

# Half-Year Interim Report 2025



# reporting

## Consolidated Key Figures

		Q2 2025	Q2 2024	Half-yearly report 2025	Half-yearly report 2024
Incoming orders	(EUR million)	15.8	15.4	35.3	31.9
Orders on hand	(EUR million)			23.4	30.9
Revenue	(EUR million)	21.6	23.1	43.9	47.3
EBITDA (IFRS)	(EUR million)	1.8	1.3	2.6	3.9
EBIT (IFRS)	(EUR million)	−0.4	−0.9	−1.8	−0.4
EBIT (operating)	(EUR million)	0.4	−0.3	0.4	−0.3
Consolidated profit (IFRS)	(EUR million)	−0.5	−1.6	−1.9	−1.4
Earnings per share (IFRS)	(EUR)	−0.05	−0.17	−0.19	−0.15
Non-current assets	(EUR million)			53.5	60.0
Current assets	(EUR million)			51.1	49.6
Equity	(EUR million)			50.3	53.0
Equity ratio				48.0 %	48.4 %
Cash and cash equivalents	(EUR million)			6.5	6.3
Number of employees (as of June 30)				412	443

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## Letter from the CEO

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

The economic climate remained challenging in the second quarter of 2025, yet there were equally clear and encouraging signs of a turnaround. While revenue and orders on hand continued to decline, order intake rose sharply to EUR 35.3 million, up from EUR 31.9 million in the previous year. This is the first time in over a year that order intake has grown by more than 11% over a six-month period, after having recorded a 28% decrease in the same period last year.

We are particularly encouraged by the fact that the surge in order intake is primarily driven by the Industrial segment, which continued to suffer significant drops in revenue in the first two quarters of the year. The IT Networks and Automotive segments both saw their revenue grow. While this increase was only modest in IT Networks, Automotive continued to resoundingly buck the sector trend with impressive revenue growth of almost 20%.

Although the outlook is encouraging, we cannot be satisfied with revenue and earnings in the first six months of the year. Half-year revenue was EUR 43.9 million, a decline of 7.2% compared to the EUR 47.3 million recorded in the prior-year period. Group EBITDA dropped from EUR 3.9 million to EUR 2.6 million in the first half of the year. While the Group's key performance figure of operating EBIT (EBIT adjusted for capitalized development services and amortization on these as well as effects from purchase price allocation) improved from EUR –0.3 million to EUR 0.4 million in the first half of 2025, EBIT decreased from EUR –0.4 million to EUR –1.8 million. This resulted in a consolidated loss of EUR 1.9 million, down from a loss of EUR 1.4 million in the prior-year period. As a result, earnings per share came to EUR –0.19 in the first half of 2025 compared with EUR –0.15 in the previous year.

The Automotive segment delivered a particularly impressive performance in the first six months of the year. At a time when major automotive manufacturers are reporting dramatic revenue and earnings slumps and automotive suppliers are falling into insolvency almost every week, Softing Automotive recorded another 19% rise in half-yearly revenue to EUR 16.1 million, having already reported a 35% increase to EUR 13.5 million in the first half of 2024. This performance was driven by a combination of a robust core business of software tools and a major project with a premium manufacturer to equip its global automotive production facilities with programming devices.

Automotive is exceptionally well-positioned from a strategic perspective. We are currently running a series of highly promising trials focused on special-purpose vehicles and generic devices requiring diagnostics to reduce Softing Automotive's dependence on automotive production alone. We expect this shift towards software to generate considerably stronger margins in the future. Our earnings continued to be adversely affected by a weak order situation for development services in the wider economy. While Globalmatix was able to generate organic growth with its top customers, repeated project delays resulted in disappointing customer acquisition figures that also weighed on earnings. Operating EBIT rose to EUR 1.2 million from EUR –0.3 million in the previous year. EBIT fell from EUR 0.9 million in the previous year to EUR 0.5 million during the period under review due to a significant year-on-year reduction in capitalization and higher levels of depreciation and amortization.

