

Half-Year Interim Report 2024



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Consolidated Key Figures

		Q2 2024	Q2 2023	Half-yearly report 2024	Half-yearly report 2023
Incoming orders	(EUR million)	15.4	19.4	31.9	44.4
Orders on hand	(EUR million)			30.9	61.5
Revenue	(EUR million)	23.1	29.6	47.3	58.1
EBITDA (IFRS)	(EUR million)	1.3	3.2	3.9	7.2
EBIT (IFRS)	(EUR million)	-0.9	1.1	-0.4	3.1
EBIT (operating)	(EUR million)	-0.3	1.4	-0.3	3.9
Consolidated profit (IFRS)	(EUR million)	-1.6	0.5	-1.4	1.7
Earnings per share (IFRS)	(EUR)	-0.17	0.05	-0.15	0.19
Non-current assets	(EUR million)			60.0	63.5
Current assets	(EUR million)			49.6	46.5
Equity	(EUR million)			53.0	62.0
Equity ratio				48.4 %	56.4 %
Cash and cash equivalents	(EUR million)			6.3	9.1
Number of employees (as of June 30)				443	408

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Letter from the CEO

DEAR SHAREHOLDERS, EMPLOYEES, PARTNERS AND FRIENDS OF SOFTING AG,

The economic environment is not making life easy for us right now. Demand from industrial consumers is largely stagnating. Warehouses along the entire supply chain are still full to bursting after a boom year in 2023, while customers are extremely reluctant to make new investments. Although this is impacting us, the macroeconomic reality is that virtually every player in the market is experiencing the same challenges. While automation and digitalization remain important growth topics, uncertainty reigns in the short term due to a lack of momentum or even a negative impact from lawmakers. Former German minister of Economics Ludwig Erhard knew long ago that “50% of economics is psychology”, yet it is currently hard to find a positive overall outlook in any area of the economy.

While this applies to industrial automation, Softing’s most important submarket, the automotive sector is also suffering. The industry is trapped between the broad rejection of fully electric vehicles by consumers, the discontinuation of incentive programs by legislators and a geopolitically motivated glut of Chinese electric vehicles at dumping prices, with the environmental and industrial policy mistake of committing to full electric mobility now taking its toll.

This is evident in Softing’s half-year revenue figure of EUR 47.3 million, which is down almost 19% on the record year of 2023. Although revenue is still almost 4% up on the 2022 figure of EUR 45.6 million, this represents stagnation if we view 2023’s record results as an exceptional event.

Looking at our incoming orders of EUR 31.9 million, which declined by 28% from EUR 44.4 million in the previous year, it becomes clear that revenue in the first half of the year was largely influenced by the multi-year orders that fortunately dominate our portfolio. Orders on hand fell by EUR 14.2 million to EUR 30.9 million at the end of the first half of 2024. However, the trends underlying these totals differ considerably between our three segments, with declines primarily attributable to the Industrial segment, while orders and revenue increased significantly in the Automotive segment and held steady in the IT Networks segment.

Revenue in the Industrial segment dropped from EUR 44.7 million in the previous year to EUR 30.7 million in the first half of 2024, with half-year revenue again close to 2022 levels. Operating EBIT fell to EUR 1.0 million after reaching a record high of EUR 6.7 million in the prior-year period. The previous year’s record figure and the decline in the current year were primarily driven by demand in North America. The situation in the EMEA region is significantly more favorable at present, with individual transactions with very strong revenue and earnings anticipated in this region in the fourth quarter in particular. Our major customers in the USA are also predicting a significant upturn in the economy during this period. Our business development pipeline is full of specific project opportunities, and we expect to win new contracts quickly as soon as the mood in the market begins to brighten.

The automotive sector is currently witnessing a dramatic macroeconomic trend, with vehicle manufacturers freezing budgets and delaying new product launches. Automotive suppliers face mass redundancies and insolvencies, and one of the largest automotive suppliers, Bosch, is making a major acquisition to shift its focus towards heating and air conditioning technology. By contrast, the situation at Softing is

encouraging, with revenue in our Automotive segment completely bucking the wider sector trend to grow by around 35% from EUR 10.0 million to EUR 13.5 million in the first half of 2024. We have succeeded in uncoupling Softing Automotive from this year's economic slump by taking on major long-term projects. Our products are designed for tasks that are still essential for this sector even amid the crisis.

Our results were hampered by what remained a sluggish performance at GlobalmatIX. While costs continue to exceed income in this business, solid negotiations are currently underway for projects in the second half of the year that should enable GlobalmatIX to break even for the full year. As a result, EBIT across the entire Automotive segment improved by just EUR 0.9 million after breaking even in the previous year.

