Half-Year Interim Report 2026

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Consolidated Key Figures

		Q2 2026	Q2 2025	Half-yearly report 2026	Half-yearly report 2025
Incoming orders	(EUR million)	15.9	15.8	36.3	35.3
Orders on hand	(EUR million)			15.7	23.4
Revenue	(EUR million)	17.1	21.6	38.6	43.9
EBITDA (IFRS)	(EUR million)	0.3	1.8	1.6	2.6
EBIT (IFRS)	(EUR million)	–2.0	–0.4	–2.9	–1.8
EBIT (operating)	(EUR million)	–1.3	0.4	–1.5	0.4
Consolidated profit (IFRS)	(EUR million)	–1.7	–0.5	–2.8	–1.9
Earnings per share (IFRS)	(EUR)	–0.16	–0.05	–0.27	–0.19
Non-current assets	(EUR million)			49.0	53.5
Current assets	(EUR million)			43.7	51.1
Equity	(EUR million)			49.9	50.3
Equity ratio				53.8 %	48.0 %
Cash and cash equivalents	(EUR million)			1.0	6.5
Number of employees (as of June 30)				408	412

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Letter from the CEO

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

The first half of 2026 presented us with a whole host of challenges. The Industrial segment's weak revenue performance from the previous year initially continued in Germany and Europe during the first few months of this year, before incoming orders and revenue began a tentative recovery that gathered pace considerably toward the end of the first half. The same was true of the IT Networks segment, where unusually prolonged cold weather almost brought business in the electrical wholesale trade – one of our main sales channels – to a standstill due to widespread construction site closures.

This was followed by a rally that is still ongoing in both segments and which allowed us to generate incoming orders and revenue in June and July that far exceeded our expectations. As a result, and despite the challenging start to the year, incoming orders totaled EUR 36.3 million in the first half of 2026, EUR 1 million up on the figure for the same period last year. This figure does not yet include a large order received by the Automotive segment towards the end of the first half with a total value of around EUR 15 million. It is thanks to this continued positive momentum that we can confirm our full-year guidance with hardly any changes, despite the difficult start to the year.

Although any comparison with the previous year is distorted by a spike in revenue from a major automotive project in the first half of 2025 as well as around EUR 4 million in revenue from the non-strategic electric geared motors business sold in the second half of 2025, our half-year figures give little cause for excitement at first glance. While revenue rose to EUR 38.6 million compared to the 2025 figure adjusted for the aforementioned one-off effects, the operating result fell far short of expectations at EUR –1.5 million compared to EUR 0.4 million in the prior-year period.

In addition to these initially challenging external factors, switching to a new SAP ERP system placed a huge burden on the entire company. The thousands of hours of training and adaptation required for this project tied up our employees' energy and severely disrupted operations. Anyone who has already gone through a changeover like this will understand what we are talking about; it is something you hope never to experience a second time. It was only in June that we were able to use our new SAP system to record the rise in orders that was happening at the same time. I would like to take this opportunity to thank our employees for the tremendous personal commitment they showed in handling this switchover.

As you will no doubt be aware, the current environment in the automotive industry is extremely challenging. At a time when major automotive manufacturers are regularly reporting dramatic revenue and earnings slumps, our Automotive segment performed exceptionally well in the first half of the year. The segment recorded revenue of EUR 13.1 million (previous year: EUR 16.1 million) in the reporting period, while operating EBIT broke even after EUR 1.2 million in the previous year. When comparing this figure to the previous year, it is important to note that the 2025 half-year figures were dominated by a significant spike in revenue of several million euros from a major project with a premium German manufacturer. In fact, revenue in the Automotive segment is expected to exceed

the original guidance for the full year 2026. We expect operating profit to be at least on a par with the previous year due to a significantly higher proportion of software in our product mix, the scheduled completion of several customer projects in the fourth quarter, and strict cost discipline.

Having embedded our software tools and solutions with traditional automakers, we are systematically reducing our dependence on the automotive business by gaining new customers outside the car sector. Most recently, Softing Automotive has been working on communication and diagnostics for the electronic control units installed in specialty vehicles, forklift trucks, agricultural and forestry machinery and even gardening equipment as much as they are in mass-market cars. Generating an increasing proportion of our revenues outside the automotive industry also allows us to migrate a considerable part of our industry risk. Our TDX and SDE software tools offer our customers first-rate solutions for rapidly creating customized diagnostics systems, and have already helped us to win half a dozen new orders, including a new major project that began in August for a manufacturer of forestry and gardening equipment with a total volume of up to EUR 15 million over the next few years.

Yet there are also opportunities in the traditional car market. By the end of the current year, we expect to generate an additional EUR 1 million in revenue from the service business in Ingolstadt founded in early May as part of an asset deal, and are planning to hire additional employees to meet robust local demand. Softing Automotive's new site is likely to generate an additional EUR 2-3 million in revenue from the next financial year onwards.

GlobalmatiX is growing its business from regular customers and has already come close to breaking even during the first half of the year. We are currently engaged in talks with a potential new customer to provide GlobalmatiX solutions for monitoring large fleets. We also launched a particularly interesting proof of concept with a leading manufacturer of truck and bus components that has the potential to result in a use license in the high six-figure range during the current year. As a result, we are expecting GlobalmatiX to generate a profit for the year.

