Half-Year Report
H1 2023

TeamViewer

Creating a world that works better

TeamViewer at a glance

	H1 2023	H1 2022	Δ YoY
Sales			
Revenue (in EUR m)	305.5	272.0	+12 %
Billings (in EUR m)	327.3	299.6	+9 %/ 10 % cc[1]
Number of subscribers[2] (end of period) (in thousands)	633	619	+2 %
Net retention rate (NRR)	109 %	101 %	+8 pp
Profits and Margins			
Adjusted (Revenue) EBITDA[3] (in EUR m)	127.9	113.7	+12 %
Adjusted (Revenue) EBITDA[3] margin	42 %	42 %	+0 pp
EBITDA (in EUR m)	107.5	88.4	+22 %
EBITDA margin (EBITDA in % of revenue)	35 %	32 %	+3 pp
EBIT (in EUR m)	79.8	61.9	+29 %
EBIT margin (EBIT in % of revenue)	26 %	23 %	+3 pp
Cash Flow			
Cash flows from operating activities (in EUR m)	111.5	65.8	+70 %
Cash flows from investing activities (in EUR m)	(12.7)	(5.6)	+125 %
Levered free cash flow (FCFE)	98.7	50.1	+97 %
Cash conversion (FCFE/Adjusted (Revenue) EBITDA)	77 %	44 %	+33 pp
Cash and cash equivalents (in EUR m)	71.9	383.4	-81 %
Other			
R&D expenses (in EUR m)	(38.8)	(35.0)	+11 %
Employees full-time equivalents (end of period)	1,421	1,322	+7 %
Basic earnings per share (in EUR)	0.33	0.14	+137 %
Adjusted basic earnings per share (in EUR)	0.44	0.33	+32 %

[1] cc = constant currency.

[2] Adjusted for Russia and Belarus.

[3] Since beginning of FY 2023, TeamViewer uses an updated KPI framework, with Revenue (IFRS) moving more into focus. On the back of this, the definition of the Adjusted EBITDA changed from a Billings to a Revenue perspective.

Notice

This report is a non-binding English translation of the German Half-Year Report H1 2023.

Interactive PDF

This PDF document is optimised for use on screen. The house icon at the top right takes you to the table of contents. The links therein lead to the respective chapters.

Definition TeamViewer

TeamViewer refers to the TeamViewer Group, including all Group companies.
TeamViewer SE refers to the individual company and the parent company of the Group.

Rounding

Percentage changes and totals presented in tables of this report are generally calculated on unrounded numbers. Therefore, numbers in tables may not add up precisely to the totals indicated and percentage change data may not precisely reflect the change data of the rounded figures for the same reason.

Alternative performance measures

This report contains alternative performance measures (APM) that are not defined under IFRS. The APM can be reconciled to the key performance indicators included in the IFRS financial statements and should not be viewed in isolation. TeamViewer believes that the APM provide an additional, deeper understanding of the Company's performance.

Gender-related spelling

In preparing this report, attention has been paid to using gender-inclusive language to the greatest extent possible. In references where this is not possible, this in no way implies discrimination towards the other genders. In the interest of equal treatment, the corresponding terms apply equally to all genders.

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A_ Interim Management Report

1 Group Fundamentals

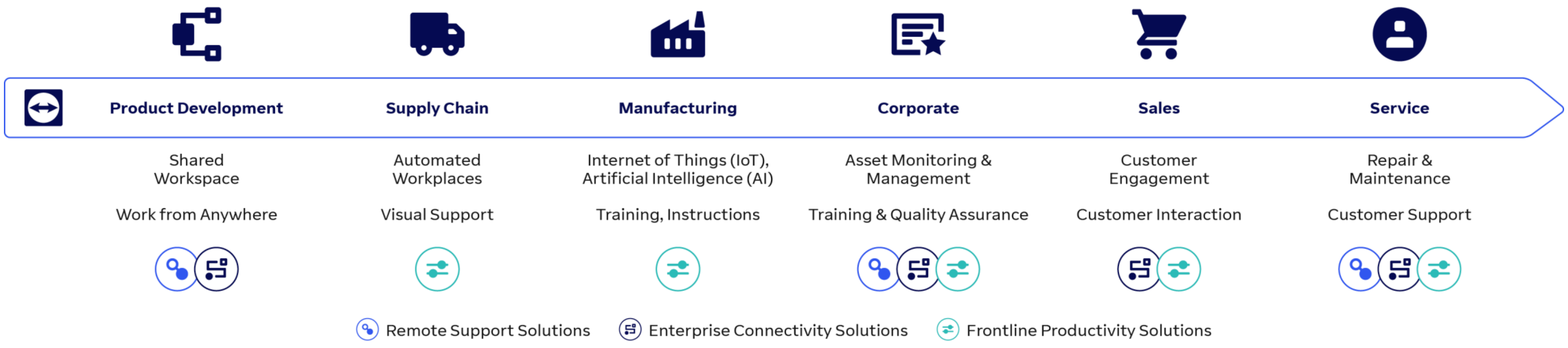
The progressive evolution of digital technologies is changing the way people interact and work. For companies, the growing necessity to connect both employees and a wide range of electronic devices, chip-controlled machines, and applications – anytime and anywhere – is driving the digital transformation of business processes. This is resulting in steadily increasing demand for connectivity solutions, such as those offered by TeamViewer.

As a global technology company, TeamViewer offers a cloud-based platform to connect computers, machines and industrial equipment and digitally supports work processes along the entire value chain in both the industrial and service sectors. Through its software solutions, TeamViewer's goal is to increase productivity and efficiency for the user and, at the same time, make a positive contribution to the environment. Next to a significant number of private users, who can use selected products for non-commercial applications free of charge, TeamViewer's worldwide user base consists of more than 630,000 business customers of various sizes and from a wide range of industries, who use the products and solutions under a subscription model. Since inception of the company in the year 2005, TeamViewer's software has been installed on more than 2.4 billion devices globally.

The parent company of the Group is TeamViewer SE, headquartered in Göppingen, Germany. The Group has a total of 1,421 employees worldwide as of 30 June 2023 (31 December 2022: 1,386 FTE). TeamViewer SE (until the change of legal form in March 2023 TeamViewer AG) has been listed on the Frankfurt Stock Exchange since September 2019 and has been a member of the German stock exchange index MDAX since December 2019.

The statements made in the Annual Report 2022 regarding the business model, Group structure, Group management, markets and sales, research and development, security and data protection, as well as the topics of sustainability and governance, are still applicable at the time of preparation of the Half-Year Report H1 2023.

Selected TeamViewer use cases along the entire value chain of an industrial company



2 Report on Economic Position

2.1 Macroeconomic environment

The year 2023 continues to be marked by geopolitical tensions and economic cutbacks. The challenging and volatile environment of the previous year has continued into the current fiscal year.

China's withdrawal from its 'zero-COVID' policy, the easing of global supply constraints and decreasing commodity prices – particularly for energy – have recently had a positive impact on economic development and outlook for inflation. Sustained monetary policy tightening, rising financing costs and restrained investment and consumption, however, have had a dampening effect in the first half of 2023. The overall economic environment remains volatile and forecasts for economic development are cautious. After a 3.3 % increase in global production was achieved in 2022, current economic forecasts for the full-year 2023 are assuming growth of around 2.8 %.[1] The global labour market is expected to face a continued shortage of skilled workers.[2]

According to current forecasts, the economic outlook for Germany and the United States, which are the most important single markets for TeamViewer, show low to negative growth for the full-year 2023. The expectation for Germany is negative GDP growth of -0.2 %. For the United States, the year-on-year GDP growth is expected at 1.3 %.[3]

In the reporting period, the US dollar (USD) has weakened against the euro (EUR). Following an average EUR/USD exchange rate of 1.05 in the 2022 fiscal year, the average exchange rate in the first half of 2023 was 1.08.[4/5]

Sector environment

The international market research institute Gartner now expects global IT spending to grow by 5.5 % in 2023, an increase of 3.1 percentage points compared to the January estimate. The global IT market is expected to total around USD 4.6 trillion in 2023, up from USD 4.4 trillion in 2022.[6/7] The relevant sub-segments for TeamViewer, software solutions and IT services, are expected to achieve growth rates of around 12.3 % and 9.1 %, respectively, in 2023.[8]

In contrast to the overall economic situation, the accelerated growth in global IT spending and the relevant sub-segments is primarily driven by the increasing demand for efficiency-enhancing and cloud-based software solutions.[9] Developments in the field of artificial intelligence (AI) and the associated potential for automating business workflows are also driving growth prospects.[10]

2.2 Business development

In the first six months of the 2023 fiscal year, TeamViewer continued to successfully execute its growth strategy along the three defined growth dimensions: i) new and extended use cases, ii) broadening existing customer relationships and iii) geographic expansion and profitable growth.

[1] IfW Kiel - Kieler Konjunkturberichte 2023-Q2: https://www.ifw-kiel.de/de/publikationen/kieler-konjunktur berichte/2023/weltwirtschaft-im-sommer-2023-expansion-bleibt-vorerst-schwach-0/ (retrieved 19 June 2023).
[2] World Economic Forum: https://www.weforum.org/agenda/2023/01/how-automation-will-pull-us-through-the-labour-shortage-davos23/ (retrieved 5 June 2023).
[3] IfW Kiel - Kieler Konjunkturberichte 2023-Q2: https://www.ifw-kiel.de/de/publikationen/kieler-konjunktur berichte/2023/weltwirtschaft-im-sommer-2023-expansion-bleibt-vorerst-schwach-0/ (retrieved 19 June 2023).
[4] Statista: https://de.statista.com/statistik/daten/studie/200194/umfrage/wechselkurs-des-euro-gegenueber-dem-us-dollar-seit-2001/ (retrieved on 12 July 2023).
[5] Statista: https://de.statista.com/statistik/daten/studie/214878/umfrage/wechselkurs-des-euro-gegenueber-dem-us-dollar-monatliche-entwicklung/ (Average of prices at the end of the month, retrieved on 12 July 2023).
[6] Gartner, Inc. – Expectation Worldwide IT Spending: https://www.gartner.com/en/newsroom/press-releases/2023-01-18-gartner-forecasts-worldwide-it-spending-to-grow-2-percent-in-2023 (retrieved on 5 June 2023).
[7] Gartner, Inc. – Expectation Worldwide IT Spending: https://www.gartner.com/en/newsroom/press-releases/2023-04-06-gartner-forecasts-worldwide-it-spending-to-grow-5-percent-in-2023 (retrieved on 5 June 2023).
[8] Gartner, Inc. - Expectation Worldwide IT Spending: https://www.gartner.com/en/newsroom/press-releases/2023-04-06-gartner-forecasts-worldwide-it-spending-to-grow-5-percent-in-2023 (retrieved 5 June 2023).
[9] Gartner, Inc. - Expectation Worldwide IT Spending: https://www.gartner.com/en/newsroom/press-releases/2023-04-06-gartner-forecasts-worldwide-it-spending-to-grow-5-percent-in-2023 (retrieved 6 June 2023).
[10] Fortune Tech AI: https://fortune.com/2023/07/06/microsoft-ai-3-trillion-valuation-morgan-stanley/ (retrieved 12 July 2023).

