



Amadeus FiRe AG

Unaudited Half-Year Financial Report 2020

01.01. – 30.06.2020

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Unaudited Amadeus FiRe Group financial summary

Amounts in EUR k	01.01.-30.06.2020	01.01.-30.06.2019	Divergency in percent
Revenue	137,433	110,906	23.9%
Gross profit in percent	65,282 47.5%	51,711 46.6%	26.2%
EBITDA in percent	25,802 18.8%	20,860 18.8%	23.7%
EBITA-pre* in percent	17,387 12.7%	17,585 15.9%	-1.1%
EBIT in percent	12,435 9.0%	17,585 15.9%	-29.3%
Profit before income taxes in percent	10,686 7.8%	17,466 15.7%	-38.8%
Profit after income taxes in percent	7,116 5.2%	12,053 10.9%	-41.0%
Profit attributable to minority interest disclosed under liabilities	-151	-357	-57.7%
Profit for the period in percent	6,965 5.1%	11,696 10.5%	-40.4%
- Attributable to non-controlling interests	65	99	-34.3%
- Attributable to equity holders of the parent	6,900	11,597	-40.5%
Net cash from operating activities	24,792	11,899	108.4%
Net cash from operating activities per share	4.77	2.29	108.4%
Earnings per share	1.33	2.23	-40.4%
Average number of shares	5,198,237	5,198,237	
	30.06.2020	31.12.2019	
Balance sheet total	334,992	321,935	4.1%
Stockholders' equity	57,924	50,959	13.7%
Equity ratio	17.3%	15.8%	
Cash and cash equivalents	33,342	20,465	62.9%
	30.06.2020	30.06.2019	
Number of employees (active)	3,139	3,059	2.6%
thereof temporary staff	2,151	2,467	-12.8%
Per-capita revenue	43.8	36.3	20.8%
Per-capita profit	2.2	3.8	-42.0%

*) Profit from operations before goodwill amortization and amortization of intangible assets from purchase price allocation (EBITA-pre)

Unaudited Half-Year Financial Report 2020 (01.01.2020 - 30.06.2020)

Economic environment

The outbreak of COVID-19 has pushed the German economy into a deep recession and the general business climate is marked by high levels of uncertainty. Revenue and orders in Germany plunged in the first quarter despite the fact that economic output was not significantly affected in January and February. Gross domestic product (GDP) declined by 1.9% against the previous year in Q1. In the same period, the 27 Member States of the European Union reported a downturn of 2.7%. This puts Germany 0.8 percentage points above the EU.

The country's performance in the first quarter of 2020 primarily reflects domestic momentum. In comparison to the previous year, private consumer spending fell by 2.2%, after adjusting for inflation, and investment in equipment decreased by a significant 9.2%. Public spending rose by 2.2% and construction investment climbed by 4.8%. There was no momentum from abroad and so exports fell by 3.2%. Imports also declined by 1.7% year on year, adjusted for inflation. As exports decreased by more than imports, the trade balance was responsible for a 0.9 percentage point downturn in gross domestic product.

The ifo Business Climate Index, which tracks companies' expectations for the German economy, was around 96 points in the first two months of 2020. The spread of COVID-19 at the end of the first quarter initially caused the Business Climate Index to fall to 86.0 points in March before plummeting to a record low of 74.3 in April. In May, the index then rose to 79.7 points, eventually climbing to 86.2 in June. The ifo Business Cycle Clock, which illustrates the cyclical relationship between the business climate and business expectations using a four-quadrant diagram (upturn, boom, downturn, recession), has been in the "recession quadrant" since April. This was last seen during the financial crisis in 2009. Thanks to a significant improvement in business expectations in May and June, the Business Cycle Clock is now at least approaching the "upturn quadrant" again.

The ongoing pandemic has worsened the situation on the German labour market. According to information from the German Federal Employment Agency, 44.71 million people were in work in May 2020, 1.2% fewer than in same month of the previous year. The number of people in work declined year on year in April 2020 for the first time since March 2010. By contrast, according to the latest figures published by the German Federal Employment Agency, the number of jobs paying social insurance contributions rose by 0.1% to 33.41 million in April 2020. Unemployment, adjusted for seasonality, began to rise sharply in April 2020 and stood at 6.4% in June 2020. It is estimated that the effects of COVID-19 account for 1.4% of the unemployment rate. The option of using short-time work funds in the short term and related government subsidies helped avoid a far greater effect on the labour market.

Industry development

The market for temporary staffing has been massively affected by COVID-19. Temporary staffing allows companies to respond flexibly to a changing demand situation. Following this, the lower average workload in Germany results in cancellations of current temporary staffing assignments and a decline in demand. This explains why economic changes can be seen in the development of the temporary staffing market early on in the cycle. According to the German Federal Employment Agency's trend projection, the number of jobs paying social insurance contributions in the temporary employment field was around 10% lower than the previous year's figures in the months from January to March 2020. This represents a continuation of the market downturn that set in in March 2018. The downturn is expected to have gained strength again since April 2020 as a result of the pandemic.

