HALF-YEAR FINANCIAL REPORT 2024

SNP DATA. TRANSFORMATION. EXPERIENCE.

KEY FIGURES

in € million, unless otherwise indicated	H1 2024	H1 2023	Delta	Delta in %
Order entry	134.7	109.4	+25.3	+23%
Revenue	116.0	95.6	+20.4	+21%
EBITDA	17.7	8.6	+9.1	+105%
EBIT	12.5	3.5	+9.0	+257%
Profit or loss for the period	7.9	1.6	+6.3	+397%
Earnings per share (in €)	1.09	0.23	+0.86	374%
Operating cash flow	4.7	-9.0	+13.6	n/a
Cash and cash equivalents	43.0	24.9	+18.1	+73%
Employees as of June 30	1,487	1,361	+126	+9%

in € million, unless otherwise indicated	Q2 2024	Q2 2023	Delta	Delta in %
Order entry	74.1	51.0	+23.1	+45%
Revenue	62.0	48.5	+13.5	+28%
EBITDA	11.1	3.6	+7.5	+212%
EBIT	8.4	1.0	+7.4	+719%
Profit or loss for the period	5.5	0.3	+5.2	+1,587%
Earnings per share (in €)	0.76	0.04	+0.73	+1,800%
Operating cash flow	-5.6	-7.9	+2.3	+29%

CONTENT

Dr. Jens Amail, Chief Executive Officer (CEO)

LETTER OF THE CEO

Dear Shareholders,
Dear Friends,

For many of us, summer is a great opportunity to come up for air. A chance to reflect, ponder and then look ahead. After a busy and successful first six months of the year, it gives me great pleasure to report briefly on our achievements to date and our plans for the future.

Our team has performed exceptionally, building customer confidence and partners' trust as we worked on a range of projects together. And our order entry has soared again, in all three segments and across every region.

We have won major projects with big-name global customers, contributing massively to our growing sales performance. Business has also remained strong around S/4HANA and RISE with SAP.

It's a source of satisfaction and hugely motivating that more and more businesses are choosing to embark on long-term, strategic partnerships with SNP. Take BMW Group as an example.

The premium automotive manufacturer is planning to move its entire SAP landscape to S/4HANA by 2030 with SNP as its partner of choice. Our software platform will provide the basis for a dedicated data migration factory, managed jointly by BMW Group and SNP. Based on SNP's standardized migration approach and predefined service packages, it will deliver more than 130 individual go-lives within six years.

Strong demand for S/4 and RISE migrations was also one of the reasons behind the huge interest in our flagship conference Transformation World.

More than 1,500 customers, partners, investors and analysts from over 50 countries congregated at the SNP dome in Heidelberg in June. Our two-day event, already celebrating its tenth anniversary, is fast becoming a global networking opportunity for a huge variety of roles within the SAP data community and beyond.

This year we also unveiled our extended strategy, which we spent the first half of the year refining in collaboration with customers and partners. We are fully focused on our core skills– our technology and BLUEFIELD™ methodology – and are taking advantage of the momentum we currently have in the market.

Our ambition is to be the global technology platform leader and trusted partner for companies seeking unparalleled, data-enabled transformation capabilities and business agility.

SNP Kyano, our new platform architecture, is a major evolutionary step. It offers tighter ecosystem integration, is more agnostic to source and target systems, and provides ongoing services for customers to improve data-enabled business agility.

With the introduction of the SNP Agility Index, Kyano also provides an AI-powered, continuous cloud service that measures, benchmarks, and optimizes business agility based on smart KPIs and trend analyses.

We have also reached another milestone in resolving the long-running legal dispute with the community of heirs of our founder. After obtaining the agreement of our Annual General Meeting we are finally able to put this costly and time-consuming process behind us. We can now fully focus on our operational business and the success of our customers and partners.

The agreement also had a positive EBIT contribution of around € 3 million to the half-year result.

Even without this one-time effect, our operating results show a significant improvement. The EBIT margin for the first half of the year is around 11%, operating cash flow has risen to some € 5 million and we're reporting an above-average equity ratio of 44%.

In addition, it's hugely pleasing that our partner business is growing extremely well, accounting for over half of our current orders.

Projects involving S/4 and RISE make up a similar proportion of our business. I already mentioned BMW as an example – this shows just how well positioned we are in this robust and sustainable growth market. We anticipate that the strong tailwind from S/4 and RISE will continue for at least another five to eight years, generating more and more profitable growth for SNP.

Our acquisition of the Trigon Group is also already having a positive impact on our services business. And strong performance in our strategic growth markets is confirmation of our global strategy.

To summarize, our growth levers are delivering, our software solutions are demonstrating increasing relevance, and our customers and partners are showing ever greater confidence in us.

Taken with the strong results from H1, we are therefore even more optimistic about the future and have raised our overall forecast for 2024 as a whole. We expect to record revenues of between € 225 million and € 240 million and foresee EBIT in the range of € 16 million to € 20 million.

This notable development is mainly grounded in the fact that we are all fully committed to the core values of SNP. The focus on achieving success for our customers and partners, the ambition to continually improve, and the many sparks of creative energy and mutual support across our business are unique, in my experience so far. I am happy and grateful to be a part of this wonderful team.

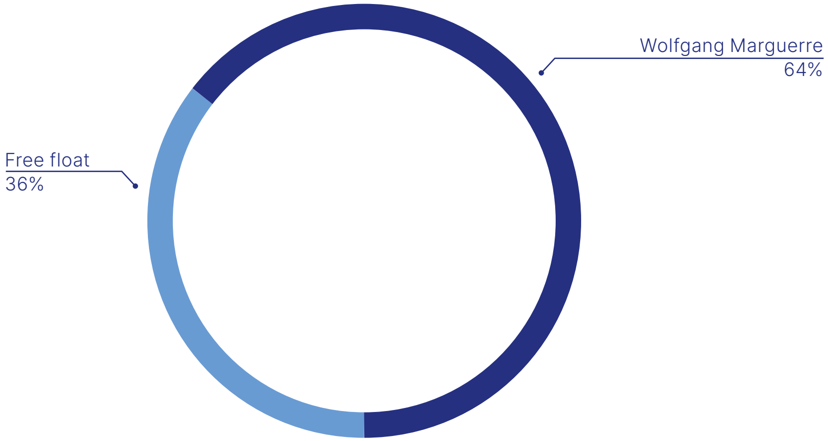
To sum up, we're very pleased with what we've achieved so far. Our customers, partners and shareholders can continue to count on us 100% in the future. And I would also like to thank them for their ongoing belief in what we do.

We are all working together for the future of SNP. The investors and analysts in the capital market have also raised their expectations. We have a strong sense of self-belief, and I am convinced that the best is yet to come!

Warmest regards,
Jens Amail

SNP IN THE CAPITAL MARKETS

SHAREHOLDER STRUCTURE



KEY SHARE DATA

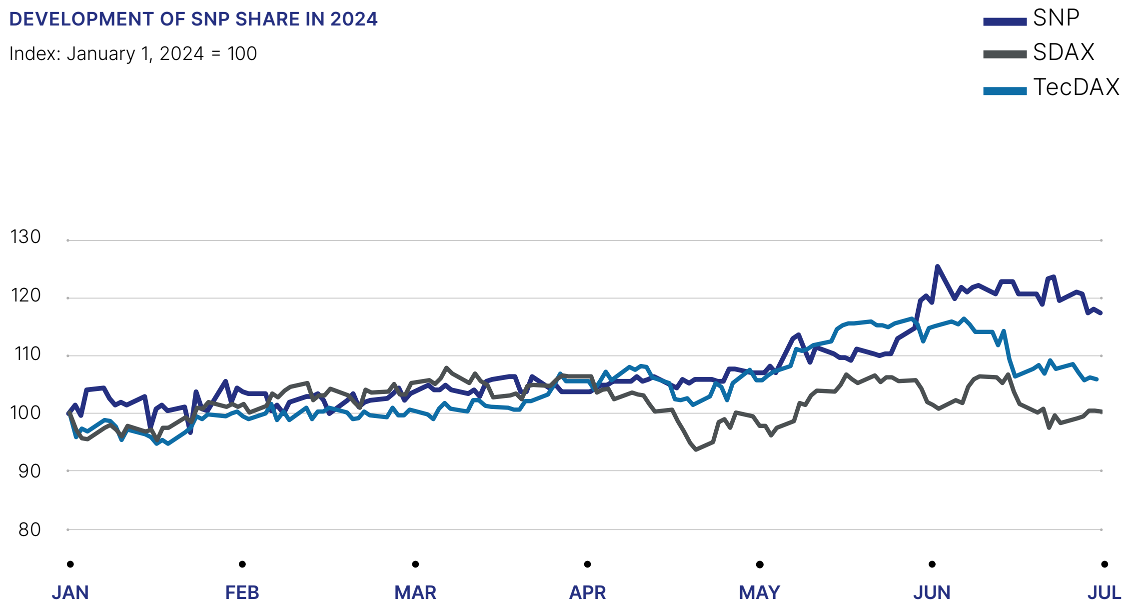
Security identification number	720 370
Symbol	SHF
Market segment	Prime Standard
Share class	No-par-value shares
Shares	7,385,780 (Share capital 7,385,780 €)
Indices	CDAX, DAXsector All Software, DAXsubsector All IT-Services, Prime All-Share, Prime Standard Index

SHARE PERFORMANCE INDICATORS

		2024	2023
Earnings per share as of June 28	in €	1.09	0.23
Market capitalization as of June 28	in € m	352	247
Share price as of June 28	in €	47.70	33.40
Highest price in the first half	in €	49.40	35.50
Lowest price in the first half	in €	42.10	23.05

DEVELOPMENT OF SNP SHARE IN 2024

Index: January 1, 2024 = 100



Further information on the SNP share can be found at
https://www.snpgroup.com/en/stock-information

Further information on investor relations can be found at
https://www.snpgroup.com/en/investor-relations

FINANCIAL CALENDAR

Q3 2024	November 7, 2024

ANALYSTS

- Berenberg
- Stifel
- M.M. Warburg

Interim Group Management Report of SNP Schneider-Neureither & Partner SE

for the Period From January 1 to June 30, 2024

SNP AT A GLANCE

SNP serves multinational companies in every sector. SNP was founded in 1994 and has been publicly traded since 2000. As of August 2014, the company is listed on the Prime Standard segment of the Frankfurt Stock Exchange (ISIN DE0007203705). Since 2017, the company has operated as a European stock corporation (Societas Europaea/SE).