On the back of this, revenue increased by 12 % to EUR 305.5 million and the adjusted (revenue) EBITDA by 12 % to EUR 127.9 million. Billings in the first half-year amounted to EUR 327.3 million and increased by 9 % compared to the same prior-year period.

The successful growth strategy is underlined by the increasing net retention rate (NRR) of 109 % (+8 pp compared to H1 2022). This figure is evidence of the sustained high customer satisfaction levels and thus the success of sales activities and the quality of TeamViewer's product and solution portfolio.

The following important events and initiatives occurred in the first half of 2023 and were relevant to the business performance and key financial figures of the Group:

New sales partner programme

To strengthen its global sales organisation and drive growth in all regions, TeamViewer launched a new partner programme entitled “TeamUp” in February 2023. The programme is aimed at the Company’s sales partners, which includes resellers, referral partners, distributors, managed service providers and system integrators. To further deepen the collaboration with sales partners and benefit from their local market expertise, the programme relies on comprehensive sales training, the provision of marketing materials and a globally standardised partner portal.

Strengthening the Americas sales organisation

To further strengthen the regional sales organisation in the Americas and fully seize the local growth potential, Georg Beyschlag was appointed as the new President of TeamViewer AMERICAS in March 2023. In addition, TeamViewer opened a new sales hub in Mexico to serve as a central location for further expansion into the dynamic markets of Latin America.

Launch of TeamViewer Remote

In April 2023, TeamViewer launched the next generation of its remote access and support solution, rolling it out globally. A reworked user experience, improved product security and a number of new features increase the attractiveness of TeamViewer Remote within the main target audience. This will strengthen the non-commercial use of the product by private individuals, open new cross- and upselling potential and accelerate the SMB business (small and medium-sized business).[11] The new web-first approach with advanced application programming interfaces (API) will speed up TeamViewer’s ability to innovate and pave the way to integrate the entire product portfolio and additional third-party applications on the same technical architecture.

Successful Annual General Meeting

At the Annual General Meeting on 24 May 2023, which was once again held as a virtual event without the physical presence of shareholders or their proxies, shareholders approved all agenda items with a large majority. With the election of Swantje Conrad and Christina Stercken, the Supervisory Board was expanded to eight members and the proportion of female members has significantly improved to 37.5 %. In the constituent Supervisory Board meeting that followed the Annual General Meeting, Ralf W. Dieter was elected as the Chairman of the Supervisory Board.

Ongoing share buyback programme

The first tranche of the share buyback programme announced in February 2023 was successfully completed on 15 June 2023 with a volume of EUR 75 million. The second tranche of the buyback programme, with a total volume of up to EUR 150 million (excluding incidental acquisition costs), was launched on 20 June 2023 under the new buyback authorisation granted by the 2023 Annual General Meeting. The Company intends to complete the share buyback programme by the end of 2023.

Capital reduction

Effective 26 June 2023, the Company cancelled 6,515,856 treasury shares, resulting in a reduction of the share capital from the previous level of EUR 186,515,856.00 to EUR 180,000,000.00. The capital reduction did not affect the amount of shareholders' equity, as it was offset by a corresponding adjustment in the item "treasury shares”.

[11] The division into SMB/Enterprise customers for TeamViewer is based on subscription fees (billings) invoiced in advance of ≤/> EUR 10,000 for at least twelve months.

2.3 Earnings position of the Group

In addition to the most important items of the income statement in accordance with IFRS, the management view (non-IFRS) is also discussed below.

Revenue and billings

Relationship between revenue and billings

TeamViewer Group's revenue under IFRS is derived from billings (the value of goods and services invoiced; non-IFRS) and the change in deferred revenue recognised in profit or loss (see following table). The Group usually invoices its software products at the beginning of the contract in an amount to be paid in advance. This amount is recognised as revenue over the lifetime of the contract, which typically spans twelve months. Increasingly, multi-year contracts are also concluded.

Revenue and billings development

Despite the geopolitical and macroeconomic challenges described above, as well as a decline in the USD against the EUR in the course of H1 2023, revenue and billings increased in the first half of 2023 year-on-year as follows:

In EUR million, unless otherwise stated	**H1 2023**	H1 2022	Δ YoY (currency-adjusted)
Revenue (IFRS)	305.5	272.0	+12 %
Change in deferred revenue recognised in profit or loss	21.9	27.6	n/a
Billings (non-IFRS)	327.3	299.6	+9 % (+10 %)

The following factors are considered as the primary growth drivers:

- Cross- and upselling campaigns (SMB and Enterprise)
- Conclusion of multi-year contracts (SMB and Enterprise)
- Acquisition of new customers (SMB and Enterprise)
- Monetization campaign (SMB)
- Implementation of price adjustments initiated in Q4 2022 (SMB)

Revenue and billings by region

In EUR million, unless otherwise stated	**H1 2023**	H1 2022	Δ YoY (currency-adjusted)	**Total share in H1 2023**	Total share in H1 2022
EMEA					
Revenue	161.2	146.7	+10 %	53 %	54 %
Billings	180.0	162.9	+10 % (+11 %)	55 %	54 %
AMERICAS					
Revenue	109.0	93.3	+17 %	36 %	34 %
Billings	106.6	100.7	+6 % (+5 %)	33 %	34 %
APAC					
Revenue	35.3	31.9	+10 %	12 %	12 %
Billings	40.7	36.0	+13 % (+19 %)	12 %	12 %
Total Revenue	**305.5**	**272.0**	**+12 %**	**100 %**	**100 %**
Total Billings	**327.3**	**299.6**	**+9 % (+10 %)**	**100 %**	**100 %**

Billings and revenue also increased across all regions in the first six months of the current fiscal year, with the APAC region recording the strongest billings growth rate in constant currency. This is an indication that the investments made in the organisational structure in the Asia-Pacific region last year are paying off. The AMERICAS region, where a reorganization of the sales organisation was initiated in the first half of 2023, showed the lowest billings growth rates. This performance was also due to longer procurement cycles in the current macroeconomic environment. In terms of revenue, the AMERICAS region recorded the highest growth rate, which can be explained, amongst others, by positive currency effects.

Revenue and billings by customer classification

In EUR million	**H1 2023**	H1 2022	Δ YoY (currency-adjusted)	**Total share in H1 2023**	Total share in H1 2022
SMB					
Revenue[1]	247.2	226.2	+9 %	81 %	83 %
Billings	264.6	237.5	+11 % (+12 %)	81 %	79 %
Enterprise					
Revenue[1]	58.3	45.7	+27 %	19 %	17 %
Billings	62.7	62.1	+1 % (+2 %)	19 %	21 %
Total Revenue	**305.5**	**272.0**	**+12 %**	**100 %**	**100 %**
Total Billings	**327.3**	**299.6**	**+9 % (+10 %)**	**100 %**	**100 %**

[1] Since FY 2023, the effects of multi-year deals are considered more precisely in the revenue split calculation. Prior year's comparable figures (H1 2022 reported: SMB EUR 222.3 million; Enterprise EUR 49.7 million) were adjusted accordingly.

On the back of the aforementioned growth drivers, the SMB business performed very well in H1 2023 in terms of both revenue and billings, as well as subscribers (+2 % year-on-year to 629 thousand at the end of H1 2023). During the reporting period, continued progress was made in enhancing the webshop and the e-commerce user experience for SMB customers. Additional product awareness was created with the introduction of TeamViewer Remote and the respective marketing activities. The improved performance of the SMB business compensated well for the slower development of the Enterprise business – especially in higher priced billings categories and in the AMERICAS region. The Enterprise customer base as of the end of H1 2023 had increased by 894 customers (+29 % year-on-year) to 3,956.

Cost development

Total costs and other income/expenses

In EUR million	**H1 2023**	H1 2022	Δ YoY
Cost of sales	(38.8)	(35.7)	+9 %
R&D costs	(38.8)	(35.0)	+11 %
Marketing costs	(68.3)	(63.2)	+8 %
Sales expenses	(54.7)	(48.3)	+13 %
General and administrative costs[1]	(24.1)	(26.2)	-8 %
Expenses for impairments on trade receivables	(4.0)	(5.6)	-29 %
Other income	3.8	4.2	-9 %
Other expenses	(0.9)	(0.4)	+145 %
Total	**(225.7)**	**(210.1)**	**+7 %**

[1] In H1 2023, costs for human resource management in the amount of EUR 3.5 million were allocated to individual functional areas (of which, cost of sales: EUR 0.2 million; R&D: EUR 1.2 million; marketing: EUR 0.3 million; and sales: EUR 1.8 million). In the previous year, these costs were largely reported under general and administrative costs.

Cost of sales consists primarily of amortization of intangible assets, router and server costs, payment fees, and personnel costs. Gross profit, defined as revenue less cost of sales, increased by 13 % to EUR 266.6 million (H1 2022: EUR 236.3 million). The corresponding **gross margin** in H1 remained stable year-on-year at 87 %.

R&D costs increased, as expected, with higher personnel costs related to investments in future product offerings.

The main drivers for the rise in **marketing costs** were targeted marketing measures in connection with the launch of TeamViewer Remote as well as increasing personnel costs. Costs from sports partnerships also increased in line with contractual agreements and due to currency effects.

Sales expenses increased in H1 2023 mainly due to higher year-on-year personnel (including bonus payments) and travel expenses. The slightly higher increase in sales expenses versus revenue was more than offset by reductions in other cost items.

The decline in **general and administrative costs** was mainly due to the reallocation of costs for human resource management to individual functional areas.

In H1 2023, the **expenses for impairments on trade receivables** benefited from lower year-on-year bad debt expenses which resulted from an improved dunning process and better payment behaviour (also due to a higher share of the Enterprise business).

The primary driver for the increase in the net position of **other income and other expenses** in H1 2023 was income from hedged exchange rate fluctuations. In the previous year, the netted position resulted primarily from the revaluation of M&A related liabilities.

Overall, the rise in total costs and other income/expenses was lower in proportion to the rise in revenue, which had a positive impact on TeamViewer's profitability in the reporting period.

