FASTER. SMARTER. CUSTOMER-CENTRIC.

A New Chapter Begins

ANNUAL REPORT 2025

PSI – Intelligent Software for Sustainable Energy Supply, Production and Logistics

PSI software products stand for safe, environmentally friendly and efficient energy supply and optimized production and logistics worldwide.

As an independent software manufacturer, PSI has been a technological leader since 1969 in process control systems that use a combination of AI methods and industrially proven optimization methods to ensure the sustainable and efficient use of energy, labour and raw materials.

In grid and energy management, PSI products support the operation of electricity and gas grids, pipelines, as well as energy trading. In process industry and metals production, PSI software optimizes the supply chain and the production process. In manufacturing industry, PSI products ensure efficiency in vehicle production and mechanical engineering. PSI logistics solutions are used for analyzing, planning and optimizing supply chains as well as warehousing and transport processes. The innovative industry products can be operated on premises or in the cloud.

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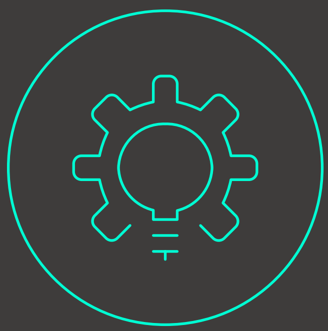
A New Chapter Begins

With entering into an investment agreement with Warburg Pincus, an experienced technology investor, sees PSI begin a new chapter in the company's history. The long-term partnership creates the necessary conditions to accelerate the PSI growth strategy in the international market for energy and industrial software. The focus in this context is on software as a service, cloud-based solutions and industrial artificial intelligence. With a strong partner and a clear strategy, PSI is ideally positioned to become a world-leading company in the area of industrial software.

PSI Overview

Transformation



PSI is transforming into
a cloud-first software
company with clear
structures

Growth

With new orders up
25%, PSI is back on the
path to growth

Focus

PSI is focused
on the market for
industrial software and
industrial AI

Cloud products

For the new product
generation, PSI
is firmly committed to
cloud-based development

Scaling

The customer can immediately
use and easily scale cloud
and SaaS products

Talent

PSI currently employs
almost 2,400 highly
motivated specialists
from 35 nations

PSI Group in Figures

in EUR million	2025	2024	Change in %
Revenues	285.5	260.8	9.5
Adjusted operating result	11.7	–15.2	>100
Operating result	–21.0	–15.2	–37.6
Earnings before taxes	–24.1	–17.9	–34.9
Group net result	–31.6	–21.0	–51.0
Equity	67.2	95.4	–29.6
Equity ratio (in %)	24.2	35.1	–30.5
Return on equity (in %)	–47.0	–22.0	>100
Investments*	7.9	7.7	2.6
Research and development expenses	57.7	45.6	26.5
Research and development ratio (in %)	20.2	17.5	15.4
New orders	322	256	25.3
Order backlog on December 31	158	152	3.9
Employees on December 31 (number)	2,380	2,434	–2.2

* Company acquisitions, intangible assets, property, plant and equipment

Our Business Units

Grid & Energy Management

Smart solutions for grid operators in the electricity, gas, oil, heating, oil and water sectors. The focus is on state-of-the-art grid control systems and energy trading software for the grid and energy market.

in EUR thousand	2025
Revenues	140,938
Operating result	–6,364

Process Industries & Metals

Bundling of software products and solutions for production management, supply chain management, advanced planning and scheduling, as well as manufacturing execution systems in a cloud-enabled platform.

in EUR thousand	2025
Revenues	72,945
Operating result	4,345

Discrete Manufacturing

An enterprise resource planning system and a cloud-based manufacturing execution system for controlling and optimizing production processes in the manufacturing industry.

in EUR thousand	2025
Revenues	35,457
Operating result	–284

Logistics

Logistics software for analyzing, planning and optimizing supply chains as well as warehouse and transport management systems for logistics service providers, retail, industry and airport logistics.