We support companies worldwide in tapping into the full potential offered by their data and embarking on their very own journey to a digital future. With its CrystalBridge data excellence platform and its BLUEFIELD approach, SNP has established a comprehensive industry standard, enabling faster and more secure restructuring and modernization of SAP systems and realizing data-driven innovations via the cloud.

Some 3,000 customers worldwide from all sectors and of all sizes trust in SNP, including 20 DAX40 and numerous Fortune 500 companies. The SNP Group had more than 1,487 employees worldwide as of June 30, 2024, and is active in 36 locations in 21 countries.

Additional information on the business model and strategy can be found in the 2023 Annual Report from page 46 onward.

ECONOMIC REPORT

Global Economic Situation

Global economic development in the first half of 2024 continued to be significantly influenced by inflation, political uncertainty and trade tensions. This combination of risk factors requires a carefully calibrated mix of measures to stimulate economic growth. Service sector inflation in particular remained high, thereby stalling progress in the fight against inflation and normalization of monetary policy. In contrast, production rates across economies have now realigned due to the weakening of cyclical factors and better coordination of economic activities. Overall, the global economy exhibited positive momentum, with trade driven by robust exports from Asia, particularly in the technology sector.

In the “World Economic Outlook Update” published in July 2024, experts at the International Monetary Fund (IMF) now anticipate global economic output growth of 3.2% for 2024 compared to the previous year. Consequently, they have revised their expectations upward slightly by 0.1 percentage points compared to the January 2024 forecast. This adjustment is mainly attributable to the stronger economic growth in Europe – fueled by the service sector – as well as in China and India. On the other hand, the USA, Japan and Latin America are growing at a slower pace than anticipated.[1]

[1] International Monetary Fund (IMF), World Economic Outlook Update – The Global Economy in a Sticky Spot, July 2024.

IT Transformation Market

Significantly Deteriorated Sentiment among IT Consultants

The business climate index prepared by the Federal Association of German Management Consultants (BDU) for the consulting industry in June 2024 shows a significant decline in sentiment in the consulting sector. In the second quarter of 2024, the index level decreased by 4.5 points compared with the previous quarter, reaching 91.6 points. In the second quarter of 2023, the index was still at 96.7 points. The value has thus fallen to a level not seen since the third quarter of 2020 during the coronavirus pandemic. The sharpest decrease was recorded in the business climate index for the IT consulting sector. At 89.1 points, the index value was 9.8 points below the first quarter of 2024.

The ifo Business Climate Index for the economy as a whole, which is compiled using the same methodology, was 88.6 points in June 2024. Nevertheless, the sentiment in the consulting sector is still better than for the economy as a whole. Large consulting firms in particular expect to see positive effects from the use of artificial intelligence (AI). In line with this outlook, 77% plan to use AI to automate routine tasks and 73% will seek to prepare data. The consulting firms believe that AI will lead to better and faster strategic decisions, thereby enabling them to offer their clients greater added value.[2]

Challenging Global M&A Market

The market for mergers & acquisitions experienced a decline in the number of transactions (23,054; -25%) in the first half of 2024 compared with the same period in the previous year. This is a continuation of the trend that began in 2022. However, the transaction volume (USD 1,312 billion; +5%) increased during the same period. While the number of M&A transactions declined across all regions in international comparison, transaction volumes exhibited divergent trends. Transaction volumes increased in America (+22%) and EMEA (Europe, Middle East, Africa; +9%), while the Asia-Pacific region saw a decrease of 32%.[3]

Impact on the SNP Group

The ten leading IT consulting firms worldwide achieved a revenue volume of more than EUR 283 billion in 2023. This represents a slight increase of 1% compared to 2022. As a leading world provider of software to cope with complex digital transformation processes, SNP addresses a segment of this capital- and personnel-intensive IT consulting market. For IT consulting firms, technical data migration is a highly challenging and increasingly critical part of large-scale consulting projects. Unlike in the case of traditional IT consulting in the ERP environment, SNP employs an automated approach using proprietary software.

[2] Federal Association of German Management Consultants (BDU), Press Release on the Business Climate in the Consulting Sector – Q2 2024 (https://www.bdu.de/news/verhaltene-erwartungen-in-der-consultingbranche/)

[3] Pwc, Global M&A Industry Trends: 2024 Mid-Year Update (https://www.pwc.com/gx/en/services/deals/trends.html).

SIGNIFICANT EVENTS IN THE FIRST HALF OF 2024

Repayment of Promissory Note Loans

In March 2024, promissory note loans with a total amount of € 9 million were repaid on maturity. In December 2023, SNP SE concluded an amortizing loan of € 7 million for refinancing with a drawdown period until October 2024. A partial amount of € 4 million was called up in the first quarter of 2024, followed by an additional € 3 million in the second quarter of 2024.

The 2024 Annual General Meeting

The Annual General Meeting of SNP SE, which took place in Wiesloch on June 27, 2024, approved essentially all of the points on the agenda by substantial majorities. In particular, the shareholders accepted the proposal to settle the legal dispute with the community of heirs. This agreement represents a milestone for SNP and brings an end to several years of litigation.

Acquisition of Trigon Consulting GmbH & Co. KG

With effect as of May 1, 2024, SNP SE has acquired 51% of the shares in Trigon Consulting GmbH & Co. KG based in Pullach near Munich. The Trigon Group has been providing IT consulting services for mid-sized and large enterprises since 1997, now making SAP S/4HANA and RISE with SAP a focus of their consulting.

With this acquisition, SNP is strengthening its premium engagement and cooperation model. The internationally operating Trigon Group will support SNP in enabling customers and partners to use the CrystalBridge software suite even faster, implementing complex transformation projects to modernize and digitally transform IT and business processes both efficiently and with minimal risk.

BUSINESS PERFORMANCE OF SNP SCHNEIDER-NEUREITHER & PARTNER SE IN THE FIRST HALF OF 2024

ORDER BACKLOG AND ORDER ENTRY

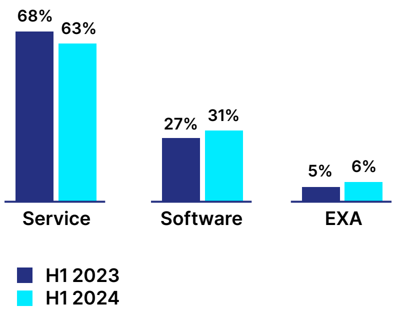
in € million	H1 2024	H1 2023	Δ
Order entry	**134.7**	**109.4**	**+23%**
Service	85.0	74.8	+14%
Software	41.3	29.6	+40%
EXA	8.4	5.0	+68%
Order entry	**74.1**	**51.0**	**+45%**
Service	45.8	36.7	+25%
Software	25.3	13.0	+94%
EXA	3.1	1.3	+134%

in Mio. €	Q2 2024	Q2 2023	Δ
Order entry	**74.1**	**51.0**	**+45%**
Service	45.8	36.7	+25%
Software	25.3	13.0	+94%
EXA	3.1	1.3	+134%

In the first half of 2024, **order entry** rose significantly by € 25.3 million, or 23%, year-over-year to € 134.7 million (previous year: € 109.4 million). The growth extended across all three business segments and all regions. The increase was primarily driven by the acquisition of large-scale projects from renowned customers in the NA, CEU and UKI regions as well as the continued strong performance of SAP S/4HANA and RISE with SAP business.

The Trigon Group contributed € 3.5 million to order entry (initial consolidation as of May 1, 2024).

Business Segment Share of Order Entry



Order Entry by Region

The **CEU region** continued to provide the largest share of the order entry volume: This region accounted for € 66.8 million of order entry, which represents an increase of around 20% compared to the first half of 2023 (previous year: € 55.9 million). The CEU region's share of global order entry volume thus amounts to 50% (previous year: 51%).

In the first half of 2024, all regions contributed to the increase in order entry with positive growth rates. The **three highest-growth regions** are:

- **Region NEMEA*:**
  +57% to € 17.0 million (previous year: € 10.8 million)

- **Region NA**:**
  +51% to € 22.1 million (previous year: € 14.6 million)

- **Region CEU:**
  +20% to € 66.8 million (previous year: € 55.9 million)

From a project perspective, the growth is attributable to the continued strong demand for projects related to **S/4HANA and RISE with SAP**. This represents an increase of around 36% to € 75.2 million compared to the first half of 2023 (previous year: € 55.1 million). Projects related to S/4HANA thus account for around 56% of the total order entry volume (previous year: 50%).

* NEMEA; since the beginning of 2024, the NEMEA region consists of the Nordics and Middle East regions in addition to the United Kingdom and Ireland.
** North America; previously USA.