The Industrial segment made a subdued start to the first few months of the year, continuing the extremely weak performance recorded across the sector in 2025. Since then, revenue in this segment has risen sharply from one month to the next. We generated EUR 23.7 million of revenue in the first six months of 2025, a figure that, as already mentioned, still included more than EUR 4 million in revenue from the non-strategic geared motor business that we sold last year. Excluding the revenue from this business, revenue in our remaining core business amounted to EUR 19.7 million in the first half of 2025. Despite a difficult few months at the start of the year, we increased revenue in the comparable core business by almost 16% to EUR 22.8 million in the first six months of the current year. As in the previous year, operating EBIT was only just above break-even. There has been a pronounced recovery since then, with Industrial generating higher earnings in June and July than in the entire first six months of the year combined. We managed this despite switching our business model for one major software product from individual sales with immediate revenue to 3-to-5-year service agreements for the first time. Although this generates less revenue and earnings in the short term, it will create a stable and predictable income base built on recurring revenue to help avoid any volatile revenue trends in the years ahead.

From a future revenue perspective, acquiring several international groups as customers for our software packages for data exchanges with industrial controls for the first time is especially valuable. While these packages are initially expected to generate just EUR 50-100 thousand in revenue in the current year, our customers expect this figure to increase to several hundred thousand euros as early as next year, with the potential to deliver additional annual revenue of up to seven figures in the years ahead.

The Industrial segment's US business is also performing well, with Softing Inc. set to grow by around 20% in 2026 compared to the previous year. We expect the US business to deliver high single-digit returns. The situation is even more interesting when it comes to Softing's proprietary products for a new control system run by our biggest US customer, which will reach the market in summer and fall 2027. Over the next few years, we expect to generate an additional USD 8 to 10 million in high-margin revenue in both the US business and worldwide marketing. We have already contractually secured access to this market thanks to three licenses issued by our key customers.

IT Networks made a difficult start to the current year, as unusually cold weather in the first quarter forced many construction sites to shut down, causing problems for the construction sector and the entire electrical wholesale trade. While revenue has steadily climbed from month to month since then, this was not enough to fully offset the decline in February and March in the half-year as a whole. As a result, revenue came to EUR 2.8 million, compared with EUR 3.7 million in the same period of the previous year, while operating EBIT amounted to EUR –1.9 million after EUR –1.1 million in the previous year. The higher-than-predicted increase in revenue in June and July is fueling a recovery for the year as a whole – a promising start given that the strongest months for revenue in this sector typically start in September.

Our customers confirmed to us that our entire product family of verifiers and qualifiers made considerable progress in terms of functionality and ease of use during the first half of the year. Customers can update products such as NetXpert and LinkXpert with new firmware via a simple download similar to smartphones. In the fall we will be unveiling a new product that broadens the technical capabilities of our portfolio. We are currently continuing to expand our distribution network and testing new routes to market for individual products. We have streamlined our organization considerably to improve our cost structure; this will come into effect in August and become apparent in our figures for the second half of the year. Despite this, we will not break even for the full year.

We are continuing to pursue our CORE (COsts down, REvenue up) efficiency and focus program, and are keeping a close eye on cost structures across all of our segments. Although we have successfully reduced our inventory levels, delivery times of up to 10 months for circuit boards and individual memory chips mean we also need to ramp up stockpiling in order to maintain our delivery capacity.

Another of our goals was and is to focus on our capital by continuing to reduce our financial debt. We aggressively lowered our financial debt to EUR 9.4 million as of June 30, 2026, which, combined with other factors, temporarily reduced our liquidity to just EUR 1 million. This figure had already risen to over EUR 4 million again by the end of the following month.

Based on our updated assessment of projects and open orders, our revenue and earnings will both improve considerably in the second half of the year. With this in mind, we are substantially confirming our existing guidance for the Group despite a difficult start to the year. We expect to generate revenue of between EUR 80 million and EUR 85 million and operating EBIT of EUR 2 million to EUR 3 million while simultaneously building up a backlog of confirmed orders for the next financial year.

Sincerely yours,

Dr. Wolfgang Trier
(Chief Executive Officer)

Softing Shares

MARKET CAPITALIZATION – TRADING VOLUME

Softing shares started the year at a price of EUR 2.66 before rising to their year-to-date high of EUR 3.02 on 17 April. The shares shed value after that, closing the second quarter at EUR 2.58. After a further drop, Softing shares were traded at EUR 2.54 at the end of July.

Upon entry in the commercial register on April 26, 2026, the share capital of EUR 9,925,881.00 increased by EUR 992,588.00 in return for cash contributions. The share capital of Softing AG now is EUR 10,918,469, divided into the same number of no-par-value shares. As a result, the market capitalization of Softing AG amounted to around EUR 27.7 million at the end of the second quarter (previous year: EUR 32.8 million).

During the reporting period, the average daily trading volume of Softing shares was 1,223 shares (Xetra and floor trading), down from the prior-year figure of 1,560 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 May 7, 2026, the General Shareholders' Meeting of Softing AG as in the previous year adopted a resolution not to distribute a dividend.

SHAREHOLDER STRUCTURE

As far as the Company is aware, Mr. Rudolf Noser/ Noser AG is the single largest investor in Softing's 10,918,469 shares with 3,021,888 shares (27.68%). Further major shareholders are Helm Trust Company Limited, St. Helier, Jersey, UK, with 2,791,712 shares (25.57%) and Mr. Alois Widmann, Vaduz, Principality of Liechtenstein, with 1,047,000 shares (9.59%), followed by a number of institutional investors and several private anchor investors. The remaining shares are in free float.

