allowing them to terminate the agreements and demand immediate repayment. All covenants regarding key financials were complied with, both in financial year 2022/23 and in the comparable prior period. All for One Group pursues a dividend policy aimed at ensuring the direct participation of shareholders in the Group's profits and cash flows. However, the basic premise is to always maintain adequate financial flexibility for greater business performance and additional inorganic growth.

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

In the course of its business operations, All for One Group is occasionally involved in legal disputes. The risks arising from legal disputes are mitigated by accruing appropriate provisions.

Contingent liabilities of KEUR 103 (KCHF 100) and KEUR 162 (KPLN 751) exist for warranties following acceptance through bank guarantees.

Other financial obligations not reported on the balance sheet

in KEUR	30.09. 2023	30.09. 2022
Commitment to invest in		
fixed assets	0	6,618
leases concluded but not yet started	2,769	9,731

In financial year 2022/23, the expenses relating to unrecognised leases amounted to KEUR 645 (prior year: KEUR 519), of which KEUR 78 (prior year: KEUR 128) was attributable to current leases and KEUR 567 (prior year: KEUR 391) to leases governing low value assets.

Individual property lease contracts contain options to extend after the primary term (including any subsequent automatic extensions of rental periods) that were not included when measuring the lease liabilities. They were omitted due to the lack of sufficient certainty that these options would be exercised, which could lead to undiscounted potential cash outflows of KEUR 60.168 (prior year: KEUR 72,856). If in doubt, calculation of these potential payment obligations would be based on the useful life of the relevant properties.

24. Related party disclosures

Related parties as defined in IAS 24 are legal or natural persons who can influence All for One Group SE or who are subject to control, joint management or significant influence by All for One Group SE. Related parties also include members of management in key positions, their close families, and companies that are controlled solely or jointly, or significantly influenced, by this group of people.

Unternehmens Invest AG and its subsidiaries UIAG Informatik-Holding GmbH, Vienna/Austria, and UIAG AFO GmbH, Vienna/Austria, together hold the majority of the voting rights in All for One Group SE and thus control it. All for One Group SE, Filderstadt, is therefore solely dependent on Unternehmens Invest AG, according to Sections 16 (1), (2) and 17 (2) AktG.

The following business transactions with related parties were registered in the period from 1 October 2022 to 30 September 2023:

Other expenses of KEUR 180 (prior year: KEUR 156) were reported for members of management and close relatives of members of management in key positions.

As in the prior year, no products and services were provided to and no other income generated with other related parties in financial year 2022/23.

Further transactions within All for One Group with related parties concerned business transactions with companies included in the consolidated financial statements. For a discussion of the volume of these business transactions, please refer to the presentation of sales revenue in the segment report in note 21, which also contains intra-Group revenue. All transactions are settled at arm's length and fully eliminated during preparation of the consolidated financial statements. Accordingly, they do not affect the net assets, financial position and results of operations of All for One Group.

MEMBERS OF THE MANAGEMENT BOARD

Lars Landwehrkamp
CEO (since May 2007)

Memberships of other supervisory boards and controlling bodies (Section 125 (1) sentence 5 AktG):

- All for One Switzerland AG, (formerly: Process Partner AG), St. Gallen/Switzerland (member of the administrative board)
- AC Automation Center SA/NV, Zaventem/Belgium (chair of the board)

Michael Zitz
CEO (since November 2022)
CSO (April 2021 until October 2022)

Stefan Land
CFO (since April 2008)

Memberships of other supervisory boards and controlling bodies (Section 125 (1) sentence 5 AktG):

- All for One Switzerland AG (formerly: Process Partner AG), St. Gallen/Switzerland (president of the administrative board)
- AC Automation Center SA/NV, Zaventem/Belgium (board member)

Total compensation paid to members of the management board

in KEUR	10/2022 – 09/2023	10/2021 – 09/2022
Short-term benefits	2,281	1,324
Post-employment benefits	153	128
Other long-term benefits	0	493
Total [1]	**2,434**	**1,945**

1) Share of management board compensation attributable to the respective financial year

The variable portions of the aforementioned total compensation amounted to KEUR 1,242 in total (prior year: KEUR 809) and include estimates, which may deviate from the amounts determined as part of the final accounting. An allocation from the multi-year variable compensation was not made in the reporting year. Furthermore, no loans were extended and no All for One Group SE share options were granted to the management board during the reporting year. Unusual transactions with related parties did not take place.

