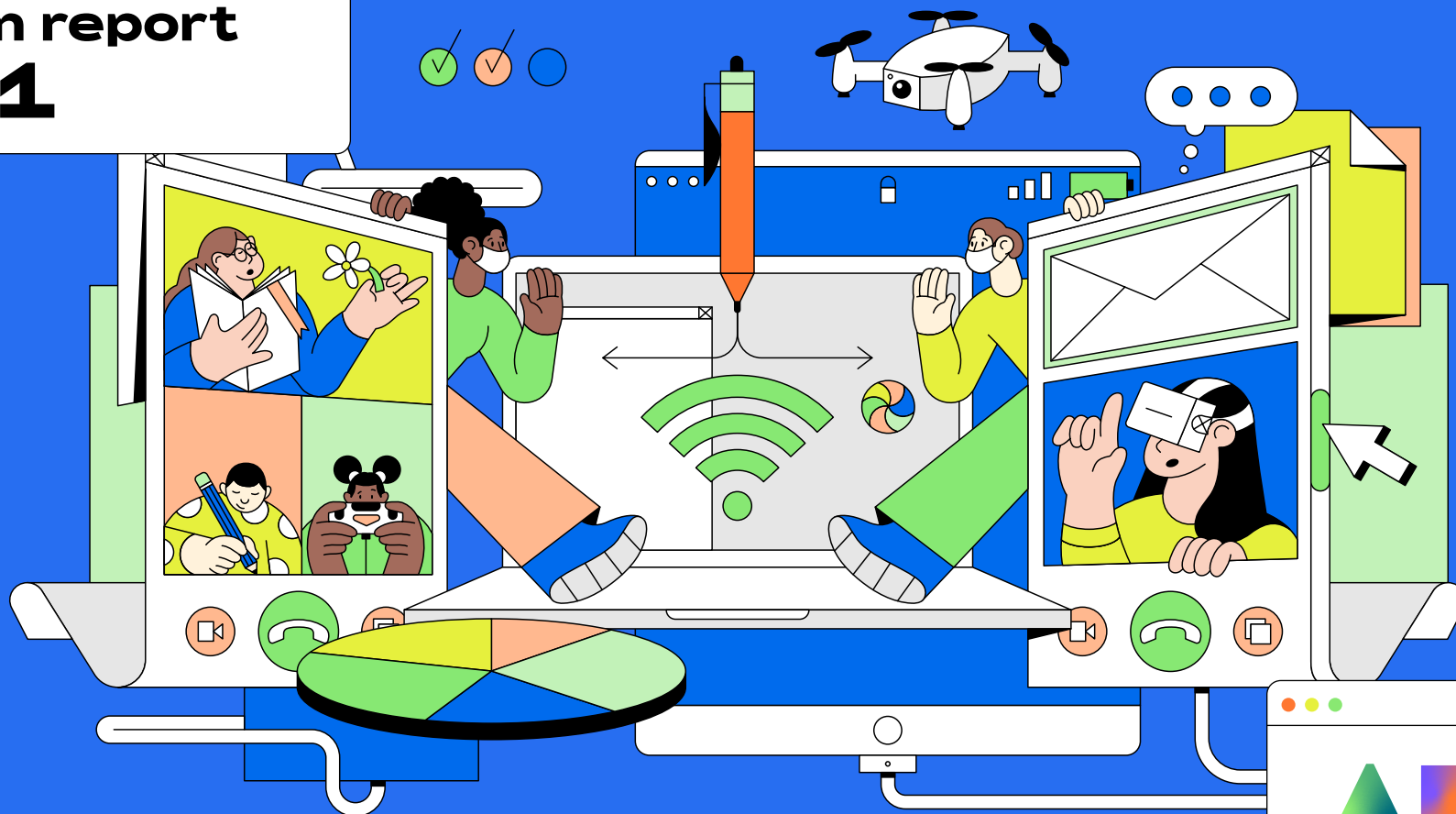


NEW 2 NEXT

Enabled by IT

ALSO
Interim report
2021



ALSO NET PROFIT: € 65 MILLION (+ 45.1 %)

▶▶ **EBITDA: € 114.6 million (+ 24.1 %)**

ROCE: 19.4 %

Net sales grew by 9.7 % to € 5.9 billion. Supply improved by 9.9 %, Solutions by 6.9 %. The cloud business developed particularly well, with an increase of 38.2 % and a 33.0 % rise in unique users.