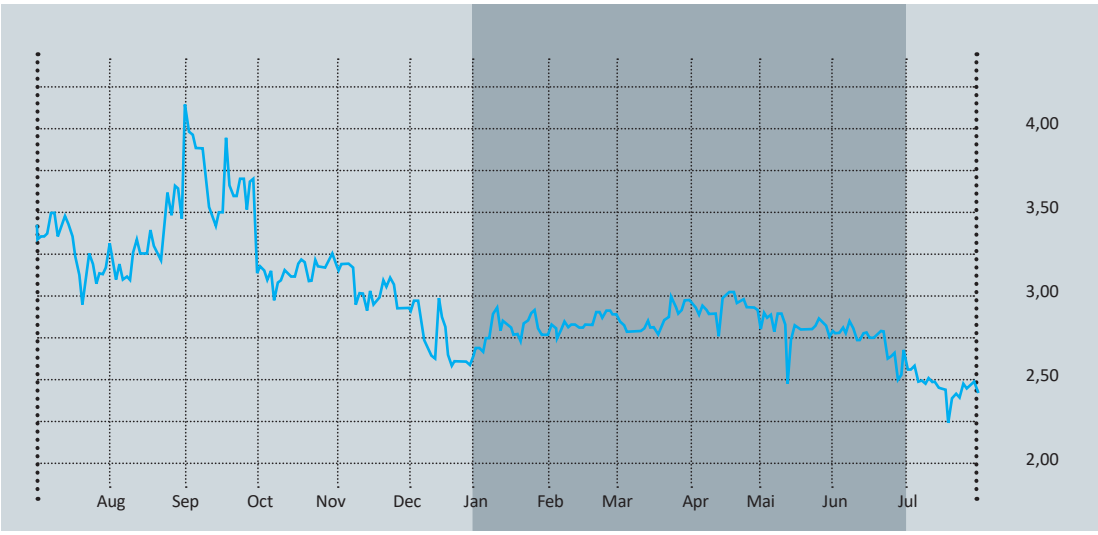
ANALYST RECOMMENDATIONS

Information about analysts' reports on Softing shares is available at www.softing.com under Investor, News & Publications, Research. The Press & Interviews section contains information about the growth prospects of the Softing Group published in a variety of financial newspapers and magazines such as 4investors, Hot Stock Report, Boersengefluester, Wallstreet-Online, 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 10,918,469
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 07/01/2025 TO 07/30/2026 (XETRA)



FINANCIAL CALENDAR

August 14, 2026	Half-Year Interim Report 2026
November 13, 2026	Interim management statement Q3/9M 2026
November 23-25, 2026	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

The economic environment in Softing's most important markets remained challenging in the first half of 2026. The positive effects resulting from our customers cutting back on excessive inventories were overshadowed by both the reluctance to invest in the industrial sector triggered by political uncertainty and subdued consumer sentiment. Like others, Softing was only partially able to avoid the impact of these macroeconomic developments in the first half of 2026.

This reluctance to invest amid the current economic conditions was a key factor behind the Industrial segment's sluggish revenue performance, especially during the first three months of 2026. The stronger momentum we are seeing toward the end of the first half-year has not yet been able to offset this effect. Comparison with the prior-year figure also needs to factor in that the geared motors business, which accounted for a revenue share of around EUR 4 million, was sold in the second half of 2025. This caused revenue in the Industrial segment to drop slightly below the previous year's figure in the first six months of 2026. Adjusted for this one-off effect, this segment saw growth, though it still fell short of our projections. Both the short- and long-term business performance of our US company give us reason to be optimistic. We expect revenue in the Industrial segment to pick up considerably in the second half of the year, driven in part by a rise in incoming orders. The German entity should benefit from increased order intake this year. The extent of revenue growth in the second half of the year will depend on the economic environment in Germany and Europe.

Due to a spike in revenue seen in the prior-year period, revenue in the Automotive segment declined in the first half of the year. Business is stable, however, bucking the crisis prevailing in automotive engineering. Attractive and highly profitable business opportunities will arise during 2026 from sectors that are technically very similar to car manufacturing but are not tied to the cyclical nature of that industry. We have already secured a major project with a term of more than four years. A number of preliminary projects are currently underway that can support long-term and profitable capacity utilization in the Automotive business.

In the IT Networks segment, business performed well in the EMEA region in the first half of the year after a sluggish start in the opening months, while demand in North America fell significantly short of expectations. This is why we continue to invest heavily in expanding our sales channels in EMEA and in the organic enhancement of our product portfolio. This approach saw us add new features to all of our main revenue drivers during the first half of the year.

Consolidated revenue totaled EUR 38.6 million in the first half of 2026, down 12.1% compared with the same period of the previous year. Other operating income amounted to EUR 0.3 million after EUR 1.2 million in the prior-year period. Due to the strategic decision to increase the percentage of software revenue in total revenue, cost of goods sold fell by 21.4% from EUR 17.4 million in the previous year to EUR 13.7 million in 2026. This resulted in a welcome increase in the gross profit margin as a percentage of revenue from 60.4% to 64.6% in 2026. Reflecting strong cost discipline, personnel expenses came in at EUR 20.1 million, thus almost matching the prior-year figure of EUR 19.7 million.

Largely unaffected by the current conditions in the automotive sector, the performance of the traditional product business in the Automotive segment remained encouragingly stable in the first half of the year, coupled with the initiation of solid new business. Revenue in this segment dropped by 19% year-on-year, from EUR 16.1 million to EUR 13.1 mil-

lion. This was because a delivery peak from a large-scale project with a Bavarian automotive manufacturer had pushed up revenue considerably in the first half of 2025. Encouragingly, this project continues to generate sales, though they have plateaued and are now spread out over longer periods. Only smaller deliveries associated with this project were recorded in the first half of 2026 but sales are set to pick up again over the remainder of the year.

The costs associated with establishing Softing Automotive in Ingolstadt and the subsequent acquisition of a business weighed on earnings. The acquisition was made in April and resulted in one-of expenses amounting to a six-figure sum. Since the business effectively started up in June, the first half of the year essentially incurred only costs and generated hardly any revenue. Due to strong demand from our local customers, we have hired and will continue to hire staff in Ingolstadt. Management expects this site to make a positive contribution to earnings as early as this year.