Detailed information about the compensation system and compensation components is provided in the separate compensation report of All for One Group for financial year 2022/23, which is available on the Group website at www.all-for-one.com/compensation-report.

MEMBERS OF THE SUPERVISORY BOARD

Josef Blazicek (chair)
Independent businessman

Memberships of other supervisory boards and controlling bodies (Section 125 (1) sentence 5 AktG):

- PIERER Mobility AG (formerly: KTM Industries AG), Wels/Austria (chair of the supervisory board)
- Pankl Racing Systems AG, Kapfenberg/Austria (deputy chair of the supervisory board)
- Pierer Industrie AG, Wels/Austria (deputy chair of the supervisory board)
- Pankl AG (formerly: Pankl SHW Industries AG), Kapfenberg/Austria (member of the supervisory board)
- Pierer Bajaj AG, Wels/Austria (member of the supervisory board)
- Swisspartners Group AG, Zürich/Switzerland (member of the administrative board)
- LEONI AG, Nuremberg (member of the supervisory board)

Paul Neumann (deputy chair)
Member of the management board of Unternehmens Invest AG, Vienna/Austria

Karl Astecker
Member of administrative board of Qino Engineers AG, Hünenberg/Switzerland

Memberships of other supervisory boards and controlling bodies (Section 125 (1) sentence 5 AktG):

- Qino Engineers AG, Hünenberg/Switzerland (administrative board)

Dr Rudolf Knünz
Chair of the supervisory board of Unternehmens Invest AG, Vienna/Austria

Memberships of other supervisory boards and controlling bodies (Section 125 (1) sentence 5 AktG):

- Ganahl Aktiengesellschaft, Frastanz/Austria (chair of the supervisory board)
- Unternehmens Invest AG, Vienna/Austria (chair of the supervisory board)

Maria Caldarelli
Executive Director Legal & Integrity at All for One Group SE, Filderstadt/Germany

André Krüger
Senior Industry Alliance Manager, All for One Group SE, Ratingen/Germany

Dr Matthias Massing (22 Oct 2021 until 31 May 2022)
Former Manager Business Development, All for One Group SE, Filderstadt/Germany

Total compensation paid to members of the supervisory board

in KEUR	10/2022 – 09/2023	10/2021 – 09/2022
Fixed compensation	125	120
Committee remuneration	36	36
Total [1]	**161**	**156**

1) Share of supervisory board compensation attributable to the respective financial year

Performance-related components are not included in the compensation for the supervisory board.

Detailed information about the compensation system and compensation components is provided in the separate compensation report of All for One Group for financial year 2022/23, which is available on the Group website at www.all-for-one.com/compensation-report.

Significant accounting policies
Related parties as defined in IAS 24 are parties who control All for One Group SE either on their own or jointly with other companies or who significantly influence All for One Group SE. Likewise, subsidiaries, joint ventures and associates are classified as related to All for One Group SE and – in the case of subsidiaries and joint ventures – to each other. The same applies even if the subsidiaries are not fully consolidated. Related parties also include management in key positions, their close families, and companies that are controlled solely or jointly, or significantly influenced, by this group of people.