Overall, the ICT industry had a good first half-year, ALSO was once again able to achieve a result significantly above market level. The foundation for this are MORE, the 3S, and the use of the ecosystem to scale the digital platforms. Enterprise-wide ERP harmonization, business intelligence, and CRM enable a forward-looking, flexible, and agile management. The track record of 22 acquired and integrated companies from 18 European countries since 2011 is a sign of the company's integration strength – the basis for successful local and regional growth as well as an increase in technological competence. The constant adaptation and further development of the organization is another building block for the convincing performance. In addition to increasing productivity (based on the use of AI, among other things), the focus is on hiring experts, training new and qualifying existing employees to develop new business models.

“ALSO's success is the result of our strategy and its implementation over the past ten years. We have thus also laid the foundation for sustainable, profitable growth in the future,” says Gustavo Möller-Hergt, CEO of ALSO Holding AG (SIX: ALSN).

ALSO confirms its targets for 2021 with EBITDA between € 240 and 255 million and ROCE of 15 to 20 %.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

as of June 30, 2021 (unaudited)

Condensed consolidated income statement

| € 1 000 | 1st half 2021 | | 1st half 2020 | | Change |
|---|------------------|---------|------------------|---------|---------|
| Total net sales | 5 923 332 | 100.0 % | 5 397 569 | 100.0 % | 9.7 % |
| Cost of goods sold and services provided | -5 602 026 | -94.6 % | -5 099 043 | -94.5 % | 9.9 % |
| Gross profit | 321 306 | 5.4 % | 298 526 | 5.5 % | 7.6 % |
| Operating expenses | -206 659 | -3.5 % | -206 168 | -3.8 % | 0.2 % |
| EBITDA | 114 647 | 1.9 % | 92 358 | 1.7 % | 24.1 % |
| Depreciation and amortization | -19 803 | -0.3 % | -20 264 | -0.4 % | -2.3 % |
| Operating profit (EBIT) | 94 844 | 1.6 % | 72 094 | 1.3 % | 31.6 % |
| Financial result | -7 212 | -0.1 % | -11 355 | -0.2 % | -36.5 % |
| Profit before tax (EBT) | 87 632 | 1.5 % | 60 739 | 1.1 % | 44.3 % |
| Income taxes | -22 636 | -0.4 % | -15 938 | -0.3 % | 42.0 % |
| Net profit Group | 64 996 | 1.1 % | 44 801 | 0.8 % | 45.1 % |
| Attributable to shareholders of ALSO Holding AG | 64 918 | | 44 846 | | |
| Attributable to non-controlling interests | 78 | | -45 | | |
| Earnings per share in €¹⁾ | | | | | |
| Basic earnings per share | 5.06 | | 3.50 | | |
| Diluted earnings per share | 5.06 | | 3.50 | | |

1) Attributable to the shareholders of ALSO Holding AG

The accompanying notes form an integral part of the condensed interim consolidated financial statements.

Condensed consolidated statement of comprehensive income

| € 1 000 | 1st half 2021 | 1st half 2020 |
|---|---------------|---------------|
| Profit recognized in the consolidated income statement | 64 996 | 44 801 |
| ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS | | |
| Remeasurement of defined benefit plans | 4 678 | -602 |
| Tax effects thereof | -599 | 38 |
| Subtotal | 4 079 | -564 |
| ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS | | |
| Exchange differences | -75 | -2 748 |
| Fair value adjustments on cash flow hedges | 2 254 | -1 431 |
| Tax effects thereof | -521 | 481 |
| Subtotal | 1 658 | -3 698 |
| Other comprehensive income | 5 737 | -4 262 |
| Total comprehensive income | 70 733 | 40 539 |
| Attributable to shareholders of ALSO Holding AG | 70 655 | 40 584 |
| Attributable to non-controlling interests | 78 | -45 |

The accompanying notes form an integral part of the condensed interim consolidated financial statements.