The situation in the industrial automation sector was particularly challenging, with major customers and competitors recording falls in revenue ranging from 8% to more than 20% due to an extreme reluctance to invest in the product and process industry. As already mentioned, we are seeing a clear turnaround in order intake, which rose over a six-month period for the first time in a while. This 16% increase in order intake holds the promise of a marked improvement in revenue performance both in the second half of 2025 and in 2026. In the meantime, how-

ever, revenue fell from EUR 30.7 million to EUR 23.7 million in the first half of 2025. By consistently managing costs, we were able to minimize the impact on EBIT, which stood at EUR –0.7 million, down from EUR 0.5 million previously. Operating EBIT fell to EUR 0.0 million after EUR 1.0 million in the previous year. The Company's performance in July, after the end of the first half of the year, was particularly encouraging. We expect revenue to improve on the back of strong order intake in both EMEA and North America during the second half of the year. Both of these regions are likely to boost earnings considerably as the year progresses.

Although the underlying IT Networks market remains weak, intensive marketing efforts enabled us to increase revenue slightly from EUR 3.5 million to EUR 3.7 million in the first six months of 2025. EBIT and operating EBIT were still impacted by significant ongoing development and maintenance expenses in our own product portfolio, while customer acquisition initiatives in EMEA also weighed on earnings. As a result, EBIT remained negative at EUR –1.4 million despite these improvements, up from EUR –1.7 million in the previous year. The segment's operating EBIT of EUR –1.1 million continues to adversely impact consolidated profit. Optimized costs and a clear improvement in revenue will start to have a noticeable effect from the fourth quarter onwards.

Pursuing our CORE (COsts down, REvenue up) efficiency and focus program has prompted us to concentrate even more on our core business. We sold our third-party products business in Italy as it was outside of our core strategy, tightening our focus further and creating additional liquidity. We plan to drastically reduce our debt by aggressively repaying outside capital, thus significantly reducing our interest burden for the coming years. Our CORE program is also making an impact on the cost side, with personnel expenses falling from EUR 21.7 million in the prior-year period to EUR 19.7 million in the period under review.

We will use structural measures and revenue growth to ease the existing burden on consolidated profit created by GlobalmatIX and the IT Networks segment and expect both units to make a positive contribution to earnings in the coming year. We also see ourselves as well positioned in the US market, where most European businesses have been adversely impacted by the Trump administration. We ensured that any additional costs arising from import tariffs are fully passed on to customers by reaching agreements with large key customers representing a combined 75% of our total revenue. We achieved the same effect with our remaining customers by adjusting our prices.

The integration of Delta Logic, which we acquired in April, is proceeding according to plan. We expect revenue to rise further from the fourth quarter onwards once Delta Logic products have been integrated into the global Softing Industrial network. In addition to anticipating a marked improvement in revenue in the Industrial and IT Networks segments, we are in licensing discussions with customers that will provide a massive boost to earnings once successfully completed. We are therefore maintaining the guidance we originally issued at the start of the year.

By the time the challenges of 2024 and 2025 are behind us, Softing will have fully adapted to the new general environment. We will emerge from these years stronger than before and are excited to see what the future holds.

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 3.16, dropped to EUR 3.08 in January and then reached their year-to-date high of EUR 4.04 in late March. The shares again shed value in the second quarter, falling to a low for the year of EUR 2.86 in mid-May, before recovering again to reach their current price of around EUR 3.30.

As a result, the market capitalization of Softing AG amounted to around EUR 32.8 million at the end of the second quarter (previous year: EUR 43.3 million). The share capital of Softing AG is EUR 9,925,881, divided into the same number of no-par-value shares.

During the reporting period, the average daily trading volume of Softing shares was 1,560 shares (Xetra and floor trading), largely on a par with the prior-year figure of 1,773 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.

On June 18, 2025, the General Shareholders' Meeting of Softing AG adopted a resolution not to distribute a dividend (previous year: EUR 0.13 per no-par share).

### SHAREHOLDER STRUCTURE

As far as the Company is aware, Helm Trust Company Limited, St. Helier, Jersey, UK, is the single largest investor in Softing's 9,925,881 shares with 2,067,642 shares (20.8%). Further major shareholders are Mr. Rudolf Noser/Noser AG with 1,955,704 shares (19.7%) and Mr. Alois Widmann, Vaduz, Principality of Liechtenstein, with 1,450,000 shares (14.6%), followed by a number of institutional investors and several private anchor investors. The remaining shares are in free float.