25. Auditors' fees and services

The following fees were recognised as expenses in connection with services provided by the global network of BDO respectively BDO AG Wirtschaftsprüfungsgesellschaft, Hamburg (BDO AG):

in KEUR	10/2022 – 09/2023	10/2021 – 09/2022
Audit services BDO	391	286
of which only BDO AG	327	229
Other confirmation services BDO	6	5
of which only BDO AG	6	5
Tax advisory services BDO	0	0
of which only BDO AG	0	0
Other services BDO	8	8
of which only BDO AG	8	8
Total	**405**	**299**
of which only BDO AG	341	242

The fee for audit services relates mainly to the audit of the consolidated financial statements and the annual financial statements of All for One Group SE as well as an audit of the annual accounts of a subsidiary to include the audit focal points agreed with the supervisory board.

Other confirmation services refer to the performance of agreed investigations pertaining to All for One Group SE's financial indicators.

Other services are related to the implementation of the EU Taxonomy Regulation in the non-financial Group report.

26. Declaration of conformity according to Section 161 AktG

The management board and supervisory board of All for One Group SE have issued their declaration of conformity with the recommendations of the German Corporate Governance Code (GCGC) as specified in Section 161 AktG and made it available to their shareholders.

The full declaration is permanently accessible on the Group website at www.all-for-one.com/conformity-declaration. The declarations of conformity from previous financial years are also available in the same section on the website.

27. Subsequent events

On 12 October 2023, All for One Group SE resolved to extend the current share buyback programme 2022. As part of the extension, up to 100,000 treasury shares may be repurchased on the stock exchange before 11 October 2024 – less the treasury shares already acquired as part of the share buyback programme 2022.

With the exception of the aforementioned matter, no other events occurred after the reporting date that have a significant impact on the net assets, financial position and results of operations of the All for One Group.

Filderstadt, 13 December 2023
All for One Group SE

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

RESPONSIBILITY STATEMENT

OF THE MANAGEMENT BOARD

»to the best of our knowledge, and in accordance with the applicable reporting principles, we affirm that the consolidated financial statements give a true and fair view of the assets, financial position and earning of the Group, and the combined mangement 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 principal opportuunities and risks associated with the expected development of the Group«.

Filderstadt, 13 December 2023
All for One Group SE

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

INDEPENDENT AUDITORS' REPORT

TO ALL FOR ONE GROUP SE, FILDERSTADT

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND COMBINED MANAGEMENT REPORT

AUDIT OPINION

We have audited the consolidated financial statements of All for One Group SE and its subsidiaries (the Group), comprising the consolidated statement of profit and loss and the consolidated statement of comprehensive income for the financial year from 1 October 2022 to 30 September 2023, the consolidated balance sheet as of 30 September 2023, the consolidated cash flow statement and the consolidated statement of changes in equity for the financial year from 1 October 2022 to 30 September 2023 and the notes to the consolidated financial statements, together with a summary of significant accounting policies.

Furthermore, we have audited the combined management report (report on the state of the Company and the Group) of All for One Group SE for the financial year from 1 October 2022 to 30 September 2023. In compliance with German legislation, we did not audit the content of the combined management report that is included under »OTHER INFORMATION«. The combined management report includes cross-references to the Compensation Report and the Sustainability Report issued by All for One Group SE for financial year 2022/23 that are marked as unaudited, and not specified by law. We have not audited these cross-references nor the information to which they refer except for those aspects of the combined non-financial report included in the Sustainability Report that we audited in respect of their being presented, as specified by German law.

In our opinion based on the findings of our audit:

- The accompanying consolidated financial statements comply in all material respects with IFRS as adopted in the EU and with the additional requirements of German law pursuant to Section 315e (1) German Commercial Code (»HGB«) and give a true and fair view of the net assets and financial position of the Group as of 30 September 2023 and of the results of operations for the financial year from 1 October 2022 to 30 September 2023.
- The accompanying combined management report provides a suitable view of the Group's situation overall. The combined management report conforms in all material respects with the consolidated financial statements, complies with the requirements of German law, and suitably presents the opportunities and risks of future development. Our audit assessment of the combined management report does not extend to the content that is included under »OTHER INFORMATION« in the combined management report. The combined management report includes cross-references to the Compensation Report and the Sustainability Report issued by All for One Group SE for financial year 2022/23 that are not specified by law. Our audit opinion does not extend to these cross-references nor to the information to which they refer, except for those aspects of the combined non-financial report included in the Sustainability Report that we audited in respect of their being presented.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations with regard to the regularity of the consolidated financial statements or the combined management report.