The IT Networks segment remained broadly unchanged from the previous year in the first half of 2024, with revenue only increasing slightly from EUR 3.4 million in the prior year to EUR 3.5 million. As a result, operating EBIT only made a modest improvement from EUR –1.4 million to EUR –1.3 million. The market for IT infrastructure such as switches and cabling contracted due to weak construction activity on practically a global scale. Softing compensated for this by ramping up its presence in growing submarkets dominated by AI and cloud computing. We expect new products to trigger a significant improvement in the IT Networks segment in the last four months of the financial year, a period that already traditionally generates around 40% of annual revenue.

Having been set up for growth after the record year of 2023, the Group's structures adversely impacted earnings amid lower-than-expected half-year revenue, as operating EBIT fell from EUR 3.9 million in the previous year to EUR –0.3 million in the first half of 2024. Even taking into account the growth in revenue anticipated in the second half of the year with a particular focus on the fourth quarter, this situation calls for an efficiency program to restore Softing's profitability.

In the second quarter of 2024, the Executive Board developed and launched the CORE (Costs Down, Revenue Up) efficiency and focus program to adapt our cost structures to the situation. At the same time, we are focusing on a portfolio of products and services that creates the best opportunities for fresh growth. We expect this to deliver an earnings lift in the mid-single-digit million range for full-year 2025.

The combination of the aforementioned revenue outlook for the second half of the year and the initial impacts of the CORE program allow us to confirm our full-year guidance, with revenue near the lower end of our previously communicated range at around EUR 105 million. We expect operating EBIT to be in the middle of our guidance at EUR 4-5 million.

As always, every situation creates not only challenges but opportunities, too. We are ready and willing to tackle both and are heading into the second half of the year full of confidence!

Sincerely yours,

A handwritten signature in black ink, appearing to read 'W. Trier', with a stylized flourish at the end.

Dr. Wolfgang Trier
(Chief Executive Officer)

Softing Shares

MARKET CAPITALIZATION – TRADING VOLUME

Softing shares began the year at a price of EUR 5.30 before rising to EUR 5.80 in January and registering at around EUR 5.60 until mid-April. The share continued to shed value in the second quarter, hovering around the EUR 4.70 mark since then.

As a result, the market capitalization of Softing AG amounted to around EUR 43.3 million at the end of the second quarter (previous year: EUR 60.6 million). The share capital of Softing AG remains unchanged at EUR 9,105,381, divided into the same number of no-par-value shares.

During the reporting period, the average daily trading volume of Softing shares was 1,773 shares (Xetra and floor trading), largely on a par with the prior-year figure of 1,792 shares. Softing supports the liquidity of its shares by using two designated sponsors, ICF Bank AG Wertpapierhandelsbank and M.M. Warburg & CO (AG & CO.) KGaA.

GENERAL SHAREHOLDERS' MEETING RESOLVED INCREASED DIVIDEND OF EUR 0.13 PER SHARE

On May 8, 2024, the ordinary General Shareholders' Meeting of Softing AG adopted a resolution to distribute an increased dividend of EUR 0.13 per no-par share (previous year: EUR 0.10).

SHAREHOLDER STRUCTURE

As far as the Company is aware, Helm Trust Company Limited, St. Helier, Jersey, UK, remains the single largest investor in Softing's 9,105,381 shares with 2,043,221 shares (22.4%). The next major shareholder is Mr. Alois Widmann, Vaduz, Principality of Liechtenstein, who holds 1,450,000 shares (15.9%), followed by a number of institutional investors and several private anchor investors. The remaining shares are in free float.

ANALYST RECOMMENDATIONS

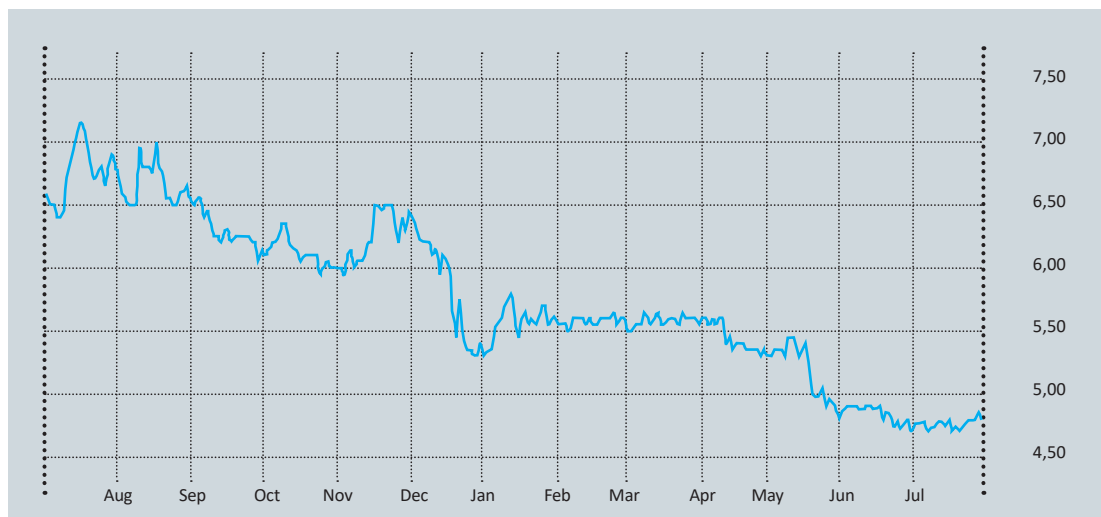
Warburg Research has analyzed the Softing share regularly for years in research reports and published two updates on the share in 2024. The most recent update of May 8, 2024 confirms the buy recommendation, stating a price target of EUR 8.00.