EBIT in the Automotive segment totalled EUR –0.5 million after EUR 0.5 million in the previous year. Overall, operating EBIT in the Automotive segment contracted from EUR 1.2 million year-on-year to EUR 0.0 million. The factors mentioned as necessary to achieve a significantly positive operating EBIT are clearly evident at the time this report is being prepared, but their impact will not be felt until the second half of the year.

The performance of the Industrial segment, Softing's most important business, reflected the persistently challenging conditions in this market in the first half of 2026, although business showed encouraging signs of gaining momentum after a difficult start to the year. Revenue fell from EUR 23.7 million in the first half of 2025 to EUR 22.8 million. Given that the prior-year period included revenue of nearly EUR 4.0 million from the divested subsidiary in Italy, this represents like-for-like revenue growth of just over 16%. EBIT improved by EUR 0.9 million, from EUR –0.7 million to EUR 0.2 million. Operating EBIT remained flat at EUR 0.0 million. The Executive Board expects this business to continue its recovery in the second half of the year, with an improvement in incoming orders in the EMEA region and strong growth in the North America business making being key factors. While revenue figures for June and July do support this trend, continued uncertainty in the traditional automation market means that further progress remains dependent on our customers' willingness to invest.

The IT Networks segment continued to be affected by weak construction activity in key sales markets in the first half of 2026, most notably in the first months of the year in Northern Europe and for most of the first six months in North America. Revenue fell from EUR 3.7 million year-on-year to EUR 2.8 million. High maintenance expenses for the Company's own product portfolio still weighed on EBIT and operating EBIT. EBIT deteriorated from EUR –1.4 million to EUR –2.4 million, operating EBIT from EUR –1.1 million to EUR –1.9 million. As a result, the segment once again made a negative contribution to consolidated earnings.

The Group's EBITDA decreased from EUR 2.6 million to EUR 1.6 million in the first half of the year, with the EBITDA margin dropping from 5.9% in the prior-year period to 4.3% in the first half of 2026.

Operating EBIT (EBIT adjusted for capitalized development services and amortization on these as well as effects from purchase price allocation), the Group's main performance indicator, decreased from EUR 0.4 million to EUR –1.5 million in the first half of 2026. EBIT fell from EUR –1.8 million to EUR –2.9 million. The Group capitalized development costs of EUR 1.8 million in the first half of the year, up EUR 1.0 million from the prior-year period.

This resulted in a consolidated loss of EUR 2.8 million in the first half of 2026 after a consolidated loss of EUR 1.9 million in the previous year. Accordingly, earnings per share were EUR –0.27 in the first half of 2026, compared with EUR –0.19 in the prior-year period.

The Group had cash of EUR 1.0 million as of June 30, 2026, compared with EUR 6.2 million as of December 31, 2025, with an aggressive repayment of financial liabilities contributing to this decrease.

By July 31, 2026, the level of cash had already recovered to over EUR 4 million. Cash flows from operating activities after six months totaled EUR –2.0 million after EUR 1.7 million in the prior-year period. Capital expenditures on property, plant and equipment/intangible assets primarily concerned replacements and investments in a new Group-wide ERP system. Please refer to the Research and Product Development section for information on investments in products. Cash flows from financing activities in the amount of EUR –0.7 million were primarily dominated by the scheduled repayment of loans totalling EUR 4.6 million and a capital increase of EUR 3.2 million.

Based on the authorization granted by the General Shareholders' Meeting on June 18, 2025, the share capital of EUR 9,925,881.00 was increased by EUR 992,588.00 upon entry in the commercial register on April 26, 2026. The cash inflow from the capital increase amounted to EUR 3.2 million. All no-par shares grant identical rights, especially identical voting rights. No shareholder or shareholder group has special rights.

Shareholders' voting rights are not restricted by law or the Company's Articles of Incorporation. The voting rights are not limited to a specific number of shares or votes.

As of June 30, 2026, the equity ratio was 53.8%, after 48.0% as of June 30, 2025.

RESEARCH AND PRODUCT DEVELOPMENT

In the first six months of 2026, Softing capitalized internal expenses of EUR 1.8 million (after EUR 0.8 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 2026. Further development services for product maintenance were expensed.

EMPLOYEES

As of June 30, 2026, the Group had 408 employees (previous year: 412). 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, 2026, 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, 2025. Material changes are also not expected for the remaining six months of 2026. For more detailed information, we refer to our Group Management Report in the 2025 Annual Report, page 8 et seq.

SUBDUED INDUSTRIAL ECONOMIC DEVELOPMENT AND RECESSION SCENARIO

The economic outlook in Germany, Europe and the USA has not changed much compared to the description in the consolidated financial statements for the year ended December 31, 2025. Inflation could rise due to a renewed increase in energy prices and wages, and the threat of unforeseen tariffs. There are no prospects for economic recovery, with many institutions (ECB, World Bank, ifo Institute, etc.) expecting growth in Germany to be around zero for the full year. In risk management terms, this means implementing measures aimed at reducing costs and improving profitability. In spite of the steps taken, the risks cannot be controlled completely.

In risk management terms, this still means that Softing is implementing measures aimed at improving profitability – first and foremost by monitoring its cost structure and maintaining its spending discipline. 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 of sales activities are the backbone of business in the Industrial segment and will further stabilize its revenue position.

Geopolitical uncertainty caused by Russia's continued war of aggression against Ukraine, the United States' erratic threats of tariffs aimed at friends and foes alike, and the war in the Middle East remains a

concern. Softing's customer base is essentially limited to Western countries, and is severely affected in its respective business operations by the sluggish economy in Germany and the tariff threats from the USA.

Despite the current economic and political environment, we anticipate the procurement situation to remain stable. We have focused specifically on inventory movements to gain increased liquidity as a risk management measure.