BASIS FOR THE AUDIT OPINION

We conducted our audit of the consolidated financial statements und combined management report in accordance with Section 317 HGB, Regulation (EU) No. 537/2014 on Specific Requirements regarding Statutory Audits of Public-Interest Entities (»EU Regulation 537/2014«), and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (»IDW Institute of Public Auditors in Germany«). Our responsibility pursuant to these provisions and principles is described in the section entitled »AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND COMBINED MANAGEMENT REPORT«. We are independent of the Group and its companies in accordance with German commercial and professional laws and regulations, and have fulfilled our other German professional duties in accordance with these requirements.

Furthermore, we declare pursuant to Article 10 (2)(f) of EU Regulation 537/2014 that we provided no prohibited non-audit services as stipulated in Article 5 (1) of EU Regulation 537/2014.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion about the consolidated financial statements and the combined management report.

KEY AUDIT MATTERS IN THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Key audit matters are those matters which, in our professional judgement, were of the most significance in our audit of the consolidated financial statements for the financial year from 1 October 2022 to 30 September 2023. These matters were addressed within the context of our audit of the consolidated financial statements as a whole and in forming our audit opinion thereof. We have not provided a separate audit opinion on these matters.

We identified the following areas of focus as particularly important for inclusion in our audit opinion:

1. Impairment of goodwill and trademark rights
2. Sales revenue from consulting and services

IMPAIRMENT OF GOODWILL AND TRADEMARK RIGHTS

Facts

In the Company's consolidated financial statements, goodwill totalling EUR 66.8 million (19.5% of the balance sheet total or 66.8% of equity) and trademark rights with indefinite useful lives totalling EUR 12.4 million (3.6% of the balance sheet total or 12.4% of equity) are reported under »Intangible assets« on the balance sheet.

The Company tests the goodwill and the trademark rights once a year or as indicated to identify any need for impairment. Impairment testing is conducted at the level of the cash-generating units to whom the goodwill and trademark rights are assigned. In the course of impairment testing, the carrying amount of the respective cash-generating unit to whom the goodwill and trademark rights are assigned is compared to the relevant recoverable amount. The recoverable amount is always determined on the basis of the value in use. Measurement is routinely based on the present value of the future cash flows of the respective cash-generating unit. The discounted cash flow method is used to determine the respective values in use. The Group's approved budgets form the starting point for calculation. Long-term growth rates are used to extrapolate those future cash flows that extend beyond the detailed budget period. The calculation also considers expectations with regard to future market trends, and assumptions about macroeconomic influences. The weighted average cost of capital of the respective cash-generating unit is used for discounting.

Determination of the respective value in use is greatly dependent on estimates made by the legal representatives with regard to the future cash flows of the respective cash-generating unit, the discount rate to be applied, the growth rates, and on further assumptions and is therefore subject to considerable uncertainty. In light of the above and given the measurement complexity, this area of focus was particularly important for our audit.

Auditors' response

In the course of our audit, we learned more about the budgeting process and assessed how appropriate it was. We also traced the methodical approach to impairment testing. We discussed the approved Group budgets and the long-term growth rate assumptions with the management board. After comparing the future cash inflows used to calculate the respective values in use with the approved Group budgets, we assessed how appropriate the material assumptions were, mainly by comparing them to general and industry-specific expectations in the marketplace. We also assessed the proper consideration of Group function costs in the budgets.