Information about analysts' reports on Softing shares is available at www.softing.com under Investor, News & Publications, Research. The Press & Interviews section contains information about the growth prospects of the Softing Group published in a variety of financial newspapers and magazines such as 4investors, Bernecker-Daily, boersengefluester.de, Börse Online, DER AKTIONÄR, finanzen.net, Nebenwerte Magazin, Plusvisionen and others.

BASIC DATA OF THE SOFTING SHARE

ISIN / WKN	DE0005178008 / 517800
Supersector	Information Technology (IT)
Sector	Software
Subsector	IT Services
Stock exchange symbol	SYT
Bloomberg / Reuters	SYT GR / SYTG
Market segment	Prime Standard, Official Trading, EU-regulated Market
Stock exchanges	XETRA, Frankfurt, Stuttgart, Munich, Hamburg, Düsseldorf, Berlin-Bremen, Tradegate
Initial listing (IPO)	May 16, 2000
Indices	Prime All Share Performance Index
Share class	No-par bearer ordinary share with a notional value of EUR 1.00 per share
Share capital	EUR 9,105,381
Authorized capital 2018	EUR 4,552,690 until May 8, 2023
Contingent capital 2018	EUR 4,552,690 until May 8, 2023
Designated sponsor	ICF Bank AG Wertpapierhandelsbank, M.M. Warburg & CO (AG & CO.) KGaA
Research coverage	Warburg Research

PRICE OF THE SOFTING SHARE FROM 07/01/2023 TO 07/28/2024 (XETRA)



FINANCIAL CALENDAR

August 14, 2024	Half-Year Interim Report 2024
November 12, 2024	Interim management statement Q3/9M 2024
November 13, 2024	Münchener Kapitalmarkt Konferenz
November 25-27, 2024	German Equity Forum in Frankfurt/Main

Interim Group Management Report for the 2024 Half-Yearly Financial Report

REPORT ON NET ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS

After making an encouraging start in the first quarter, Softing was impacted by the weak industrial environment and a decline in investments in IT infrastructure in the second quarter. The resulting postponement of orders until the second half of the year and lower demand across the board clearly left their mark on the half-yearly results for 2024.

In 2023, economic development was largely driven by the processing of large order books in the wake of the Covid pandemic, particularly in the automation industry. Record revenues in 2023 prompted a significant build-up of inventories along our customers' entire distribution chains that resulted in sluggish order intake, some of which was already evident at the start of 2024 and some of which only became apparent in the second quarter of 2024. It would not be an exaggeration to describe the situation in the automotive sector and particularly among suppliers as dramatic in the first half of the year, as demonstrated by mass redundancies and a multitude of insolvencies that even included well-known companies. Fortunately, this situation has had little impact on Softing Automotive, as its major projects are long-term and urgent for its customers.

In light of these developments, the contrast with the first half of 2023 – the strongest in the Company's history to date – is particularly striking, with revenue falling by 18.6% from EUR 58.1 mil-

lion to EUR 47.3 million. The outstanding performance in the first half of 2023 was primarily driven by Softing's ability to catch up on product deliveries from the Industrial segment's large delivery backlog within just a few months, as unexpectedly fast deliveries of electronic components that were unavailable during the Covid years enabled Softing to deliver products to customers during the first half of 2023 in particular.

Incoming orders, which were inflated especially in recent years by customers placing earlier orders, fell further to EUR 31.9 million, down from EUR 44.4 million a year earlier. Customers are accepting most of the justified price increases we pass on to them. Our current pricing policies also reflect the high level of inflation compared with previous years. Due to the reasons mentioned above, orders on hand at the end of the first six months of 2024 were EUR 30.9 million, EUR 14.2 million lower than on December 31, 2023.