An order entry volume of €73.4 million was realized via **partners** in the first half of 2024 (previous year: € 40.7 million); this constitutes an increase of around 80% year-over-year.

The **order backlog** amounted to € 199.2 million as of June 30, 2024, compared to € 135.3 million as of December 31, 2023 (+47%).

Order backlog

in € million	H1 2024	H1 2023	Δ
Order backlog	**199.2**	**140.3**	**+42%**
Service	143.9	105.7	+36%
Software	47.6	30.9	+54%
EXA	7.7	3.7	+108%

EARNINGS POSITION

Revenue Performance

The SNP Group increased its Group revenue by around 21% in the first half of 2024 to € 116.0 million (previous year: € 95.6 million). The second quarter contributed disproportionately to the positive development of the Group's revenue in the first six months of the year, with an increase of around 28% to € 62.0 million (previous year: € 48.5 million).

The increase in revenue is decisively attributable to the positive development of **software revenue** (including software revenue of the EXA Group); in the course of the sale of larger program licenses, software sales increased disproportionately by € 10.2 million, or around 34%, to € 40.4 million (previous year: € 30.2 million). This positive development underscores the continued successful implementation of SNP's software and partner strategy for its direct and partner business.

Service revenue (including the service revenue of EXA AG) of € 75.6 million is € 10.2 million, or around 16% higher than in the previous year (previous year: € 65.4 million).

OVERALL REVENUE BY BUSINESS SEGMENT

in € million	20234	2023	Δ
H1	**116.0**	**95.6**	**+21%**
Service	72.3	61.6	+17%
Software	38.7	29.6	+31%
EXA	5.0	4.4	+14%
Q2	**62.0**	**48.5**	**+28%**
Service	36.7	32.3	+13%
Software	22.5	14.2	+59%
EXA	2.8	2.0	+39%

Revenue Distribution by Business Segment

In the first six months of the year, the **Services business segment** provided € 72.3 million (H1 2023: € 61.6 million) of Group revenue. Segment revenue thus increased by € 10.7 million, or around 17%, compared with the first half of 2023, due to an improved order situation and higher customer prices. Measured in terms of the overall revenue volume of € 116.0 million in the first six months of 2024, the revenue achieved in the Services business segment corresponds to a share of approximately 62% (H1 2023: 64%). Segment revenue in the second quarter increased by € 4.4 million, or 13%, to € 36.7 million.

REVENUE IN THE SOFTWARE BUSINESS SEGMENT

in € million	2024	2023	Δ
H1	**38.7**	**29.6**	**+31%**
Software licenses	26.6	20.3	+31%
Software support	8.9	7.1	+25%
Cloud/SaaS	3.3	2.2	+50%
Q2	**22.5**	**14.2**	**+59%**
Software licenses	16.6	9.4	+78%
Software support	4.2	3.7	+13%
Cloud/SaaS	1.7	1.1	+56%

Revenue in the Software business segment increased disproportionately in the second quarter and consequently also in the first half of the year; this is primarily due to the increased sales of program licenses mainly for the implementation of numerous SAP S/4HANA projects. Revenue in the **Software business segment (including maintenance and cloud)** increased by € 9.1 million, or around 31%, compared to the same six-month period in the previous year to € 38.7 million (H1 2023: € 29.6 million). Measured in terms of the overall revenue volume of € 116.0 million, the revenue achieved in the Software business segment in the reporting period corresponds to a share of 33% (previous year: 31%).

Within the Software business segment, revenue from software licenses of € 26.6 million increased significantly by € 6.3 million, or around 31%, over the previous year's figure (previous year: € 20.3 million).

At the same time, recurring software support revenue saw a year-over-year increase of € 1.8 million to € 8.9 million (previous year: € 7.1 million).

Cloud revenue, including software as a service (SaaS), increased significantly by € 1.1 million, or approximately 50%, to € 3.3 million (H1 2023: € 2.2 million).

The **EXA business segment** accounted for external sales of € 5.0 million in the first half of 2024 (previous year: € 4.4 million), corresponding to an increase of around 14%.

Revenue Distribution by Region

The increase in Group revenue in the first half of 2024 is attributable to revenue performance trend in all of the Group's regions. The NEMEA, LATAM and NA regions accounted for the highest percentage increases, which are attributable in particular to major S/4HANA projects with well-known companies. The following tables show the distribution and development of external revenue by region:

REVENUE BY REGION

in € million	H1 2024	H1 2023	Δ
CEU	60.2	55.8	+8%
NA*	17.3	13.7	+26%
LATAM	16.8	12.6	+33 %
NEMEA**	14.1	6.8	+109%
JAPAC	7.7	6.8	+13%

in € million	Q2 2024	Q2 2023	Δ
CEU	31.3	28.6	+9%
NA*	9.3	6.3	+46%
LATAM	8.7	6.8	+29%
NEMEA**	9.2	3.8	+144%
JAPAC	3.6	3.1	+16%

* North America; previously USA.

** Since the beginning of 2024, the NEMEA region consists of the Nordics and Middle East regions, in addition to the United Kingdom and Ireland.

OPERATING PERFORMANCE

	H1 2024	H1 2023	Δ
EBITDA (in € million)	17.7	8.6	+105%
EBITDA margin	15.2%	9.0%	+69 PP
EBIT (in € million)	12.5	3.5	+257%
EBITDA margin	10.7%	3.6%	+197 PP

	Q2 2024	Q2 2023	Δ
EBITDA (in € million)	11.1	3.6	+212%
EBITDA margin	18.0%	7.4%	+143 PP
EBIT (in € million)	8.4	1.0	+719%
EBITDA margin	13.6%	2.1%	+548 PP

In the first half of 2024, SNP achieved **earnings before interest, taxes, depreciation and amortization (EBITDA)** of € 17.7 million (previous year: € 8.6 million); this corresponds to a year-over-year increase of € 9.0 million, or around 105%. The EBITDA margin accordingly amounts to 15.2% (previous year: 9.0%).

Earnings before interest and taxes (EBIT) of € 12.5 million were significantly higher than the previous year's figure of € 3.5 million (€ +9.0 million or +257%). The EBIT margin is thus 10.7% (previous year: 3.6%).

The increase in operating earnings in the first half of 2024 was mainly driven by revenue growth as well as a positive one-time effect of € 3.5 million from settlement of the legal dispute with the community of heirs (see section "Significant Events in the First Half of 2024"). The currency result also contributed positively to the increase in operating earnings in the amount of € +0.6 million (previous year: € -1.4 million). This improvement is primarily due to favorable currency effects from the NA and LATAM regions.

In the first half of 2024, costs of purchased services and material expenses decreased slightly year-over-year by € 0.1 million or 0.9% to € 11.6 million (previous year: € 11.7 million). While costs for software licenses have risen slightly, expenses for purchased services in the area of service costs have been reduced even in light of an increase in service revenue. This decrease was achieved through greater reliance on internal consultants.

Personnel expenses during the reporting period increased by € 11.7 million, or 19.3%, to € 72.3 million (previous year: € 60.6 million). In addition to a higher number of employees (an increase of +126 to 1,487 compared to the previous year), the increase was mainly due to salary hikes in spring 2024 and higher variable remuneration.

Depreciation and amortization increased slightly in the first half of 2024 by € 0.1 million to € 5.2 million (previous year: € 5.1 million).

At € 20.1 million, other operating expenses in the reporting period remained virtually unchanged compared to the previous period (previous year: € 20.1 million). This is mainly due to a reduction in exchange rate losses of € 3.2 million to € 2.5 million (previous year: € 5.6 million). At the same time, there were increases in expenses for advertising and representation (increase of € 1.2 million to € 3.8 million), travel costs (increase of € 0.6 million to € 1.8 million), other personnel expenses (increase of € 0.5 million to € 1.5 million), rents and leasing (increase of € 0.5 million to € 1.9 million) and vehicle-related expenses (increase of € 0.3 million to € 1.0 million).

Expenses from impairments on receivables and contract assets increased significantly in the first half of 2024 mainly due to an individual impairment of € 1.9 million to € 1.9 million (previous year: € 0.0 million).

Other operating income rose by € 2.1 million to € 7.9 million in the first half of 2024 compared with the previous year (previous year: € 5.8 million). This increase is mainly due to the receivables purchase and assignment agreement entered into between SNP SE and Tatiana Schneider-Neureither in June 2024 (€ 3.5 million). The positive currency effects developed conversely with a decline of € 1.0 million to € 3.1 million. Furthermore, other operating income in the previous year included income from the reversal of provisions amounting to € 0.6 million, which is no longer included in the current reporting period.

The net financial result amounts to € -1.2 million in the first half of 2024 (previous year: € -1.2 million). This includes interest and similar expenses of € 1.9 million (previous year: € 1.5 million). This is offset by other interest and similar income in the amount of € 0.7 million

EBIT IN THE SERVICES BUSINESS SEGMENT

	H1 2024*	H1 2023 (adjusted)*	H1 2023 (as reported)
EBIT (in € million)	4.4	3.9	-0.5%
EBITDA margin	6.1%	6.3%	-0.7%

	Q2 2024*	Q2 2023 (adjusted)*	Q2 2023 (as reported)
EBIT (in € million)	0.6	2.1	-0.3
EBITDA margin	1.7%	6.4%	-0.8%

EBIT IM SOFTWARE BUSINESS SEGMENT

	H1 2024*	H1 2023 (adjusted)*	H1 2023 (as reported)
EBIT (in € million)	10.7	7.1	11.4
EBITDA margin	27.7%	24.1%	38.6%

	Q2 2024*	Q2 2023 (adjusted)*	Q2 2023 (as reported)
EBIT (in € million)	7.0	3.0	5.3
EBITDA margin	31.2%	21.1%	37.5%

EBIT IN THE EXA BUSINESS SEGMENT

	H1 20234	H1 2023
EBIT (in € million)	0.7	0.3
EBITDA margin	13.2%	6.7%

	Q2 2024	Q2 2023
EBIT (in € million)	0.9	0.0
EBITDA margin	31.1%	0.0%

(previous year: € 0.2 million). The increase in interest expenses with a simultaneous reduction in debt is the result of higher market interest rates.