EBITDA

Total costs, which include depreciation and amortisation of tangible and intangible assets, equalled EUR 27.7 million in H1 2023. This amounted to an increase of 5 % compared to the same prior-year period (H1 2022: EUR 26.5 million). This rise stemmed mainly from higher depreciation on capitalised leases and leasehold improvements. Subtracting total costs excluding depreciation and amortization from revenue (IFRS) results in the EBITDA (see table below for development and adjustment).

Reconciliation of EBITDA to adjusted EBITDA (non-IFRS)

In EUR million	**H1 2023**	H1 2022	Δ YoY
EBITDA	**107.5**	**88.4**	**+22 %**
EBITDA margin in % of revenue	*35 %*	*32 %*	*+3 pp*
Expenses for share-based compensation	16.6	15.5	+7 %
Other items to be adjusted	3.8	9.8	-61 %
Adjusted (revenue) EBITDA (non-IFRS)	**127.9**	**113.7**	**+12 %**
Adjusted EBITDA margin in % of revenue	*42 %*	*42 %*	*+0 pp*

Operating profit/EBIT (IFRS)

The TeamViewer Group's EBIT (IFRS) is derived from revenue (IFRS) less the aforementioned total costs and other income/expenses (including D&A). The EBIT increased by 29 % to EUR 79.8 million in H1 2023, resulting in a year-on-year increase in the EBIT margin of 3 percentage points to 26 % in H1 2023 (H1 2022: 23 %).

Earnings before taxes (EBT)

Earnings before taxes (EBT) rose by 68 % to EUR 70.7 million in H1 2023 (H1 2022: EUR 42.0 million). The disproportionately higher increase compared to EBIT was caused by the development of the items of the finance result shown below:

In EUR million	**H1 2023**	H1 2022	Δ YoY
Finance income	1.2	0.5	+162 %
Finance expenses	(8.7)	(16.6)	-48 %
Foreign currency result	(1.6)	(3.7)	-57 %

The increase in finance income in the first half of 2023 was mainly generated from the interest income on bank deposits in the current rising interest rate environment. At the same time, finance expenses benefited from a lower level of debt. However, the main reason for the decrease in finance expenses was costs in connection with the early repayment of debt incurred in the prior-year period, which were related to the refinancing of financial liabilities.

The decrease in net foreign currency expenses (balance of foreign currency income and expense) resulted mainly from the conversion of all financial liabilities to euros and the simultaneous reduction of the US dollar cash position.

Net income

The income taxes to be deducted from EBT in H1 2023 consisted of EUR 28.0 million (H1 2022: EUR 15.0 million) current tax expenses and EUR 14.5 million deferred tax income (H1 2022: EUR 0.6 million deferred tax expense). As a result, the total tax expense in H1 2023 amounted to EUR 13.5 million (H1 2022: EUR 15.6 million). The increase in current tax expenses resulted mainly from the increase in earnings before taxes.

The change in deferred taxes, from expense to income, was mainly related to the capitalization of previously unrecognized tax loss and interest carry forwards as well as temporary differences in accordance with IFRS regulations. This is related to TeamViewer's substantiated plans to conclude a profit and loss transfer agreement (PLTA) at the level of TeamViewer SE in the future. The PLTA requires the approval of the annual general meeting. Accordingly, the tax rate (income taxes in relation to EBT) in H1 2023 of 19.1 % was significantly below the previous year's rate (H1 2022: 37.2 %).

The Group net income for the first half-year increased by 117 % to EUR 57.2 million (H1 2022: EUR 26.4 million). Earnings per share rose from EUR 0.14 to EUR 0.33.

TeamViewer also uses the adjusted Group net income (non-IFRS) to assess its earnings situation. This is defined as the Group net income adjusted for certain income and expenses, as outlined in the following table:

Reconciliation of net profit to adjusted net profit (non-IFRS)

In EUR million	**H1 2023**	H1 2022	Δ YoY
Group result	**57.2**	**26.4**	**+117 %**
PPA depreciation and amortisation[1]	14.9	14.9	+0 %
Expenses for share-based compensation	16.6	15.5	+7 %
Other items to be adjusted[2]	3.8	9.8	-61 %
Extraordinary items in finance result	0.0	5.9	-100 %
Income tax items to be adjusted	(16.1)	(9.4)	+71 %
Adjusted Group net income/loss (non-IFRS)	**76.3**	**63.1**	**+21 %**

[1] D&A related to acquisitions. [2] See adjusted EBITDA (non-IFRS).

The corresponding adjusted earnings per share amounted to EUR 0.44 and increased by 32 % year-on-year (H1 2022: EUR 0.33) with a simultaneous decrease in the number of shares.

2.4 Net assets and financial position

Asset structure

Assets on the balance sheet

	30 June 2023		31 December 2022		Change	
	In EUR m	In %	In EUR m	In %	In EUR m	In %
Non-current assets	958.7	86	963.6	82	(4.9)	-1
Current assets	150.2	14	209.1	18	(58.9)	-28
Total assets	**1,108.9**	**100**	**1,172.7**	**100**	**(63.8)**	**-5**

The Group's **non-current assets** as of 30 June 2023 comprised goodwill (largest item; at EUR 667,9 million almost unchanged compared to 31 December 2022), intangible assets, property, plant and equipment, financial assets, other assets and deferred tax assets. The decrease in non-current assets as of 30 June 2023 resulted mainly from scheduled depreciation within intangible assets and property, plant and equipment. These were partially offset by investments and higher deferred tax assets.

The Group's **current assets** as of 30 June 2023 comprised trade receivables, other assets, tax receivables, financial assets and cash and cash equivalents. The decrease in current assets as of 30 June 2023 was mainly due to the decrease in cash and cash equivalents as a result of the ongoing share buyback programme. At EUR 71.9 million (31 December 2022: EUR 161.0 million), available liquidity continued to be the largest item within current assets. The decrease in liquidity was partly offset by the increase in other assets to EUR 55.3 million (December 31, 2022: EUR 19.4 million), which mainly resulted from advance payments for sponsorship contracts.

Equity and liabilities on the balance sheet

	30 June 2023		31 December 2022		Change	
	In EUR m	In %	In EUR m	In %	In EUR m	In %
Equity	102.8	9	115.3	10	(12.5)	-11
Non-current liabilities	506.9	46	583.1	50	(76.2)	-13
Current liabilities	499.2	45	474.3	40	24.9	+5
Total equity and liabilities	**1,108.9**	**100**	**1,172.7**	**100**	**(63.8)**	**-5**

The Group's **equity** decreased as a result of the acquisition of treasury shares in the course of the share buyback program. The recognition of comprehensive income had an offsetting positive effect on equity. The equity ratio decreased from 10 % to 9 %.

The Group's **non-current liabilities** also decreased as of 30 June 2023. This was mainly due to the reduction of financial liabilities by EUR 84.9 million. This was offset by an increase in non-current deferred revenue of EUR 11.3 million, primarily due to the higher level of multi-year contracts.

Current liabilities increased as of 30 June 2023. This was mainly due to the growth-related increase in current deferred revenues by EUR 19.8 million, as well as increased deferred liabilities and other liabilities due to advance payments of EUR 11.4 million and higher deferred tax liabilities of EUR 7.9 million. This was offset by a reduction in current financial liabilities of EUR 14.1 million.

Financing

TeamViewer's debt financing mix is based on a balanced ratio of various instruments and maturities. To reduce volatility and raise predictability, variable interest rates were largely converted into fixed interest rate structures using interest rate hedges. All liabilities to credit institutions are denominated in euros. As of 30 June 2023, the total nominal values drawn amounted to EUR 500 million (31 December 2022: EUR 600 million).

The revolving credit facility was unutilised as of 30 June 2023 (31 December 2022: EUR 100 million). A drawdown of the facility up to EUR 450 million is possible.

Liabilities

30 June 2023 In EUR thousands	Year of maturity	Principal amount (EUR) 30 June 2023	Principal amount (EUR) 31 December 2022
Loans			
2022 syndicated loan	2025	100,000	100,000
2022 syndicated loan Revolving credit facility	2027	0	100,000
2021 bilateral bank loan	2025	100,000	100,000
Promissory notes			
3-year fixed/variable promissory note	2024	85,000	85,000
5-year fixed/variable promissory note	2026	193,000	193,000
7-year fixed/variable promissory note	2028	13,000	13,000
10-year fixed/variable promissory note	2031	9,000	9,000
Total		**500,000**	**600,000**

The interest payment dates for the syndicated loan 2022 are currently on a rolling three-month basis. After each interest payment date, the interest payment period can be changed to any period of between one and twelve months. The variable promissory notes have semi-annual interest payment dates.

The TeamViewer Group's net financial liabilities, defined as total financial liabilities (excluding other financial liabilities) less cash and cash equivalents, decreased to EUR 461.8 million as of 30 June 2023 (31 December 2022: EUR 471.6 million).

The net leverage ratio, which compares the Group's net financial liabilities in relation to adjusted (revenue) EBITDA of the last twelve months, decreased to 1.9 x as of 30 June 2023 (31 December 2022: 2.1 x). This corresponds to a ratio of 1.5 x as of 30 June 2023 (31 December 2022: 1.6 x) when comparing net financial liabilities in relation to adjusted (billings) EBITDA of the last twelve months.

Development of net leverage ratio

In EUR million	30 June 2023	31 December 2022
Current financial liabilities	99.2	113.3
Non-current financial liabilities	434.5	519.3
Cash and cash equivalents	(71.9)	(161.0)
Net financial liabilities	**461.8**	**471.6**
Adjusted (revenue) EBITDA (LTM)	244.0	229.8
Net leverage ratio	**1.9 x**	**2.1 x**

Under the terms of the 2022 credit agreements, TeamViewer is required to comply with certain leverage covenants based on the ratio of net financial liabilities to EBITDA as defined in the respective credit agreements. TeamViewer complied with the covenants at all times during the first half of 2023.

Financial position

In EUR million, unless otherwise stated	H1 2023	H1 2022	Change	Change in %
Cash and cash equivalents at the beginning of the period	**161.0**	**550.5**	**(389.5)**	**-71**
Cash flow from operating activities	111.5	65.8	45.7	+70
Cash flow from investing activities	(12.7)	(5.6)	(7.1)	+125
Cash flow from financing activities	(187.4)	(243.2)	55.8	-23
Other changes	(0.5)	15.9	(16.4)	-103
Cash and cash equivalents at the end of the period	**71.9**	**383.4**	**(311.5)**	**-81**

The increase in operating cash flow in the first half of 2023 resulted mainly from positive working capital effects, improved operating profit, and lower tax payments.

At the same time, cash outflows from investing activities increased. This was primarily due to higher net cash outflows from business combinations and higher investments in financial assets. The development was partly offset by lower investments in property, plant and equipment and intangible assets.

The decrease in cash outflow from financing activities is mainly due to a lower share buyback volume compared to the prior year, which was partly offset by the repayment of financial liabilities.