Since we are aware that even relatively small changes to discount rates can have a material impact on the amount of the values in use calculated for goodwill or trademark rights using this method, we paid particularly close attention to the parameters used to determine the discount rate and to understanding the method of calculation. We examined the sensitivity analyses conducted by the management board to reflect the present forecasting uncertainties.

Furthermore, we made sure the obligatory disclosures with regard to impairment testing had been made in the notes to the consolidated financial statements.

The Company's disclosures with regard to impairment testing, goodwill, and other intangible assets and fixed assets can be found in note 14 in section F of the notes to the consolidated financial statements, while the discretionary judgements made by the management and the estimation uncertainties to which impairment testing is subject are discussed in section D of the notes to the consolidated financial statements.

RECOGNITION OF SALES REVENUE FROM CONSULTING AND SERVICES

Facts

Consulting and services revenues amounted to EUR 196.8 million and are mainly attributable to consultancy services and long-term project assignments.

The contractual regulations in the area of consulting and services are complex. IFRS 15 requires identification of the performance obligations agreed with the client in a contract. Such contracts must be examined to determine whether multiple performance obligations are bundled together and the agreement in question is therefore a multi-component contract. This assessment requires discretionary assessment.

The distribution of the consideration based on the relative individual sale prices for each performance obligation identified in a contract is, moreover, subject to discretionary judgement. There is therefore a risk of inappropriate allocation and, accordingly, incorrect revenue recognition.

All for One Group SE recognises consulting and service sales revenue both at a certain time and over a certain period.

Performance obligations relating to customer-specific consultancy projects are delivered over a longer period and revenue is recognised based on the degree of completion. Progress is measured using the ratio of consultancy hours already worked to the total estimated number of hours for the project as a whole.

The underlying estimation of total hours for the project as a whole and the means for determining the degree of completion are complex and are subject to discretionary judgement. The consolidated financial statements therefore risk stating incorrect sales revenues relating to customer-specific consultancy projects for a specific period.

Auditors' response

We learned more about the process for capturing revenues and determined whether it was appropriate. We also examined, in particular, the structure, implementation and effectiveness of the controls to make sure order-related expenses are captured correctly.

We also studied the process for estimating total project hours and determined whether it was appropriate. Furthermore, we examined the structure, implementation and effectiveness of the controls in place within this process.

We consciously selected contracts on a risk-oriented basis to assess the identification of the individual performance obligations and the distribution of the consideration based on relative individual sale prices, which we also checked.

We also consciously selected, on a risk-oriented basis, some customer-specific consultancy projects that were still awaiting completion to check whether the underlying contractual agreements specified the recognition of revenue based on the degree of completion in a specific period. We also assessed the calculation of the degree of completion that was used to determine the amount of revenue recognition by requesting documentation of the actual hours worked, and checking and assessing the estimated total project hours and anticipated income in the client's calculation.

The company's disclosures of revenue recognition can be found in note 1 in section E of the notes to the consolidated financial statements, while details of the discretionary judgements made by the management and the estimation uncertainties to which revenue recognition is subject are discussed in section D of the notes to the consolidated financial statements.

The Company's disclosures of revenue recognition can be found in note 1 in section E of the notes to the consolidated financial statements, while details of management's discretionary judgements and the estimation uncertainties to which revenue recognition is subject are discussed in section D of the notes to the consolidated financial statements.

OTHER INFORMATION

The legal representatives and the supervisory board are responsible for providing the other information. Other information includes:

– the statement issued by the management board with regard to the appropriateness and effectiveness of the internal control and risk management systems, which is included in section 4.1 of the combined management report

– those aspects of the combined non-financial report included in the Sustainability Report that is published separately on the Company's website and to which reference is made in section 8 of the combined management report

– the separately published Group corporate governance statement referred to in section 10 of the combined management report.