### ANALYST RECOMMENDATIONS

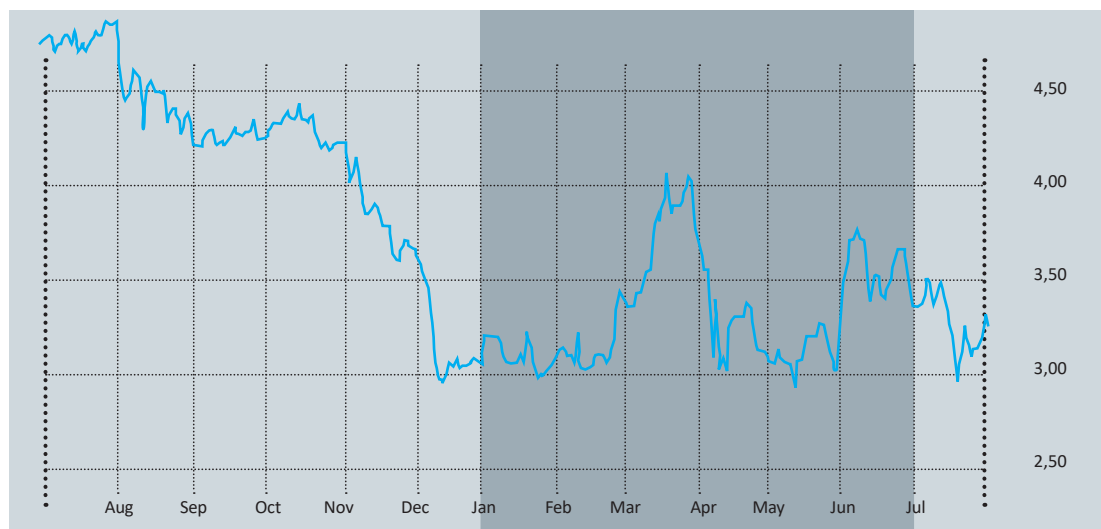
Warburg Research has analyzed the Softing share regularly for years in research reports and published two updates on the share in 2025. The most recent update of May 16, 2025 confirms the buy recommendation, stating a price target of EUR 6.50.

Information about analysts' reports on Softing shares is available at [www.softing.com](http://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, boersen-gefluester.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 9,925,881
Authorized capital 2025	EUR 4,962,940 until June 18, 2030
Contingent capital 2025	EUR 4,962,940 until June 18, 2030
Designated sponsor	ICF Bank AG Wertpapierhandelsbank, M.M. Warburg & CO (AG & CO.) KGaA
Research coverage	Warburg Research

## PRICE OF THE SOFTING SHARE FROM 07/01/2024 TO 07/31/2025 (XETRA)



## FINANCIAL CALENDAR

August 14, 2025	Half-Year Interim Report 2025
November 12, 2025	Interim management statement Q3/9M 2025
November 12-13, 2025	Münchener Kapitalmarkt Konferenz
November 24-26, 2025	German Equity Forum in Frankfurt/Main



# Interim Group Management Report for the 2025

## Half-Yearly Financial Report

### REPORT ON NET ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS

While the Automotive segment bucked the sector trend to continue recording revenue growth in the first half of the year, revenue in the industrial and IT infrastructure sectors was still hampered by a marked reluctance to invest in the second quarter of 2025. Our competitors in the industrial sector also recorded year-on-year revenue declines of between 10% and 25%.

Unlike in the first quarter, however, we are seeing the first signs of a clear improvement in revenue over the next six to 12 months, with our Industrial segment in the EMEA region recording its highest order intake for some time. Delta Logic is also performing very well since we acquired it in April, even though most of the revenue boost from integrating its products and using Softing's global distribution network is only expected over the coming year.

We are also seeing a shift in sentiment in North America, where our most important customers have become much more optimistic about the second half of the year despite the political uncertainty in this market. If this trend proves sustainable, we expect revenue in the Industrial segment in EMEA and North America to improve considerably in 2026 in particular.

In addition to strong revenue performance in the first half of the year, there are also promising business opportunities in the Automotive segment for 2026. We are currently running a number of preliminary projects that, if successful, will generate many years of profitable work in this segment.

Performance in the IT Networks segment improved markedly in EMEA but was considerably more restrained in North America in the first half of the year. This is why we continue to invest heavily in

our sales channels in EMEA and have been creating incentives to buy by adding new features to all of our main revenue drivers during the first half of the year.

Consolidated revenue totaled EUR 43.9 million in the first half of 2025, down 7.2% compared with the same period of the previous year. Other operating income amounted to EUR 1.2 million after EUR 0.8 million in the previous year. Due to the higher percentage of hardware revenue in total revenue, inventories fell by just 3.8% from EUR 18.1 million in the previous year to EUR 17.4 million in 2025. The gross profit margin as a percentage of revenue fell slightly from 61.7% to a healthy 60.4% in 2025. Driven by cost-efficiency measures, personnel expenses decreased from EUR 21.7 million in 2024 to EUR 19.7 million during the current year.