As part of the wage agreement in the temporary work sector in force until the end of 2022, collectively agreed wages for temporary staff rose by 1.9 percent in the west and 3.0 percent in the east on 1 April 2020.

The ifo employment barometer, an indicator for companies' future staff planning, clearly shows that companies have drastically cut back on hiring. In the first half of 2020, the indicator fell to a record low of 86.3 points in April, 1.0% below the lowest value recorded in the 2008/2009 financial crisis. The index then went on to recover over the next two months, reaching 92.3 points in June. The BA-X jobs index from the German Federal Employment Agency, which signals demand for labour, tumbled by 20.2% year on year in the second quarter on account of the Coronavirus crisis. The index came to 91 points in June, a level last seen in October 2014.

Business performance and result of operations

The Amadeus FiRe Group generated consolidated revenue of EUR 137,433 thousand in the first half of the 2020 financial year, an increase of 23.9% on the same period of the previous year (EUR 110,906 thousand). This upturn primarily reflects the acquisition of Comcave Holding GmbH as at 19 December 2019. In organic terms, revenue fell by 4.0%. Overall, only Interim/Project Management and new business from Comcave generated revenue growth.

Individual services accounted for the following revenue:

Amounts in EUR k	Jan – June 2020	Jan – June 2019	Change in percent
Temporary staffing	69,929	73,241	-4.5%
Permanent placement	17,681	20,113	-12.1%
Interim/project management	9,377	6,131	52.9%
Personnel services segment	96,987	99,485	-2.5%
Training - organic	9,486	11,421	-16.9%
Training - Comcave	30,960	-	-
Training segment	40,446	11,421	254.1%
Total	137,433	110,906	23.9%

All businesses initially made a good start to the new financial year. Starting in March, the Coronavirus crisis then had a significant impact on operations. With demand collapsing in all services at the start of the Coronavirus crisis, revenue and earnings performance in Q2 remained at a level considered satisfactory by the Management Board. In the opinion of the Management Board, expectations of a very weak second quarter were – at least partially – averted.

The number of billable days in the reporting period was one day more than in the prior-year period. This had a positive impact of EUR 0.5 million on revenue, gross profit and earnings before taxes. Later in the year, this will be reinforced by two extra billable days in the fourth quarter.

The Amadeus FiRe Group's gross profit climbed by 26.2% to EUR 65,282 thousand in the first six months of 2020 (previous year: EUR 51,711 thousand). Adjusted to take account of Comcave, gross profit decreased by 6.9%. The gross profit margin improved by 0.9 percentage points to 47.5% (previous year: 46.6%).

Selling and administrative expenses increased by 54.3% to EUR 52,870 thousand (previous year: EUR 34,256 thousand). Adjusted for Comcave, the increase amounted to EUR 0.9 million or 2.6 percent. Non-recurring expenses in connection with the Comcave transaction of EUR 0.7 million are included in the first half year. Additional expenses in connection with a structural improvement of IT infrastructure and applications have an effect of EUR 0.8 million. Despite the successful expansion phase with a corresponding increase in the number of employees that started last year and went on until the beginning of the current year, overall staff costs for sales and administrative personnel in the period under review were significantly reduced year on year under short-time work schemes.

EBITA fell by 29.3% to EUR 12,435 thousand (previous year: EUR 17,585 thousand). Most of this can be attributed to the amortisation of intangible assets from purchase price allocation in the amount of EUR 4,952 thousand (previous year: EUR 0 thousand). Adjusted for this amortisation, comparable EBITA-pre was EUR 17,387 thousand, 1.1% lower than in the previous year. The adjusted EBITA pre margin deteriorated by 3.2 percentage points to 12.7% in the reporting period (previous year: 15.9%).

Interest expenses increased to EUR 1.8 million in connection with the Comcave Holding GmbH acquisition and the associated bridging loan (previous year: EUR 0.1 million).

Net profit for the period after tax amounted to EUR 7,116 thousand in the first half of 2020, 41.0% lower than in the previous year (EUR 12,053 thousand). EUR 151 thousand of this (previous year: EUR 357 thousand) relates to non-controlling interests reported under liabilities.

Earnings per share, based on the net profit for the period attributable to the ordinary shareholders of the parent company, declined by 90 cents to EUR 1.33 (previous year: EUR 2.23).

Segment development

Segment Temporary Staffing, Permanent Placement, Interim/Project Management

In the Personnel Services segment, demand for all services has decreased considerably since the middle of March. On account of the sharp deterioration in the business climate, the Group has enrolled most of the sales organisation in the Personnel Services segment in short-time work schemes from 14 April 2020. Working hours were increased again from 1 July 2020 in response to slightly better demand, although short-term work has still not been completely discontinued.

Revenue in the Personnel Services segment decreased by 2.5% to EUR 96,987 thousand in the first half of 2020 (previous year: EUR 99,485 thousand). Revenue rose in the first quarter but this was followed by a 15.8% downturn in Q2.