in EUR thousand	2025
Revenues	33,405
Operating result	–244

Interview with the Executive Board

Robert Klaffus, 46

CHIEF EXECUTIVE OFFICER

Responsibilities:
Strategy, Marketing, Sales,
Product Management, Technology and IT

Gunnar Glöckner, 55

CHIEF FINANCIAL OFFICER

Responsibilities:
Organization, Human Resources, Finance/Controlling,
Investor Relations and Sustainability (ESG/CSR)

After overcoming the cyberattack on PSI in 2024 and then pressing ahead with the new "PSI reloaded" strategy, the company also faced many changes during the 2025 financial year. Looking back, what is your assessment of the past year?

GUNNAR GLÖCKNER Starting in the third quarter of 2024, we streamlined our structures, established cross-sector functions and harmonized processes as part of our strategic reorientation. We already reaped the benefits of these changes in 2025, even though we continue to invest in renewing our product basis and modernizing our internal processes and systems. Overall, we made extremely good progress with the transformation of PSI in 2025.

ROBERT KLAFFUS In addition to the internal transformation and technology modernization, our primary focus in 2025 was on continuing to position our business model in the areas of software as a service (SaaS), cloud-based solutions and industrial artificial intelligence. We reached key milestones on this path in 2025, for instance, the decision by our largest customer to use our modular, scalable and secure control system platform "Control System of the Future", the partnership with Google Cloud and, of course, the conclusion of the investment agreement with Warburg Pincus.

What are the reasons for the strategic partnership with Warburg Pincus?

ROBERT KLAFFUS By implementing our strategy, we are turning PSI into a high-performance software company for energy and industrial software. Global trends such as decarbonization, electrification, automation and digital transformation, as well as the growing complexity of industrial systems, are creating a powerful dynamic for software-based innovation. The partnership with Warburg Pincus gives us the necessary experience, financial strength and operational backing to accelerate the implementation of our growth strategy.

GUNNAR GLÖCKNER Warburg Pincus plans to strengthen PSI's market position, support its international expansion and press ahead with internal efficiency programs through process standardization and systematic digitalization. Warburg Pincus also intends to make funds available both for organic as well as inorganic growth so that PSI can play an active role in consolidating the market for energy and industrial software. The offer price of 45 euros per PSI share represents an attractive premium for existing shareholders on the price of the PSI share prior to the announcement of the partnership in October 2025.

What does the partnership mean for PSI and its customers?

ROBERT KLAFFUS PSI will remain a reliable and stable partner for software solutions that help customers enhance their efficiency, resilience and sustainability – be it in energy grids, production facilities or supply chains. The partnership is geared towards supporting continued growth and operational development at PSI. With Warburg Pincus, we have the backing of a long-term, experienced software investor, which will bolster the investment strength of PSI in particular. This relates to the development of innovative software products, cloud and SaaS offerings, as well as the establishment of international structures, for example. This will allow us to bring innovations to market more quickly and further refine our platforms with a clear focus.

GUNNAR GLÖCKNER The new investor will not change our existing customer relationships or long-term partnerships in any way. Going forward, customers will profit from our additional investments. PSI now has a strong partner that will allow it to implement the existing strategy with even greater consistency and further accelerate growth. E.ON, a long-standing PSI shareholder and an important customer, is also supporting the partnership as a strategic investor.

How do you see the Company developing in the future? What can customers, partners and employees expect from PSI in the years ahead?

ROBERT KLAFFUS PSI is already a leading provider of industrial software for controlling and optimizing complex systems and processes. Backed by decades of experience and with strong roots in Europe, we are transforming into a rapidly growing, global software company with a focused portfolio. In addition to the cloud and SaaS-transformation, our growth strategy is focused on industrial AI. In this respect, we are leveraging more than 20 years' experience in the use of AI and a dedicated optimization framework that delivers measurable results with leading industrial customers worldwide. This means that we are fully equipped to become a global pioneer in the market for industrial

With our experience in the application of AI and our framework, we are well placed to become a global pioneer in the market for industrial software.