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.

OUTLOOK

We confirm the Group's guidance published in the management report of the 2025 Annual Report (p. 28f.). Overall, we continue to expect revenue to come in between EUR 80 million and EUR 85 million.

We anticipate EBIT excluding any one-off effects to come in between EUR –0.5 million and EUR 0.5 million, with operating EBIT now expected between EUR 2.0 million and EUR 3.0 million. In seasonal terms, we once again expect that the second half of the year will prove to be much stronger than the first half. We will provide quarterly reports with more details on these figures.

IMPACT ON NET ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS

As of June 30, 2026, the Softing Group has cash and cash equivalents of EUR 1.0 million, current receivables of EUR 13.9 million and agreed but not yet drawn down credit lines of around EUR 7.4 million at its disposal. This means that the Group has up to EUR 22.3 million in near cash funds available at short notice to meet the challenges in what remain highly volatile times.

During the reporting period, some financial covenants contained in loan agreements were temporarily exceeded. We have informed the financing banks accordingly. At the time of preparing this report, we are in discussions with our main banks, with the aim of securing a waiver of any potential claims.

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

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, 2026.

GENERAL ACCOUNTING POLICIES

The consolidated financial statements of Softing AG as of December 31, 2025 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, 2026, 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, 2025. In general, the same accounting policies were applied in the interim financial statements as of June 30, 2026 as in the consolidated financial statements for the 2025 financial year. This 2026 half-yearly report was prepared without an auditor's review.

CHANGES IN THE BASIS OF CONSOLIDATION

As of June 30, 2026, the following changes were made to the basis of consolidation compared to December 31, 2025.

MERGERS:

On January 1, 2026, GlobalmatiX GmbH merged into Softing Services GmbH. Both companies were/are based in Haar, Germany.

Furthermore, on January 1, 2026, Softing Engineering & Solutions GmbH, Kirchentellinsfurt, Germany, merged into Softing Automotive Electronics GmbH, Haar, Germany, with the aim of streamlining structures and processes within the Group.

SALE OF THE SHARES IN BUXBAUM AUTOMATION GMBH:

All shares of Softing AG, Haar, Germany, in Buxbaum Automation GmbH, Eisenstadt, Austria, were sold, with commercial ownership transferred on March 31, 2026. All of the divested entity's assets and liabilities were derecognized from the consolidated financial statements upon the transfer of control, and Buxbaum Automation GmbH was deconsolidated.

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

- Property, plant and equipment: 103
- Inventories (carrying amount): 203
- Trade receivables: 80
- Balances with banks: 379
- Current financial receivables: 455

The total derecognition of liabilities amounted to EUR 1,220 thousand.

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

- Trade payables (external): 734
- Non-financial liabilities: 273
- Financial liabilities: 41

The total derecognition of liabilities amounted to EUR 1,048 thousand.

Deconsolidation had a EUR 172 thousand net effect on equity.

The selling price of the shares was EUR 110 thousand, triggering a corresponding loss on disposal.

At Group level, other operating expenses resulting from deconsolidation totaled EUR 66 thousand. As a result, the deconsolidation made a one-off negative contribution to earnings during the reporting year, which is reported under other operating expenses.

Non-controlling interests had to be taken into account as part of the deconsolidation process. These were derecognized from the consolidated statement of financial position at the time of loss of control. There were no exchange differences, as the companies concerned were located in the euro zone.

SHARE PURCHASES:

On April 27, 2026, Softing Automotive Electronics GmbH acquired all shares in a shelf company. The company was subsequently renamed Softing Automotive GmbH. This makes Softing Automotive GmbH a wholly-owned subsidiary of Softing

Automotive Electronics GmbH. Softing Automotive GmbH has been included in the consolidated financial statements for the first time from the date on which control was established, i.e. from April 27, 2026.

Effective April 28, 2026, Softing Automotive GmbH acquired key elements of the business operations of WeiDiTec GmbH from the company's insolvency estate as part of an asset deal. Softing acquired WeiDiTec's business operations, including the tangible and intangible assets used therein, as well as the employees involved in these operations.

The acquisition was recognized as a business combination in accordance with IFRS 3, as key processes and an organized workforce were taken over with the acquired assets, which means the entire purchased entity meets the definition of a business as set out in IFRS 3.

The purchase price was EUR 120 thousand. The following identifiable assets and goodwill were recognized as of the acquisition date as part of the purchase price allocation (amounts in EUR thousand):

- Goodwill: 16
- Property, plant and equipment: 94
- Inventories: 10

The sum total of the assets recognized amounts to EUR 120 thousand. No liabilities were assumed as part of the asset deal. Goodwill primarily results from anticipated synergy effects as well as other future economic benefits that do not meet the recognition criteria to be capitalized separately.

On June 17, 2026, Softing Automotive Electronics GmbH acquired all shares in a shelf company. The company was subsequently renamed Softing Automotive Sales GmbH. This makes Softing Automotive Sales GmbH a wholly-owned subsidiary of Softing Automotive Electronics GmbH. Softing Automotive Sales GmbH will be included in the consolidated financial statements for the first time from the date on which control was established, i.e. from June 17, 2026. Since this is a shell company with no operating activities, the acquisition will have no material impact on the Group's net assets, financial position or results of operations.