Temporary Staffing revenue saw a 4.5% decline as against the same period of the previous year (previous year: up +13.6%). The additional billable day in the reporting period had a positive effect on revenue, gross profit and earnings before taxes of around EUR 0.5 million.

The number of temporary staffing assignments, which was still higher than in the previous year until mid-March, has since been falling continuously. COVID-19 caused order terms to be shortened and orders to be cancelled and the lack of demand meant that new companies could not be found for all temporary staff to work in. Nevertheless, the situation increasingly stabilised throughout the second quarter. With temporary staffing assignments already down about 15% year on year at the end of the quarter in April, shortly after the outbreak of the pandemic, the order backlog of Temporary Staffing service after the quarterly transition from June to July was a good 25% lower than in the previous year.

Since 1 April, Amadeus FiRe has been using short-time work for the temporary staff. For all external employees not actively working for a customer, working hours have been reduced by 100%. A positive note is that many temporary staff could continue working for their respective customer businesses from home and that these assignments could continue to run unaltered.

Average hourly rates increased by +5.7% in the first half of 2020 (previous year: up +3.8%). The upturn reflects higher wages earned by Amadeus FiRe's temporary staff.

The Permanent Placement service was also affected by the immediate and abrupt slump in demand in March. At EUR 17,681 thousand in the first half of the reporting period, revenue was 12.1% lower than the figure for the same period of the previous year (previous year: EUR 20,113 thousand). Business volume contracted due to the decline in new enquiries and additional difficulties in arranging the interviews necessary to make a decision as a result of the lockdown. At around 22% in the second quarter, however, this was less severe than management had expected in light of the Coronavirus crisis.

Despite more difficult business conditions and a slow-down in momentum in Q2, the Interim & Project Management service boosted revenue considerably in the first half of 2020. Revenue was up 52.9% year-on-year at EUR 9,377 thousand (previous year: EUR 6,131 thousand). The positive effect of measures implemented in previous years, which stepped up regional focus, created this encouraging business performance in the first half of the year.

Finally, the result in the Personnel Services segment fell by 23.2% to EUR 12,424 thousand in the first half of 2020 (previous year: EUR 16,186 thousand).

Segment Training & Education

Revenue in the Training & Education segment amounted to EUR 40,446 thousand in the first half of 2020, a rise of 254.1% on the previous year (EUR 11,421 thousand). Adjusted for Comcave, organic revenue declined by 17.0%. This reflects the decline in revenue in the training offered by the companies of Steuer-Fachschule Dr. Endriss. The effects of the Coronavirus crisis likewise demanded a response in the Training & Education segment in March.

Most of the training offered by the companies of Steuer-Fachschule Dr. Endriss takes place in presence lessons. This aspect of educational operations had to be temporarily shut down entirely from the beginning of the COVID-19 crisis in mid-March until restrictions began to be lifted in mid-May. Digital alternatives were quickly found for many products during this period, but short seminar events in particular were cancelled without substitution. The impact of the crisis on earnings in the first half year was around EUR 0.9 million, with a smaller share attributable only to a postponement of the start dates of long-running courses such as those for tax advisers or accountants. Some of these resumed in mid-May.

The companies of Comcave Holding GmbH, added at the end of 2019, generated revenue of EUR 30,960 thousand in the first half year 2020. Comcave College is particularly active in the field of state-subsidised training for unemployed persons. For years, Comcave has also specialised in telelearning, i.e. live teaching led by lecturers that can be attended from any location. Immediately after the outbreak of the crisis, Comcave was thus able to enable 100 percent of its customers to participate in training from home and so there was no business interruption.

The escalating situation on the labour market with unemployment and short-time work represents an improvement in the demand situation for Comcave Holding GmbH's business model, in which the people affected by the crisis can take the opportunity offered by Comcave for subsidised training.

In the short term, however, this presented disadvantages for Comcave's business. Initially, demand for training products cooled off for several weeks. This was aggravated by the fact that those interested in subsidised training found it more difficult to access authorities, who had to deal with a particularly high workload in light of rising unemployment, the need to process short-term work applications and temporary closures due to the pandemic. For this market, this ultimately affected the number of training vouchers that could be issued, which in turn reduced the number of new bookings since mid-March. This acute demand and processing situation has already significantly stabilised and should return entirely to normal again in the next few months.

Segment earnings declined by 99.2% to EUR 11 thousand (previous year: EUR 1,399 thousand). This steep decline is a direct result of the acquisition of Comcave Holding GmbH and the related amortisation of intangible assets from purchase price allocation in the amount of EUR 4,952 thousand.

Adjusted for this amortisation, segment earnings rose by EUR 3,564 thousand (254.8%) to EUR 4,963 thousand in the reporting period. Organic business performance adjusted to take account of Comcave decreased by 57.5% to EUR 594 thousand.