The traditional product business in the Automotive segment continues on its growth trajectory, with revenue and earnings bucking what is a dramatic sense of crisis prevailing in the automotive industry. Revenue again surged by 19.1% from EUR 13.5 million to EUR 16.1 million. Additional growth was prevented by a massive reluctance to order automotive engineering services, which saw losses despite implementing cost-efficiency measures. This resulted in EBIT in the Automotive segment of EUR 0.5 million after EUR 0.9 million in the previous year. While Globalmatix is experiencing growth with its key customers, new customer acquisition was disappointing in the first half of the year, as many customer projects were repeatedly postponed. Driven by the strong product business, operating EBIT in the Automotive segment still improved from EUR -0.3 million to EUR 1.2 million.

The decline in revenue in 2025 was considerable in Softing's largest segment, Industrial, with revenue dropping from EUR 30.7 million in the first half of



2024 to EUR 23.7 million in the first half of 2025. EBIT decreased from EUR 0.5 million to EUR –0.7 million, while operating EBIT fell from EUR 1.0 million to EUR 0.0 million. The figures for July were extremely pleasing, though. We expect improved revenue on the back of strong order intake in the second half of the year in the EMEA region, which should significantly boost full-year EBIT. We also anticipate a significant improvement in earnings in the North American business in the second half of the year.

As described earlier, the IT Networks segment continues to be affected by weak construction activity in almost all markets. Nevertheless, revenue increased slightly from EUR 3.5 million to EUR 3.7 million in the first half of 2025. EBIT and operating EBIT were still impacted by high development and maintenance expenses in the Company's own product portfolio. Despite year-on-year improvements of EUR –1.7 million to EUR –1.4 million in EBIT and of EUR –1.3 million to EUR –1.1 million in operating EBIT, the segment continued to depress consolidated earnings.

The Group's EBITDA fell from EUR 3.9 million to EUR 2.6 million in the first half of the year, with the EBITDA margin dropping from 8.2% in 2024 to 5.9% in the first half of 2025.

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, increased slightly from EUR –0.3 million to EUR 0.4 million in the first half of 2025. EBIT fell from EUR –0.4 million to EUR –1.8 million. Development costs of EUR 0.8 million were capitalized in the first half of the year. As the previous year saw a large number of new developments, these fell by around EUR 2.0 million year-on-year.

This resulted in a consolidated loss of EUR 1.9 million in the first half of 2025 after a consolidated loss of EUR 1.4 million in the previous year. Accordingly, earnings per share were EUR –0.19 in the first half of 2025, compared with EUR –0.15 in the previous year.

The Group had cash of EUR 6.5 million as of June 30, 2025, compared with EUR 9.3 million as of December 31, 2024. Cash flow from operating activities after six months totaled EUR 1.7 million after EUR 4.9 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 –2.7 million was driven by the scheduled repayment of loans of EUR 1.4 million.

Overall, this translates into an equity ratio of 48.0% as of June 30, 2025 (48.4% as of June 30, 2024).

## RESEARCH AND PRODUCT DEVELOPMENT

In the first six months of 2025, Softing capitalized internal expenses of EUR 0.8 million (after EUR 2.8 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 2025. Further development services for product maintenance were expensed.

## EMPLOYEES

As of June 30, 2025, the Group had 412 employees (previous year: 443). 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, 2025, 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, 2024. Material changes are also not expected for the remaining six months of 2025. For more detailed information, we refer to our Group Management Report in the 2024 Annual Report, page 8 et seq.

## **SUBDUED INDUSTRIAL ECONOMIC DEVELOPMENT AND RECESSION SCENARIO**

The persistently weak economic environment in Germany, Europe and the USA adversely impacted Softing's operating performance in the first half of the year. Inflation continued to decline due to falling energy and producer prices, giving the ECB opportunities to cut interest rates. Although the prospect of an economic recovery remained very difficult to assess in the first half of the year, initial improvements seen in order intake over the past three months contribute to a brighter economic outlook for 2026.

In risk management terms, this still 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 regions that Softing has yet to fully develop. These products and a stronger regional focus are the backbone of business in the Industrial segment and will further 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 from this 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 slightly in the second half of the year. For information on other risks and opportunities, we refer to the Group Management Report in the 2024 Annual Report, page 20 et seq.