Condensed consolidated statement of financial position

| € 1 000 | 06.30.2021 | | 12.31.2020 | |
|--------------------------------------|------------------|-------|------------------|-------|
| Cash and cash equivalents | 346 398 | | 483 162 | |
| Other current assets | 1 899 903 | | 1 992 429 | |
| Total current assets | 2 246 301 | 85 % | 2 475 591 | 86 % |
| Deferred tax assets | 26 166 | | 28 409 | |
| Other non-current assets | 363 098 | | 378 098 | |
| Total non-current assets | 389 264 | 15 % | 406 507 | 14 % |
| Total assets | 2 635 565 | 100 % | 2 882 098 | 100 % |
| Current financial liabilities | 88 251 | | 108 223 | |
| Other current liabilities | 1 342 874 | | 1 580 122 | |
| Total current liabilities | 1 431 125 | 54 % | 1 688 345 | 59 % |
| Non-current financial liabilities | 325 847 | | 337 070 | |
| Other non-current liabilities | 30 113 | | 35 358 | |
| Total non-current liabilities | 355 960 | 14 % | 372 428 | 13 % |
| Equity | 848 480 | 32 % | 821 325 | 28 % |
| Total liabilities and equity | 2 635 565 | 100 % | 2 882 098 | 100 % |

The accompanying notes form an integral part of the condensed interim consolidated financial statements.

Condensed consolidated statement of changes in equity

| € 1 000 | Share capital | Capital reserves | Treasury shares | Other reserves ¹⁾ | Retained earnings | Equity attributable to shareholders | Non-controlling interests | Total |
|---|---------------|------------------|-----------------|------------------------------|-------------------|-------------------------------------|---------------------------|----------------|
| January 1, 2021 | 9 960 | 30 605 | - 1 822 | - 17 950 | 800 190 | 820 983 | 342 | 821 325 |
| Net profit Group | - | - | - | - | 64 918 | 64 918 | 78 | 64 996 |
| Other comprehensive income | - | - | - | 5 737 | - | 5 737 | - | 5 737 |
| Total comprehensive income | - | - | - | 5 737 | 64 918 | 70 655 | 78 | 70 733 |
| Distributions to shareholders ²⁾ | - | -30 605 | - | - | -12 966 | -43 571 | - | -43 571 |
| Changes in the scope of consolidation | - | - | - | - | - | - | -7 | -7 |
| June 30, 2021 | 9 960 | - | - 1 822 | - 12 213 | 852 142 | 848 067 | 413 | 848 480 |
| January 1, 2020 | 9 960 | 69 943 | - 1 822 | - 16 573 | 670 372 | 731 880 | 383 | 732 263 |
| Net profit Group | - | - | - | - | 44 846 | 44 846 | -45 | 44 801 |
| Other comprehensive income | - | - | - | -4 262 | - | -4 262 | - | -4 262 |
| Total comprehensive income | - | - | - | -4 262 | 44 846 | 40 584 | -45 | 40 539 |
| Distributions to shareholders | - | -39 338 | - | - | - | -39 338 | - | -39 338 |
| Remeasurement of put options on shares of non-controlling interests | - | - | - | - | -6 | -6 | 6 | - |
| June 30, 2020 | 9 960 | 30 605 | - 1 822 | - 20 835 | 715 212 | 733 120 | 344 | 733 464 |

1) See note: Other reserves

2) As this year's distribution to shareholders repaid the capital reserves resulting from the reverse acquisition in 2011, the remaining distribution to shareholders will be made from retained earnings. Refer to the Annual Report 2020 for the reserve from foreign capital contributions of ALSO Holding AG.

The accompanying notes form an integral part of the condensed interim consolidated financial statements.

Condensed consolidated statement of cash flows

| € 1 000 | 1st half 2021 | 1st half 2020 |
|---|-----------------|----------------|
| Net profit Group | 64 996 | 44 801 |
| Depreciation and amortization | 19 803 | 20 264 |
| Change in provisions and employee benefits | 812 | 576 |
| Other non-cash items | 5 595 | 6 975 |
| Subtotal | 91 206 | 72 616 |
| Change in net working capital | -148 361 | 11 101 |
| Cash flow from operating activities | -57 155 | 83 717 |
| Net cash flow from acquisitions of subsidiaries | -808 | - |
| Payment of contingent consideration from acquisitions of subsidiaries | -730 | -5 320 |
| Net cash flow from the disposal of subsidiaries | 1 827 | - |
| Net investments in property, plant & equipment | -2 330 | -3 815 |
| Net investments in intangible assets | -1 172 | -1 401 |
| Net investments in financial assets | 7 | -4 |
| Cash flow from investing activities | -3 206 | -10 540 |
| Distribution to shareholders | -43 571 | -39 338 |
| Change in financial liabilities | -30 103 | -24 320 |
| Cash flow from financing activities | -73 674 | -63 658 |
| Exchange differences | -2 729 | 419 |
| Change in cash and cash equivalents | -136 764 | 9 938 |
| Cash and cash equivalents at January 1 | 483 162 | 349 464 |
| Cash and cash equivalents at June 30 | 346 398 | 359 402 |