Net assets and financial position

The cash flow from operating activities picked up by EUR 12,893 thousand to EUR 24,792 thousand in the first half of 2020 (previous year: EUR 11,899 thousand). Operating earnings before changes in working capital initially rose, primarily due to the EUR 10,091 thousand increase in impairment and write-downs on fixed assets due to the acquisition of Comcave Holding GmbH. Working capital continued to generate positive effects.

Cash used in investing activities increased by EUR 1,528 thousand to EUR 3,147 thousand (previous year: EUR 1,619 thousand). Investments in IT systems and operating materials for branches remained the primary areas of investment.

To further improve the company's financial flexibility in this extraordinary situation, no dividend was paid to the shareholders of Amadeus FiRe AG in the reporting period (previous year: EUR 24,224 thousand). The previous year dividend was EUR 3.96 per share. Furthermore, financing activities in the first half of 2020 included net payments of EUR 434 thousand for the distribution to the non-controlling interests in Steuer-Fachschule Dr. Endriss (previous year: EUR 1,165 thousand).

Net cash and cash equivalents amounted to EUR 33,342 thousand as at 30 June 2020 after EUR 26,930 thousand for the same period of the previous year.

The equity ratio declined to 17.3% as at 30 June 2020 (previous year: 42.2%). This considerable change reflects the acquisition of Comcave Holding GmbH and the related bridging loan.

Employees

The number of external employees placed with customers was 2,151 at the end of the first half of 2020 (previous year: 2,467). This decrease was clearly driven by the Coronavirus crisis and reduced hiring activities in comparison to normal levels.

Internal recruitment was also heavily reduced in the first half of 2020 due to the spread of COVID-19. The chief factor behind the increase in the number of internal employees is the acquisition of Comcave Holding GmbH and the expansive phase before the start of the pandemic.

The table below shows the total number of employees in work:

Number of employees per	30.06.2020	30.06.2019
Employees working for a customer (external employees)	2,151	2,467
Sales employees (internal staff)	878	542
Administrative staff	110	50
Total	3,139	3,059
Trainees	67	11

Risks and opportunities

The general conditions as described in the current annual report have deteriorated significantly due to the economic impact of COVID-19. The European Commission expects German gross domestic product to decline by 6.5% in 2020 as a whole. Forecasts estimate the decrease in eurozone GDP at a far higher 7.7%. The Coronavirus crisis is currently the principal reason for market uncertainty. A fiscal stabilisation and stimulus package was passed on 3 June 2020 to address this crisis. Given the current economic climate, the macroeconomic effects of the fiscal measures are very uncertain.

The Ifo Business Climate Index for the first half of 2020 averaged 86.3 points, a 12.9% year-on-year downturn. This reflects the collapse in global demand, changes in private household behaviour and sales declines in foreign trade.

After the market for temporary staffing contracted last year, it continued to trend downwards in the first six months of 2020. Lower labour requirements in June 2020 in comparison to the previous year, triggered by the COVID-19 pandemic, were experienced in almost all industries. Demand fell by a third in the manufacturing sector, which dominates the overall market for temporary staffing. The qualified submarket relevant to Amadeus FiRe reported a 25% decline in jobs, chiefly due to COVID-19. The supply of qualified workers remained constant in the first five months of the year, whereas demand slumped. Recruitment will remain a challenge in the future and so the current excess supply is likely to be seen as an opportunity to narrow the gap between qualified workers and demand for temporary staff by customer businesses.

Lower demand for subsidised training from Comcave should stabilise in the near future. The continued rise in unemployment will in all likelihood create a positive market environment and good growth prospects for this anti-cyclical business area.

Economic performance plays a key role in the corporate customer business in the training & education industry. The financial position and profit or loss of the respective customer business determine investments in employee training. If the economic climate deteriorates across Germany, this could have a negative impact on orders at Steuer-Fachschule Dr. Endriss.

Current constraints on classroom training represents a disadvantage for the sustainable development of training courses. In the short term, digital teaching methods can help. The first steps have been taken towards resuming classroom teaching under strict hygiene standards. Further steps are required to ensure courses can continue to run.

There are currently no discernible risks to the Amadeus FiRe Group as a going concern. Please see the risk report in the 2019 annual report for more details.

Forecast

The spread of COVID-19 and the measures taken to contain the virus plunged the German economy into a sharp recession in the first half of 2020. The Deutsche Bundesbank expects exports to continue to deteriorate in the second half of 2020. Private consumption and investment are likely to decline further over the course of the year.

The recession is also taking a toll on job creation, which came to an abrupt end at the start of the crisis while unemployment increased substantially in the second quarter. A reduction in average working hours means that the greatest changes will likely be seen on the labour market, currently taking the form of the widespread use of short-term work. Around 7.3 million employees paying social insurance contributions were enrolled in short-term work schemes at the end of May.

The German Bundesbank currently considers the level of uncertainty exceptionally high due to the effects of fiscal policy resulting from the stability program implemented that puts the German national budget in a deficit equal to 4% of gross domestic product. Given that there is no benchmark against which the current situation can be compared, the current outlook for the German economy is marked by a unprecedented level of uncertainty.