RESPONSIBILITY STATEMENT

The condensed interim consolidated financial statements for the first half of 2026 were released for publication on August 13, 2026 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 13, 2026

Softing AG

Dr. Wolfgang Trier
Chief Executive Officer

Ernst Homolka
Executive Board member

Consolidated Income Statement

from January 1 to June 30, 2026

EUR thousand	01/01/ – 06/30/2026	01/01/ – 06/30/2025	04/01/ – 06/30/2026	04/01/ – 06/30/2025
Revenue	**38,611**	**43,906**	**17,094**	**21,585**
Other own work capitalized	1,837	791	917	326
Other operating income	307	1,184	226	1,088
Operating income	**40,755**	**45,882**	**18,237**	**23,000**
Cost of materials / cost of purchased services	–13,665	–17,387	–5,658	–8,466
Staff costs	–20,147	–19,706	–9,876	–9,841
Depreciation, amortization and impairment losses	–4,590	–4,308	–2,340	–2,187
thereof depreciation / amortization due to purchase price allocation	–968	–912	–485	–489
thereof depreciation/amortization due to lease accounting	–794	–823	–395	–408
Other operating expenses	–5,296	–6,231	–2,378	–2,908
Operating expenses	**–43,698**	**–47,632**	**–20,252**	**–23,402**
Profit / loss from operations (EBIT)	**–2,943**	**–1,750**	**–2,015**	**–402**
Interest income	1	1	0	0
Interest expense	–308	–370	–139	–176
Interest expense from lease accounting	–108	–133	–52	–64
Other finance income/finance costs		10		10
Earnings before income taxes	**–3,359**	**–2,242**	**–2,206**	**–632**
Income taxes	583	337	478	177
Consolidated profit	**–2,776**	**–1,905**	**–1,728**	**–455**
Consolidated profit attributable to:				
Shareholders of Softing AG	–2,850	–1,669	–1,757	–604
Non-controlling interests	75	–236	28	–149
Consolidated profit	**–2,776**	**–1,905**	**–1,728**	**–455**
Earnings per share (basic = diluted)	–0.27	–0.19	–0.16	–0.05
Average number of shares outstanding (basic)	10,276,528	9,925,881	10,623,817	9,015,381

Consolidated Statement of Comprehensive Income

from January 1 to June 30, 2026

EUR thousand	01/01/ – 06/30/2026	01/01/ – 06/30/2025	04/01/ – 06/30/2026	04/01/ – 06/30/2025
Consolidated profit	**–2,776**	**–1,905**	**–1,728**	**–455**
Items that will be reclassified to consolidated total comprehensive income:				
Currency translation differences				
Changes in unrealized gains / losses	916	–4,719	138	–3,091
Tax effect				
Total currency translation remeasurements	**916**	**–4,719**	**138**	**–3,091**
Other comprehensive inco0me	**916**	**–4,719**	**138**	**–3,091**
Total Consolidated profite for the period	**–1,860**	**–6,624**	**–1,591**	**–3,546**
Total consolidated comprehensive income for the period attributable to:				
Shareholders of Softing AG	–1,935	–6,388	–1,619	–3,694
Non-controlling interests	75	–236	28	149
Total consolidated comprehensive income for the period	**–1,860**	**–6,624**	**–1,591**	**–3,546**

Consolidated Statement of Financial Position

as of June 30, 2026

Assets	06/30/2026 EUR (in thsds.)	12/31/2025 EUR (in thsds.)
Non-current assets		
Goodwill	10,747	10,511
Other intangible assets	28,014	29,743
Property, plant and equipment	8,662	8,386
Deferred tax assets	1,528	688
Non-current assets, total	**48,951**	**49,328**
Current assets		
Inventories	19,395	23,667
Trade receivables	10,373	10,783
Current financial assets	2,881	739
Contract assets	3,519	1,099
Current income tax assets	135	149
Cash and cash equivalents	984	6,205
Current assets	6,410	5,740
Current assets, total	**43,698**	**48,381**
Total assets	**92,649**	**97,709**

Equity and liabilities	06/30/2026 EUR (in thsds.)	12/31/2025 EUR (in thsds.)
Equity		
Subscribed capital	10.918	9.926
Capital reserves	36.249	34.065
Retained earnings	2.281	4.040
Equity attributable to shareholders of Softing AG	49.448	48.031
Non-controlling interests	433	636
Equity, total	**49.881**	**48.666**
Non-current liabilities		
Pensions	947	947
Long-term borrowings	1.806	4.431
Other non-current financial liabilities	8.659	9.175
Deferred tax liabilities	3.941	3.708
Non-current liabilities, total	**15.354**	**18.262**
Current liabilities		
Trade payables	6.086	10.551
Contract liabilities	7.548	5.479
Provisions	123	181
Income tax liabilities	911	930
Short-term borrowings	7.625	7.642
Other current financial liabilities	4.061	5.250
Current non-financial liabilities	1.060	749
Current liabilities, total	**27.414**	**30.781**
Total equity and liabilities	**92.649**	**97.709**

Consolidated Statement of Changes in Equity

from January 1 to June 30, 2026

	Sub-scribed capital	Capital reserves	Treasury shares	Retained earnings			Total	Equity attributable to share-holders of Softing AG	Non-controlling interests	Total equity
				Net retained profits and other	Remeasure-ments	Currency translation				
	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.)	EUR (in thsds.)
Balance as of January 01, 2026	**9,926**	**34,065**	0	**5,803**	**–711**	**–1,054**	**4,039**	**48,030**	**636**	**48,666**
Consolidated profit 2026				–2,850			–2,850	–2,850	75	–2,776
Other comprehensive income 2026						916	916	916		916
of which from remeasurements										
of which currency translation						916	916	916		916
of which tax effect										
Total consolidated comprehensive income for the period				**–2,850**		**916**	**–1,935**	**–1,935**	**75**	**–1,860**
Capital increase	993	2,184						3,176		3,176
Dividend payment									–105	–105
Deconsolidation effect				176			176	176	–173	3
Changes in minority interests										
Transactions with owners in their capacity as owners								3,176		3,074
Balance as of June 30, 2026	**10,918**	**36,248**	0	**3,129**	**–711**	**–138**	**2,281**	**49,447**	**433**	**49,881**