Our audit opinion on the consolidated financial statements and the combined management report does not extend to the other information. Accordingly, we will not issue an audit assessment, nor any other form of conclusions drawn from an audit.

In performing our audit of the consolidated financial statements, we are responsible for reading the other information and assessing whether the other information

– contains any material inconsistencies relating to the consolidated financial statements, the combined management report or the knowledge gained during our audit, or

– seems to be otherwise materially misstated.

If we come to the conclusion, based on our audit, that this other information contains material misstatements, we are obliged to report the fact. We have nothing to report in this respect.

RESPONSIBILITY OF THE LEGAL REPRESENTATIVES AND THE SUPERVISORY BOARD FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND COMBINED MANAGEMENT REPORT

The legal representatives are responsible for the preparation of the consolidated financial statements in accordance with IFRS as adopted by the EU and the additional requirements of German law pursuant to Section 315e (1) HGB, and for ensuring that the consolidated financial statements provide a true and fair view of the results and financial position of the Group in accordance with these regulations. Furthermore, the legal representatives are responsible for such internal controls as it determines are necessary to enable the preparation of consolidated financial statements that are free of material misstatements due to fraudulent acts (i.e. manipulation of accounts and damage to assets) or errors.

In the preparation of the consolidated financial statements, the legal representatives are responsible for evaluating the ability of the Group to continue as a going concern. Furthermore, they are responsible for disclosing matters relating to going-concern principles as appropriate, and using the going-concern basis of accounting unless management either intends to liquidate the Group or cease operations, or has no realistic alternative but to do so.

The legal representatives are also responsible for the preparation of the combined management report, which as a whole provides a suitable view of the Group's position and is consistent in all material respects with the consolidated financial statements, complies with the requirements of German law, and suitably presents the opportunities and risks of future development. Furthermore, the legal representatives are responsible for such policies and procedures (systems) as it determines are necessary to enable the preparation of the combined management report in accordance with the requirements of German law, and for providing sufficient and appropriate evidence for the assertions in the combined management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and the combined management report.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND COMBINED MANAGEMENT REPORT

Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatements due to fraudulent acts or errors, and whether the combined management report provides an overall suitable view of the Group's position and is consistent in all material respects with the consolidated financial statements as well as the findings of our audit, complies with the requirements of German law, and suitably presents the opportunities and risks of future development; and to issue an auditors' report that includes our audit opinion of the consolidated financial statements and the combined management report.

Reasonable assurance is a high level of assurance, but not a guarantee, that an audit conducted in accordance with Section 317 HGB, EU Regulation 537/2014, and German generally accepted standards for the audit of financial statements promulgated by the IDW Institute of Public Auditors in Germany will always detect a material misstatement. Misstatements may arise from from fraudulent acts or errors and are considered material if they could, individually or aggregated, reasonably be expected to influence the economic decisions of users made on the basis of these consolidated financial statements and combined management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

– identify and assess the risks of of material misrepresentations in the consolidated financial statements or the combined management report due to fraudulent acts or errors, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not discovering material misrepresentations due to fraudulent acts is greater than the risk of not discovering material misrepresentations due to errors, as fraudulent acts may include acts of collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- obtain an understanding of the internal control system relevant to the audit of the consolidated financial statements and the policies and procedures relevant to the audit of the combined management report in order to design audit procedures that are appropriate to the given circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- draw conclusions about the appropriateness of management's use of the going-concern basis of accounting and, based on the audit evidence obtained, whether there exists material uncertainty related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or in the combined management report or, if such disclosures are inadequate, to modify our audit opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. Future events or conditions may, however, lead to the Group being unable to continue as a going concern.

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that gives a true and fair view of the net assets and financial position as well as the results of operations of the Group in accordance with IFRS as adopted by the EU and the requirements of German law pursuant to Section 315e (1) HGB.

- obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an audit opinion on the consolidated financial statements and the combined management report. We are responsible for directing, overseeing and performing of the Group audit. We are solely responsible for our audit opinion.