The IAB Labour Market Barometer, a leading indicator for developments in employment and unemployment, began to decline at the beginning of the year and reached 94.3 points in April 2020 – the lowest figure since records began. The barometer then went on to increase again in May and June, coming to 94.6 points in June. Despite the use of short-time work schemes, unemployment indicators are forecasting a sharp rise in unemployment figures, adjusted for seasonal factors, in the next few months. One cause of this is uncertain economic growth, which damages job prospects. Employment indicators also nosedived in April 2020 and a decrease in the number of people in work is expected.

Q3 has 66 days, i.e. seven additional billable days in comparison to the previous quarter (59 days). This should translate into relatively higher revenue, gross profit and earnings in the next quarter.

Q3 has the same number of billable days as in the same period of the previous year. By contrast, there are 64 billable days in the fourth quarter of 2020, two more than in the same period of the previous year. This is expected to have a positive impact on revenue, gross profit and earnings before taxes of around EUR 1.0 million in the second half of the year. There are three additional billable days this year when comparing 2020 and 2019. Accordingly, a positive effect of around EUR 1.5 million is expected on revenue, gross profit and earnings before taxes in the 2020 financial year.

Despite the severe strain on the labour market caused by staff downsizing and hiring freezes at many companies, there will continue to be a shortage of skilled workers moving forwards. The current trend of excess supply will return to one of excess demand when the macroeconomic situation normalises. Recruitment will remain a major challenge for many companies in future, too. In the long term, demographic change in Germany will further exacerbate the shortfall of qualified staff and limit the size of the working population.

In the medium term, this continues to represent a positive market environment for the Amadeus FiRe Group. The outlook for the second half of 2020 remains unclear. Moving forwards, the risk remains that the Permanent Placement service, in particular, will be affected by deteriorating sentiment and cost-cutting measures at customer businesses.

Order backlog of Temporary Staffing has fallen to a 10-year low. Despite everything, there have recently been signs of a slight recovery. Based on current stabilisation, the present situation indicates a positive development in the second half of 2020.

The planned expansion of the sales organisation was successfully continued in the first two months of the year before further expansion goals were put on hold until further notice following the COVID-19 pandemic. Focus for the second half of the year is now on returning existing capacities to full utilisation and operating at pre-crisis level again as quickly as possible. To achieve this, short-term work for internal employees is gradually being pulled back. In addition, focus remains on high cost discipline.

Conditions for the current financial year have also undergone substantial changes in the Training & Education segment since mid-March.

In-classroom training sessions offered by the companies of Steuer-Fachschule Dr. Endriss had to be temporarily shut down completely as part of measures to contain the pandemic. After state governments began to ease the Coronavirus restrictions throughout the second quarter, long-running courses such as those for tax advisers or accountants were able to resume in part, with hygiene policies in place. As a preventative measure, a hybrid system comprising classroom sessions and online learning was created in order to allow a more flexible response to local or regional changes to these restrictions. These measures will allow business in this area to continue at pre-crisis level. The smaller seminar business is not expected to return to normal in the next few months.

The companies of Comcave Holding GmbH, added at the end of 2019, may benefit from the higher unemployment rate as Comcave provides a significant number of services in the field of state-subsidised training for the unemployed. Demand is expected to increase over the rest of the year due to the crisis, as people affected by the crisis take advantage of the opportunity to participate in subsidised training or retraining at Comcave. The momentum from the emerging growth environment should have an impact particularly towards the end of the year and in the coming financial year. Ongoing investments in business operations and the opening of new Comcave locations are to go ahead as planned.

Overall, the Management Board still does not expect the Amadeus FiRe Group to be able to return entirely to pre-crisis levels during the second half of 2020. However, indicators such as the ifo employment barometer and the Business Cycle Clock show slight signs of recovery in May and June. The Amadeus FiRe Group should also be able to benefit from general signs of recovery and an improving demand situation on the German market as a whole.

Following a second quarter that was satisfactory under the given circumstances and assuming that the market situation continues to stabilise steadily, the Management Board believes that the Amadeus FiRe Group is well equipped to further strengthen its own market position in the second half of the year and to achieve sustained positive results in both business segments.

The economic slowdown caused by COVID-19 is creating high levels of uncertainty among German companies and to dynamic and non-transparent changes. Given future development of the Coronavirus pandemic and the resulting economic repercussions, the financial impact on the 2020 fiscal year as a whole cannot be quantified. At this time the Management Board is therefore not issuing a more specific forecast for 2020 as a whole.

Report on major related party transactions

There were no material transactions with related parties in the reporting period.

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the group for the remaining months of the financial year.