## **IMPACT ON NET ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS**

As of June 30, 2025, the Softing Group has cash and cash equivalents of EUR 6.5 million, current receivables of EUR 12.2 million and agreed but not yet drawn down credit lines of around EUR 8.2 million at its disposal. This means that the Group has up to EUR 26.9 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 2025 guidance for the Group as published in the management report of the 2024 Annual Report (p. 27 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, 2025.

## **GENERAL ACCOUNTING POLICIES**

The consolidated financial statements of Softing AG as of December 31, 2024 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, 2025, 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, 2024. In general, the same accounting policies were applied in the interim financial statements as of June 30, 2025 as in the consolidated financial statements for the 2024 financial year. This 2025 half-yearly report was prepared without an auditor's review.

## **CHANGES IN THE BASIS OF CONSOLIDATION**

As of June 30, 2025, the following changes were made to the basis of consolidation compared to December 31, 2024:

## **ACQUISITION OF DELTA LOGIC GMBH**

Softing AG acquired all shares in DELTA LOGIC Automatisierungstechnik GmbH on April 9, 2025, with commercial ownership of the business transferred to Softing on January 1, 2025. The entity was consolidated for the first time using the acquisition method in line with the provisions of IFRS 3 (Business Combinations).

The total purchase price to be paid was EUR 1,490 thousand, based on contractually defined conditions and schedules.

At the time of acquisition, the identifiable net assets of the acquired entity before purchase price adjustments totaled EUR 289 thousand.

The following material intangible assets were identified and recognized as part of the purchase price allocation (PPA):

- Customer contracts totaling EUR 844 thousand with an expected useful life of 5 years
- Software amounting to EUR 814 thousand, also with a useful life of 5 years

Deferred tax liabilities of EUR 465 thousand were recognized to take account of temporary differences.

Goodwill of EUR 8 thousand was recognized after deducting the fair value of net assets as well as deferred taxes. This figure reflects expected synergies, employee expertise and unidentifiable intangible assets. There is no need to have an allocated "distributable remainder" line item.

The accounting effects of the initial consolidation are presented in the consolidated statement of financial position as follows:

Assets side:

- Customer contracts: EUR 844 thousand
- Software: EUR 814 thousand
- Goodwill: EUR 8 thousand
- Total assets recognized: EUR 1,666 thousand

Liabilities side:

- Deferred tax provisions: EUR 465 thousand

Intangible assets are amortized on a straight-line basis over their respective useful lives. Goodwill is not amortized but is instead subjected to a regular impairment test pursuant to IAS 36.

DELTA LOGIC Automatisierungstechnik GmbH has not made a material contribution to consolidated revenue or consolidated profit/loss for the reporting period ended June 30, 2025 since we acquired the business on April 9, 2025. As a result, no detailed presentation of the individual amounts is provided in these interim financial statements.

#### **SALE OF SOFTING ITALIA S.R.L.**

Subsidiary Softing Italia s.r.l. was fully deconsolidated during the period under review, with commercial ownership of the shares transferred on June 30, 2025. This deconsolidation resulted from the sale of all shares in the company by parent company Softing Industrial Automation GmbH. All of the divested entity's assets and liabilities were derecognized from the consolidated financial statements upon the transfer of control.

The following assets were derecognized as part of the deconsolidation (amounts in EUR thousand):

- Intangible assets: 1
- Property, plant and equipment: 163
- Inventories (carrying amount): 915
- Trade receivables: 2,541
- Current tax assets: 40
- Balances with banks: 1,401
- Current financial receivables: 83

In addition, contingent considerations were recognized in the amount of:

- EUR 80 thousand (sales-dependent component)
- EUR 410 thousand (risk provision component)

The total derecognition of assets therefore amounted to: EUR 4,654 thousand.

On the liabilities side, derecognized liabilities included (amounts in EUR thousand):

- Non-current liabilities: 88
- Trade payables (external): 1,438
- Intercompany liabilities: 97
- Liabilities from construction contracts: 10
- Non-financial liabilities: 53
- Financial liabilities: 113

The total derecognition of liabilities amounted to: EUR 1,799 thousand.

Deconsolidation had a EUR 2,855 thousand net effect on equity.

In addition, the sales proceeds from the equity investment exceeded the carrying amount of the net assets at EUR 777 thousand, resulting in a corresponding gain on disposal.

At Group level, other operating income resulting from deconsolidation totaled EUR 979 thousand. As a result, the deconsolidation made a one-off positive contribution to earnings during the reporting year, which is reported under other operating income.