Robert Klaffus

CHIEF EXECUTIVE OFFICER

We expect recurring revenues, including a relevant share from software as a service, to account for over half of our revenues by 2030.

Gunnar Glöckner
CHIEF FINANCIAL OFFICER

software, which makes us equally attractive to customers, partners and new talent.

GUNNAR GLÖCKNER Building on our extensive customer base and long-standing customer relationships, we continue to evolve our business model. By focusing more strongly on recurring revenues, we are tapping into further potential for increased revenue from services. We expect recurring revenues, including a relevant share from software as a service, to account for over half of our revenues by 2030. By building an international sales engine and expanding our global presence, we anticipate stronger returns from the dynamic of high-growth regions. The expansion of the international business, in particular, offers excellent development prospects for our teams.

Faster growth with a new partner

[01]
Long-term partnership secures the implementation of the corporate strategy and ensures sustainable development.

[02]
Comprehensive experience as a successful growth investor with in-depth expertise in the software and energy sectors.

[03]
Strong capital base creates the conditions for organic and inorganic growth in the attractive market for energy and industrial software.

[04]
Global network and a strong presence in Germany for expanding the regional market position and promoting international growth.

Report by the Supervisory Board

Dear PSI shareholders,
dear friends and
partners of our company,

For PSI Software SE, the 2025 financial year was shaped by the continued implementation of the “PSI reloaded” strategy program, the development of the new remuneration system 2025+ for members of the Executive Board and, particularly during the second half of the year, by discussions concerning a possible takeover bid as well as the decision to enter a strategic partnership with Warburg Pincus. Furthermore, the Supervisory Board conducted an in-depth investigation into possible liabilities associated with the cyberattack of February 2024. The key areas of focus for the work of the Supervisory Board were therefore on the concrete steps required to implement the cloud and SaaS strategy, examining the strategic options concerning a possible takeover of PSI and preparing the investment agreement with Warburg Pincus, as well as the above-mentioned investigation into the cyberattack.

In accordance with the law, the Company’s Articles of Association and the German Corporate Governance Code, we monitored and supported the Executive Board in its management of the Company and advised it on corporate governance issues. The Executive Board regularly provided us with comprehensive information on the situation of PSI Software SE in a timely manner, both verbally and in writing. On this basis, we discussed business performance and decisions in detail. As part of the discussions of a possible takeover bid, we stepped up our monitoring and support of the Executive Board due to the strategic significance for PSI and the economic impact for shareholders. The Executive Board fully met its obligations to provide the Supervisory Board with information.

The Supervisory Board ensured that the law, the Articles of Association and the rules of procedure of the Supervisory Board and the Executive Board were complied with. It passed the resolutions required by the law and the Articles of Association. When business transactions required the Supervisory Board’s approval, it discussed them in depth with the Executive Board before passing a resolution. Cooperation between the Supervisory Board and the Executive Board was

Professor Dr. Uwe Hack

CHAIRMAN OF THE SUPERVISORY BOARD

constructive and focused at all times. The Chairman of the Supervisory Board was also in regular contact with the Executive Board outside of Supervisory Board meetings and was informed about the business situation and material business transactions. The consultation between him and the Executive Board members was ongoing and extensive. The Supervisory Board Chairman shared the material information from each of these exchanges with the other members of the Supervisory Board.

Main Areas of Discussion for the Supervisory Board

In the performance of its monitoring function, the Supervisory Board's discussions included the following main topics:

- the development of the material economic key figures of the PSI Group and the individual business units;
- supporting the selection process of a new, Group-wide ERP system and assisting the roll-out project;
- supporting discussions with three private-equity companies, which had approached PSI independently of one another, regarding a possible takeover offer to PSI shareholders, concluding an investment agreement as well as developing and approving the joint reasoned statement by the Executive Board and Supervisory Board concerning the takeover bid by Warburg Pincus;
- supporting the implementation of strategic measures, such as the cloud, SaaS and price strategy;
- supporting measures to reinforce IT security and resilience;
- supporting the strategic planning process for the period up to 2030.