After income taxes of € 3.4 million (previous year: € 0.7 million), the profit for the period amounted to € 7.9 million (previous year: € 1.6 million). The net margin (the ratio of the result for the period to overall revenue) is 6.8% (previous year: 1.7%).

* The calculation of the segment results was adjusted with the consolidated financial statements as of December 31, 2023. The cost allocation using a key based on personnel figures and segment revenue was converted to a cost center-based cost allocation. Only the Services and Software business segments are affected by the change. The comparative information for the previous year has also been adjusted and presented separately. The adjustment has no effect on the total business segment results.

NET FINANCIAL RESULT AND RESULT FOR THE PERIOD

in € million	H1 2024	H1 2023
Net financial income	-1.2	-1.2
Earnings before taxes (EBT)	11.3	2.3
Income taxes	-3.4	-0.7
Profit or loss for the period	7.9	1.6
Earnings per share (basic)	1.09	0.23

in € million	Q2 2024	Q2 2023
Net financial income	-0.6	-0.6
Earnings before taxes (EBT)	7.8	0.5
Income taxes	-2.3	-0.1
Profit or loss for the period	5.5	0.3
Earnings per share (basic)	0.76	0.04

Financial and Net Asset Position

As of June 30, 2024, **total assets** increased by € 16.2 million to € 278.0 million (December 31, 2023: € 261.8 million).

Current assets increased by € 11.8 million to € 150.7 million as of June 30, 2024 (December 31, 2023: € 138.8 million).

Cash and cash equivalents increased by € 2.7 million to € 43.0 million as of June 30, 2024 (December 31, 2023: € 40.3 million). The increase in cash equivalents is attributable to positive operating cash flow (€ +4.7 million) as well as positive investing cash flow (€ +4.1 million) due to the payment of a purchase price installment in connection with the sale of All for One Poland Sp. z o.o. However, this was partially offset by negative cash flow from financing activities resulting from the net repayment of loans and lease liabilities (€ -6.0 million).

On the other hand, **other financial assets** decreased by € 4.8 million to € 0.2 million as of June 30, 2024 (December 31, 2023: € 5.0 million) due to the settlement of the purchase price receivable from the sale of minority shares in All for One Poland Sp. z o.o. in January 2024.

Within the current assets item, **contract assets** increased by € 11.2 million to € 21.8 million (December 31, 2023: € 10.6 million) due to higher POC (Percentage of Completion) receivables, while trade receivables decreased slightly by € 0.8 million to € 77.5 million. This development is mainly the result of a fundamental increase in order volume combined with a higher average percentage of completion.

Other nonfinancial assets rose by € 4.7 million to € 7.8 million as of June 30, 2024 (December 31, 2023: € 3.1 million). This increase is due to the typically higher volume of prepaid expenses in the first half of the year, which rose by € 1.9 million to € 3.9 million (December 31, 2023: € 2.0 million). In addition, value-added tax (VAT) receivables rose by € 1.8 million to € 2.6 million (December 31, 2023: € 0.8 million). As of June 30, 2024, other nonfinancial assets also include a receivable of € 0.8 million from the receivables purchase and assignment agreement entered into between SNP SE and Tatiana Schneider-Neureither in June 2024.

Noncurrent assets rose by € 4.3 million to € 127.3 million as of June 30, 2024 (December 31, 2023: € 123.0 million). This increase is mainly attributable to the following countervailing effects:

As of June 30, 2024, goodwill increased by € 9.1 million to € 77.1 million (December 31, 2023: € 68.0 million) due primarily to the acquisition of the Trigon Group (€ +3.2 million) and currency effects from the LATAM region (€ +5.7 million). Other intangible assets rose by € 3.9 million to € 19.2 million (December 31, 2023: € 15.3 million). This increase was also mainly attributable to the acquisition of the Trigon Group. Long-term right-of-use assets also increased in the first half of 2024 by € 0.4 million to € 14.6 million (December 31, 2023: € 14.2 million).

By contrast, noncurrent trade receivables declined by € 7.3 million to € 6.4 million as of June 30, 2024 (December 31, 2023: € 13.8 million), mainly as a result of the reclassification to current trade receivables. Deferred tax assets also decreased by € 1.8 million to € 4.1 million (December 31, 2023: € 5.9 million).

On the **equity and liabilities side, current liabilities** decreased by € 5.3 million to € 64.3 million as of June 30, 2024 (December 31, 2023: € 69.6 million).

While **trade payables** decreased by € 0.7 million to € 9.4 million (December 31, 2023: € 10.1 million), contract liabilities rose by € 4.1 million to € 12.4 million (December 31, 2023: € 8.2 million), in line with the trend in contract assets.

Tax liabilities decreased by € 0.7 million to € 0.4 million as of June 30, 2024 (December 31, 2023: € 1.1 million) due to utilization of the corporate tax provision.

The decline in **financial liabilities** by € 0.7 million to € 15.6 million (December 31, 2023: € 16.3 million) is due to countervailing effects. Current liabilities to banks decreased by € 8.3 million to € 3.4 million (December 31, 2023: € 11.7 million), mainly due to loan repayments. On the other hand, current purchase price obligations rose by € 7.8 million due to the reclassification of noncurrent purchase price liabilities for the acquisition of shares in EXA AG to current purchase price liabilities. Current lease liabilities decreased slightly by € 0.2 million to € 4.3 million (December 31, 2023: € 4.5 million).

Other **non-financial liabilities** decreased by € 7.4 million to € 26.4 million as of June 30, 2024 (December 31, 2023: € 33.8 million). This decrease is mainly due to the utilization of personnel-related liabilities in the course of the payment of variable remunerations for the 2023 financial year in the second quarter of 2024.

Noncurrent liabilities increased by € 8.6 million to € 91.2 million as of June 30, 2024 (December 31, 2023: € 83.6 million). The increase primarily results from the higher financial liabilities, which grew by € 5.6 million to € 78.2 million (December 31, 2023: € 72.6 million), mainly due to bank loans amounting to € 7.0 million taken out in the first half of 2024. Noncurrent contract liabilities also increased by € 1.0 million to € 3.5 million as of June 30, 2024 (December 31, 2023: € 2.5 million). The increase in deferred tax liabilities by € 0.9 million to € 6.3 million (December 31, 2023: € 5.4 million) is mainly due to the initial consolidation of the Trigon Group.

At € 122.5 million, **Group equity** is € 13.9 million higher than at its level of € 108.6 million as of December 31, 2023. The improvement is mainly attributable to an increase in retained earnings of € 7.9 million to € 21.1 million (December 31, 2023: € 13.2 million) as a result of the profit generated for the period. Due largely to positive currency effects, other reserves grew by € 5.4 million from € -4.7 million as of December 31, 2023 to € 0.7 million as of June 30, 2024. Due to the increase in equity, the equity ratio improved from 41.5% as of December 31, 2023, to 44.1% as of June 30, 2024.

Development of Cash Flow and the Liquidity Position

The improvement in cash flow from operating activities by € 13.6 million to an inflow of € 4.7 million (previous year: cash outflow of € 8.9 million) in the first six months is mainly attributable to an increase of € 6.3 million in profit for the period. Furthermore, the negative effects from changes in working capital decreased by € 6.6 million to an outflow of € 10.2 million (previous year: cash outflow of € 16.8 million).

Positive cash flow from investing activities of € 4.1 million (previous year: € 4.2 million) is mainly due to proceeds from the sale of shares in All for One Poland.

Financing activities resulted in a cash outflow of € 6.0 million (previous year: cash outflow of € 8.2 million). Besides the repayment of lease liabilities in the amount of € 2.7 million, the cash outflow was due to the net repayment of loan liabilities totaling € 3.3 million.

The effects of changes in foreign exchange rates on cash and bank balances have resulted in a negative impact of € 0.1 million (previous year: cash outflow of € 0.5 million).

Overall cash flow during the reporting period comes to a cash inflow of € 2.7 million (previous year: cash outflow of € 13.5 million).

Taking into account the changes presented here, the level of cash and cash equivalents increased to € 43.0 million as of June 30, 2024. As of December 31, 2023, cash and cash equivalents amounted to € 40.3 million. Overall, the SNP Group remains very solidly positioned financially.

RISK AND OPPORTUNITY REPORT

The management system for identifying risks and opportunities and the measures taken to limit risk are described in detail in the combined management report as of December 31, 2023. In our business activities, we are exposed to a number of risks and opportunities that are inseparably linked to our entrepreneurial activity. These have been addressed in detail in the combined management report as of December 31, 2023. The risks and opportunities of the SNP Group presented therein remained largely unchanged at the end of the first half of 2024.

Assessment of the Risk Situation

At present, we do not see any risks that could endanger the survival of SNP Schneider-Neureither & Partner SE, the Group or individual segments.

Employees

As of June 30, 2024, the number of employees of the SNP Group increased to 1,487; as of December 31, 2023, the Group had 1,432 employees. In the first quarter of 2024, the average number of employees was 1,458 (previous year: 1,342).