Frankfurt/Main, 23 July 2020



Robert von Wilfing
Spokesman of the Management



Dennis Gerlitzki
Board Management Board

Unaudited consolidated income statement

1st half-year 2020

Amounts in EUR k	01.01.–30.06.2020	01.01.–30.06.2019
Revenue	137,433	110,906
Cost of sales	-72,151	-59,195
Gross profit	65,282	51,711
Selling expenses	-42,686	-29,362
- thereof impairment of financial assets	-388	-246
General and administrative expenses	-10,184	-4,894
Other operating income	84	132
Other operating expenses	-61	-2
Profit from operations before goodwill amortization (EBITA)	12,435	17,585
Impairment of goodwill	0	0
Profit from operations (EBIT)	12,435	17,585
Finance costs	-1,750	-123
Finance income	1	4
Profit before taxes	10,686	17,466
Income taxes	-3,570	-5,413
Profit after taxes	7,116	12,053
Profit attributable to non-controlling interests recognized under liabilities	-151	-357
Profit for the period	6,965	11,696
- Attributable to non-controlling interests	65	99
- Attributable to equity holders of the parent	6,900	11,597
Earnings per share, in relation to the profit for the period attributable to the ordinary equity holders of the parent		
Basic (euro/share)	1.33	2.23
Diluted (euro/share)	1.33	2.23

EBITDA	25,802	20,860
Amortization adjusted for amortization of intangible assets from purchase price allocation	-8,415	-3,275
EBITA-pre	17,387	17,585
Amortization of intangible assets from purchase price allocation	-4,952	0
EBITA	12,435	17,585

Unaudited consolidated statement of comprehensive income

1st half-year 2020

Amounts in EUR k	01.01.–30.06.2020	01.01.–30.06.2019
Profit for the period	6,965	11,696
Other comprehensive income	0	0
Total comprehensive income for the period	6,965	11,696
- Attributable to non-controlling interests	65	99
- Attributable to equity holders of the parent	6,900	11,597

Unaudited consolidated income statement

2nd quarter 2020

Amounts in EUR k	01.04.–30.06.2020	01.04.–30.06.2019
Revenue	61,011	55,596
Cost of sales	-32,521	-30,059
Gross profit	28,490	25,537
Selling expenses	-19,281	-14,481
- thereof impairment of financial assets	-83	-22
General and administrative expenses	-4,890	-2,488
Other operating income	27	70
Other operating expenses	-34	-1
Profit from operations before goodwill amortization (EBITA)	4,312	8,637
Impairment of goodwill	0	0
Profit from operations (EBIT)	4,312	8,637
Finance costs	-951	-61
Finance income	1	2
Profit before taxes	3,362	8,578
Income taxes	-1,250	-2,644
Profit after taxes	2,112	5,934
Profit attributable to non-controlling interests recognized under liabilities	-143	-190
Profit for the period	1,969	5,744
- Attributable to non-controlling interests	65	79
- Attributable to equity holders of the parent	1,904	5,665
Earnings per share, in relation to the profit for the period attributable to the ordinary equity holders of the parent		
Basic (euro/share)	0.37	1.09
Diluted (euro/share)	0.37	1.09

EBITDA	11,050	10,342
Amortization adjusted for amortization of intangible assets from purchase price allocation	-4,261	-1,705
EBITA-pre	6,789	8,637
Amortization of intangible assets from purchase price allocation	-2,477	0
EBITA	4,312	8,637

Unaudited consolidated statement of comprehensive income

2nd quarter 2020

Amounts in EUR k	01.04.–30.06.2020	01.04.–30.06.2019
Profit for the period	1,969	5,744
Other comprehensive income	0	0
Total comprehensive income for the period	1,969	5,744
- Attributable to non-controlling interests	65	79
- Attributable to equity holders of the parent	1,904	5,665

Unaudited consolidated balance sheet

1st half-year 2020

Amounts in EUR k	30.06.2020	31.12.2019
Assets		
Non-current assets		
Other intangible assets	36,634	41,420
Goodwill	171,706	171,706
Property, plant and equipment	6,374	5,328
Right-of-use assets	51,586	47,669
Financial assets	2	2
Deferred tax assets	0	0
	266,302	266,125
Current assets		
Trade receivables	27,622	30,676
Other assets	4,853	3,384
Prepaid expenses	2,873	1,285
Cash and cash equivalents	33,342	20,465
	68,690	55,810
Total assets	334,992	321,935
Equity & Liabilities		
Equity		
Subscribed capital	5,198	5,198
Capital reserves	11,247	11,247
Retained earnings	40,451	33,551
Equity attributable to equity holders of the parent	56,896	49,996
Non-controlling interests	1,028	963
	57,924	50,959
Non-current liabilities		
Liabilities to non-controlling interests	6,424	5,990
Other liabilities and accrued liabilities	41,649	39,212
Deferred tax liabilities	4,089	5,153
	52,162	50,355
Current liabilities		
Trade payables	3,654	9,459
Contract liabilities	4,959	3,954
Liabilities to non-controlling interests	1,002	1,719
Income tax liabilities	1,290	1,391
Current financial liabilities	170,060	170,096
Other liabilities and accrued liabilities	43,941	34,002
	224,906	220,621
Total equity and liabilities	334,992	321,935