Although order books are at a regrettably low level, the Executive Board sees hardly any risk of cancellations here. The predominantly longer-term nature of its projects means that these orders are essential in enabling major industrial companies to process projects for their end customers.

Consolidated revenue totaled EUR 47.3 million in the first half of 2024, representing decrease of 18.6% compared with the same period of the previous year. Other operating income amounted to EUR 0.8 million after EUR 0.3 million in the previ-

ous year. Due to the revenue situation, inventories fell by 33.0% from EUR 27.0 million in the previous year to EUR 18.1 million in 2024. The gross profit margin as a percentage of revenue rose from 53.5% to a healthy 61.7% in 2024. This trend also reflects the price increases implemented in 2023 and the changed product mix. Driven both by inflation and the ensuing considerable wage increases and by the hiring of 35 new members of staff since June 30, 2023, personnel expenses rose from EUR 19.8 million in 2023 to EUR 21.7 million in the current year.

The jump in revenues in 2023 was particularly pronounced in Softing's largest segment, Industrial, resulting in a particularly heavy drop in revenue of around 31% from EUR 44.7 million to EUR 30.7 million in the first six months of the current year. This is due to the fact that revenue was realized in the first half of 2023 by reducing the high level of orders on hand at the end of 2022 and is close to the half-year revenue figure for 2022. Going forward, we currently expect revenue to normalize around the average for the last few years before returning to growth in 2025. EBIT fell from a record EUR 6.1 million in 2023 to EUR 0.5 million in the first half of 2024, while operating EBIT dropped from EUR 6.7 million to EUR 1.0 million. We expect individual transactions with significant revenue and earnings impact in the EMEA region in the second half of the year to markedly boost full-year EBIT, with the improvement in earnings in the North America business anticipated in the second half of the year also contributing to this trend.

The traditional business in the Automotive segment shows a clearly positive trend of improved revenue and earnings figures. Bucking the dramatic sense of crisis prevailing in the automotive industry, revenue surged by 35% from EUR 10.0 million to EUR 13.5 million. Business at our subsidiary GlobalmatiX clearly improved without reaching a satisfactory level. EBIT in the Automotive segment amounted to EUR 0.9 million after EUR 0.0 million in the previous year. EBIT was hampered by the sluggish performance of GlobalmatiX's business, which saw costs continuing to exceed revenue. This caused the Automotive segment's operating EBIT to remain negative at EUR -0.3 million despite an EUR -0.5 million improvement year-on-year. Several opportunities for high-revenue and high-earnings deals are emerging at GlobalmatiX for the second half of 2024, which should result in significantly positive EBIT in the Automotive segment.

The IT Networks segment continued to be affected by weak construction activity in almost all markets, particularly in EMEA. Revenue increased slightly from EUR 3.4 million to EUR 3.5 million in the first six months of 2024. EBIT at EUR -1.7 million and operating EBIT at EUR -1.3 million were more or less flat after EUR -1.6 million and EUR -1.4 million, respectively, in the previous year. The situation is expected to improve in the second half of the year, given that products are now available without restrictions, the fourth quarter is usually the strongest of the year and the product portfolio will be expanded in the fall.

The Group's EBITDA fell from EUR 7.2 million to EUR 3.9 million in the first half of the year, with the EBITDA margin dropping from 12.4% in 2023 to 8.2% in the first half of 2024.

Operating EBIT (EBIT adjusted for capitalized development services and amortization on these as well as effects from purchase price allocation), the Group's main performance indicator, decreased from EUR 3.9 million to EUR –0.3 million in the first half of 2024. EBIT also turned slightly negative, from EUR 3.1 million to EUR –0.4 million.

This resulted in a consolidated loss of EUR 1.4 million in the first half of 2024 after a consolidated profit of EUR 1.7 million in the previous year. Accordingly, earnings per share were EUR –0.15 in the first half of 2024, compared with EUR 0.19 in the previous year.

The Group had cash of EUR 6.3 million as of June 30, 2024, compared with EUR 4.9 million as of December 31, 2023. Cash flow from operating activities after six months totaled EUR 4.9 million after EUR 9.1 million in the prior-year period. Capital expenditure on property, plant, and equipment was made for replacement purposes and to strengthen network security in connection with the increased threat of cybercrime. Please refer to the Research and Development section for information on investments in products. Cash flow from financing activities in the amount of EUR –0.2 million was driven by the payment of the 2024 dividend of EUR 1.2 million and the scheduled repay-

ment of loans of EUR 3.8 million and the raising of new long-term loans in the amount of EUR 6.0 million.

Overall, this translates into an equity ratio of 48.4% as of June 30, 2024 (56.4% as of June 30, 2023).