In order to show the cash inflow available to shareholders, TeamViewer calculates the levered free cash flow (FCFE). In the first half of 2023, the FCFE almost doubled year-on-year to EUR 98.7 million. The corresponding cash conversion was 77 % (+33 percentage points).

Levered free cash flow

In EUR million, unless otherwise stated	H1 2023	H1 2022	Change	Change in %
Cash flows from operating activities	**111.5**	**65.8**	**45.7**	**+70**
Investments in property, plant and equipment and intangible assets	(2.9)	(3.7)	0.8	-22
Payments for the redemption portion of lease liabilities	(2.9)	(4.1)	1.2	-29
Interest paid on borrowed funds and lease liabilities	(7.1)	(8.0)	0.9	-11
Levered free cash flow (FCFE)	**98.7**	**50.1**	**48.6**	**+97**

3 Events after the Reporting Date

After 30 June 2023, the following event occurred which could have a material impact on TeamViewer's future results of operations, financial position and net assets:

On 13 July 2023, TeamViewer announced that Mei Dent will be appointed Chief Product & Technology Officer (CPTO) and member of the Management Board of TeamViewer SE, effective 31 August 2023. In her role, Mei Dent will be responsible for the company's overall innovation strategy as well as the concrete further development of TeamViewer’s product and solution portfolio.

4 Opportunities and Risks

There have been no significant changes in the risk assessment contained in the opportunity and risk report of the Company's Annual Report 2022.

The Management Board is confident that the identified risks do not currently pose a threat to the continued existence of the Group or any of its material subsidiaries, either individually or in the aggregate.

5 Outlook

Despite ongoing geopolitical and economic challenges, TeamViewer looks back on a successful first half of 2023. Revenue grew at a double-digit rate of 12 %. A rather slow start to the year in the Enterprise business was offset by a significantly improved SMB business year-on-year with good customer growth. Adjusted (revenue) EBITDA grew in line with revenue by 12 %. This resulted in an adjusted (revenue) EBITDA margin of 42 %.

In H1 2023, TeamViewer worked on a number of different organizational and operational measures to position the company even better for the future. Particular focus was placed on strengthening the SMB product offering (especially through the global launch of TeamViewer Remote), the organizational realignment of the AMERICAS region, and targeted measures to expand existing and acquire new business relationships, especially in the Enterprise space.

This, combined with the high relevance of TeamViewer's product portfolio in times of ongoing skills shortages, the digital transformation in the industrial environment, and generally more challenging sustainability goals, leaves the Management Board confident for the second half of the year. TeamViewer therefore confirms its guidance for the full year 2023 based on the following KPIs:

Guidance 2023

Revenue in EUR million	**EUR 620 m to EUR 645 m**[1] +10–14 % compared to previous year
Adjusted (revenue) EBITDA margin in %	**Approx. 40 %**

[1] Based on an average EUR/USD exchange rate for 2022 of 1.05.

Göppingen, 31 July 2023

The Management Board

Oliver Steil Michael Wilkens Peter Turner

B_ Condensed Interim Consolidated Financial Statements

1 Consolidated Statement of Profit and Loss and other Comprehensive Income

from 1 January to 30 June

In EUR thousands	**2023**	2022	Note
Revenue	305,462	271,978	(5)
Cost of sales	(38,829)	(35,658)	
Gross profit	**266,632**	**236,320**	
Research and development	(38,805)	(35,044)	
Marketing	(68,324)	(63,237)	
Sales	(54,664)	(48,257)	
General and administrative[12]	(24,051)	(26,198)	
Bad debt expenses	(3,951)	(5,565)	(8)
Other income	3,846	4,228	
Other expenses	(924)	(378)	
Operating profit	**79,759**	**61,869**	
Finance income	1,244	474	
Finance costs	(8,669)	(16,629)	
Foreign currency result	(1,610)	(3,702)	
Profit before tax	**70,725**	**42,013**	

In EUR thousands	**2023**	2022	Note
Income taxes	(13,530)	(15,624)	(7)
Net Income	**57,195**	**26,389**	
Earnings per share, basic (in EUR)	0.33	0.14	(14)
Earnings per share, diluted (in EUR)	0.33	0.14	(14)
Other comprehensive income			
Other comprehensive income for the period, reclassified to profit or loss in subsequent periods	1,106	4,290	
Hedge reserve, gross	1,699	1,574	(9)
Exchange differences on the translation of foreign operations	(593)	2,716	
Total comprehensive income	**58,301**	**30,679**	

[12] In the first half of 2023, costs for human resource management in the amount of EUR 3,499.0 thousand were allocated to the individual functional areas (of which cost of sales: EUR -219.9 thousand, research and development: EUR -1,215.6 thousand, marketing: EUR -303.8 thousand and sales: EUR -1,759.8 thousand). In the previous year, human resource management costs were mainly reported under general and administrative.

2 Consolidated Statement of Financial Position as of 30 June

In EUR thousands	30 Jun 2023	31 Dec 2022	Note
Non-current assets			
Goodwill	667,856	667,929	
Intangible assets	194,554	212,864	
Property, plant and equipment	46,287	50,265	
Financial assets	18,842	18,537	(11)
Other assets	16,461	11,922	
Deferred tax assets	14,705	2,126	
Total non-current assets	**958,705**	**963,644**	
Current assets			
Trade receivables	12,612	18,295	(8)
Other assets	55,269	19,392	
Tax assets	1,345	3,335	
Financial assets	9,073	7,038	(11)
Cash and cash equivalents	71,892	160,997	
Total current assets	**150,192**	**209,057**	
Total assets	**1,108,896**	**1,172,702**	

In EUR thousands	30 Jun 2023	31 Dec 2022	Note
Equity			
Issued capital	180,000	186,516	(9)
Capital reserve	181,677	236,849	(9)
Accumulated losses	(152,007)	(209,203)	(9)
Hedge reserve	79	(1,620)	(9)
Foreign currency translation reserve	2,410	3,003	(9)
Treasury shares	(109,378)	(100,263)	(9)
Total equity attributable to the shareholders of TeamViewer SE	**102,779**	**115,282**	
Non-current liabilities			
Provisions	543	530	
Financial liabilities	434,487	519,346	(10)
Deferred revenue	35,466	24,151	
Deferred and other liabilities	1,670	2,081	
Other financial liabilities	1,133	3,119	(10)
Deferred tax liabilities	33,625	33,852	
Total non-current liabilities	**506,924**	**583,079**	
Current liabilities			
Provisions	9,023	9,013	
Financial liabilities	99,238	113,295	(10)
Trade payables	8,399	8,875	
Deferred revenue	307,904	288,138	
Deferred and other liabilities	53,816	42,385	
Other financial liabilities	11,825	11,537	(10)
Tax liabilities	8,987	1,098	
Total current liabilities	**499,193**	**474,341**	
Total liabilities	**1,006,117**	**1,057,420**	
Total equity and liabilities	**1,108,896**	**1,172,702**	

3 Consolidated Statement of Cash Flows

from 1 January to 30 June

In EUR thousands	2023	2022	Note
Profit before tax	70,725	42,013	
Depreciation, amortisation and impairment of non-current assets	27,744	26,493	
Increase/(decrease) in provisions	23	379	
Non-operational foreign currency result	250	6,783	
Expenses for equity-settled share-based compensation	15,399	14,569	(6)
Net financial costs	7,425	16,154	
Change in deferred revenue	31,081	27,208	(5)
Changes in other net working capital and other	(23,341)	(45,824)	
Income taxes paid	(17,777)	(21,981)	(7)
Cash flows from operating activities	**111,529**	**65,795**	
Payments for tangible and intangible assets	(2,868)	(3,673)	
Payments for financial assets	(2,038)	-	
Payments for acquisitions	(7,823)	(1,977)	(4)
Cash flows from investing activities	**(12,729)**	**(5,650)**	
Repayments of borrowings	(100,000)	-	(10)
Payments of the capital element of lease liabilities	(2,892)	(4,060)	
Interest paid on borrowings and lease liabilities	(7,060)	(7,976)	
Purchase of treasury shares	(77,437)	(231,158)	(9)
Cash flows from financing activities	**(187,390)**	**(243,194)**	
Net change in cash and cash equivalents	**(88,590)**	**(183,049)**	
Net foreign exchange rate difference	(516)	16,717	
Net change from risk provisioning	-	(805)	
Cash and cash equivalents at beginning of period	160,997	550,533	
Cash and cash equivalents at end of period	**71,892**	**383,396**	

4 Consolidated Statement of Changes in Equity

In EUR thousands	Issued capital	Capital reserve	Accumulated losses	Hedge reserve	Foreign currency translation reserve	Treasury shares	**Total equity**	Note
Status as of 1 January 2023	**186,516**	**236,849**	**(209,203)**	**(1,620)**	**3,003**	**(100,263)**	**115,282**	
Net Income	-	-	57,195	-	-	-	57,195	
Other comprehensive income	-	-	-	1,699	(593)	-	1,106	
Share-based compensation	-	15,552	-	-	-	-	15,552	(6)
Reissuance of treasury shares under share-based payments	-	(3,187)	-	-	-	3,187	-	
Purchase of treasury shares	-	(8,918)	-	-	-	(77,437)	(86,355)	(9)
Cancellation of treasury shares	(6,516)	(58,619)	-	-	-	65,135	-	(9)
Balance as of 30 June 2023	**180,000**	**181,677**	**(152,007)**	**79**	**2,410**	**(109,378)**	**102,779**	

In EUR thousands	Issued capital	Capital reserve	Accumulated losses	Hedge reserve	Foreign currency translation reserve	Treasury shares	**Total equity**	Note
Status as of 1 January 2022	**201,071**	**394,487**	**(276,803)**	**12**	**1,320**	**–**	**320,087**	
Net Income	–	–	26,389	–	–	-	26,389	
Other comprehensive income	–	–	–	1,574	2,716	-	4,290	
Share-based compensation	-	14,569	–	–	–	-	14,569	(6)
Purchase of treasury shares	-	-	-	-	-	(231,158)	(231,158)	(9)
Cancellation of treasury shares	(14,555)	(185,270)	-	-	-	199,825	-	(9)
Balance as of 30 June 2022	**186,516**	**223,786**	**(250,413)**	**1,586**	**4,036**	**(31,333)**	**134,177**	

5 Notes to the Interim Consolidated Financial Statements

1. Company information

TeamViewer SE is a listed stock corporation headquartered in Göppingen, Germany. The Company is registered at the District Court of Ulm under the commercial register number HRB 745906. TeamViewer SE, Göppingen, is the parent company of the TeamViewer Group ("TeamViewer" or the "Group"). At its meeting on 11 March 2022, the Supervisory Board of TeamViewer SE approved the proposal of the Management Board to prepare the conversion of the Company from an AG ("Aktiengesellschaft" into a European stock corporation (Sociateas Europaea, or SE) under the name TeamViewer SE. The shareholders also accepted the conversion at the Annual General Meeting of 17 May 2022. The conversion took place on March 15, 2023.