No non-controlling interests or currency translation differences were associated with the changes to the basis of consolidation, as both companies are located in the euro zone.

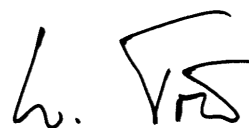
## RESPONSIBILITY STATEMENT

The condensed interim consolidated financial statements for the first half of 2025 were released for publication on August 14, 2025 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, 2025

Softing AG



Dr. Wolfgang Trier  
Chief Executive Officer



Ernst Homolka  
Executive Board member

# Consolidated Income Statement

from January 1 to June 30, 2025

EUR thousand	01/01/ – 06/30/2025	01/01/ – 06/30/2024	04/01/ – 06/30/2025	04/01/ – 06/30/2024
<b>Revenue</b>	<b>43,906</b>	<b>47,289</b>	<b>21,585</b>	<b>23,076</b>
Other own work capitalized	791	2,842	326	1,475
Other operating income	1,184	795	1,088	686
<b>Operating income</b>	<b>45,881</b>	<b>50,926</b>	<b>22,999</b>	<b>25,237</b>
Cost of materials / cost of purchased services	–17,387	–18,070	–8,466	–9,436
Staff costs	–19,706	–21,726	–9,841	–11,172
Depreciation, amortization and impairment losses	–4,308	–4,226	–2,187	–2,185
thereof depreciation / amortization due to purchase price allocation	–912	–834	–489	–418
thereof depreciation/amortization due to lease accounting	–823	–847	–408	–415
Other operating expenses	–6,230	–7,280	–2,908	–3,325
<b>Operating expenses</b>	<b>–47,631</b>	<b>–51,302</b>	<b>–23,402</b>	<b>–26,118</b>
<b>Profit / loss from operations (EBIT)</b>	<b>–1,750</b>	<b>–376</b>	<b>–403</b>	<b>–881</b>
Interest income	1	18	0	9
Interest expense	–370	–322	–176	–216
Interest expense from lease accounting	–133	–136	–64	–74
Other finance income/finance costs	10	0	10	0
<b>Earnings before income taxes</b>	<b>–2,242</b>	<b>–816</b>	<b>–633</b>	<b>–1,162</b>
Income taxes	337	–549	178	–410
<b>Consolidated profit</b>	<b>–1,905</b>	<b>–1,365</b>	<b>–455</b>	<b>–1,572</b>
Consolidated profit attributable to:				
Shareholders of Softing AG	–1,669	–1,200	–604	–1,407
Non-controlling interests	–236	–165	149	–165
<b>Consolidated profit</b>	<b>–1,905</b>	<b>–1,365</b>	<b>–455</b>	<b>–1,572</b>
Earnings per share (basic = diluted)	–0.19	–0.15	–0.05	–0.17
Average number of shares outstanding (basic)	9,925,881	9,015,381	9,925,881	9,015,381

## Consolidated Statement of Comprehensive Income

from January 1 to June 30, 2025

EUR thousand	01/01/ – 06/30/2025	01/01/ – 06/30/2024	04/01/ – 06/30/2025	04/01/ – 06/30/2024
<b>Consolidated profit</b>	<b>-1,905</b>	<b>-1,365</b>	<b>-455</b>	<b>-1,572</b>
<b>Items that will be reclassified to consolidated total comprehensive income:</b>				
<b>Currency translation differences</b>				
Changes in unrealized gains / losses	-4,719	1,242	-3,091	389
Tax effect				
<b>Total currency translation remeasurements</b>	<b>-4,719</b>	<b>1,242</b>	<b>-3,091</b>	<b>389</b>
<b>Other comprehensive income</b>	<b>-4,719</b>	<b>1,242</b>	<b>-3,091</b>	<b>389</b>
<b>Total Consolidated profit for the period</b>	<b>-6,624</b>	<b>-123</b>	<b>-3,546</b>	<b>-1,183</b>
<b>Total consolidated comprehensive income for the period attributable to:</b>				
Shareholders of Softing AG	-6,388	42	-3,694	-1,018
Non-controlling interests	-236	-165	149	-165
<b>Total consolidated comprehensive income for the period</b>	<b>-6,624</b>	<b>-123</b>	<b>-3,545</b>	<b>-1,183</b>