The accompanying notes form an integral part of the condensed interim consolidated financial statements.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

as of June 30, 2021 (unaudited)

Corporate information

The basis of ALSO's business models are the two customer categories "providers" and "buyers". The ALSO Group has a portfolio of more than 700 vendors in the ICT product categories of hardware, software, and IT services, including all global market leaders. We offer the vendors access to a broad spectrum of buyers, who can call up further customized services in the logistics, finance, IT, and digital services sectors, as well as traditional distribution services. ALSO offers services along the entire value chain from a single source.

On the basis of a European B2B marketplace, the customers are enabled to sustainably shape and develop their businesses.

Basis of preparation

The unaudited condensed interim consolidated financial statements of ALSO Holding AG inclusive all of its directly and indirectly controlled subsidiaries for the six months ended June 30, 2021 have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting". These condensed interim consolidated financial statements are presented in € (reporting currency), since the majority of revenues are generated in the euro area. The condensed interim consolidated financial statements should be read in conjunction with the consolidated financial statements as of December 31, 2020.

Selected significant accounting and measurement principles

The accounting and measurement principles used in the preparation of the condensed interim consolidated financial statements are consistent with those used in the consolidated financial statements for the year ended December 31, 2020 except for amended standards that became newly applicable from January 1, 2021. The accounting and measurement principles used are fully described from [page 72 of the Annual Report 2020](#).

As from January 1, 2021, ALSO adopted the following amended standards for the first time:

- ▶ Interest Rate Benchmark Reform Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)
- ▶ COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16), early adopted

The individual changes do not have any material effect on the financial position, performance or cash flow situation of ALSO.

The Group has not early adopted any other standard, interpretation, or amendment that has been issued but is not yet effective. No further changes are known that will become effective for the consolidated financial statements 2021.

The preparation of these condensed interim consolidated financial statements requires management to make certain assumptions and estimates about the future that influence the amounts presented in this report. Actual results may vary from these estimates.

Changes in the scope of the consolidation

The following companies were acquired by ALSO Group in the first half of 2021 and were included in the scope of consolidation:

| Country | Domicile | Company name | Voting interest |
|----------------|----------|---------------------|-----------------|
| Czech Republic | Praque | Daquas spol. S r.o. | 100.0% |

In 2020, ALSO acquired dicom Computer-Vertriebsges.m.b.H. Detailed information on this transaction and its effect on the consolidated financial statements for the year ended December 31, 2020 are presented starting on [page 81 of the Annual Report 2020](#).

Business combinations

Acquisition Daquas spol. S r.o.

On March 1, 2021, the ALSO Group acquired 100% of the partners' shares in Daquas spol. S r.o. Daquas spol. S r.o., based in Prague, Czech Republic, is an unlisted company and is a Value Add Distributor and one of the top Cloud Solution Providers (CSP) for Microsoft. The acquisition of Czech Microsoft expert Daquas, adds valuable expertise in this area to the Group. At the same time, it spurs on the growth trajectory in Eastern Europe.

The consideration transferred for 100% of the partners' shares amounted to T€ 4 500. In the purchase price allocation, a fair value of the net assets of T€ 2 911 was identified. Goodwill of T€ 1 589 was recognized. The goodwill mainly reflects the expected synergy effects from expanding the market position. The reported goodwill is not tax-deductible.

Cash and cash equivalents amounting to T€ 2 692 were acquired. The fair value of trade receivables amounts to T€ 1 634.

Since information is still outstanding, the purchase price allocation that was performed and revised at the reporting date is provisional.

Daquas has contributed T€ 4 073 to the net sales and T€ 97 to the net profit of ALSO since the date of acquisition.

Of the purchase price of T€ 4 500, T€ 3 500 was paid out by June 30, 2021.

Purchase price payment AllThingsTalk NV

In 2021 a purchase price payment of T€ 730 was due for the acquisition of AllThingsTalk. The purchase price payment due in 2020 amounted to T€ 200. These amounts had already been taken into account in the purchase price allocation as of December 31, 2019.