TeamViewer SE's principal shareholder, with a shareholding of 20.83% of the issued capital as of 30 June 2023 (31 December 2022: 20.10%), is TigerLuxOne S.à.r.l. (TLO), a company registered in Luxembourg. TeamViewer SE's registered office Göppingen, Germany. The registered office is located at Bahnhofsplatz 2, 73033 Göppingen, Germany. The Group's fiscal year is the calendar year.

In the following, "Company" refers to TeamViewer SE.

As a global technology company, TeamViewer offers a cloud-based platform to network computers, machines and industrial equipment and digitally supports work processes along the entire value chain in both the industrial and service sectors. Through its products and services, TeamViewer's goal is to increase productivity and efficiency for the user and, at the same time, make a positive contribution to the environment. Next to a significant number of private users, who can use selected products in the portfolio for non-commercial applications free of charge, TeamViewer's worldwide user base consists of more than 630,000 corporate customers of various sizes and from a wide range of industries who use the products and solutions under a subscription model.

2. Basis of preparation

The condensed interim consolidated financial statements do not contain all the information or disclosures required for consolidated financial statements as of the end of the fiscal year and should therefore be read in conjunction with the consolidated financial statements as of 31 December 2022.

(a) Statement of compliance

These condensed and unaudited interim consolidated financial statements for the six months ended 30 June 2023 comply with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) applicable as of the reporting date and as adopted by the European Union (EU) pursuant to EU Regulation No. 1606/2002 of the European Parliament and of the Council on the application of international accounting standards. These condensed interim consolidated financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting" in conjunction with IAS 1 "Presentation of Financial Statement" and are reviewed by PricewaterhouseCoopers GmbH, Stuttgart (please refer to page 41 "Review Report").

(b) Presentation currency

The condensed interim consolidated financial statements are presented in euros (EUR), which is the Company´s presentation currency. Unless otherwise stated, all amounts are rounded to the nearest thousand euros (EUR thousand), with the effect that rounding differences may occur when individual amounts are added together. The same applies to the addition of percentages.

3. Significant accounting policies

The same accounting policies and recognition and measurement methods were applied in the preparation of these financial statements as of 31 December 2022.

As of 30 June 2023, the income tax expense is determined using the effective tax rate expected for the full year.

(a) Terminologies

Billings represent the value (net) of goods and services invoiced to customers within a specific period and which constitute a contract as defined by IFRS 15.

In distinguishing between the different customer groups, TeamViewer uses the following categories:

SMB customers mean customers with ACV (Annual Contract Value; is defined as the annualised value of one SMB/Enterprise contract) across all products and services of less than EUR 10,000 within the last twelve-month period. If the threshold is exceeded, the customer will be reallocated.

Enterprise customers mean customers with ACV across all products and services of at least EUR 10,000 within the last twelve-month period. Customers who do not reach this threshold will be reallocated.

To evaluate customer loyalty, TeamViewer uses the net retention rate (NRR) as a non-financial performance indicator. To determine the NRR, billings are categorised as follows:

Retained Billings means recurring billings (renewals, cross- and upselling) attributable to retained subscribers who were subscribers in the previous twelve-month period (LTM-1).

New Billings means recurring billings attributable to new subscribers.

Non-recurring Billings means billings that do not recur such as professional services and hardware reselling.

Net Retention Rate (NRR) means the Retained Billings of the last twelve months (LTM), divided by the total recurring Billings (Retained Billings + New Billings) of the previous twelve-month period (LTM-1). The total recurring Billings of the LTM-1 period are adjusted for multi-year deals (MYD).

(b) Foreign currencies

The following relevant exchange rates were applied as of the reporting date:

		Closing rates		Average rate for period	
Currency	ISO code	**30 June 2023**	31 Dec 2022	**1 January – 30 June 2023**	1 January – 30 June 2022
Armenian dram	AMD	421.44	422.35	421.60	512.73
Australian dollar	AUD	1.64	1.58	1.60	1.52
Canadian dollar	CAD	1.44	1.46	1.46	N/A
Chinese yuan	CNY	7.90	7.40	7.49	7.08
Pound sterling	GBP	0.86	0.89	0.88	0.84
Indian rupee	INR	89.21	88.76	88.87	83.32
Japanese yen	JPY	157.16	140.64	145.79	134.30
Mexican peso	MXN	18.56	20.90	19.66	22.17
Singapore dollar	SGD	1.47	1.44	1.44	1.49
US dollar	USD	1.09	1.07	1.08	1.09

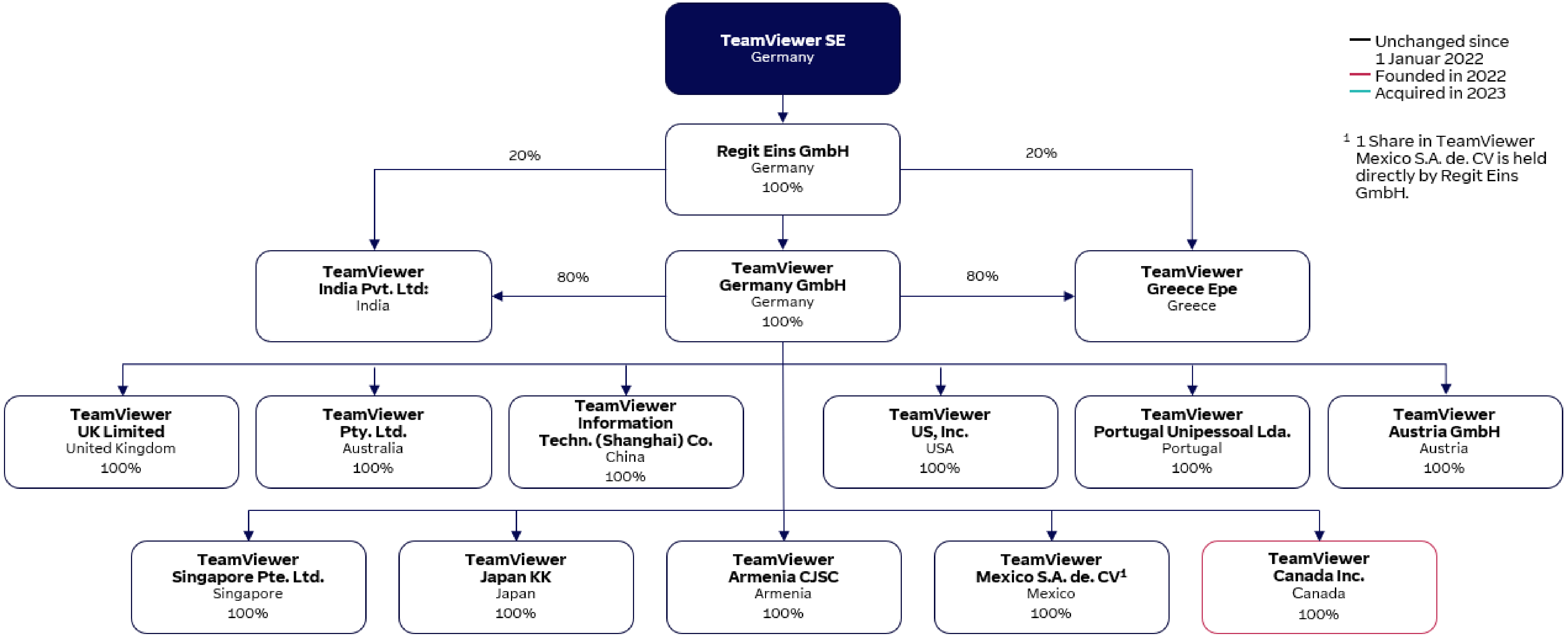
(c) Standards, interpretations and amendments to existing published standards issued and applied

No new standards or other amendments or improvements to standards have been adopted that are mandatory for financial years beginning on 1 January 2023 and expected to have a material impact on the Group´s net assets, financial positions and results of operations.

(d) Standards, interpretations and amendments to published standards that have not yet been applied

The expected effects of new and amended standards and interpretations that are effective for reporting periods beginning after 31 December 2022 and are disclosed in the 2022 consolidated financial statement. The Group is not voluntarily applying any of the new or amended standards and interpretations ahead of time.

4. Structure of the Group



[1] 1 Share in TeamViewer Mexico S.A. de. CV is held directly by Regit Eins GmbH.

On 15 March 2023 Teamviewer completed the conversion from Teamviewer AG into Teamviewer SE (European stock corporation).

(a) Group structure as of 30 June 2023

As of 30 June 2023, the Group consisted of TeamViewer SE, headquartered in Göppingen, Germany, as the parent company, and 15 fully consolidated companies.

(b) Investment in Associates

TeamViewer invested in 2023 in an individually immaterial associate. TeamViewer owns less than 20% of the equity interest and less than 20% of the voting rights, but has a right to solely designate a member to the board of directors. Therefore, TeamViewer has determined that it has significant influence.

In EUR thousands	**30 June 2023**	31 December 2022
Carrying amount of interest in associates	2,035	-

5. Revenue

Reconciliation of billings to revenue

In EUR thousands	**1 January – 30 June 2023**	1 January – 30 June 2022
Billings	327,328	299,594
Change in deferred revenue recognised in profit or loss	(21,867)	(27,616)
Total revenue	**305,462**	**271,978**

For a further breakdown of revenue, please see Note *12 Operating segments.*

6. Personnel expenses

Personnel expenses consist of the following items:

Personnel expenses

In EUR thousands	**1 January – 30 June 2023**	1 January – 30 June 2022
Wages and salaries	65,328	56,120
Social security contributions	12,955	11,103
Equity-settled share-based compensation	15,399	14,569
thereof EPP Programme	5,665	6,877
thereof Ubimax	2,630	6,576
thereof RSU	7,105	1,116
Cash-settled share-based compensation	1,149	859
thereof LTIP	685	836
thereof PSU[1]	464	23
Expenses for M&A	121	(197)
Total personnel expenses	**94,951**	**82,455**

[1]Including social security contributions RSU.

EPP Programme

Selected executives received additional EPP units during the financial year and an additional upfront payment (next share sale by TLO) was agreed. The fair value of the additional EPP units is EUR 1.1 million. The fair value was determined using the share price of TeamViewer SE at the grant date (EUR 15.40).