As part of its function, as mentioned above, the Supervisory Board also carried out a detailed investigation of possible liabilities in the context of the cyberattack of February 2024. Based on the established facts, the report obtained by the Supervisory Board from a respected law firm identified sufficient grounds to argue that the former CEO was in breach of his duty of care and that PSI can take a case against him, specifically due to significant shortcomings in the cybersecurity policy in place under his responsibility. On this basis and in accordance with its duty, the Supervisory Board decided in October 2025 to pursue the claim determined in this manner out of court and to notify the D&O insurers of PSI in parallel of this matter. The company has since been engaging with the parties involved, who are also investigating the matter. This exchange also allows the former CEO's perspective to be taken into account as part of a final assessment before a decision is made on how to proceed.

Supervisory Board Meetings and Key Topics

The Supervisory Board held 16 ordinary Supervisory Board meetings in 2025 to perform its duties. Five of these meetings were held in person and eleven as video conferences. The Supervisory Board was in full attendance at all meetings. The following table shows the main topics dealt with by the Supervisory Board and the dates of the meetings:

January 30, 2025 Discussion of final planning 2025
February 27, 2025 Discussion of the new remuneration system for the Executive Board and the Group strategy
March 24, 2025 Discussion of the 2024 annual financial statements
March 26, 2025 Adoption of the 2024 annual financial statements
April 28, 2025 Preparation for the Annual General Meeting and discussion of the financial statements for the first quarter of 2025
May 20, 2025 Annual General Meeting and meeting of the Supervisory Board
July 11, 2025 Discussion of the Group strategy
July 28, 2025 Discussion of the mid-year results 2025; update regarding possible responsibilities in the context of the cyberattack
September 10, 2025 Information on the status of discussions concerning a possible takeover offer
September 11, 2025 Discussion of the next steps with regard to prospective purchasers, as well as the strategic options; further update on possible responsibilities in the context of the cyberattack
October 9, 2025 Reporting on the status of discussions concerning the conclusion of an investment agreement, decision regarding the assertion of claims out of court in the context of the cyberattack
October 11, 2025 Discussion of the investment agreement and presentation of the fairness opinion

October 12, 2025	Resolution on the approval of the conclusion of the investment agreement
October 27, 2025	Information about the status of the takeover bid, the introduction of the new ERP system and the cloud and pricing strategy
November 27, 2025	Resolution on the joint reasoned statement by the Executive Board and the Supervisory Board on the takeover bid
December 2, 2025	Audit of the Supervisory Board's work

In addition to the financial performance of PSI Software SE and the Group, the Supervisory Board dealt with the development of the individual business units. The particular focus here was on the cost-cutting and efficiency program initiated during the second quarter at the Grid & Energy Management business unit. The Supervisory Board was also provided with detailed information from the Executive Board on an ongoing basis regarding the development of the business and financial situation, the risk situation, the market and competitive situation and the personnel situation in these areas.

Work of the Supervisory Board Committees

The Supervisory Board formed two committees.

The Personnel Committee deals with the employment contracts and personnel matters of the Executive Board. The committee met three times in the financial year with full attendance. A key focus of the committee's work was on the new remuneration system 2025+ for members of the Executive Board, which was approved at the scheduled shareholders' meeting on May 20, 2025 by a majority of 81.40%.

The Audit Committee is particularly concerned with issues relating to the selection of the auditor, accounting, the internal control system and risk management. The committee met three times in 2025, with one meeting serving to prepare for the adoption of the annual financial statements and the approval of the consolidated financial statements. All three meetings were attended by all committee members.

Corporate Governance

As in previous years, the Executive Board and the Supervisory Board monitored the Group's compliance with the rules of the German Corporate Governance Code. The Supervisory Board adopted the declaration of compliance according to section 161 of the German Stock Corporation Act on May 20, 2025. The Company fulfils the majority of the Code's recommendations. The few deviations are also explained in the corporate governance declaration, which has been published on the website at www.psi.de.