# Consolidated Statement of Financial Position

as of June 30, 2025

Assets	06/30/2025 EUR (in thsds.)	12/31/2024 EUR (in thsds.)
<b>Non-current assets</b>		
Goodwill	10,529	11,428
Other intangible assets	32,975	34,754
Property, plant and equipment	8,756	9,944
Deferred tax assets	1,281	718
<b>Non-current assets, total</b>	<b>53,541</b>	<b>56,844</b>
<b>Current assets</b>		
Inventories	24,998	26,734
Trade receivables	11,026	13,249
Current financial assets	359	244
Contract assets	1,149	883
Current income tax assets	165	240
Cash and cash equivalents	6,502	9,271
Current assets	6,890	7,420
<b>Current assets, total</b>	<b>51,089</b>	<b>58,041</b>
<b>Total assets</b>	<b>104,630</b>	<b>114,885</b>

Equity and liabilities	06/30/2025 EUR (in thsds,)	12/31/2024 EUR (in thsds,)
<b>Equity</b>		
Subscribed capital	9,926	9,926
Capital reserves	34,065	34,065
Retained earnings	5,573	11,960
Equity attributable to shareholders of Softing AG	49,564	55,951
Non-controlling interests	668	905
<b>Equity, total</b>	<b>50,232</b>	<b>56,856</b>
<b>Non-current liabilities</b>		
Pensions	1,299	1,299
Long-term borrowings	5,656	7,056
Other non-current financial liabilities	10,426	10,804
Deferred tax liabilities	5,316	5,289
<b>Non-current liabilities, total</b>	<b>22,697</b>	<b>24,448</b>
<b>Current liabilities</b>		
Trade payables	8,811	13,468
Contract liabilities	6,962	4,863
Provisions	78	107
Income tax liabilities	774	458
Short-term borrowings	9,334	9,351
Other current financial liabilities	4,591	4,339
Current non-financial liabilities	1,151	995
<b>Current liabilities, total</b>	<b>31,701</b>	<b>33,581</b>
<b>Total equity and liabilities</b>	<b>104,630</b>	<b>114,885</b>

# Consolidated Statement of Changes in Equity

from January 1 to June 30, 2025

	Sub- scribed capital	Capital reserves	Treasury shares	Retained earnings			Equity attributable to share- holders of Softing AG	Non- controlling interests	Total equity
				Net retained profits and other	Remeasure- ments	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, 2025	9,926	34,065		10,897	−995	2,057	11,960	55,951	906
Consolidated profit 2025				−1,669			−1,669	−1,669	−236
Other comprehensive income 2025						−4,719	−4,719	−4,719	
of which from remeasurements									
of which currency translation						−4,719	−4,719	−4,719	
of which tax effect									
Total consolidated comprehensive income for the period				−1,669		−4,719	−6,388	−6,388	−236
Dividend payment									
Purchase of own shares									
Changes in minority interests									
Transactions with owners in their capacity as owners									
Balance as of June 30, 2025	9,926	34,065		9,228	−995	−2,662	5,572	49,563	670

	Sub- scribed capital	Capital reserves	Treasury shares	Retained earnings			Equity attributable to share- holders of Softing AG	Non- controlling interests	Total equity	
				Net retained profits and other	Remeasure- ments	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

# Consolidated Statement of Cash Flows

from January 1 to June 30, 2025

EUR thousand	01/01/ – 06/30/2025	01/01/ – 06/30/2024
<b>Cash flows from operating activities</b>		
Profit (before tax)	–2,242	–817
Depreciation, amortization and impairment losses on fixed assets	4,308	4,226
Other non-cash changes	–2,064	532
<b>Cash flows for the period</b>	<b>2</b>	<b>3,941</b>
Interest income / Finance income	–1	–18
Interest expense / Finance costs	370	322
Change in other and accrued liabilities	–29	–122
Change in inventories	1,736	–2,113
Change in trade receivables	2,223	–273
Changes in financial receivables and other assets	–369	489
Change in trade payables	–4,657	1,265
Changes in financial and non-financial liabilities and other liabilities	2,918	1,753
Interest received / Finance income	1	18
Income taxes paid	–519	–344
<b>Cash flows from operating activities</b>	<b>1,675</b>	<b>4,918</b>
Cash paid for investments in new internal product developments	–792	–2,842
Cash paid for investments in new external product developments	0	–4
Investments in other intangible assets	–470	0
Cash paid for investments in property, plant and equipment	–630	–504
<b>Cash flows from investing activities</b>	<b>–1,892</b>	<b>–3,350</b>
Cash paid for dividends	0	–1,172
Repayment of lease liabilities	–777	–766
Cash received from long-term bank line	0	6,000
Cash repayment of bank loans	–1,417	–3,799
Interest, lease accounting	–133	–136
Other interest paid	–370	–322
Total interest paid	–503	–458
<b>Cash flows from financing activities</b>	<b>–2,697</b>	<b>–195</b>
Net change in funds	–2,914	1,373
Effects of exchange rate changes on cash and cash equivalents	146	31
Cash and cash equivalents at the beginning of the period	9,270	4,859
<b>Cash and cash equivalents at the end of the period</b>	<b>6,502</b>	<b>6,263</b>