Restricted Stock Unit Plan (RSU) and Phantom Stock Unit Plan (PSU)

In May 2022, TeamViewer introduced a Restricted Stock Unit Plan (RSU 2022) and a Phantom Stock Unit Plan (PSU 2022) for the performance-based remuneration of employees. In addition, TeamViewer introduced a new Restricted Stock Unit Plan in June 2023 (RSU 2023) and a Phantom Stock Unit Plan (PSU 2023). The purpose of the RSU or PSU is to attract, retain and motivate employees by enabling them to participate in the Company's success. Employees participate in either the RSU or the PSU.

RSU 2023

Plan description

The RSU 2023 grants the employees TeamViewer shares after vesting. In addition, TeamViewer grants certain employees additional shares including a performance condition that billings targets in 2023 need to be reached. These entitlements are granted to the employee in the respective financial year and vests in four equal parts every 31st of December from 2023 until 2026. After each vesting period, the vested shares are transferred to the employees. The employee is not entitled to dividends or voting rights before the shares are transferred. The employee's entitlement expires upon termination of the employment relationship.

Valuation and accounting

The fair value of one share of the RSU was determined based on the Company’s share price and is EUR 14.58. RSU granted whose vesting is dependent on vesting conditions that are not market conditions are only recognized if it can be assumed at the reporting date that the vesting conditions will be met. An adjustment for the lack of dividend entitlement was not made, as no dividend payments are expected. The RSU 2023 is accounted for as an equity-settled share-based payment transaction. To the extent that TeamViewer incurs expenses for social security contributions on the granting of shares, these are accounted for as cash-settled share-based payments.

PSU 2023

Plan description

The PSU 2023 has the same terms and conditions but is settled in cash instead of shares. The cash settlement is calculated based on the average price of the TeamViewer share over the last 60 trading days before vesting.

Valuation and accounting

The fair value of a virtual share of the PSU 2023 on the measurement date was determined solely based on the Company's share price. An adjustment for the missing dividend entitlement of the virtual shares was not made, as no dividend payment is expected. The PSU 2023 is accounted for as a cash-settled share-based payment.

Development of the number of RSU shares/virtual PSU shares

In units	RSU	PSU
31 December 2022	**710,609**	**12,012**
Granted	1,943,199	68,153
Forfeited	(57,388)	(1,765)
Vested	(21,063)	-
30 June 2023 pending	**2,575,357**	**78,400**
thereof vesting on 31 December 2023	696,905	20,454
thereof vesting on 31 December 2024	696,905	20,454
thereof vesting on 31 December 2025	696,905	20,454
thereof vesting on 31 December 2026	484,641	17,038

7. Income taxes

Due to the specific planning of a profit loss transfer agreement between Regit Eins GmbH and TeamViewer SE, there will be future taxable profits at the level of TeamViewer SE which can be offset against existing tax and interest losses. Resulting as of 30 June 2023, deferred tax assets are recognized with a total amount of EUR 13 million. Thereof EUR 8 million relate to previous periods. The profit loss transfer agreement requires the approval of the annual general meeting.

8. Trade receivables

As of 30 June 2023 and 31 December 2022, only current trade receivables exist.

Age structure of trade receivables

In EUR thousands	30 June 2023	31 December 2022
Up to 30 days past due	12,673	19,524
31–60 days past due	3,097	2,457
61–90 days past due	1,815	2,041
91–120 days past due	1,256	1,273
121–150 days past due	1,164	1,119
More than 150 days past due	7,544	7,688
Total before valuation allowance	**27,550**	**34,101**
Valuation allowance	(14,938)	(15,806)
Trade receivables	**12,612**	**18,295**

Expected credit losses on trade receivables

	30 June 2023		31 December 2022	
Past due	In EUR thousands	Expected default rate in %	In EUR thousands	Expected default rate in %
Up to 30 days	(2,709)	25	(3,718)	22
31–60 days	(1,410)	48	(1,390)	58
61–90 days	(1,370)	79	(1,284)	64
91–120 days	(1,130)	95	(1,105)	89
121–150 days	(1,092)	99	(1,069)	99
More than 150 days	(7,227)	99	(7,241)	99
Total valuation allowance	**(14,938)**		**(15,806)**	

Development of valuation allowance on trade receivables

In EUR thousands	30 June 2023	31 December 2022
Valuation allowance at the beginning of fiscal year	(15,806)	(17,115)
Release/(additions)	(3,951)	(13,604)
Utilisation	4,819	14,913
Total valuation allowance at the end of fiscal year	**(14,938)**	**(15,806)**

On average, invoices in the first half of 2023 were paid 27 days after invoicing (fiscal year 2022: 37 days).

9. Equity

Number of shares

In thousands	Subscribed capital	Treasury Shares
31 December 2021	**201,071**	**–**
Purchase of Treasury shares	–	(24,094)
Cancellation of Treasury shares	(14,555)	14,555
31 December 2022	**186,516**	**(9,539)**
Purchase of Treasury shares	–	(5.252)
Reissuance of treasury shares under share-based payments	–	259
Cancellation of Treasury shares	(6,516)	6,516
30 June 2023	**180,000**	**(8.016)**

Issued capital – As of 30 June 2023, the subscribed capital comprised the share capital of TeamViewer SE in the amount of EUR 180,000,000 and is divided into ordinary 180,000,00 no-par value ordinary bearer shares (no-par value shares). A total of 356,977 shares are subject to a lock-up period and pledged for the benefit of the Company as part of share-based compensations.

Authorised capital – The Management Board is authorised to increase the issued capital on one or more occasions until 2 September 2024 by up to EUR 98,929,069 (Authorised Capital 2020). The subscription rights of existing shareholders may be excluded under certain conditions.

By resolution of the Annual General Meeting on 3 September 2019, the Management Board was authorised, with the approval of the Supervisory Board, to increase the Company's share capital once or several times in the period up to 2 September 2024 by up to a total of EUR 100,000,000 by issuing up to 100,000,000 no-par value bearer shares in return for cash contributions and/or contributions in kind (Authorised Capital 2019). The profit entitlement of new shares may be determined in deviation from § 60 (2) AktG. Shareholders are in principle to be granted subscription rights. However, the Management Board is authorised, in each case with the approval of the Supervisory Board, to exclude shareholders' subscription rights on one or more occasions in the following cases:

- Insofar as this is necessary to compensate for fractional amounts.
- Insofar as this is necessary to grant holders or creditors of convertible bonds, bonds with warrants or convertible profit participation rights issued by the Company and/or by its directly or indirectly majority-owned subsidiaries subscription rights to new shares to the extent to which they would be entitled after exercising their conversion or option rights or after, fulfilment of their option exercise or conversion obligations.
- Insofar as the new shares are issued against cash contributions and the issue price of the new shares is not significantly lower than the stock market price of the shares of the Company already listed at the time of the final determination of the issue price, which should be as close as possible to the placement of the shares. This authorisation to exclude subscription rights shall only apply insofar as the notional interest in the share capital attributable to the shares issued with the exclusion of subscription rights pursuant to § 186 (3) Sentence 4 AktG does not exceed a total of 10 % of the share capital, neither at the time this authorisation becomes effective nor at the time this authorisation is exercised.
- Insofar as the new shares are issued against contributions in kind, particularly in the form of companies, parts of companies, interests in companies, receivables, or other assets.

As of 31 December 2021, the Company had utilised Authorised Capital 2019 in the amount of EUR 1,070,931.00 in the context of a capital increase against contribution in kind, which took place in the 2020 fiscal year. Contingent Capital 2019 has not been utilised to date. Authorised Capital 2019 amounted to EUR 98,929,069.00 and Contingent Capital 2019 amounted to EUR 60,000,000.00 as of 30 June 2023.

Conditional Capital – The Company's share capital is conditionally increased by up to EUR 60,000 thousand through the issue of up to 60,000,000 new no-par value bearer shares (Conditional Capital 2019). Conditional Capital 2019 serves exclusively to grant new shares to the holders or creditors of bonds issued by the Company or other companies in which the Company directly or indirectly holds a majority interest until 2 September 2024 in accordance with the authorisation resolution of the Annual General Meeting on 3 September 2019, in the event that conversion or option rights are exercised or conversion or option obligations are fulfilled or the Company exercises its right to grant shares in the Company in whole or in part instead of payment of the cash amount due.

In addition, by resolution of the Annual General Meeting on 3 September 2019, the Management Board was authorised, with the approval of the Supervisory Board, to issue bearer or registered convertible bonds and/or bonds with warrants, or a combination of these instruments, on one or more occasions in partial amounts until 2 September 2024, for a total nominal amount of up to EUR 1,400,000,000, in each case with or without a limited term, and to grant the holders of these bonds conversion or option rights to subscribe for up to 60,000,000 no-par value bearer shares in the Company with a notional interest in the share capital of up to EUR 60,000,000 in total in accordance with the more detailed provisions of the terms and conditions of issue of these bonds. The bonds may provide for an obligation to convert or exercise an option at the end of the term or at an earlier point in time. The bonds may be issued against cash or non-cash contributions. The bonds may also be issued by companies in which the Company directly or indirectly holds a majority interest. In this case, the Management Board is authorised, with the approval of the Supervisory Board, to assume the necessary guarantees for the obligations arising from the bonds on behalf of the Company and to grant or impose conversion or option rights or conversion or option exercise obligations for shares in the Company on the holders or creditors of these bonds.

The Management Board was also authorised, with the approval of the Supervisory Board, to exclude shareholders' subscription rights when issuing bonds under certain circumstances, including issuance in return for non-cash contributions, in particular for the purpose of acquiring companies, parts of companies or equity interests in companies.

The share capital of the Company is conditionally increased by up to EUR 60,000,000 by issuing up to 60,000,000 new no-par value shares (Conditional Capital 2019). The Conditional Capital 2019 serves exclusively to grant new shares to the holders or creditors of bonds issued by the Company or by other companies in which the Company directly or indirectly holds a majority interest until 2 September 2024 in accordance with the authorisation resolution of the Annual General Meeting on 3 September 2019, in the event that conversion or option rights are exercised or conversion or option exercise obligations are fulfilled or the Company exercises its right to grant shares in the Company in whole or in part instead of payment of the cash amount due.

Capital reserve – The decrease in the capital reserve in the fiscal year results mainly from the cancelation of treasury shares.

Foreign currency translation reserve – The currency translation reserve results from the translation of foreign operations into euros.

Hedge reserve – The reserve for cash flow hedges includes the effects of Fair Value changes in derivatives designated as hedges and their deferred tax effects.