The Supervisory Board examined the efficiency of its own work again at an audit meeting in 2025.

Supervisory Board member Dr. Patrick Wittenberg declared a conflict of interest as part of the deliberations by the

Supervisory Board on the strategic partnership with Warburg Pincus. The background to this was that E.ON is a party to the investment agreement in addition to PSI and Warburg Pincus, and Dr. Wittenberg is the full-time CEO of E.ON Group company E.DIS AG. He limited his involvement in deliberations by the Supervisory Board regarding the investment agreement and the reasoned statement regarding the takeover bid and abstained from the two corresponding votes in the Supervisory Board. As a result, the conflict was properly disclosed and dealt with.

In the 2026 financial year, the Company's corporate governance will also be an important aspect of the work of the Supervisory Board and its committees. As in previous years, the Supervisory Board will focus on the ongoing refinement of its skills profile.

Composition of the Supervisory Board and its Committees

In the 2025 financial year, the Supervisory Board consisted of the shareholder representatives Prof. Dr. Uwe Hack (Chairman), Prof. Dr. Ulrich Wilhelm Jaroni (Deputy Chairman), Dr. Georg Tacke, Dr. Patrick Wittenberg, as well as the employee representatives Elena Günzler (until May 20, 2025), Ingo Fick (since May 20, 2025) and Uwe Seidel. The Personnel Committee comprised the Supervisory Board members Prof. Dr. Uwe Hack as Chairman, Prof. Dr. Ulrich Wilhelm Jaroni, Elena Günzler (until May 20, 2025) and Ingo Fick (since May 20, 2025); the Audit Committee comprised the Supervisory Board members Dr. Georg Tacke (Chairman), Prof. Dr. Uwe Hack, Prof. Dr. Ulrich Wilhelm Jaroni, Uwe Seidel and Dr. Patrick Wittenberg.

Audit of Annual and Consolidated Financial Statements

At the Annual General Meeting of PSI Software SE on May 20, 2025 RSM Ebner Stolz GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft was selected as the auditor of the financial statements. This company audited the annual financial statements, the management report, the consolidated financial statements and the consolidated management report for the financial year from January 1 to December 31, 2025 and issued an unqualified audit opinion on the annual financial statements and management report, and a qualified audit opinion on the consolidated financial statements and consolidated management report. The reason for the qualification is that, for a single balance sheet item amounting to 5 million euros, audit evidence was available that confirmed a high probability of the asset being recognized but, in the auditor's view, was insufficient to document a near certainty of the balance sheet item's existence.

All Supervisory Board members received the financial statements and management reports, the auditor's reports and the Executive Board's proposal on the appropriation of net profit after they were compiled and in due time ahead of the meeting convened to approve the annual accounts. After a preparatory discussion by the Audit Committee, the Supervisory Board as a whole dealt with these documents at its meeting on July 10, 2026. These meetings were attended by members of the Executive Board and representatives of the auditor. The latter reported on the audit in general, the audit priorities set, the material findings of the audit and the services that the auditor provided in addition to the audit services, and they also answered the Supervisory Board members' questions. There were no objections from the Supervisory Board, which therefore acknowledged and approved the results of the audit.

The Supervisory Board examined the consolidated financial statements and consolidated management report, the annual financial statements and management report for 2025, as well as the results of the audit by the auditor. In accordance with the conclusive findings of these examinations, it raised no objections and adopted the annual financial statements and approved the consolidated financial statements on July 10, 2026.

In addition, the Supervisory Board also reviewed the Executive Board's (separate) non-financial report for the Company and the Group for 2025 and discussed it with the Executive Board at the meeting on July 10, 2026. As there were no objections to be raised, the Supervisory Board also approved the non-financial report.