# Consolidated Segment Reporting

from January 1 to June 30, 2025

	Industrial		Automotive		IT Networks		Other		Total segments		Other consolidation		Total	
	2025 EUR (in thsd.)	2024 EUR (in thsd.)	2025 EUR (in thsd.)	2024 EUR (in thsd.)	2025 EUR (in thsd.)	2024 EUR (in thsd.)	2025 EUR (in thsd.)	2024 EUR (in thsd.)	2025 EUR (in thsd.)	2024 EUR (in thsd.)	2025 EUR (in thsd.)	2024 EUR (in thsd.)	2025 EUR (in thsd.)	2024 EUR (in thsd.)
Revenues with third parties	23,617	30,539	15,461	13,383	2,842	2,636	1,986	731	43,906	47,289	0	0	43,906	47,289
Revenues with other segments	114	184	617	115	840	890	0	0	1,571	1,189	-1,571	-1,189	0	0
Total revenue	23,731	30,723	16,078	13,498	3,682	3,526	1,986	731	45,477	48,478	-1,571	-1,189	43,906	47,289
Depreciation / amortization	-1,719	-1,875	-1,948	-1,589	-472	-606	-598	-592	-4,737	-4,662	429	436	-4,308	-4,226
Operating segment result	-1	1,048	1,177	-347	-1,142	-1,346	-498	177	-465	-469	874	122	409	-347
EBIT	-745	533	513	942	-1,377	-1,711	-469	219	-2,078	-17	327	-360	-1,750	-376
Segment assets	81,851	92,119	42,424	41,581	10,085	11,088	-9,205	-9,966	125,155	134,822	-20,526	-25,222	104,629	109,601
of which IFRS 16	2,771	3,500	715	948	135	225	2,467	3,239	6,088	7,912	0	0	6,088	7,912
Segment liabilities	16,327	21,344	26,281	25,566	12,097	11,592	53,519	54,908	108,224	113,410	-53,826	-56,810	54,398	56,600
of which IFRS 16	2,580	3,192	660	849	18	87	1,902	2,666	5,160	6,794	0	0	5,160	6,794
Capital expenditure	451	3,838	629	2,452	228	131	236	131	1,545	6,552	1,666	0	3,211	6,552

Revenue from contracts with customers recognized over time	Industrial		Automotive		IT Networks		Other		Total	
	2025 EUR (in thsd.)	2024 EUR (in thsd.)	2025 EUR (in thsd.)	2024 EUR (in thsd.)	2025 EUR (in thsd.)	2024 EUR (in thsd.)	2025 EUR (in thsd.)	2024 EUR (in thsd.)	2025 EUR (in thsd.)	2024 EUR (in thsd.)
Point in time	22,578	29,262	8,332	7,370	2,823	2,626	1,986	731	35,719	39,990
Over time	1,038	1,276	7,130	6,013	19	10	0	0	8,187	7,299
Total	23,616	30,538	15,461	13,383	2,842	2,636	1,986	731	43,906	47,289

Geographical segments:	Revenue		Fixed assets		Additions to fixed assets	
	2025 EUR (in thsd.)	2024 EUR (in thsd.)	2025 EUR (in thsd.)	2024 EUR (in thsd.)	2025 EUR (in thsd.)	2024 EUR (in thsd.)
Germany	17,412	17,326	19,790	23,056	2,895	3,241
USA	11,413	16,883	16,995	19,702	162	3,236
Other countries	15,081	13,080	15,474	16,447	154	75
Total	43,906	47,289	52,260	59,205	3,211	6,552

## Directors' Holdings

Boards	Number of shares	
	06/30/2025	12/31/2024
<b>Supervisory Board</b>		
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
<b>Executive Board</b>		
Dr.-Ing. Dr. rer. oec. Wolfgang Trier, Munich	166,234	166,234
Ernst Homolka, Munich	10,900	10,900

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