Assets and liabilities from business combinations

| € 1 000 | Fair values at the date of acquisition |
|--|--|
| | Daquas spol. S r.o. ¹⁾ |
| CURRENT ASSETS | |
| Cash and cash equivalents | 2 692 |
| Trade receivables | 1 634 |
| Prepaid expenses, accrued income and other receivables | 148 |
| Total current assets | 4 474 |
| NON-CURRENT ASSETS | |
| Property, plant and equipment | 437 |
| Intangible assets | 622 |
| Total non-current assets | 1 059 |
| Total assets | 5 533 |
| CURRENT LIABILITIES | |
| Trade payables | 2 166 |
| Accrued expenses, deferred income and other payables | 292 |
| Tax liabilities | 36 |
| Total current liabilities | 2 494 |
| NON-CURRENT LIABILITIES | |
| Deferred tax liabilities | 128 |
| Total non-current liabilities | 128 |
| Total liabilities | 2 622 |
| Total net assets | 2 911 |
| Goodwill | 1 589 |
| Consideration transferred | 4 500 |
| ANALYSIS OF CASH FLOWS FROM THE ACQUISITIONS | |
| Cash acquired | 2 692 |
| Cash paid | -3 500 |
| Net cash outflow | -808 |

1) Provisional amounts

Deconsolidation of SINAS Beteiligungs GmbH & Co. Vermietungs KG

ALSO controlled SINAS Beteiligungs GmbH & Co. Vermietungs KG until March 31, 2021, although less than half of the voting rights in the company were held. SINAS, which owned a warehouse building, was controlled through its tenancy with ALSO. As of March 31, 2021, ALSO lost control over SINAS as the tenancy was terminated and the building was sold. The deconsolidation has resulted in financial income of T€ 2129.

Segment information

| € 1 000 | Central Europe | | Northern/Eastern Europe | | Reconciliation | | Group | |
|--|------------------|------------------|-------------------------|------------------|-----------------|-----------------|------------------|------------------|
| | 1st half 2021 | 1st half 2020 | 1st half 2021 | 1st half 2020 | 1st half 2021 | 1st half 2020 | 1st half 2021 | 1st half 2020 |
| Net sales to third parties | 2 984 241 | 2 979 785 | 2 938 975 | 2 417 668 | 116 | 116 | 5 923 332 | 5 397 569 |
| Net sales to other segments | 98 567 | 66 785 | 104 990 | 123 353 | -203 557 | -190 138 | - | - |
| Total net sales | 3 082 808 | 3 046 570 | 3 043 965 | 2 541 021 | -203 441 | -190 022 | 5 923 332 | 5 397 569 |
| EBITDA | 59 584 | 60 005 | 54 038 | 36 166 | 1 025 | -3 813 | 114 647 | 92 358 |
| <i>As % of total net sales</i> | 1.9% | 2.0% | 1.8% | 1.4% | | | 1.9% | 1.7% |
| Profit before tax (EBT) | 45 753 | 42 862 | 40 202 | 19 646 | 1 677 | -1 769 | 87 632 | 60 739 |
| <i>As % of total net sales</i> | 1.5% | 1.4% | 1.3% | 0.8% | | | 1.5% | 1.1% |
| Segment assets | 1 463 438 | 1 703 918 | 1 309 342 | 1 248 037 | -137 215 | -211 702 | 2 635 565 | 2 740 253 |
| Segment liabilities | 1 092 655 | 1 344 067 | 977 800 | 981 573 | -283 370 | -318 851 | 1 787 085 | 2 006 789 |
| Full-time equivalent positions on reporting date | 1 997 | 1 949 | 1 940 | 1 990 | 134 | 121 | 4 071 | 4 060 |

The reconciliation of the segment results to the consolidated results contains centralized activities of the holding companies in Switzerland, Finland and Germany (headquarter activities) which are not allocated to the segments. The allocation of the net sales is determined by the place where invoicing occurs. Revenues as well as assets and liabilities (mainly trade receivables and payables) between the segments are eliminated in the "Reconciliation" column.