RESEARCH AND PRODUCT DEVELOPMENT

In the first six months of 2024, Softing capitalized internal and external expenses of EUR 2.8 million (after EUR 2.4 million in the previous year) for the development of new products and the enhancement of existing ones. New and improved products will be launched by all segments in the second half of 2024. Further development services for product maintenance were expensed.

EMPLOYEES

As of June 30, 2024, the Group had 443 employees (previous year: 408). No stock options were issued to employees in the reporting period.

RISKS AND OPPORTUNITIES FOR THE COMPANY'S FUTURE DEVELOPMENT

As of the reporting date of June 30, 2024, the Company's risk and opportunity structure had not deviated significantly from the description in the consolidated financial statements for the year ended December 31, 2023. Material changes are also not expected for the remaining six months of 2024. For more detailed information, we refer to our Group Management Report in the 2023 Annual Report, page 10 et seq.

SUBDUED INDUSTRIAL ECONOMIC DEVELOPMENT AND RECESSION SCENARIO

The cloudy economy in Germany and Europe has a negative impact on Softing's business performance. Although rising inflation, which is further fueled by a sharp increase in energy prices, is declining compared to previous years, many institutions (ECB, World Bank, Ifo Institute, etc.) expect inflation to remain higher than 3%, depriving the ECB of any leeway for implementing interest rate cuts to stimulate the economy. Prospects for economic recovery were scaled back in the first six months, with many institutions (ECB, World Bank, Ifo Institute, etc.) anticipating only marginal growth.

In risk management terms, this means that Softing is implementing measures aimed at improving profitability – first and foremost cost-cutting programs. In spite of the steps taken, the risks cannot be controlled completely. We do not anticipate a significant loss of revenue that is not directly realizable because most of our products cannot be replaced in the short term in our customers' value chains. Increased marketing activities will also result in higher revenue in previously underdeveloped regions. These products are the backbone of business in the Industrial segment and stabilize its revenue position.

Geopolitical uncertainty caused by Russia's war of aggression, and terror and war in the Middle East remains a concern. Because Softing AG's customer base is essentially limited to Western countries, we do not fear any direct negative impacts on our business model.

The Group takes the issue of cyber security and the potential widening of hostilities in this area extremely seriously. The current recommendations of the authorities are being reviewed and implemented taking into account the situation at Softing. Softing is in the process of liaising with other companies to determine its own position. Softing continues to invest substantial sums in cyber security and provides its staff with regular training on the subject. As no company is immune from a cyber attack, it is essential to ensure that resilience and recoverability are built into IT systems and that all employees remain vigilant.

We do not currently see a triggering event necessitating an unscheduled impairment test, but we, too, are monitoring the situation closely nonetheless.

However, as a development and distribution company, Softing is directly dependent on sufficient electricity supplies. Prolonged electricity supply outages would bring its business activities to a standstill.

Overall, we are currently still expecting results of operations to improve in the second half of the year. For information on other risks and opportunities, we refer to the Group Management Report in the 2023 Annual Report, page 23 et seq.

IMPACT ON NET ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS

As of June 30, 2024, the Softing Group has cash and cash equivalents of EUR 6.3 million, current receivables of EUR 10.6 million and agreed but not yet drawn down credit lines of around EUR 10.2 million at its disposal. This means that the Group has up to EUR 27.1 million in near cash funds available at short notice to meet the challenges in these times of crisis.

There were no breaches of loan agreements. The banks relevant to Softing fully support the development of new technologies and products and the ongoing program to sharpen the Company's focus and reduce its costs. In addition to revenue and earnings from operations, this secures the Group's financing.

Softing continues to closely monitor its receivables management, and, with one exception, no deterioration in customer payment behavior has been observed so far. This is also due to the fact that most of Softing's customers are large international corporations with sufficient funds.

We currently expect to meet the medium to lower range of the 2024 guidance for the Group as published in the management report of the 2023 Annual Report (p. 31 et seq.).

Due to the Group's financial strength, orders on hand, strict cost discipline at all levels, additional financing options not yet utilized, and global positioning, the Executive Board sees no danger of developments threatening the continued existence of the Group as a going concern.

EVENTS AFTER THE REPORTING PERIOD

There were no events of special importance after the reporting date of June 30, 2024.

GENERAL ACCOUNTING POLICIES

The consolidated financial statements of Softing AG as of December 31, 2023 were prepared in accordance with the International Financial Reporting Standards (IFRSs) based on the guidance of the International Accounting Standards Board (IASB) applicable at the reporting date. The condensed interim consolidated financial statements as of June 30, 2024, which were prepared on the

basis of International Accounting Standard (IAS) 34 „Interim Financial Reporting“, do not contain all of the required information in accordance with the requirements for the presentation of the annual report and should be read in conjunction with the consolidated financial statements of Softing AG as of December 31, 2023. In general, the same accounting policies were applied in the interim financial statements as of June 30, 2024 as in the consolidated financial statements for the 2023 financial year. This 2024 half-yearly report was prepared without an auditor’s review.