Forecast

On July 19, 2024, the Executive Board decided to revise the guidance for 2024. Based on the strong business performance to date and ongoing market momentum, the revenue forecast for 2024 as a whole was revised upwards to between € 225 million and € 240 million (previous forecast: € 215 million to € 225 million; 2023 revenue: € 203.4 million). In addition, the EBIT figure is expected to be in the range of € 16 million and € 20 million (previous forecast: € 13 million to € 16 million). The order entry forecast remains unchanged, with the book-to-bill ratio (order entry over sales revenue) expected to be greater than one.

In accordance with the predicted trend for Group revenue, we expect that revenue will grow by at least 10% in all three business segments (Services, Software and EXA).

Heidelberg, August 5th 2024

Executive Board

Dr. Jens Amail

Andreas Röderer

CONSOLIDATED BALANCE SHEET

to Juni 30, 2024

ASSETS

in € thousand	June 30, 2024	Dec. 31, 2023	June 30, 2023
Current assets			
Cash and cash equivalents	42,968	40,313	24,852
Other financial assets	154	5,020	4,922
Trade receivables	77,471	78,297	70,298
Contract asset values	21,810	10,598	15,144
Other non-financial assets	7,830	3,102	4,902
Tax receivables	444	1,506	2,993
	150,677	**138,836**	**123,111**
Non-current assets			
Goodwill	77,114	68,031	73,263
Other intangible assets	19,168	15,286	17,342
Property, plant and equipment	4,281	4,242	4,635
Rights of use	14,560	14,166	14,220
Other financial assets	1,164	1,119	1,107
Investments accounted for under the equity method	225	225	225
Trade receivables	6,428	13,776	13,199
Other non-financial assets	262	176	310
Deferred taxes	4,100	5,930	5,595
	127,302	**122,951**	**129,896**
	277,979	**261,787**	**253,007**

EQUITY AND LIABILITIES

in € thousand	June 30, 2024	Dec. 31, 2023	June 30, 2023
Current liabilities			
Trade payables	9,394	10,108	8,498
Contract liabilities	12,364	8,222	12,112
Tax liabilities	441	1,064	1,063
Financial liabilities	15,607	16,258	16,255
Other non-financial liabilities	26,385	33,839	22,097
Provisions	67	62	314
	64,258	**69,553**	**60,339**
Non-current liabilities			
Contract liabilities	3,459	2,454	712
Financial liabilities	78,238	72,569	73,720
Other nonfinancial liabilities	669	775	349
Provisions for pensions	1,941	1,957	1,588
Other provisions	606	471	780
Deferred taxes	6,314	5,369	5,427
	91,227	**83,595**	**82,576**
Equity			
Subscribed capital	7,386	7,386	7,386
Capital reserve	98,661	98,098	96,980
Retained earnings	21,128	13,191	9,022
Other components of the equity	722	-4,688	2,149
Treasury shares	-4,456	-4,456	-4,456
Equity attributable to shareholders	**123,441**	**109,531**	**111,081**
Non-controlling interests	-947	-892	-989
	122,494	**108,639**	**110,092**
	277,979	**261,787**	**253,007**

CONSOLIDATED INCOME STATEMENT

for the period from January 1 to June 30, 2024

in € thousand	1st half year 2024	1st half year 2024	Q2 2024	Q2 2023
Revenue	**116,016**	**95,587**	**61,986**	**48,512**
Service	75,643	65,396	38,373	34,122
Software	40,373	30,191	23,613	14,390
Other operating income	7,917	5,775	4,686	3,337
Cost of material	-11,604	-11,706	-6,400	-5,848
Personnel costs	-72,287	-60,593	-37,633	-30,622
Other operating expenses	-20,104	-20,128	-9,502	-11,640
Impairments on receivables and contract assets	-1,882	-5	-1,792	-4
Other taxes	-394	-308	-205	-169
EBITDA	**17,662**	**8,622**	**11,140**	**3,566**
Depreciation and impairments on intangible assets and property, plant and equipment	-5,207	-5,135	-2,694	-2,535
EBIT	**12,455**	**3,487**	**8,446**	**1,031**
Other financial income	728	240	499	228
Other financial expenses	-1,913	-1,462	-1,132	-796
Net financial income	**-1,185**	**-1,222**	**-633**	**-568**
EBT	**11,270**	**2,265**	**7,813**	**463**
Income taxes	-3,383	-679	-2,346	-139
Consolidated income/net loss	**7,887**	**1,586**	**5,467**	**324**
Thereof:				
Profit attributable to non-controlling shareholders	-37	-114	-55	-22
Profit attributable to shareholders of SNP Schneider-Neureither & Partner SE	7,924	1,700	5,522	346
Earnings per share	**€**	**€**	**€**	**€**
- Undiluted	1.09	0.23	0.76	0.04
- Diluted	1.08	0.23	0.75	0.04
Weighted average number of shares	**in thousand**	**in thousand**	**in thousand**	**in thousand**
- Undiluted	7,283	7,278	7,283	7,278
- Diluted	7,327	7,278	7,327	7,278

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period from January 1 to June 30, 2024

in € thousand	1st half year 2024	1st half year 2023	2nd quarter 2024	2nd quarter 2023
Net income for the period	**7,887**	**1,586**	**5,467**	**324**
Items that may be reclassified to profit or loss in the future				
Currency translation differences	5,420	1,250	1,300	1,177
	5,420	**1,250**	**1,300**	**1,177**
Items that will not be reclassified to profit or loss				
Change from the revaluation of defined benefit pension plans	-18	5	6	15
Deferred taxes on revaluation of defined benefit pension plans	3	-1	-1	-3
	-15	**4**	**5**	**12**
Income and expenses directly recognized in equity	**5,405**	**1,254**	**1,305**	**1,189**
Total comprehensive income	**13,292**	**2,840**	**6,772**	**1,513**
Profit attributable to non-controlling shareholders	-42	-94	-59	-13
Profit attributable to shareholders of SNP Schneider-Neureither & Partner SE in total comprehensive income	**13,334**	**2,934**	**6,831**	**1,526**

CONSOLIDATED CASH FLOW STATEMENT

for the period from January 1 to June 30, 2024

in € thousand	1st half year 2024	1st half year 2023
Profit after tax	**7,887**	**1,586**
Depreciation	5,207	5,135
Change in provisions for pensions	-16	25
Other non-cash income/expenses	1,457	1,064
Changes in trade receivables, contract assets, other current assets, other non-current assets	-4,485	-10,985
Changes in trade payables, contract liabilities, other provisions, tax liabilities, other current liabilities	-5,682	-5,817
Other adjustments to profit or loss for the period attributable to investing activities	295	42
Cash flow from operating activities (1)	**4,663**	**-8,950**
Payments for investments in property, plant and equipment	-756	-320
Payments for investments in intangible assets	-6	-154
Proceeds from the disposal of items of intangible assets and property, plant and equipment	150	112
Proceeds from the sale of consolidated companies and other business units	4,859	5,000
Payments resulting from the acquisition of consolidated companies and other business units	-172	-478
Cash flow from investing activities (2)	**4,075**	**4,160**
Dividend payments to non-controlling shareholders	-14	0
Proceeds from loans taken out	7,049	0
Payments for the settlement of loans and other financial liabilities	-10,312	-5,772
Payments resulting from the settlement of lease liabilities	-2,743	-2,463
Cash flow from financing activities (3)	**-6,020**	**-8,235**
Changes in cash and cash equivalents due to foreign exchange rates (4)	-63	-490
Cash change in cash and cash equivalents (1) + (2) + (3) + (4)	**2,655**	**-13,515**
Cash and cash equivalents at the beginning of the fiscal year	40,313	38,367
Cash and cash equivalents as of Juni 30	**42,968**	**24,852**
Composition of cash and cash equivalents:		
Cash and cash equivalents	42,968	24,852
Cash and cash equivalents as of June 30	**42,968**	**24,852**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the period from January 1, 2023 to June 30, 2024

				Other components of equity						
in € thousand	Subscribed Capital	Capital reserve	Retained earnings	Currency conversion	Revaluation of performance-oriented obligations	Other components of equity Total	Treasury shares	Shareholders of SNP SE attributable capital	Non-controlling shares	Total equity
As of January 1, 2023	**7,386**	**97,124**	**7,320**	**135**	**780**	**915**	**-4,669**	**108,076**	**-893**	**107,183**
Stock option plan		-144					213	69		69
Dividends			2					2	-2	0
Total comprehensive income			1,700	1,230	4	1,234		2,934	-94	2,840
As of June 30, 2023	**7,386**	**96,980**	**9,022**	**1,365**	**784**	**2,149**	**-4,456**	**111,081**	**-989**	**110,092**
Stock option plan		1,118						1,118	-1	1,117
Dividends			0					0	0	0
Total comprehensive income			4,169	-6,457	-380	-6,837		-2,668	98	-2,570
As of December 31, 2023	**7,386**	**98,098**	**13,191**	**-5,092**	**404**	**-4,688**	**-4,456**	**109,531**	**-892**	**108,639**
Stock option plan		563					0	563		563
Dividends			13					13	-13	0
Total comprehensive income			7,924	5,425	-15	5,410		13,334	-42	13,292
As of June 30, 2024	**7,386**	**98,661**	**21,128**	**333**	**389**	**722**	**-4,456**	**123,441**	**-947**	**122,494**

Notes to the Consolidated Interim Financial Statements for the Period from January 1 to June 30, 2024

Company Information

SNP Schneider-Neureither & Partner SE (hereinafter referred to as "SNP") is a listed corporation headquartered at Speyerer Strasse 4, Heidelberg, Germany. On August 5th, 2024, these consolidated interim financial statements for the period from January 1 to June 30, 2024 were released for publication by resolution of the Executive Board and Supervisory Board.