Exchange rates

For preparation of the interim financial statements the following exchange rates were applied:

Exchange rates

| to € | | Average rate | | Closing date rate | | |
|-------------|-----|---------------|---------------|-------------------|------------|------------|
| | | 1st half 2021 | 1st half 2020 | 06.30.2021 | 12.31.2020 | 06.30.2020 |
| USA | USD | 1.2053 | 1.1020 | 1.1884 | 1.2271 | 1.1198 |
| Switzerland | CHF | 1.0946 | 1.0642 | 1.0980 | 1.0802 | 1.0651 |
| Norway | NOK | 10.1759 | 10.7324 | 10.1717 | 10.4703 | 10.9120 |
| Denmark | DKK | 7.4368 | 7.4648 | 7.4362 | 7.4409 | 7.4526 |
| Sweden | SEK | 10.1308 | 10.6599 | 10.1110 | 10.0343 | 10.4948 |
| Poland | PLN | 4.5374 | 4.4120 | 4.5201 | 4.5597 | 4.4560 |

Transactions with related parties

| € 1 000 | 1st half 2021 | 1st half 2020 |
|--|---------------|---------------|
| TRANSACTIONS WITH MAIN SHAREHOLDERS AND OTHER RELATED PARTIES | | |
| Net sales to Droege Group | 50 | 67 |
| Net sales to ALSO Financial Services | 955 | 378 |
| Operating expenses Droege Group | -1 741 | -1 652 |
| Operating expenses ALSO Financial Services | -5 | 0 |
| Trade receivables Droege Group | 437 | 243 |
| Trade receivables ALSO Financial Services | 393 | 286 |
| Loan to ALSO Financial Services | 5 000 | 5 000 |
| Trade payables Droege Group | -463 | -529 |
| LIABILITIES WITH ALSO PENSION FUND | | |
| ALSO Holding AG | 7 | 5 |
| ALSO Schweiz AG | 320 | 288 |

For the first half of 2021, transactions with key management correspond with those transactions disclosed in the consolidated financial statements 2020.

The distributions of T€ 22 351 to Droege that were decided at the General Meeting of March 17, 2021 were paid on March 23, 2021.

Other reserves

| € 1 000 | Cash flow hedge reserve | Exchange differences | Remeasurement of defined benefit plans | Total other reserves |
|---|----------------------------|-------------------------|---|-------------------------|
| January 1, 2021 | -8 287 | 759 | -10 422 | -17 950 |
| Net profit Group | - | - | - | - |
| Other comprehensive income | 1 733 | -75 | 4 079 | 5 737 |
| Total comprehensive income | 1 733 | -75 | 4 079 | 5 737 |
| Distributions to shareholders | - | - | - | - |
| Changes in the scope of consolidation | - | - | - | - |
| June 30, 2021 | -6 554 | 684 | -6 343 | -12 213 |
| January 1, 2020 | -7 788 | 4 012 | -12 797 | -16 573 |
| Net profit Group | - | - | - | - |
| Other comprehensive income | -994 | -2 704 | -564 | -4 262 |
| Total comprehensive income | -994 | -2 704 | -564 | -4 262 |
| Distributions to shareholders | - | - | - | - |
| Remeasurement of put options on shares of non-controlling interests | - | - | - | - |
| June 30, 2020 | -8 782 | 1 308 | -13 361 | -20 835 |

Financial instruments

Fair value of the financial instruments

| € 1 000 | Level 1 | Level 2 | Level 3 | Fair value 06.30.2021 |
|--|---------|---------|---------------|--------------------------|
| FINANCIAL ASSETS | | | | |
| Current derivative financial instruments | | 209 | | 209 |
| <i>Forward exchange contracts</i> | | 209 | | 209 |
| Non-current derivative financial instruments | | 430 | | 430 |
| <i>Interest rate options</i> | | 430 | | 430 |
| FINANCIAL LIABILITIES | | | | |
| Contingent consideration from acquisitions of subsidiaries | | | -4 397 | -4 397 |
| Current derivative financial instruments | | -1 810 | | -1 810 |
| <i>Forward exchange contracts</i> | | -1 480 | | -1 480 |
| <i>Interest rate options</i> | | -331 | | -331 |
| Non-current derivative financial instruments | | -9 047 | | -9 047 |
| <i>Interest rate swaps</i> | | -7 504 | | -7 504 |
| <i>Interest rate options</i> | | -1 543 | | -1 543 |
| Total financial instruments level 3 | | | -4 397 | |