Treasury shares – The Management Board was authorised by the Company's Annual General Meeting on 17 May 2022, until 16 May 2027, to buy treasury shares, with the approval of the Supervisory Board, up to a total of 10 % of the share capital existing at the time of the resolution or – whichever is less – to purchase the existing share capital at the time this authorisation is exercised. This authorisation was replaced by the Company's Annual General Meeting on 24 May 2023, so that the Management Board is now authorized, with the approval of the Supervisory Board, to acquire treasury shares up to a total of 10 % of the share capital until 23 May 2028. If the share capital is lower at the time this authorisation is exercised, this lower value shall apply. The shares acquired based on the authorisation, together with other shares in the Company that the Company has already acquired and still owns, may at no time account for more than 10 % of the respective existing share capital. The acquisition takes place via the stock exchange by means of a public offer to buy or sell addressed to all shareholders of the Company, using derivatives or from a credit or financial institution.

On 6 February 2023, the Management Board of TeamViewer SE resolved a new share buyback program (SBB 2023) with a total volume of up to EUR 150 million (without ancillary costs) and is scheduled for completion in 2023. The buyback will be concluded in two independent tranches via the stock exchange. The first tranche with a volume of up to EUR 75 million started on 15 February 2023 and ended on 15 June 2023. In total 5,078,064 shares have been purchased as part the first tranche. The second tranche of the SBB 2023 started on 20 June 2023. Up to 30 June 2023 174,074 shares have been purchased as part of the second tranche.

In the first quarter 2023, 258,515 shares have been transferred to the employees under the RSU program. Effective 26 June 2023, 6,515,856 shares have been cancelled. The Company's issued capital was reduced accordingly. The remaining shares will initially be held by the Company for later use for all purposes permitted under stock corporation law, in particular the "RSU" programme.

As 30 June 2023 the Company held 8,016,367 treasury shares. The item "Treasury share reserve" contains the acquisition costs for 8,016,367 treasury shares.

10. Financial liabilities

In EUR thousands	**30 June 2023**		
	Current	**Non-current**	**Total**
Financial liabilities	99,238	434,487	533,725
thereof from loans	87,473	411,969	499,442
thereof from lease liabilities	11,765	22,518	34,282
Other financial liabilities	11,825	1,133	12,958
Total	**111,063**	**435,619**	**546,683**

In EUR thousands	31 December 2022		
	Current	Non-current	Total
Financial liabilities	113,295	519,346	632,641
thereof from loans	101,664	496,380	598,044
thereof from lease liabilities	11,632	22,966	34,598
Other financial liabilities	11,537	3,119	14,656
Total	**124,832**	**522,465**	**647,297**

(a) Maturity and repayment structure

Liabilities to banks

In EUR thousands	**30 June 2023**			
	Currency	Year of maturity	**Nominal value**	**Carrying amount**
Loan				
2022 syndicated loan in EUR	EUR	2025	100,000	99,502
2022 syndicated loan – revolving credit facility	EUR	2027	-	(2,143)[1]
2021 bilateral bank loan in EUR	EUR	2025	100,000	100,000
Promissory notes				
3-year fixed promissory note	EUR	2024	27,000	27,067
3-year variable promissory note	EUR	2024	58,000	58,760
5-year fixed promissory note	EUR	2026	118,000	118,249
5-year variable promissory note	EUR	2026	75,000	75,954
7-year fixed promissory note	EUR	2028	13,000	13,030
10-year fixed promissory note	EUR	2031	9,000	9,024
Total			**500,000**	**499,442**

[1] Represents the capitalized transaction costs.

Liabilities to banks

In EUR thousands		31 December 2022		
	Currency	Year of maturity	Nominal value	Carrying amount
Loan				
2022 syndicated loan in EUR	EUR	2025	100,000	99,301
2022 syndicated loan – revolving credit facility	EUR	2027	100,000	97,636
2021 bilateral bank loan in EUR	EUR	2025	100,000	100,000
Promissory notes				
3-year fixed promissory note	EUR	2024	27,000	27,054
3-year variable promissory note	EUR	2024	58,000	58,347
5-year fixed promissory note	EUR	2026	118,000	118,218
5-year variable promissory note	EUR	2026	75,000	75,438
7-year fixed promissory note	EUR	2028	13,000	13,028
10-year fixed promissory note	EUR	2031	9,000	9,023
Total			**600,000**	**598,044**

The revolving credit facility was repaid in full in March 2023 and has not been drawn as of 30 June 2023 (31 December 2022: EUR 100 million). A drawdown of the facility up to EUR 450 million is possible.

11. Financial instruments – fair values and risk management

(a) Classification and fair values

All assets and liabilities for which a fair value is determined or recognised are categorised as follows:

- Level 1: Quoted prices in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs for the asset or liability that are not based on observable market data.

The following table shows the carrying amounts and fair values of financial assets and liabilities with their respective level in the fair value hierarchy.

Carrying amount and fair value level 30 June 2023

In EUR thousands	**Carrying amount**		**Fair value level**	
Classification according to IFRS 9	At fair value through profit or loss	At amortised cost	Fair value	Level
Derivative financial assets	20,539			2
Trade receivables		12,612		
Cash and cash equivalents		71,892		
Other financial assets		7,376		
Total financial assets	**20,539**	**91,880**		
Derivative financial liabilities	3,380			2
Other financial liabilities: Contingent purchase price payments	410			3
Trade payables		8,399		
Lease liabilities		34,282		
Liabilities to banks		499,442	477,870	2
Other financial liabilities		9,168		
Total financial liabilities	**3,790**	**551,291**		

Carrying amount and fair value level 31 December 2022

In EUR thousands	Carrying amount		Fair value level	
Classification according to IFRS 9	At fair value through profit or loss	At amortised cost	Fair value	Level
Derivative financial assets	20,809			2
Trade receivables		18,295		
Cash and cash equivalents		160,997		
Other financial assets		4,766		
Total financial assets	**20,809**	**184,059**		
Derivative financial liabilities	5,892			2
Other financial liabilities: contingent purchase price payments	4,490			3
Trade payables		8,875		
Lease liabilities		34,598		
Liabilities to banks		598,044	590,973	2
Other financial liabilities		4,273		
Total financial liabilities	**10,382**	**645,789**		

Non-current other financial assets consist mainly of rent deposits for rented office space and specifically for the Group's new headquarters.

(b) Fair value measurement

The fair value of derivatives as of the valuation date is calculated using an option pricing model in which the most relevant factors are interest yield curves and, in the case of foreign currency derivatives, the appropriate forward rates.

The fair values of financial liabilities allocated to Level 2 are calculated as the present value of the payments associated with the liabilities.

Trade receivables, loans receivable and cash and cash equivalents all generally have short-term maturities. Trade payables, liabilities due and other financial liabilities also generally have short-term maturities. For this reason, their carrying amount at the reporting date is almost equal to their fair value.

The fair value of the outstanding contingent consideration for business combinations (Level 3) is measured using a discounted cash flow model based on significant unobservable inputs. The significant unobservable inputs are the contractually defined earn-out relevant billings.

The significant unobservable inputs related to a fair value measurement classified within Level 3 of the measurement hierarchy, together with a quantitative sensitivity analysis, were as follows as of 30 June 2023:

Valuation of contingent purchase price payments as of 30 June 2023

	Measurement method	Relevant unobservable input factors	Earn-out relevant billings (in EUR million)	Sensitivity analysis +/- 10 %[13] (in EUR million)
Contingent purchase price payment for Viscopic acquisition	DCF method	Contractually defined billings	1.3	+/- 0.0

Valuation of contingent purchase price payments as of 31 December 2022

	Measurement method	Relevant unobservable input factors	Earn-out relevant billings (in EUR million)	Sensitivity analysis +/- 10 %[14] (in EUR million)
Contingent purchase price payment for Upskill acquisition	DCF method	Contractually defined billings	0.0	+/- 0.0
Contingent purchase price payment for Xaleon acquisition[15]	DCF method	Contractually defined billings	8.1	+/- 0.0
Contingent purchase price payment for Viscopic acquisition	DCF method	Contractually defined billings	1.2	+/- 0.0

The main input factors are in line with expectations as of the reporting date.

The estimates of the fair values of the liabilities for the outstanding contingent purchase price payments are also based on the contractually defined factors that the future payments are based on and the expectations that the Group has for these factors (Level 3). The Group assesses the probability based on the achievement of the defined targets and their timing. The assumptions made are reviewed at regular intervals.

[13] Change in contingent purchase price liability based on a +/- 10% change in contractually defined earn-out relevant billings.
[14] Change in contingent purchase price liability with +/- 10% change in contractually defined earn-out relevant billings.

[15] As of 31 December, the contingent consideration for the earn-out related to Xaleon for the years 2023 and 2024 has been replaced with a liability of EUR 3.8 million, due in February 2023.

The changes in the fair values of financial instruments classified in Level 3 in the first half of 2023 are presented below:

In EUR thousands	Outstanding contingent purchase price payments for acquisitions
1 January 2023	**4,490**
(Other income)/other expenses	53
Payouts	(4,133)
30 June 2023	**410**

There were no transitions between fair value levels in 2023 and 2022.

(c) Derivatives

Cash flows in US dollars are hedged in part with FX forwards that hedge an average monthly amount of USD 7.5 million until 31 December 2025. The derivatives are not designated as hedges.

Another portfolio of FX forwards is designated as a hedging instrument for contractual agreed USD prepayments. The derivatives mitigate the risk of unfavourable currency movements totalling USD 45.6 million until May 2025. The hedge ratio declines from 0.8 in 2023 to 0.25 in 2025.

In July 2022, four interest rate cap agreements were incepted to hedge the cash flows for the floating rate promissory notes with maturities in March 2024 (EUR 58 million) and March 2026 (EUR 75 million). All interest rate cap agreements are with a strike of 2 % on the 6-month EURIBOR, which is inversely proportional to the floating rate promissory notes with the same benchmark rate.

12. Operating segments

The Group is managed as a single-segment company with the TeamViewer platform as the basis for segmentation. The decision for segmentation was based on the internal organisation, which is based on the platform as the single reporting line. The platform´s reporting is based on the different geographical regions as reporting units, namely “Europe, Middle East and Africa” (EMEA), “North, Central and South America” (AMERICAS), and “Asia Pacific” (APAC).

As there is no other segment, the consolidated statement of profit and loss and other comprehensive income already shows the segment revenue and expenses, while the consolidated statement of financial position already shows the segment assets and segment liabilities. All revenue reported in the consolidated statement of profit and loss and other comprehensive income was generated with external customers.

Non-current assets relate mainly to Germany.

The management analyses the revenue and billings based on regional and customer group level. The performance is measured by the management based on adjusted EBITDA.

Revenue by regions

In EUR thousands	**1 January – 30 June 2023**	1 January – 30 June 2022
EMEA	161,218	146,685
AMERICAS	108,981	93,346
APAC	35,263	31,947
Revenue	**305,462**	**271,978**

Revenue by country

In EUR thousands	**1 January – 30 June 2023**	1 January – 30 June 2022
USA	85,979	68,584
Germany	48,886	42,765
Great Britain	17,425	16,166
France	16,590	15,071
Other countries	136,582	129,392
Revenue	**305,462**	**271,978**

Revenue is allocated to individual countries based on the location of the respective customer.