CHANGES IN THE BASIS OF CONSOLIDATION

As of June 30, 2024, no changes occurred in the basis of consolidation compared to December 31, 2023.

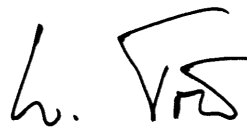
RESPONSIBILITY STATEMENT

The condensed interim consolidated financial statements for the first half of 2024 were released for publication on August 14, 2024 by resolution of the Executive Board.

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 Company, 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 Company, together with a description of the material opportunities and risks associated with the expected development of the Company.

Haar, Germany, August 14, 2024

Softing AG



Dr. Wolfgang Trier
Chief Executive Officer



Ernst Homolka
Executive Board member

Consolidated Income Statement

from January 1 to June 30, 2024

EUR thousand	01/01/ – 06/30/2024	01/01/ – 06/30/2023	04/01/ – 06/30/2024	04/01/ – 06/30/2023
Revenue	47,289	58,110	23,076	29,581
Other own work capitalized	2,842	2,056	1,475	1,137
Other operating income	795	325	686	171
Operating income	50,926	60,491	25,237	30,889
Cost of materials / cost of purchased services	-18,070	-27,050	-9,436	-14,477
Staff costs	-21,726	-19,812	-11,172	-10,225
Depreciation, amortization and impairment losses	-4,226	-4,128	-2,185	-2,055
thereof depreciation / amortization due to purchase price allocation	-834	-834	-418	-415
thereof depreciation/amortization due to lease accounting	-847	-678	-415	-337
Other operating expenses	-7,280	-6,430	-3,325	-3,016
Operating expenses	-51,302	-57,420	-26,118	-29,773
Profit / loss from operations (EBIT)	-376	3,071	-881	1,116
Interest income	18	1	9	1
Interest expense	-322	-169	-216	-91
Interest expense from lease accounting	-136	-65	-74	-31
Other finance income/finance costs				
Earnings before income taxes	-816	2,838	-1,162	995
Income taxes	-548	-1,139	-411	-500
Consolidated profit	-1,364	1,699	-1,573	495
Consolidated profit attributable to:				
Shareholders of Softing AG	-1,200	1,677	-1,407	485
Non-controlling interests	-165	22	-165	10
Consolidated profit	-1,365	1,699	-1,572	495
Earnings per share (basic = diluted)	-0,15	0,19	-0,17	0,05
Average number of shares outstanding (basic)	9,015,381	9,015,381	9,015,381	9,015,381

Consolidated Statement of Comprehensive Income

from January 1 to June 30, 2024

EUR thousand	01/01/ – 06/30/2024	01/01/ – 06/30/2023	04/01/ – 06/30/2024	04/01/ – 06/30/2023
Consolidated profit	-1,365	1,699	-1,572	495
Items that will be reclassified to consolidated total comprehensive income:				
Currency translation differences				
Changes in unrealized gains / losses	1,242	-599	389	-30
Tax effect				
Total currency translation remeasurements	1,242	-599	389	-30
Other comprehensive income	1,242	-599	389	-30
Total Consolidated profit for the period	-123	1,100	-1,183	465
Total consolidated comprehensive income for the period attributable to:				
Shareholders of Softing AG	42	1,078	-1,018	455
Non-controlling interests	-165	22	-165	10
Total consolidated comprehensive income for the period	-123	1,100	-1,183	465

Consolidated Statement of Financial Position

as of June 30, 2024

Assets	06/30/2024 EUR (in thsds.)	12/31/2023 EUR (in thsds.)
Non-current assets		
Goodwill	11,192	10,950
Other intangible assets	36,759	36,445
Property, plant and equipment	10,818	8,134
Other financial assets	435	435
Deferred tax assets	779	606
Non-current assets, total	59,983	56,570
Current assets		
Inventories	25,792	23,679
Trade receivables	10,634	12,270
Current financial assets	715	341
Contract assets	1,909	902
Current income tax assets	742	593
Cash and cash equivalents	6,263	4,859
Current assets	3,562	3,845
Current assets, total	49,617	46,489
Total assets	109,600	103,059