Fair value of the financial instruments

| € 1 000 | Level 1 | Level 2 | Level 3 | Fair value 12.31.2020 |
|--|---------|---------|---------------|--------------------------|
| FINANCIAL ASSETS | | | | |
| Current derivative financial instruments | | 599 | | 599 |
| <i>Forward exchange contracts</i> | | 599 | | 599 |
| Non-current derivative financial instruments | | 197 | | 197 |
| <i>Interest rate options</i> | | 197 | | 197 |
| FINANCIAL LIABILITIES | | | | |
| Contingent consideration from acquisitions of subsidiaries | | | -5 127 | -5 127 |
| Current derivative financial instruments | | -683 | | -683 |
| <i>Forward exchange contracts</i> | | -154 | | -154 |
| <i>Interest rate swaps</i> | | -198 | | -198 |
| <i>Interest rate options</i> | | -331 | | -331 |
| Non-current derivative financial instruments | | -10 879 | | -10 879 |
| <i>Interest rate swaps</i> | | -9 336 | | -9 336 |
| <i>Interest rate options</i> | | -1 543 | | -1 543 |
| Total financial instruments level 3 | | | -5 127 | |

The carrying amount of the other financial instruments is essentially the fair value.

Reconciliation of financial instruments within Level 3

| € 1 000 | 1st half 2021 | 2020 |
|---|---------------|----------------|
| January 1 | -5 127 | -12 865 |
| Fair value adjustments of contingent consideration recognized in financial result | - | 3 827 |
| Exercise of put options | - | 1 855 |
| Fair value adjustments of put options recognized in equity | - | -194 |
| Payments contingent consideration ¹⁾ | 730 | 2 250 |
| June 30/December 31 | -4 397 | -5 127 |

1) Only payments of consideration are included, which were measured at level 3 fair values. Further payments of consideration that were measured at amortized cost are not included here.

In the first half of 2021 and financial year 2020 respectively, there were no transfers of financial instruments between Level 1 and Level 2. There were also no transfers into or out of Level 3.

Fair value hierarchy

ALSO applies the following measurement hierarchy to determine the fair value of financial instruments:

Level 1: Listed, unchanged market price in active markets.

Level 2: Measurement methods in which all assumptions that have a material impact on the fair value are indirectly or directly available.

Level 3: Measurement methods with assumptions that have a material impact on the fair value which are not publicly available.

Measurement techniques of financial instruments within Level 2 and 3

Forward exchange contracts are measured based on observable forward rates and spot rates and are recognized at their positive or negative replacement value. Interest rate swaps and interest rate options are measured based on the net present value of observable forward rates and recognized in the statement of financial position at their positive or negative replacement value respectively.

The fair value of contingent considerations from the acquisition of subsidiaries is calculated based on contractually agreed measurement methods. These calculations are based on the expected future operating profits of subsidiaries and, therefore, depend on assumptions that are neither directly nor indirectly observable in the market. The expected future operating profits are based on medium-term plans which cover a period of three years. Those plans are reviewed by the management of ALSO.

A change in the underlying expected future profits would have the following effect on the fair value:

Sensitivity of financial instruments within Level 3

| € 1 000 | 1st half 2021 | 2020 |
|---|---------------|-------|
| 5% increase in the expected future results | - | - |
| 5% reduction in the expected future results | 1 790 | 1 790 |

Seasonality

The demand for products in the fields of information and communications technology and consumer electronics is seasonal. Particularly in the fourth quarter of the year, because of the Christmas trade, net revenue of the ALSO Group is higher than in the rest of the year.

Income taxes

Income tax expense is recognized based on an estimate of the income tax rate expected for the full year.

Distributions to shareholders

At the General Meeting held on March 17, 2021, the shareholders of ALSO Holding AG decided to distribute CHF 3.75 per registered share from the foreign capital contribution reserve to the shareholders of ALSO Holding AG, payable from March 23, 2021.

Events after the reporting period

No material events occurred after the reporting period.

Approval of interim financial statements

These interim financial statements were released for publication by the Board of Directors of ALSO Holding AG on July 16, 2021.

ALTERNATIVE PERFORMANCE MEASURES

This report contains certain Alternative Performance Measures which are not accounting measures as defined by IFRS. These measures should not be used instead of the IFRS-based consolidated financial statements, but as a supplement.