The company is entered in the commercial register of the Mannheim District Court under HRB 729172.

Basis for Reporting

Like the consolidated financial statements of December 31, 2023, this interim financial reporting was prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU). These condensed consolidated interim financial statements were prepared in accordance with IAS 34 "Interim Financial Reporting." Accordingly, this interim report does not contain all information and disclosures in the notes that are required in accordance with IFRS for consolidated financial statements as of the end of a fiscal year. The accounting policies applied in these interim financial statements essentially conform to those in the consolidated financial statements as of the end of the 2023 fiscal year. A detailed description of accounting principles is published in the notes to the consolidated financial statements in the 2023 Annual Report, which can be viewed at *https://investor-relations.snpgroup.com/en/publications/?language=en.*

There are no seasonal factors.

Scope of Consolidation

Aside from SNP Schneider-Neureither & Partner SE as the parent company, the scope of consolidation includes the following subsidiaries in which SNP holds the majority of the voting rights directly or indirectly.

Company name	Company headquarters	Share ownership in %
SNP Deutschland GmbH	Heidelberg, Germany	100
SNP Applications DACH GmbH	Heidelberg, Germany	100
SNP GmbH	Heidelberg, Germany	100
SNP Innovation Lab GmbH	Heidelberg, Germany	100
ERST European Retail Systems Technology GmbH	Hamburg, Germany	100
Hartung Consult GmbH	Berlin, Germany	100
SNP Austria GmbH	Pasching, Austria	100
SNP (Schweiz) AG	Glattpark (Opfikon), Switzerland	100

Company name	Company headquarters	Share ownership in %
SNP Resources AG	Glattpark (Opfikon), Switzerland	100
Harlex Consulting Ltd.	London, UK	100
SNP Transformations ME FZ-LLC	Dubai, United Arab Emirates	100
SNP Transformations, Inc.	Jersey City, NJ, USA	100
ADP Consultores S.R.L.	Buenos Aires, Argentina	100
ADP Consultores Limitada	Santiago de Chile, Chile	100
ADP Consultores S.A.S.	Bogotá, Colombia	100
SNP LATAM-MÉXICO S. de R.L. DE C.V.	Mexico City, Mexico	100
SNP Brasil LTDA	Sao Paulo, Brazil	100
Shanghai SNP Data Technology Co., Ltd.	Shanghai, China	100
Qingdao SNP Data Technology Co., Ltd.	Qingdao, China	100
SNP Transformations SEA Pte. Ltd.	Singapore, Singapore	81
SNP Transformations Malaysia Sdn. Bhd.	Kuala Lumpur, Malaysia	81
SNP Australia Pty Ltd.	Sydney, Australia	100
SNP Japan Co., Ltd.	Tokyo, Japan	100
SNP Schneider-Neureither & Partner ZA (Pty) Limited	Johannesburg, South Africa	100
EXA AG	Heidelberg, Germany	84,9
EXA AG India Pvt. Ltd	Bangalore, India	84,9
EXA AG America LLC	Reston, VA, USA	84,9
Datavard Software GmbH	Heidelberg, Germany	100
SNP Slovakia, s. r. o.	Bratislava, Slovakia	100
SNP Software, s. r. o.	Bratislava, Slovakia	100
Datavard Pte. Ltd.	Singapore, Singapore	100

Company name	Company headquarters	Share ownership in %
Trigon Consulting GmbH & Co. KG [1]	Pullach, Germany	51
Trigon Consulting Beteiligungs-GmbH [1]	Pullach, Germany	51
Trigon Consulting Pte. Ltd. [1]	Singapore, Singapore	51

[1] With economic effect on May 1, 2024, SNP acquired 51% of the shares in the Trigon Group. Further explanatory notes can be found under "Acquisitions / Business Combinations."

Use of Estimates

The preparation of the condensed consolidated interim financial statements and the interim Group management report requires estimates and assumptions by the Executive Board that affect the amounts of assets, liabilities, income and expenses in the consolidated interim financial statements, and the disclosures in the notes to the consolidated interim financial statements and the interim Group management report. Actual results may deviate from these estimates.

The estimates provided in the notes to the consolidated financial statements in the 2023 Annual Report also apply to these interim financial statements.

ACCOUNTING POLICIES

Application of New Accounting Rules

No standards or interpretations (of relevance to the Group) that have a material impact on the Group's financial position and financial performance have entered into force or been applied in the first half of 2024.

Goodwill

The goodwill of the Trigon Group, which was acquired in the 2024 fiscal year, was assigned to the Services business segment in the amount of € 3,147 thousand. Goodwill is attributable to the cash-generating units as follows:

in € thousand	6/30/2024	12/31/2023
Service	62,914	53,851
Software	3,731	3,711
EXA	10,469	10,469
Total	**77,114**	**68,031**

The goodwill developed as follows:

in € thousand	
As of December 31, 2023	68,031
Additions from company acquisitions	3,147
Currency differences	5,936
Total	**77,114**

In the first half of 2024, there were positive currency translation effects with regard to goodwill of € 5,936 thousand (previous year: € 667 thousand). This includes a positive effect in the amount of € 6,465 thousand from the application of IAS 29 (previous year: € 959 thousand).

With regard to goodwill, on the basis of a qualitative and quantitative analysis, we have reviewed whether any triggering events occurred which would have resulted in impairment testing in the first half of 2024. We do not see any triggering events at present, especially in light of the positive business development in all segments. We therefore did not perform impairment testing in the first half of 2024.

ACQUISITIONS / BUSINESS COMBINATIONS

Acquisition of the Trigon Group

With effect from May 1, 2024, SNP acquired 51% of the shares in the Trigon Group. The remaining 49% of Trigon is retained by Quercus GmbH based in Pullach, Germany, with a put option and call option exercisable from 2027.

The Trigon Group comprises Trigon Consulting GmbH & Co. KG, headquartered in Pullach, Germany (hereinafter referred to as "Trigon Consulting"), and its wholly owned subsidiary in Singapore. Furthermore, shares were acquired in Trigon Consulting Beteiligungs-GmbH, the general partner company headquartered in Pullach, Germany. Trigon Consulting has been providing IT consulting services for mid-sized and large companies since 1997, with a focus on SAP S/4HANA and RISE with SAP. Trigon employs a structured and methodical approach to deliver solutions for IT and business processes. The company offers a wide range of consulting solutions for companies, from implementing data migrations and integrations during mergers and acquisitions to IT transformations and digitalization projects. With the acquisition of the Trigon Group, SNP is strengthening its premium engagement and cooperation model. The internationally operating Trigon team will support SNP in enabling customers and partners to use the CrystalBridge software suite even faster, implementing complex transformation projects to modernize and digitalize IT and business processes both efficiently and with minimal risk.

From a Group perspective, 100% of the shares are attributable to SNP as of May 1, 2024, due to existing put/call options. At this time, business operations were incorporated into the 2024 consolidated financial statements. The initial consolidation took place in accordance with IFRS 3 ("Business Combinations") using the acquisition method.

Transferred consideration

Summarized below is the fair value of each major class of consideration as of the acquisition date:

in € thousand	
Cash and cash equivalents	3,949
Liabilities	454
Liability from options on shares attributable to the non-controlling interest	3,667
Total transferred consideration	**8,070**

The purchase price installment was paid with liquid assets in April 2024.

Expenses Associated with the Business Combination

The Group incurred expenses related to the business combination of € 34 thousand, consisting of legal and consulting fees. These expenses are included in other operating expenses.

Identifiable Acquired Assets and Assumed Liabilities

The fair values of the identifiable assets and liabilities as of the acquisition date are presented below:

in € thousand	
Intangible assets	5,693
Property, plant and equipment	32
Right-of-use assets	147
Cash and cash equivalents	4,058
Receivables	2,546
Other assets	102
Trade payables	-483
Contract liabilities to shareholders	-4,954
Other liabilities	-799
Deferred taxes	-1,419
Total identifiable acquired net assets	**4,923**

The gross amount of contractual receivables amounts to € 2,547 thousand. The total contractually fixed amounts are expected to be recoverable.

Since the time of acquisition, the Trigon Group has contributed € 1,634 thousand to Group revenue and € 527 thousand to Group earnings before taxes. If the business combination had taken place at the beginning of the year, revenue would have been € 4,518 thousand and Group earnings before taxes would have been € 1,092 thousand.

Goodwill

The goodwill resulting from the acquisition was recorded as follows:

in € thousand	
Transferred consideration	8,070
Fair value of identifiable net assets	-4,923
Goodwill as of acquisition date	**3,147**

Of the € 8,070 thousand in consideration transferred, the initial portion of the purchase price amounting to € 3,949 thousand was paid in April 2024 and thus represents a cash outflow. A further purchase price portion in the amount of € 587 thousand will be settled in June 2027 and has been reported under other noncurrent financial liabilities at present value in the amount of € 454 thousand.

The amount of the consideration resulting from the options on shares attributable to the non-controlling interest is determined by the contractually agreed put or call option. The put option and call option may be exercised in 2027 at the earliest. The exercise price is contractually fixed. The put option is accounted for using the anticipated acquisition method. Accordingly, a financial liability is recognized in the amount of the present value of the exercise price of the put option and subsequently measured at amortized cost. The liability from the put option attributable to the non-controlling interest is reported under noncurrent financial liabilities. The shares attributable to the non-controlling interest are correspondingly reported as if they were attributable to the Group. As the financial liability for the shares of the non-controlling shareholder is already reflected in the recognition of the put option, no additional recognition of a financial liability for the call option is required. No equity instruments were issued for the acquisition of shares.