Revenue by customer group

In EUR thousands	**1 January – 30 June 2023**	1 January – 30 June 2022[16]
SMB customers	247,152	226,233
Enterprise customers	58,310	45,745
Revenue	**305,462**	**271,978**

The Group has a very diversified customer base, with no single customer accounting for more than 10 % of revenue.

Billings by region

In EUR thousands	**1 January – 30 June 2023**	1 January – 30 June 2022
EMEA	180,004	162,914
AMERICAS	106,641	100,651
APAC	40,684	36,029
Billings	**327,328**	**299,594**
Change in deferred revenue recognised in profit or loss	(21,867)	(27,616)
Total revenue	**305,462**	**271,978**

Billings by country

In EUR thousands	**1 January – 30 June 2023**	1 January – 30 June 2022
USA	84,410	80,489
Germany	57,643	48,935
France	19,264	17,947
Great Britain	19,083	18,089
Other countries	146,929	134,133
Billings	**327,328**	**299,594**

Billings by customer group

In EUR thousands	**1 January – 30 June 2023**	1 January – 30 June 2022
SMB customers	264,646	237,536
Enterprise customers	62,683	62,057
Billings	**327,328**	**299,594**

Billings by category[17]

In EUR thousands	**1 January – 30 June 2023**	1 January – 30 June 2022
Retained	297,320	264,580
New	28,612	33,212
Non-recurring	1,396	1,801
Billings	**327,328**	**299,594**

[16] Since FY 2023, the effects of multi-year deals are considered more precisely in the revenue split calculation. Prior year's comparable figures (H1 2022 reported: SMB EUR 222,263 thousand; Enterprise EUR 49,715 thousand) were adjusted accordingly.

[17] Please refer to our comments under *2 (c) Basis of preparation of the consolidated statement of other comprehensive income and the consolidated statement of financial position* in the Consolidated Financial Statements of 2022.

Calculation Net Retention Rate (NRR)

In EUR thousands	30 June 2023	30 June 2022
Retained Billings LTM	**601,541**	**503,166**
Recurring Billings LTM-1	576,170	499,371
MYD adjustment	(25,652)	-
Eligible base	**550,518**	**499,371**
In percent		
Net retention rate (NRR)	**109 %**	**101 %**

Adjusted EBITDA is calculated as follows:

In EUR thousands	1 January – 30 June 2023	1 January – 30 June 2022
Operating profit (EBIT)	**79,759**	**61,869**
Depreciation and amortisation	27,744	26,493
EBITDA	**107,504**	**88,363**
Other items for adjustment	20,364	25,322
Adjusted (Revenue) EBITDA	**127,867**	**113,684**
Change in deferred revenue recognised in profit or loss	21,867	27,616
Adjusted (Billings) EBITDA	**149,734**	**141,300**

Other items for adjustment comprise the following:

In EUR thousands	1 January – 30 June 2023	1 January – 30 June 2022
Expenses for share-based compensation	**(16,588)**	**(15,488)**
thereof expenses for equity-settled share-based compensation	(15,399)	(14,569)
thereof expenses for cash-settled share-based compensations to own employees	(1,188)	(919)
Further items for adjustment	**(3,776)**	**(9,834)**
Reorganisation expenses	(701)	(6,897)
Expenses from special IT projects	(1,197)	(2,532)
Measurement of financial instruments	(940)	-
Expenses for special legal disputes	(566)	(1,628)
Expenses from financing and M&A	(246)	(254)
Earn-out adjustments[18]	53	3,768
Other	(180)	(2,290)
Total	**(20,364)**	**(25,322)**

[18] Amount included in “Other income”.

13. Related party disclosures

No material transactions were conducted with related parties in the first half of 2023.

Transactions involving key management personnel

Management Board remuneration according to IFRS

In EUR thousands	**1 January – 30 June 2023**	1 January – 30 June 2022
Short-term employee benefits	2,376	2,169
Share-based compensation	596	807
Total	**2,972**	**2,976**

Share-based compensation includes expenses related to the long-term incentive program (LTIP) of EUR 0.6 million (in the first half of 2022: EUR 0.8 million) and liabilities as of 30 June 2023 of EUR 1,8 million (31 December 2022: EUR 1.1 million).

No other transaction took place with key management personnel during the reporting period (as in the comparative period of 2022) and no other balances were outstanding as of 30 June 2023 or 31 December 2022.

At the Annual General Meeting on 24 May 2023, the shareholders approved the expansion of the Supervisory Board to eight members. Swantje Conrad and Christina Stercken were newly elected to the Supervisory Board.

14. Earnings per share

For the purpose of calculating basic earnings per share, net income/loss attributable to the parent company's ordinary shares is divided by the weighted average number of ordinary shares outstanding during the year.

Earnings per share (basic)

In EUR	**1 January – 30 June 2023**	1 January – 30 June 2022
Net Income	57,195,082	26,389,336
Shares issued as of 30 June	180,000,000	186,515,856
Effect of Ubimax share-based compensation	(356,977)	(713,954)
Weighted effect of treasury shares	(4,624,255)	5,387,832
Weighted average number of shares outstanding	175,018,768	191,189,734
Earnings per share (Net income/(loss)/number of shares)	**0,33**	**0,14**

In determining basic earnings per share, 1,070,931 ordinary shares issued by TeamViewer to the seller in connection with the acquisition of Ubimax GmbH are excluded as long as they are subject to potential clawback for lack of vesting. These new shares are subject to a clawback in the event that they are not vested under the "Ubimax" share-based compensation because the founders do not perform the required work. They are pledged to TeamViewer SE and are subject to a vesting period of three years. They are scheduled to be released in three annual tranches and will be released as soon as they are earned as part of the share-based compensation. The latter applied to 713,954 of the 1,070,931 new ordinary shares. These were vested under share-based compensation on 21 August 2021 (first tranche: 356,977 shares) and on 21 August 2022 (second tranche: 356,977 shares) and consequently released. For additional information on the share-based compensation transaction "Ubimax", see *Note 4 (b) Company acquisitions* and *Note 7 Personnel expenses* in the Consolidated Financial Statement of 2022.

For the purpose of calculating diluted earnings per share, net income/loss attributable to ordinary equity holders of TeamViewer SE is divided by the weighted average number of ordinary shares outstanding, plus the weighted average number of ordinary shares that would result from the conversion of all potentially dilutive ordinary shares into ordinary shares.

Earnings per share (diluted)

In EUR	**1 January – 30 June 2023**	1 January – 30 June 2022
Net Income	57,195,082	26,389,336
Weighted average number of shares outstanding	175,018,768	191,189,734
Dilutive effect of Ubimax share-based compensation	307,835	163,160
Dilutive effect of RSU share-based compensation	473,681	3,763
Weighted average number of shares outstanding adjusted for dilutive effect	175,800,283	191,356,657
Earnings per share (Net income/number of shares)	**0.33**	**0.14**

For the calculation of diluted earnings per share, the weighted average number of shares outstanding is increased by the number of potentially dilutive shares from the “Ubimax” and “RSU” share-based compensation. The number of potentially dilutive shares is determined as the difference between the following two figures:

a) the weighted average number of ordinary shares issued but not yet vested under the “Ubimax” and “RSU” share-based compensation plan
b) the number of ordinary shares that would have been issued at their average market price during the period

To determine the latter figure, it is assumed that an amount equal to the future expense still to be incurred from the share-based compensation transaction is used to repurchase the issued ordinary shares at their average market price during the period (so-called treasury stock method).

No other transactions involving ordinary shares or potential ordinary shares have taken place in the period between the reporting date and the release date for publication of the consolidated financial statements.

15. Events after the reporting date

After 30 June 2023, the following event occurred that could have a material effect on the future net assets, financial position and result of operations of TeamViewer:

Starting 31 August 2023, Mei Dent joins TeamViewer as Chief Product and Technology Officer (CPTO) and member of the management board of TeamViewer SE.

Göppingen, 31 July 2023

The Management Board

Oliver Steil Michael Wilkens Peter Turner

C_ Further Information

1 Responsibility Statement

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

Göppingen, 31 July 2023

The Management Board

Oliver Steil Michael Wilkens Peter Turner

2 Review Report

To TeamViewer SE, Göppingen

We have reviewed the condensed consolidated interim financial statements – comprising the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity and selected explanatory notes – and the interim group management report of TeamViewer SE, Göppingen, for the period from 1 January 2023 to 30 June 2023 which are part of the half-year financial report pursuant to § (Article) 115 WpHG ("Wertpapierhandelsgesetz": German Securities Trading Act). The preparation of the condensed consolidated interim financial statements in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports is the responsibility of the parent Company's Board of Managing Directors. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim group management report based on our review.

We conducted our review of the condensed consolidated interim financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW) and additionally observed the International Standard on Review Engagements "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" (ISRE 2410). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with moderate assurance, that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and analytical procedures and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot express an audit opinion.

Based on our review, no matters have come to our attention that cause us to presume that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU nor that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports.

Stuttgart, 31 July 2023

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Jürgen Schwehr	Jens Rosenberger
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

3 Financial Calendar

31 October 2023

Q3 2023 Results

4 Imprint

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5 Disclaimer

Certain statements in this report may constitute forward-looking statements. These statements are based on assumptions that are believed to be reasonable at the time they are made, and are subject to significant risks and uncertainties, including, but not limited to, those risks and uncertainties described in TeamViewer's disclosures. You should not rely on these forward-looking statements as predictions of future events.

TeamViewer's actual results may differ materially and adversely from any forward-looking statements discussed in this report due to several factors, including without limitation, risks from macroeconomic developments, external fraud, lack of innovation capabilities, inadequate data security and changes in competition levels. TeamViewer undertakes no obligation, and does not expect to publicly update, or publicly revise, any forward-looking statement, whether as a result of new information, future events or otherwise.

Percentage change data and totals presented in tables throughout this report are generally calculated on unrounded numbers. Therefore, numbers in tables may not add up precisely to the totals indicated and percentage change data may not precisely reflect the change data of the rounded figures for the same reason.

This document contains alternative performance measures (APM) that are not defined under IFRS. The APMs (non-IFRS) can be reconciled to the key performance indicators included in the IFRS consolidated financial statements and should not be viewed in isolation, but only as supplementary information for assessing the operating performance. TeamViewer believes that these APMs provide an additional, deeper understanding of the Company's performance. For a complete overview of the APMs included in this report and the corresponding definitions, please refer to the Annual Report 2022.

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