Equity and liabilities	06/30/2024 EUR (in thsds,)	12/31/2023 EUR (in thsds,)
Equity		
Subscribed capital	9,105	9,105
Capital reserves	31,111	31,111
Treasury Shares	-485	-485
Retained earnings	12,744	13,875
Equity attributable to shareholders of Softing AG	52,475	53,606
Non-controlling interests	524	689
Equity, total	53,000	54,295
Non-current liabilities		
Pensions	784	891
Long-term borrowings	10,956	6,356
Other non-current financial liabilities	11,287	8,753
Deferred tax liabilities	5,771	5,314
Non-current liabilities, total	28,798	21,314
Current liabilities		
Trade payables	8,015	6,750
Contract liabilities	7,158	5,957
Provisions	64	79
Income tax liabilities	235	279
Short-term borrowings	6,077	8,476
Other current financial liabilities	5,257	5,181
Current non-financial liabilities	996	728
Current liabilities, total	27,802	27,450
Total equity and liabilities	109,600	103,059

Consolidated Statement of Changes in Equity

from January 1 to June 30, 2024

	Subscribed capital	Capital reserves	Treasury shares	Retained earnings			Equity attributable to shareholders of Softing AG	Non-controlling interests	Total equity	
				Net retained profits and other	Remeasurements	Currency translation	Total			
	EUR (in thsds.)	EUR (in thsds.)	EUR (in thsds.)	EUR (in thsds.)	EUR (in thsds.)	EUR (in thsds.)	EUR (in thsds.)	EUR (in thsds.)	EUR (in thsds.)	
Balance as of January 01, 2024	9,105	31,111	-485	13,933	-517	457	13,874	53,605	690	54,295
Consolidated profit 2024				-1,200			-1,200	-1,200	-165	-1,365
Other comprehensive income 2024						1,242	1,242	1,242		1,242
of which from remeasurements										
of which currency translation						1,242	1,242	1,242		1,242
of which tax effect										
Total consolidated comprehensive income for the period				-1,200		1,242	42	42	-165	-123
Dividend payment				-1,172			-1,172	-1,172		-1,172
Purchase of own shares										
Changes in minority interests										
Transactions with owners in their capacity as owners				-1,172			-1,172	-1,172		-1,172
Balance as of June 30, 2024	9,105	31,111	-485	11,561	-517	1,699	12,744	52,475	525	53,000

	Subscribed capital	Capital reserves	Treasury shares	Retained earnings			Equity attributable to shareholders of Softing AG	Non-controlling interests	Total equity	
				Net retained profits and other	Remeasurements	Currency translation	Total			
	EUR (in thsds.)	EUR (in thsds.)	EUR (in thsds.)	EUR (in thsds.)	EUR (in thsds.)	EUR (in thsds.)	EUR (in thsds.)	EUR (in thsds.)	EUR (in thsds.)	
Balance as of January 01, 2023	9,105	31,111	-485	20,664	-676	1,275	21,264	60,995	840	61,835
Consolidated profit 2023				-5,829			-5,829	-5,829	117	-5,712
Other comprehensive income 2023					159	-823	-659	-659		-659
of which from remeasurements					190		190	190		190
of which currency translation						-818	-818	-818		-818
of which tax effect					-31		-31	-31		-31
Total consolidated comprehensive income for the period				-5,829	159	-818	-6,488	-6,488	117	-6,371
Dividend payment				-902			-902	-902	-267	-1,169
Purchase of own shares										
Changes in minority interests										
Transactions with owners in their capacity as owners				-902			-902	-902		-1,169
Balance as of December 31, 2023	9,105	31,111	-485	13,933	-517	457	13,874	53,605	690	54,295

Consolidated Statement of Cash Flows

from January 1 to June 30, 2024

EUR thousand	01/01/ – 06/30/2024	01/01/ – 06/30/2023
Cash flows from operating activities		
Profit (before tax)	–817	2,839
Depreciation, amortization and impairment losses on fixed assets	4,226	4,128
Other non-cash changes	532	–140
Cash flows for the period	3,941	6,827
Interest income / Finance income	–18	–1
Interest expense / Finance costs	322	169
Change in other and accrued liabilities	–122	–116
Change in inventories	–2,113	–2,043
Change in trade receivables	–273	3,970
Changes in financial receivables and other assets	489	–235
Change in trade payables	1,265	–1,053
Changes in financial and non-financial liabilities and other liabilities	1,753	1,753
Interest received / Finance income	18	1
Income taxes received	0	19
Income taxes paid	–344	–207
Cash flows from operating activities	4,918	9,084
Cash paid for investments in new internal product developments	–2,842	–2,043
Cash paid for investments in new external product developments	0	–396
Investments in other intangible assets	–4	–43
Cash paid for investments in property, plant and equipment	–504	–435
Cash flows from investing activities	–3,350	–2,917
Cash paid for dividends	–1,172	–902
Repayment of lease liabilities	–766	–679
Cash received from long-term bank line	6,000	0
Cash received from short-term bank line	0	0
Cash repayment of bank loans	–3,799	–2,041
Interest, lease accounting	–136	–65
Other interest paid	–322	–169
Total interest paid	–458	–234
Cash flows from financing activities	–195	–3,856
Net change in funds	1,373	2,311
Effects of exchange rate changes on cash and cash equivalents	31	–49
Cash and cash equivalents at the beginning of the period	4,859	6,802
Cash and cash equivalents at the end of the period	6,263	9,064