Unaudited consolidated cash flow statement

1st half-year 2020

Amounts in EUR k	01.01. – 30.06.2020	01.01. – 30.06.2019
Cash flows from operating activities		
Profit for the period before profit attributable to non-controlling interests	7,116	12,052
Tax expense	3,570	5,413
Amortization, depreciation and impairment of non-current assets	13,366	3,275
Finance income	-1	-4
Finance costs	1,750	123
Non-cash transactions	-989	-27
Operating profit before working capital changes	24,812	20,832
Increase/decrease in trade receivables and other assets	1,585	-2,221
Increase/decrease in prepaid expenses and deferred income	-1,588	-1,092
Increase/decrease in trade payables, other liabilities and accrued liabilities	4,719	129
Other non-cash income	0	0
Cash flows from operating activities	29,528	17,648
Income taxes paid	-4,736	-5,749
Net cash from operating activities	24,792	11,899
Cash flows from investing activities		
Cash paid for intangible assets and property, plant and equipment	-3,148	-1,623
Interest received	1	4
Net cash used in investing activities	-3,147	-1,619
Cash flows from financing activities		
Proceeds from the raising of financial liabilities	-36	0
Interest paid	-1,745	0
Cash repayments of lease liabilities	-6,306	-2,397
Interest payments on lease liabilities	-247	-123
Cash paid to non-controlling interests	-434	-1,165
Profit distributions	0	-24,224
Net cash used in financing activities	-8,768	-27,909
Net change in cash and cash equivalents	12,877	-17,629
Cash and cash equivalents at the beginning of the period	20,465	44,559
Cash and cash equivalents at the end of the period	33,342	26,930
Composition of cash and cash equivalents as of 30 June		
Cash on hand and bank balances (without drawing restrictions)	33,342	26,930

Unaudited statement of changes in group equity

1st half-year 2020

Amounts in EUR k	Equity attributable to equity holders of the parent				Non controlling interests	Total equity
	Subscribed capital	Capital- reserves	Retained earnings	Total		
01.01.2019	5,198	11,247	33,762	50,207	760	50,967
Total comprehensive income for the period	0	0	11,597	11,597	99	11,696
Profit distributions	0	0	-24,224	-24,224	0	-24,224
30.06.2019	5,198	11,247	21,135	37,580	859	38,439
01.07.2019	5,198	11,247	21,135	37,580	859	38,439
Total comprehensive income for the period	0	0	12,416	12,416	205	12,621
Profit distributions	0	0	0	0	-101	-101
31.12.2019	5,198	11,247	33,551	49,996	963	50,959
01.01.2020	5,198	11,247	33,551	49,996	963	50,959
Total comprehensive income for the period	0	0	6,900	6,900	65	6,965
Profit distributions	0	0	0	0	0	0
30.06.2020	5,198	11,247	40,451	56,896	1,028	57,924

Unaudited information on the business segments

1st half-year 2020

Amounts in EUR k	Temporary Staffing/ Permanent Placement/Interim- and Project Management	Training	Group
01.01.-30.06.2020			
Revenue *)			
Segment revenue	96,987	40,446	137,433
Result			
Segment result before goodwill amortization and amortization of intangible assets from purchase price allocation (EBITA-pre)	12,424	4,963	17,387
Amortization of intangible assets from purchase price allocation	0	4,952	4,952
Segment result before goodwill amortization (EBITA)	12,424	11	12,435
Segment assets	104,240	230,752	334,992
Investments incl. lease accounting	8,311	5,309	13,620
Finance costs	1,616	134	1,750
Finance income	0	1	1
Income taxes	3,773	-203	3,570
01.01.-30.06.2019			
Revenue *)			
Segment revenue	99,485	11,421	110,906
Result			
Segment result before goodwill amortization and amortization of intangible assets from purchase price allocation (EBITA-pre)	16,186	1,399	17,585
Amortization of intangible assets from purchase price allocation	0	0	0
Segment result before goodwill amortization (EBITA)	16,186	1,399	17,585
Segment assets	71,589	19,541	91,130
Investments incl. lease accounting	1,944	299	2,243
Finance costs	94	29	123
Finance income	1	3	4
Income taxes	5,220	193	5,413

*) Revenue between segments of EUR k 18 (prior year: EUR k 0) and EUR k 13 (prior year: EUR k 10) was not consolidated.

Notes

Information on the company

The condensed interim consolidated financial statements for the first six months of the 2020 financial year were approved for publication by way of resolution of the Management Board on 22 July 2020.

Amadeus FiRe AG is a stock corporation under German law. Its registered office is Frankfurt/Main, Germany. It has been listed on the regulated market of the Frankfurt Stock Exchange since 4 March 1999 and was admitted to the Prime Standard on 31 January 2003.

The activities of the Group's companies comprise the provision of temporary staff within the framework of the Arbeitnehmerüberlassungsgesetz (AÜG – German Temporary Employment Act), permanent placement and interim/project management in addition to training in the areas of tax, finance and accounting and controlling and specialised adult education.