	Sub-scribed capital	Capital reserves	Treasury shares	Retained earnings			Total	Equity attributable to share-holders of Softing AG	Non-controlling interests	Total equity
				Net retained profits and other	Remeasure-ments	Currency translation				
	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.)	EUR (in thsds.)
Balance as of January 01, 2025	**9,926**	**34,065**	**0**	**10,899**	**–996**	**2,056**	**11,960**	**55,951**	**905**	**56,856**
Consolidated profit 2025				–5,096			–5,096	–5,096	–269	–5,365
Other comprehensive income 2025					285	–3,110	–2,825	–2,825		–2,825
of which from remeasurements					365		365	365		365
of which currency translation						–3,110	–3,110	–3,110		–3,110
of which tax effect					–80		–80	–80		–80
Total consolidated comprehensive income for the period				**–5,096**	**285**	**–3,110**	**–7,921**	**–7,921**	**–269**	**–8,190**
Dividend payment										
Sale of own shares										
Changes in minority interests										
Transactions with owners in their capacity as owners										
Balance as of December 31, 2025	**9,926**	**34,065**	**0**	**5,803**	**–711**	**–1,054**	**4,039**	**48,030**	**636**	**48,666**

Consolidated Statement of Cash Flows

from January 1 to June 30, 2026

EUR thousand	01/01/ – 06/30/2026	01/01/ – 06/30/2025
Cash flows from operating activities		
Profit (before tax)	–3,359	–2,242
Depreciation, amortization and impairment losses on fixed assets	4,590	4,308
Other non-cash changes	991	–2,064
Cash flows for the period	**2,222**	**1**
Finance income	0	–1
Interest expense / Finance costs	308	370
Change in other and accrued liabilities	–58	–29
Change in inventories	4,272	1,736
Change in trade receivables	410	2,223
Changes in financial receivables and other assets	–5,235	–369
Change in trade payables	–4,465	–4,657
Changes in other current assets	613	2,918
Cash received from the sale of subsidiaries	–50	0
Interest received	0	1
Income taxes received	14	0
Income taxes paid	0	–519
Cash flows from operating activities	**–1,968**	**1,675**
Cash paid for investments in new internal product developments	–1,236	–791
Cash paid for investments in new external product developments	0	0
Cash paid for investments in other intangible assets	–20	0
Cash received from the sale of subsidiaries	50	0
Cash repayment for the acquisition of subsidiaries	0	–470
Cash paid for investments in non-current assets	–1,309	–630
Cash flows from investing activities	**–2,515**	**–1,892**
Cash receipt from capital increase	3,176	0
Repayment of lease liabilities	–817	–777
Cash received from long-term bank line	0	0
Cash received from short-term bank line	2,000	0
Cash repayment of bank loans	–4,642	–1,417
Interest, lease accounting	–108	–133
Other interest paid	–308	–370
Total interest paid	–416	–503
Cash flows from financing activities	**–699**	**–2,697**
Net change in funds	–5,183	–2,914
Effects of exchange rate changes on cash and cash equivalents	–39	146
Cash and cash equivalents at the beginning of the period	6,205	9,270
Cash and cash equivalents at the end of the period	**984**	**6,502**