Organic growth

The organic growth results from the change in the total net sales of all Group companies that were part of the ALSO Group at the beginning of the comparative period. The change in total net sales of companies acquired in the fiscal year or in the previous year is included in the inorganic growth.

| In million € | |
|-------------------------------|---------|
| Total net sales 1st half 2020 | 5 397.6 |
| Organic growth | 507.4 |
| Inorganic growth | 18.3 |
| Total net sales 1st half 2021 | 5 923.3 |

Supply, Solution and Service net sales

| In million € | 1st half 2021 | 1st half 2020 | Change |
|-------------------|---------------|---------------|--------|
| Total net sales | 5 923.3 | 5 397.6 | 9.7 % |
| thereof Supply | 4 120.5 | 3 748.6 | 9.9 % |
| thereof Solutions | 1 509.1 | 1 412.3 | 6.9 % |
| thereof Service | 293.7 | 236.7 | 24.1 % |

In the second half of 2020, ALSO reallocated product categories that are assigned to the remote working segment and are mainly distributed via small and medium-sized businesses (SMB) to the Solutions business model. The reclassification from the Supply business model to Solutions was made due to the necessary consulting expertise that is typical for the Solutions business model.

The prior-year figures have been adjusted accordingly:

| In million € | 1st half 2020 Adjusted | Adjustment | 1st half 2020 Reported |
|-------------------|------------------------|------------|------------------------|
| Total net sales | 5 397.6 | | 5 397.6 |
| thereof Supply | 3 748.6 | 545.1 | 4 293.7 |
| thereof Solutions | 1 412.3 | -545.1 | 867.2 |
| thereof Service | 236.7 | | 236.7 |

EBITDA without effect due to IFRS 16 leases

EBITDA is impacted by the adoption of IFRS 16. Since January 1, 2019, ALSO recognizes assets and liabilities for virtually all leases. As a result, leasing expenses are no longer reported as part of operating expenses, but as depreciation and financial expense below EBITDA. For that purpose, the recorded depreciation of right-of-use assets and the recorded interest expenses on lease liabilities were deducted from the EBITDA as reported.

| In million € | 1st half 2021 | 1st half 2020 | Change |
|--|---------------|---------------|---------------|
| EBITDA as reported | 114.6 | 92.4 | 24.0 % |
| IFRS 16 effect | 11.9 | 12.4 | |
| EBITDA (without IFRS 16 effect) | 102.7 | 80.0 | 28.4 % |

Net financial debt without effect due to IFRS 16 leases

*NFD = current financial liabilities
+ non-current financial liabilities
– cash and cash equivalents*

The net financial debt is corrected for lease liabilities:

| In million € | 06.30.2021 | 12.31.2020 | 06.30.2020 |
|--|--------------|---------------|--------------|
| Current financial liabilities | 88.3 | 108.2 | 119.2 |
| Non-current financial liabilities | 325.8 | 337.1 | 351.2 |
| Total financial liabilities | 414.1 | 445.3 | 470.4 |
| ./. Cash and cash equivalents | –346.4 | –483.2 | –359.4 |
| Net financial debt as reported | 67.7 | –37.9 | 111.0 |
| IFRS 16 effect | –94.0 | –105.3 | –111.5 |
| Net financial debt (without IFRS 16 effect) | –26.3 | –143.2 | –0.5 |

Foreign currency effect

The foreign currency effect results from the following circumstances:

- ▶ **The foreign currency effect on total net sales:** The sales price is calculated on the basis of the moving average of the inventories valued in a foreign currency calculated at the spot price. The difference between the moving average translated at the spot price on the reporting date and the moving average in the local currency is assessed as foreign currency impact in total net sales.
- ▶ **The foreign currency effect on cost of goods sold and services provided:** The currency effects relate to currency valuations from open foreign currency liabilities, realized foreign currency effects with supplier payments, valuation of open forward exchange contracts and realized foreign currency effects from forward exchange contracts.

| In million € | 1st half 2021 | 1st half 2020 |
|---|---------------|---------------|
| Foreign currency effect on total net sales | 1.4 | 3.9 |
| Foreign currency effect on cost of goods sold and services provided | –2.1 | –4.5 |
| Foreign currency effect | –0.7 | –0.6 |

Return on capital employed (ROCE)

$$ROCE = \frac{\begin{matrix} \text{Net profit Group} \\ + \text{Financial expense} \\ - \text{Financial income} \end{matrix}}{\begin{matrix} \text{Equity} \\ + \text{Provisions for employee benefits} \\ + \text{Current and non-current financial liabilities} \\ - \text{Cash and cash equivalents} \end{matrix}}$$

At half-year, ROCE is reported on a rolling basis (July to June) and is adjusted for the effects of IFRS 16 in the components financial expenses and financial liabilities.

| | June 2021 | June 2020 |
|------|-----------|-----------|
| ROCE | 19.4 % | 17.6 % |

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