- evaluate the consistency of the combined management report with the consolidated financial statements, its compliance with legal requirements and the view of the Group's position that it presents.

- perform audit procedures on the prospective information presented by management in the combined management report. Based on appropriate and sufficient audit evidence, we thereby, and in particular, evaluate the material assumptions used by management as a basis for the prospective information, and assess the reasonableness of these assumptions as well as the appropriate derivation of the prospective information from these assumptions. We do not issue a separate audit opinion on the prospective information or the underlying assumptions. There is a significant and unavoidable risk that future events will deviate significantly from the prospective information.

Among other matters, we communicate the planned scope and timing of the audit with those charged with governance, together with our significant audit findings, including any significant deficiencies in the internal control system that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirement and communicate to them all the relationships and other matters that may reasonably be thought to have a bearing on our impartiality, and – where pertinent – the actions taken or safeguards applied with regard to them. Of the matters communicated with those charged with governance, we determine those of most significance for the audit of the consolidated financial statements for the current reporting period and which are therefore considered the key audit matters. We describe these matters in our report on the audit of the consolidated financial statements, unless laws or regulations prohibit public disclosure of the matter.

OTHER LEGAL AND STATUTORY REQUIREMENTS

REPORT ON THE AUDIT OF THE ELECTRONIC REPRODUCTIONS OF THE CONSOLIDATED FINANCIAL STATEMENTS AND THE COMBINED MANAGEMENT REPORT PREPARED FOR THE PURPOSE OF DISCLOSURE IN ACCORDANCE WITH SECTION 317 (3A) HGB

Audit opinion

Pursuant to Section 317 (3a) HGB, we conducted an audit to obtain reasonable assurance that the reproductions of the consolidated financial statements and the combined management report (»ESEF documentation«) contained in the file »AllforOne_KA_2023.zip« and compiled for the purpose of disclosure are compliant in all material aspects with the specifications of Section 328 (1) HGB regarding the electronic reporting format (»ESEF format«). Pursuant to German legislation, this audit only covers the translation of the information regarding the consolidated financial statements and the combined management report to

ESEF format and therefore does not extend to the information contained in these reproductions nor to any other information in the aforementioned file.

In our opinion, the reproductions of the consolidated financial statements and the combined management report contained in the aforementioned file and compiled for the purpose of disclosure are compliant in all material aspects with the specifications of Section 328 (1) HGB regarding the electronic reporting format. Other than this opinion and our opinions on the accompanying consolidated financial statements and on the accompanying combined management report for the financial year from 1 October 2022 to 30 September 2023 included in the preceding »REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND COMBINED MANAGEMENT REPORT«, we do not express any opinion on the information given in these reproductions or on the other information included in the aforementioned file.

Basis for the audit opinion

We conducted our audit of the reproductions of the consolidated financial statements and the combined management report contained in the aforementioned file in accordance with Section 317 (3a) HGB and IDW auditing standard: Auditing electronic reproductions of financial statements and management reports prepared for the purpose of disclosure in accordance with Section 317 (3a) HGB (IDW PS 410 (06.2022)). A detailed description of our responsibility according to these standards is included in the section »Responsibility of the Group auditors for auditing the ESEF documentation«. Our auditing practice applied the requirements of the IDW Quality Management Standard implementing the IAASB's International Standards on Quality Management.

Responsibility of the legal representatives and the supervisory board for the ESEF documentation

The Company's legal representatives are responsible for compiling the ESEF documentation with the electronic reproductions of the consolidated financial statements and of the combined management report as specified in Section 328 (1) sentence 4 no. 1 HGB and for tagging the consolidated financial statements as specified in Section 328 (1) sentence 4 no. 2 HGB.

Moreover, the Company's legal representatives are responsible for the internal controls they deem necessary to assure the compilation of ESEF documentation that is free of material – intentional or accidental – violations of the specifications of section 328 (1) HGB regarding the electronic reporting format.