Consolidated Segment Reporting

from January 1 to June 30, 2024

	Industrial		Automotive		IT Networks		Other		Total segments		Other consolidation		Total	
	2024 EUR (in thds.)	2023 EUR (in thds.)	2024 EUR (in thds.)	2023 EUR (in thds.)	2024 EUR (in thds.)	2023 EUR (in thds.)	2024 EUR (in thds.)	2023 EUR (in thds.)	2024 EUR (in thds.)	2023 EUR (in thds.)	2024 EUR (in thds.)	2023 EUR (in thds.)	2024 EUR (in thds.)	2023 EUR (in thds.)
Revenues with third parties	30,539	44,557	13,383	9,952	2,636	2,763	731	838	47,289	58,110	0	0	47,289	58,110
Revenues with other segments	184	167	115	72	890	651	0	0	1,189	890	-1,189	-890	0	0
Total revenue	30,723	44,724	13,498	10,024	3,526	3,413	731	838	48,478	59,000	-1,189	-890	47,289	58,110
Depreciation / amortization	-1,875	-1,446	-1,589	-1,600	-606	-472	-592	-611	-4,662	-4,129	436	2	-4,226	-4,128
Impairment of assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Operating segment result	1,048	6,723	-347	-482	-1,346	-1,358	177	-566	-469	4,316	122	-420	-347	3,896
EBIT	533	6,135	942	-36	-1,711	-1,597	219	-513	-17	3,988	-360	-917	-376	3,071
Segment assets	92,119	52,985	41,581	39,897	11,088	13,506	-9,966	13,959	134,822	120,348	-25,222	-10,378	109,601	109,969
of which IFRS 16	3,500	653	948	196	225	69	3,239	3,736	7,912	4,654	0	0	7,912	4,654
Segment liabilities	21,344	18,181	25,566	15,706	11,592	5,229	54,908	38,517	113,410	77,633	-56,810	-29,698	56,600	47,935
of which IFRS 16	3,192	370	849	67	87	11	2,666	3,211	6,794	3,659	0	0	6,794	3,659
Capital expenditure	3,838	748	2,452	1,931	131	180	131	782	6,552	3,642	0	-12	6,552	3,630

Revenue from contracts with customers recognized over time	Industrial		Automotive		IT Networks		Other		Total	
	2024 EUR (in thds.)	2023 EUR (in thds.)	2024 EUR (in thds.)	2023 EUR (in thds.)	2024 EUR (in thds.)	2023 EUR (in thds.)	2024 EUR (in thds.)	2023 EUR (in thds.)	2024 EUR (in thds.)	2023 EUR (in thds.)
Point in time	29,262	43,783	7,370	3,632	2,626	2,747	731	838	39,990	51,000
Over time	1,276	774	6,013	6,320	10	16	0	0	7,299	7,110
Total	30,538	44,557	13,383	9,952	2,636	2,763	731	838	47,289	58,110

Geographical segments:	Revenue		Fixed assets		Additions to fixed assets	
	2024 EUR (in thds.)	2023 EUR (in thds.)	2024 EUR (in thds.)	2023 EUR (in thds.)	2024 EUR (in thds.)	2023 EUR (in thds.)
	Germany	17,326	14,690	23,056	25,759	3,241
USA	16,883	29,874	19,702	17,385	3,236	48
Other countries	13,080	13,546	16,447	19,424	75	921
Total	47,289	58,110	59,205	62,569	6,552	3,630

Directors' Holdings

Boards	Number of shares		Number of options	
	06/30/2024	12/31/2023	06/30/2024	12/31/2023
Supervisory Board				
Matthias Weber (chairman), Chief Financial Officer, Holzkirchen	–	–	–	–
Andreas Kratzer (Deputy chairman), certified public accountant, Zurich, Switzerland	10,155	10,155	–	–
Dr. Klaus Fuchs (member), graduate computer scientist / graduate engineer, Helfant	278,820	278,820	–	–
Executive Board				
Dr.-Ing. Dr. rer. oec. Wolfgang Trier, Munich	163,234	163,234	–	–
Ernst Homolka, Munich	10,900	10,900	–	–

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