Consolidated Segment Reporting

from January 1 to June 30, 2026

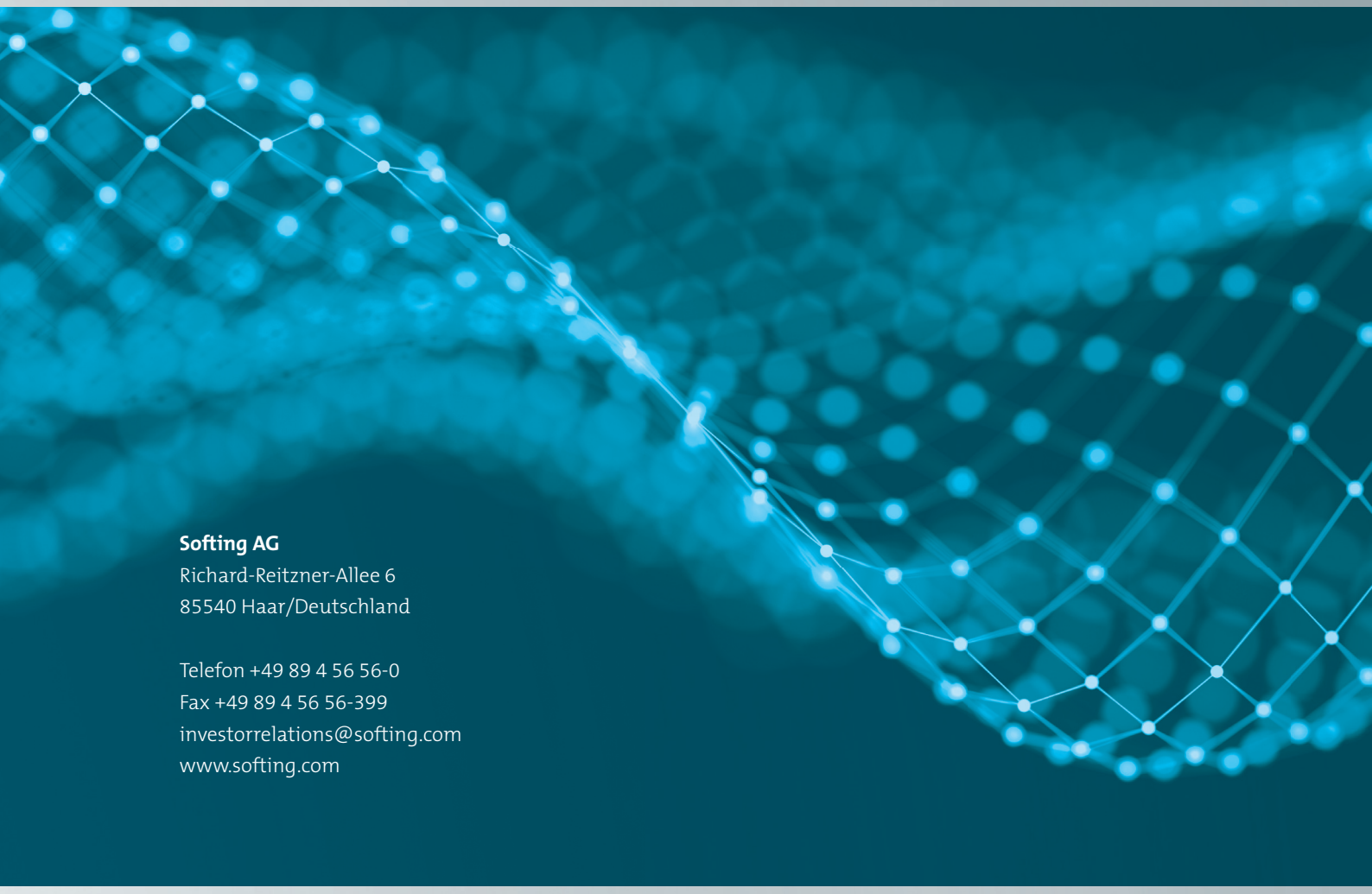
	Industrial		Automotive		IT Networks		Other		Total segments		Other consolidation		Total	
	2026 EUR (in thsds.)	2025 EUR (in thsds.)	2026 EUR (in thsds.)	2025 EUR (in thsds.)	2026 EUR (in thsds.)	2025 EUR (in thsds.)	2026 EUR (in thsds.)	2025 EUR (in thsds.)	2026 EUR (in thsds.)	2025 EUR (in thsds.)	2026 EUR (in thsds.)	2025 EUR (in thsds.)	2026 EUR (in thsds.)	2025 EUR (in thsds.)
Revenues with third parties	22,710	23,617	12,892	15,461	2,456	2,842	553	1,986	38,611	43,906	0	0	38,611	43,906
Revenues with other segments	110	114	180	617	305	840	0	0	595	1,571	–595	–1,571	0	0
Total revenue	22,820	23,731	13,072	16,078	2,761	3,682	553	1,986	39,206	45,477	–595	–1,571	38,611	43,906
Depreciation / amortization	–1,254	–1,719	–1,994	–1,948	–766	–472	–576	–598	–4,590	–4,737	0	429	–4,590	–4,308
Operating segment result	39	–1	12	1,177	–1,887	–1,142	287	–498	–1,549	–465	56	874	–1,494	409
EBIT	209	–745	–451	513	–2,382	–1,377	316	–469	–2,307	–2,078	–636	327	–2,943	–1,750
Segment assets	78,523	81,851	33,591	42,424	7,713	10,085	–6,743	–9,205	113,084	125,155	–20,435	–20,526	92,649	104,629
of which IFRS 16	2,331	2,771	595	715	77	135	1,839	2,467	4,842	6,088	0	0	4,842	6,088
Segment liabilities	14,906	16,327	24,291	26,281	11,722	12,097	45,871	53,519	96,790	108,224	–54,023	–53,826	42,768	54,398
of which IFRS 16	2,303	2,580	494	660	4	18	1,235	1,902	4,036	5,160	0	0	4,036	5,160
Capital expenditure	1,168	451	1,037	629	535	228	426	236	3,165	1,545	0	1,666	3,165	3,211

Revenue from contracts with customers recognized over time	Industrial		Automotive		IT Networks		Other		Total	
	2026 EUR (in thsds,)	2025 EUR (in thsds,)	2026 EUR (in thsds,)	2025 EUR (in thsds,)	2026 EUR (in thsds,)	2025 EUR (in thsds,)	2026 EUR (in thsds,)	2025 EUR (in thsds,)	2026 EUR (in thsds,)	2025 EUR (in thsds,)
Point in time	19,481	22,578	5,242	8,332	2,452	2,823	553	1,986	27,728	35,719
Over time	3,229	1,038	7,651	7,130	4	19	0	0	10,884	8,187
Total	22,710	23,616	12,892	15,461	2,456	2,842	553	1,986	38,611	43,906

Geographical segments:	Revenue		Fixed assets		Additions to fixed assets	
	2026 EUR (in thsds,)	2025 EUR (in thsds,)	2026 EUR (in thsds,)	2025 EUR (in thsds,)	2026 EUR (in thsds,)	2025 EUR (in thsds,)
Germany	16,893	17,412	18,089	19,790	2,028	2,895
USA	13,081	11,413	16,722	16,995	418	162
Other countries	8,636	15,081	12,612	15,474	720	154
Total	**38,611**	**43,906**	**47,423**	**52,260**	**3,165**	**3,211**

Directors’ Holdings

Boards	Number of shares	
	06/30/2026	12/31/2025
Supervisory Board		
Matthias Weber (chairman), Chief Financial Officer, Holzkirchen	–	–
Andreas Kratzer (Deputy chairman), certified public accountant, Zurich, Switzerland	10,158	10,158
Dr. Klaus Fuchs (member), graduate computer scientist / graduate engineer, Helfant	278,820	278,820
Herbert Ender (Aufsichtsrat, seit 05.2026), CEO, Zürich, Schweiz	–	–
Executive Board		
Dr.-Ing. Dr. rer. oec. Wolfgang Trier, Munich	166,234	166,234
Ernst Homolka, Munich	10,900	10,900



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