The goodwill resulting from the acquisition, in the amount of € 3,147 thousand, comprises the value of the expertise, the employees and future revenue prospects.

A cash inflow of € 4,058 thousand resulted from the transaction, leading to a net cash inflow of € 108 thousand from the Group’s perspective.

Share-Based Payment Transactions

Long-term Performance-related Remuneration 2023

The long-term remuneration program for the Executive Board (Performance Share Plan) was restructured as of the 2023 fiscal year. The performance share plan grants plan participants multi-year performance-related variable remuneration in the form of virtual shares in annual rolling tranches.

The start date of the plan and the date on which the virtual shares are allocated according to the target amount for the annual tranches is January 1 of the respective fiscal year (grant year). Every tranche of the Performance Share Plan has a term of four full fiscal years (measurement period). The plan participant will be allocated a provisional number of shares on January 1 of a grant year. For this purpose, the target amount (which is derived from the individual euro amount specified in the employment contract) is divided by the average price of an SNP share as of the time the virtual shares are allocated. The share price on allocation is calculated as the arithmetic mean of the closing prices of SNP shares on the last 60 trading days prior to the first day of the grant year. The amount to be paid out at the end of the four-year assessment period depends on the achievement of clearly defined performance targets and the performance of SNP's share price.

Key performance targets are the relative total shareholder return (relative TSR) compared with the relevant peer group companies (DAXsector Software Performance Index excl. SNP), the EBIT margin, and the achievement of one or more environmental, social, and governance (ESG) targets. The performance assessment period, within which the target achievement with regard to the relative TSR is determined, begins on January 1 of the fiscal year of allocation and covers a total of four full fiscal years. The EBIT margin is calculated as the arithmetic mean of the EBIT margins published in SNP's annual reports for the first three full years of the assessment period, although the Supervisory Board may make adjustments for one-off effects. The performance assessment period for the EBIT target is therefore three years. The performance assessment period for the ESG target is four years.

The final total number of virtual shares at the end of the measurement period is derived from the provisional number of virtual shares allocated, the target achievements determined for the performance targets and their set weightings.

The amount to be paid out is calculated from the final number of virtual shares multiplied by the arithmetic mean of the closing prices of the SNP share on the last 60 trading days before the end of the four-year measurement period as well as the dividends paid for the SNP share during the measurement period ("dividend equivalent").

In connection with the long-term performance-based remuneration program for the Executive Board (share performance plan), the Group recognized personnel expenses related to equity-settled share-based payment transactions in the amount of € 491 thousand (previous year: € 261 thousand) in the first half of 2024.

Share Program 2023

With effect from June 2023, SNP has agreed long-term performance-related remuneration with equity instruments with one senior executive. For each tranche, the senior executive is transferred shares in the company (SNP shares) after a waiting period of two years, the number of which is determined by the achievement of certain financial key figures in the respective year of the tranche. The final long term incentive (LTI) amount that is relevant for calculating the number of shares to be issued is calculated according to the actual level of achievement of the budgeted target EBIT. In order to calculate the final amount, the base amount is multiplied by the level of target achievement for the actual EBIT figure. If the actual EBIT matches the budgeted target EBIT, the degree of target achievement is 100%. If the actual EBIT exceeds or falls short of the budgeted target EBIT, the degree of target achievement increases or decreases linearly; if the actual EBIT achieved is 120% or more, the degree of target achievement remains unchanged at 120% ("cap"). The final amount thus calculated is subsequently converted into a net amount ("final net amount") by deducting a notional income tax rate of 45%. This is the relevant amount used to calculate the number of SNP shares to be granted. The number of SNP shares to be granted within the scope of the tranche for the year under assessment ("final number of SNP shares") is calculated by dividing the final net amount by the SNP share price and, in order to avoid fractions, rounding the resulting amount up or down to achieve a whole number of shares. The relevant price is the volume-weighted average price of the SNP share in XETRA trading on the Frankfurt Stock Exchange over the last 20 trading days (closing price on trading day) of the year preceding the year under assessment, rounded up or down to two decimal places. The relevant share price for 2023 was € 24.58.

In the first half of 2024, the Group recognized personnel expenses of € 14 thousand (previous year: € 0 thousand) in connection with equity-settled share-based transactions for the granting of the first tranche of the 2023 share program and € 21 thousand for the second tranche (previous year: € 0 thousand).

SNP Stock Option Plan 2020

In April 2020, SNP launched a stock option plan with settlement in equity instruments for certain employees of the company. By virtue of its resolution passed on May 12, 2016, the Annual General Meeting has authorized the Executive Board of the company to repurchase shares of the company and to make use of shares purchased on the basis of this same resolution of the Annual General Meeting, inter alia, within the scope of an employee profit-sharing scheme, in line with the conditions prescribed therein. On the basis of this authorization, the company's former Board of Directors resolved the introduction of a 2020 Stock Option Plan comprising a maximum of 60,000 options. Upon exercise, a stock option will be converted into an ordinary share in the company. Employees must pay a fee of € 50 for the exercise of options. The options do not confer either a dividend right or a voting right. The plan has a term of nine years, but options may not be exercised in the first four years of the waiting period. The options can be exercised at any time from the time they become exercisable until they expire if the average closing price of the share on Xetra is above € 60.66 in the four weeks prior to exercise.

The vesting period of the SNP stock option plan ended on April 30, 2024. As of June 30, 2024, the option could not be exercised because the exercise condition had not yet been met (an average closing price on Xetra above € 60.66 in the four weeks prior to exercise).

For SNP's 2020 stock option plan, personnel expenses in the amount of € 52 thousand (previous year: € 82 thousand) were recognized in the first half of 2024 in connection with share-based payment transactions with settlement in equity instruments.

Stock Option Plan of a Subsidiary

For the stock option plan of a subsidiary, no personnel expenses in connection with share-based payment transactions with settlement in equity instruments were recognized in the first half of 2024 (previous year: personnel income of € 14 thousand).

Segment Reporting
for the Period from January 1 to June 30, 2024

Segment reporting has been prepared in accordance with IFRS 8. Based on the Group's internal reporting and organizational structure, the presentation of individual information from the consolidated financial statements is subdivided according to segment:

in € thousand	Service	Software	EXA	Total
External revenue				
January – June 2024	72,307	38,712	4,997	116,016
January – June 2023 (adjusted)*	61,611	29,585	4,391	95,587
January – June 2023 (as reported)	61,611	29,585	4,391	95,587
Revenue provided by other business segments				
January – June 2024	0	0	786	786
January – June 2023 (adjusted)*	0	0	609	609
January – June 2023 (as reported)	0	0	609	609
Segment earnings (EBIT)				
January – June 2024	4,433	10,733	661	15,827
Margin	6.1%	27.7%	13.2%	13.6%
January – June 2023 (adjusted)*	3,852	7,118	292	11,262
Margin	6.3%	24.1%	6.6%	11.8%
January – June 2023 (as reported)	-453	11,423	292	11,262
Margin	-0.7%	38.6%	6.6%	11.8%
Depreciation, amortization and write-downs included in segment earnings				
January – June 2024	2,653	813	122	3,588
January – June 2023 (adjusted)*	2,609	786	121	3,516
January – June 2023 (as reported)	2,302	1,093	121	3,516

Reconciliation

in € thousand	January – June 2024	January – June 2023 (adjusted)*	January – June 2023 (as reported)
Result			
Total reportable business segments	15,827	11,262	11,262
Expenses not allocated to segments (-) / Income (+)	-3,372	-7,775	-7,775
of which depreciation, amortization and write-downs	-1,618	-1,618	-1,618
EBIT	**12,455**	**3,487**	**3,487**
Net financial income	-1,185	-1,222	-1,222
Earnings before taxes (EBT)	**11,270**	**2,265**	**2,265**

Additional Information on Segment Reporting

The 17.4% increase in service revenue over the previous year reflects an improved level of utilization of consultants. The segment margin fell from 6.3% in the previous year to 6.1% in the first half of 2024, due in particular to higher investments in the expansion and training of employees in the segment as well as higher marketing expenses. The revenue generated in the Service business segment is exclusively recognized over time.

Revenue in the Software business segment increased by 30.8% year-over-year to € 38,712 thousand. This is attributable above all to increased sales of program licenses, especially for implementing numerous SAP S/4HANA projects. The segment margin increased from 24.1% in the previous year to 27.7%. Out of the total revenue in the Software business segment, € 14,618 thousand (previous year: € 13,546 thousand) was recognized over time and € 24,094 thousand (previous year: € 16,039 thousand) at a point in time.

* The calculation of the segment results was adjusted in the 2023 fiscal year. The cost allocation using a key based on personnel figures and segment revenue was converted to a cost center-based cost allocation. Only the Services and Software business segments are affected by the change. The comparative information for the previous year has also been adjusted and presented separately. The adjustment has no effect on the total business segment results.

The EXA business segment accounted for external revenue of € 4,997 thousand million in the first half of 2024 (previous year: € 4,391 thousand). The increase is mainly attributable to higher software revenue during the reporting period. Out of the total revenue in the EXA business segment, € 4,096 thousand (previous year: € 4,391 thousand) was recognized over time and € 901 thousand (previous year: € 0 thousand) at a point in time. The segment margin increased 6.6% year over year to 13.2%.

Income from legal disputes in the amount of € 3,510 thousand was reported under non-segment-related income and expenses in the first half of 2024.