Accounting in accordance with International Financial Reporting Standards (IFRS)

In accordance with Article 4 of Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002 (section 315a(1) of the Handelsgesetzbuch (HGB – German Commercial Code)), Amadeus FiRe AG is required to apply the

International Financial Reporting Standards. This interim financial report was prepared in accordance with IAS 34 (Interim Financial Reporting).

When applying IFRS 16, the Amadeus FiRe Group also makes use of the practical expedients for short-term leases (contract term < 12 months) and low-value leases.

The lease liabilities recognised as at 30 June 2020 are split into the following maturity levels:

Figures in EUR thousand	<1 year	>1 <5 years	>5 years	Total
Due date table				
Buildings on third-party property	11,848	29,957	9,534	51,339
Vehicles	1,130	932	0	2,062
Operating and office equipment	42	9	0	51
Total lease liabilities	13,020	30,898	9,534	53,452

The following table shows the carrying amounts of capitalised right-of-use assets and lease liabilities and changes in these during the reporting period.

Right-of-use asset (Property, plant and equipment)	Measurement	Additions	Disposals Contract modifications	Write-downs	Measurement
Figures in EUR thousand	01.01.2020				30.06.2020
Buildings on third-party property	45,629	9,686	-25	-5,812	49,478
Vehicles	2,014	739	-39	-657	2,057
Operating and office equipment	26	46	0	-21	51
Total assets	47,669	10,471	-64	-6,490	51,586

Lease liabilities	Measurement	Additions	Disposals Contract modifications	Interest expense	Cash outflows	Measurement
Figures in EUR thousand	01.01.2020					30.06.2020
Buildings on third-party property	47,310	9,686	-27	243	-5,873	51,339
Vehicles	2,015	739	-37	4	-659	2,062
Operating and office equipment	26	46	0	0	-21	51
Total equity and liabilities	49,351	10,471	-64	247	-6,553	53,452

When recognising right-of-use assets, lease incentives in the form of rent-free periods were deducted from the lease liability:

Figures in EUR thousand	30.06.2020	31.12.2019
Carrying amount	1,152	1,214

The following amounts were recognised through profit or loss in the reporting period:

Figures in EUR thousand	
Amortisation expenses for right-of-use assets	6,490
Interest expenses for lease liabilities	247
Expenses for current lease liabilities	850
Expenses for low-value lease liabilities	42
Total through profit or loss	7,629

Including current and low-value lease liabilities, total cash outflows in the reporting period came to EUR 7,445 thousand.

Presentation method

The interim financial statements were prepared in accordance with IAS 34 (Interim Financial Reporting) and DRS 16.

Accounting policies

All accounting policies are applied as in the last consolidated financial statements as at 31 December 2019. A detailed description of these methods was published in the notes to the financial statements in Amadeus FiRe AG's annual report for the 2019 financial year.

Other comprehensive income

Other comprehensive income amounts to EUR 0 thousand in the reporting period.

Dividend

It was decided not to pay any dividends for the 2019 financial year.

Calculation of income taxes

Income taxes were calculated on basis of the earnings generated by the individual companies in the reporting period. The table below breaks down the composition of the "Income taxes" item as follows:

Figures in EUR thousand	30.06.2020	30.06.2019
Current income taxes		
Current tax expense	4,634	5,456
Deferred taxes		
Origination and reversal of temporary differences	-1,064	-43
Income taxes	3,570	5,413

Basis of consolidation

There have been no changes in the basis of consolidation since the end of the 2019 financial year.

The Comcave Group, which was consolidated for the first time as at 19 December 2019, accounted for the following results in the period from 1 January – 30 June 2020:

Figures in EUR thousand	
Revenue	30,960
EBITA adjusted for depreciation and amortisation from purchase price allocation	4,358
Amortisation of intangible assets from purchase price allocation	-4,952
Result after tax	-1,016

Segment reporting

For management purposes, the Group's services are divided into the two following reportable segments:

- The "Temporary Staffing, Permanent Placement, Interim/Project Management" segment includes all qualified personnel services with a focus on temporary employment.
- The "Training" segment offers training and seminars in the field of specialised adult education and finance and accounting throughout Germany.

Please see page 4 of the 2020 half-year financial report for disclosures on classifying revenue in the business units in accordance with IFRS 15.114.

The results of the business units are monitored separately by management to make decisions on the allocation of resources and to determine the units' profitability.

Miscellaneous

This interim financial report was prepared in accordance with the provisions of section 37w of the Wertpapierhandelsgesetz (WpHG – German Securities Trading Act), but has not been audited in accordance with section 317 HGB or reviewed by the auditor.

Significant events after the end of the reporting period

There were no significant events after the end of the reporting period.

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Financial Calendar

22.10.2020	Quarterly Statement Nine Months for fiscal year 2020
October 2020	International Roadshow
March 2021	Press conference and analyst meeting for fiscal year 2020
March 2021	Publication of the Annual Financial Report 2020
April 2021	Quarterly Statement First Quarter for fiscal year 2021
April 2021	Internationale Roadshow
May 2021	Shareholders' General Meeting