The supervisory board is responsible for overseeing the process of compiling the ESEF documentation as part of the accounting process.

Responsibility of the Group auditors for auditing the ESEF documentation

Our objective is to obtain reasonable assurance that the ESEF documentation is free of material – intentional or accidental – violations of the specifications of section 328 (1) HGB. During our audit, we exercise our due discretion and remain critical in our fundamental approach. In addition,

– we identify and assess the risks of material – intentional or accidental – violations of the specifications of Section 328 (1) HGB, plan and execute audit procedures in response to these risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.

– we obtain an understanding of the internal controls relevant to the audit of the ESEF documentation in order to plan audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of those controls.

– we assess the technical validity of the ESEF documentation, i.e. whether the file containing the ESEF documentation complies with the requirements of Delegated Regulation (EU) 2019/815 as amended as of the reporting date, regarding the technical specification for that file.

– we assess whether the ESEF documentation provides a consistent XHTML reproduction of the audited consolidated financial statements and the audited combined management report.

– we assess whether the tagging of the ESEF documentation using inline XBRL technology (iXBRL) in accordance with Articles 4 and 6 of Delegated Regulation (EU) 2019/815 as amended as of the reporting date, provides an adequate and complete machine-readable XBRL copy of the XHTML reproduction.

OTHER INFORMATION PURSUANT TO ARTICLE 10 EU-APRVO

We were elected as auditors at the annual general meeting on 16 March 2023. We were engaged by the chair of the audit committee on 12 Juli 2023. We have been the Group auditors of All for One Group SE continuously since financial year 2019/2020.

We declare that the audit opinions contained in this auditors' report are consistent with the additional report to the audit committee that was prepared pursuant to Article 11 of EU-APrVO.

OTHER MATTERS – USE OF THE AUDITORS' REPORT

Our auditors' report must always be read in conjunction with the audited consolidated financial statements and the audited combined management report, and with the audited ESEF documentation. The translations of the consolidated financial statements and the combined management report to ESEF format – including the versions intended for submission to the company register – are only electronic reproductions of the audited consolidated financial statements and the audited combined management report, and do not replace them. In particular, the ESEF audit assessment containing our audit opinion is only to be used in conjunction with the audited ESEF documentation presented in electronic format.

RESPONSIBLE AUDITOR

The auditor responsible for the audit is Andreas Schuster.

Frankfurt am Main, 13 December 2023
BDO AG
Wirtschaftsprüfungsgesellschaft

Dr. Fasshauer	Schuster
Auditor	Auditor

SERVICE

FINANCIAL CALENDAR FOR FINANCIAL YEAR 2023/24

Friday	09.02.2024	Quarterly Statement 2023/24 as of 31 December 2023
Thursday	14.03.2024	Annual General Meeting
Thursday	16.05.2024	Half-Year Financial Report 2023/24 as of 31 March 2024
Thursday	08.08.2024	Quarterly Statement 2023/24 as of 30 June 2024
Monday	16.12.2024	Publication of Consolidated and Annual Financial Statements Financial Year from 1 October 2023 to 30 September 2024
Monday	16.12.2024	Virtual Conference for Results of Financial Year 2023/24

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Our homepage offers an extensive IR Service. Apart from finding company reports, analyst reports, financial presentations or information concerning the annual general meeting, you can also put youself on the mailing list for press and financial announcements.

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

DISCLAIMER

As far as this annual report contains forecasts, estimates or expectations, these can be associated with risks and uncertainties. The actual results and developments can deviate from the expectations and assumptions made. Changes in the general economic and competitive situation, particularly in the core business divisions and markets, changes in legislation, in particular tax regulations, can cause such deviations. The German version of this annual report is definitive. The company assumes no obligation to update statements made in this annual report.

IMPRINT

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