Fair Value of Financial Instruments

Our financial instruments are primarily classified at amortized cost. The following table shows the carrying amounts and fair values of all financial instruments recognized in the consolidated financial statements:

in € thousand Financial assets	IFRS 9 category	6/30/2024 Carrying amount	6/30/2024 Fair value	12/31/2023 Carrying amount	12/31/2023 Fair value
Cash and cash equivalents	Amortized cost	42,968	42,968	40,313	40,313
Purchase price receivable	Amortized cost	0	0	4,859	4,859
Derivatives	Fair value (profit or loss)	88	88	0	0
Trade receivables	Amortized cost	83,899	83,899	92,073	92,073
Other financial assets	Amortized cost	1,230	1,230	1,280	1,280
Total		**128,185**	**128,185**	**138,525**	**138,525**

in € thousand Financial liabilities	IFRS 9 category	6/30/2024 Carrying amount	6/30/2024 Fair value	12/31/2023 Carrying amount	12/31/2023 Fair value
Trade receivables	Amortized cost	9,394	9,394	10,108	10,108
Financial liabilities	Amortized cost	62,051	61,700	65,390	64,588
Liabilities from put options attributable to non-controlling interests	Amortized cost	11,519	11,570	7,828	7,524
Purchase price obligations	Amortized cost	454	516	0	0
Lease liabilities		15,690	15,690	15,548	15,548
Other financial liabilities	Amortized cost	4,131	4,131	61	61
Total		**103,239**	**103,001**	**98,935**	**97,829**

Summary as per IFRS 9 category

in € thousand	6/30/2024 Carrying amount	12/31/2023 Carrying amount
Financial assets measured at amortized cost	128,097	138,525
Financial assets measured at fair value through profit or loss	88	0
Financial liabilities measured at amortized cost	87,549	83,387

Cash and cash equivalents, trade receivables measured at amortized cost, trade payables and other financial assets and liabilities have predominantly short remaining terms. For these short-term financial instruments, the carrying amount is a reasonable approximation of fair value. The step used to determine the fair value is not disclosed separately for these financial instruments.

The fair value of derivatives are determined using bank valuation models based on parameters such as the yield curve and volatility of the interest rate level. They are assigned to level 2 in the valuation hierarchy.

The fair value of financial liabilities is measured on the basis of the yield curve while taking credit spreads into consideration. They have therefore been assigned to level 2 in the valuation hierarchy.

The fair value of liabilities from put options attributable to non-controlling interests is determined in accordance with generally accepted valuation methods based on discounted cash flow analyses. The main inputs are, in addition to the factor-specific discount rates, the expectations for the relevant earnings figures determined in purchase agreements. They have therefore been assigned to level 3 in the valuation hierarchy.

The changes to the financial instruments measured at fair value level 3 are as follows:

in € thousand	Purchase price obligations
Opening balance as of January 1, 2023	**524**
Payments	-435
Losses recognized on the income statement	-89
Closing balance as of December 31, 2023	**0**
Payments	0
Income recognized on the income statement	0
Closing balance as of June 30, 2023	**0**

In the 2023 fiscal year, € 100 thousand of the income recognized in the income statement relatedto the termination of the contingent purchase price obligation. This amount resulted from the final calculation of the earnings figures defined in the purchase agreements and was reported in other operating income. A further € 11 thousand related to currency effects recognized in other operating income.

The Group determines at the end of each reporting period whether transfers have occurred between hierarchy levels by reviewing the classification (based on the input of the lowest level that is significant to the fair value measurement as a whole).

The general responsibility for monitoring all significant measurements of fair value, including level 3 fair values, belongs to the finance department, which reports directly to the CFO. Selected external valuers are used, where necessary, to determine the fair value of significant assets and liabilities. The selection criteria include market knowledge, reputation, independence and compliance with professional standards. The finance department decides which valuation techniques and inputs apply in each individual case in discussion with the external valuers.

Additional Information on the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity

The positive cash flow from operating activities of € 4,663 thousand (previous year: € -8,950 thousand) in the first six months of the fiscal year is primarily attributable to the positive result for the period of € 7,887 thousand (previous year: € 1,586 thousand). In addition, the negative effects from changes in working capital decreased by € 6,635 thousand to € -10,167 thousand (previous year: € -16,802 thousand).

Cash flow from investing activities includes payments for company acquisitions of € 172 thousand (previous year: € 478 thousand). This represents a net cash inflow of € 108 thousand, consisting of an increase in cash and cash equivalents and purchase price payments related to the acquisition of the Trigon Group, as well as payments of € 281 thousand to shareholders of EXA AG. The proceeds from the sale of consolidated companies and other business units relate to the payment of the last purchase price installment for the sale of the former SNP Poland Sp. z o.o., Suchy Las, Poland in 2021.

Material actuarial gains/losses are not expected from the actuarial measurement of pensions and other post-employment benefits either at the end of the first six months of 2024 or at the end of 2024. Currency translation effects, which are to be reflected in equity without an effect on profit or loss, amounted to € 5,420 thousand in the first six months of 2024 (previous year: € 1,250 thousand). This change is mainly associated with the foreign-currency measurement of goodwill.

Related Party Disclosures

A sublease agreement exists between SNP Deutschland GmbH as landlord and a related party, as tenant, an associated company of SNP, of which a Supervisory Board member is Managing Director and shareholder. As of June 30, 2024, related income was € 3 thousand (previous year: € 3 thousand); as of June 30, 2024, there were no outstanding receivables.

Salary payments, including benefits in kind and fringe benefits, were made between SNP Deutschland GmbH and a related party of a Supervisory Board member on the basis of an employment contract. In the period up to June 30, 2024, related expenses were € 163 thousand (previous year: € 122 thousand). As of June 30, 2024, there were outstanding liabilities in the amount of € 11 thousand.

The 2024 Annual General Meeting

The Annual General Meeting of SNP SE, which took place in Wiesloch on June 27, 2024, approved essentially all of the points on the agenda by substantial majorities. In particular, the shareholders accepted the proposal to settle the legal dispute with the community of heirs. This agreement represents a milestone for SNP and brings an end to several years of litigation.

Treasury Shares

In the period from 2011 to 2013, the company purchased a total of 21,882 shares at a cost of € 414,650.19. In the period from 2019 to 2021, a further 90,820 shares were purchased at a cost of € 4,477,563.91 as part of an additional buyback program.

In the 2022 and 2023 fiscal years, the company transferred a total of 10,042 of its treasury shares to the former Managing Directors as part of the LTI program. This transfer was made at the average share price of the company's treasury shares (€ 43.41) and offset its capital reserves.

As of June 30, 2024, the company has 102,660 treasury shares overall, with a value of € 4,456,291.18.

On June 30, 2020, the Annual General Meeting authorized the company to acquire for the coming five years treasury shares up to a total of 10% of the outstanding share capital at the time of the resolution.

Acquired treasury shares have been recognized at cost and deducted from subscribed capital.

The securities identification number for the shares is 720 370, ISIN: DE0007203705.

Pending Litigation and Claims for Damages

As part of its ordinary business activities, SNP is confronted with lawsuits and court proceedings. As of the reporting date of June 30, 2024, pending legal disputes mainly relate to proceedings with current and former employees

The employment law proceedings primarily relate to disputes over termination of employment. SNP reviews these cases in great detail and conducts the proceedings in line with the compliance requirements and taking the litigation risk into account. The legal consequence could include legal defense costs and compensation claims. The company has made provisions for expected costs.

The company had filed claims against the community of heirs of Dr. Andreas Schneider-Neureither in connection with a property rented in the USA for which rent had been paid in advance but which was not suitable for commercial use. Despite exhaustive efforts, a settlement could not be reached with all members of the community of heirs. Therefore, for reasons of procedural efficiency, the company decided to submit a contract for sale of the receivables to Tatiana Schneider-Neureither for approval by the Annual General Meeting. The Annual General Meeting approved the contract by an overwhelming majority. The proceedings are currently suspended by mutual agreement of the parties involved. Based on the agreement, any additional legal costs shall be borne by the purchaser of the receivables.

The company is also a defendant in a legal proceeding from a previous tenancy. The rental property was already vacated by the company at the beginning of 2021. There are differences of opinion as to the term of the tenancy. The aforementioned agreement with the purchaser of the receivables stipulates that the purchaser shall indemnify the company against any potential claims arising from the lease agreement.

Events after the end of the interim reporting period

No events occurred after June 30, 2024, which have a material impact on the interim consolidated financial statements for the period from January 1, 2024, to June 30, 2024.

Other Disclosures

No major changes occurred to contingent liabilities and other financial obligations stated as of December 31, 2023, during the 2024 reporting period.

Heidelberg, August 5th, 2024

The Executive Board

Dr. Jens Amail

Andreas Röderer

Responsibility Statement

We certify to the best of our knowledge that in accordance with applicable accounting principles for interim financial reporting, the condensed consolidated interim financial statements give a true and fair view of the financial position and financial performance of the Group in accordance with the principles of standard accounting practices and that the business performance, including the result of operations, and the position of the Group are presented in the interim Group management report in a way that gives a true and fair view, and that significant opportunities and risks for the expected performance of the Group for the remainder of the fiscal year are described.

Heidelberg, August 5th, 2024

The Executive Board

Dr. Jens Amail

Andreas Röderer

DISCLAIMER

CONTACT

Do you have questions or need more information? We are at your disposal for further advice and information.

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This HALF-YEAR FINANCIAL REPORT is also available in German. The legally binding document is the original German version, which shall prevail in any case of doubt.

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