PSI returned to the growth path in 2025 and entered into a strategic partnership with the experienced financial investor Warburg Pincus. The partnership represents a key milestone that paves the way for continued growth and the accelerated transformation of PSI into a provider of cloud services and software as a service (SaaS). In 2025, PSI also acquired important new customers as well as strategically important orders from existing customers, both in its export markets and in Germany. The success jointly achieved by the Executive Board, management and employees therefore deserves recognition and respect. The Supervisory Board would like to thank all employees for their hard work and extraordinary commitment. The Supervisory Board would like to thank customers and shareholders for the trust they have shown in 2025. In the new ownership structure, PSI will remain a reliable partner for customers, supporting them with market-leading functions and advanced products to meet their challenges. This is a prerequisite for achieving our corporate goals in the coming years.

Berlin, July 2026

Prof. Dr. Uwe Hack
Chairman of the Supervisory Board

FASTER. SMARTER. CUSTOMER-CENTRIC.

A New Chapter Begins.

STRENGTH

With the support of a strong partner, we are taking an important step towards the implementation of our strategic transformation program “PSI reloaded”. PSI has a strong European base and stable customer relationships that go back decades with numerous industry-leading companies. Our solutions help them enhance their efficiency, resilience and sustainability, be it in energy grids, production facilities or supply chains.

The partnership with Warburg Pincus offers the necessary experience, financial strength and operational backing to accelerate the growth strategy. With bolstered foundations and a focus on software as a service (SaaS), cloud-based solutions and industrial artificial intelligence (AI), PSI is taking the decisive step in establishing itself as a leading international provider of energy and industrial software.

With this in mind, we are developing the “Control System of the Future”, a modular, scalable and secure control system platform for managing energy grids. For industry and logistics, we create attractive SaaS offerings that combine state-of-the-art technology, rapid usability and scalability with an integrated industrial AI framework. This means that we remain a stable partner that will further enhance its support to customers thanks to additional investments.

The path to transformation and growth.

Products and Technology

Cloud-native software, industrial AI, standardization, security

— Accelerating productization

— Transforming into a cloud-first company

— Developing the control system platform "Control System of the Future"

— Reinforcing cybersecurity

— Integrating industrial AI

Market Development and Customer Acquisition

Reach, regional presence, customer engagement

— Bolstering customer focus and customer loyalty

— Setting up a new sales platform

— Strengthening the leadership role in German-speaking countries

— Targeted expansion into international markets

Business model

SaaS transformation, recurring revenues, focused portfolio

— Higher share of recurring revenues
— Optimizing the product portfolio
— Bundling offers
— Optimizing the offering with targeted acquisitions

Organization and implementation

Reliability, expertise and operational excellence

— Taking industry expertise and engineering excellence to a new level
— Boosting organizational resilience
— Increasing operational excellence

Reaching the goal faster.

TRANSFORMATION

With our new strategic partner, we will step up the pace of transformation and innovation in our products, business model and processes.

Delivering software innovations faster.

Numerous industry-leading companies already rely on PSI software to optimize the efficiency, resilience and sustainability of their core business processes. Global trends and increasingly complex industrial systems are pushing the requirements for software-based innovation, while innovation cycles become ever shorter. In 2025, PSI invested massively in renewing and standardizing its product base in order to push the development tempo for new solutions and product versions, while at the same time accelerating implementation with customers.

The cloud and SaaS transformation of the portfolio allows us to deliver updates and innovations much faster while offering improved scalability to meet growing requirements. The seamless integration of industrial AI optimizes results for customers and shortens the amortization time. Likewise, the use of AI increases internal efficiency and productivity at PSI.

>50%

of revenues are set to come from recurring revenues by 2030.

Driving digital transformation with the Control System of the Future

In the German-speaking countries, PSI has taken a leading position as a provider of systems for managing energy infrastructures securely and efficiently. With the “Control System of the Future” (CSF) platform, we are now taking the decisive step towards modernizing and further developing our control system products. In so doing, we are creating a modular, scalable and secure common platform that underpins services for monitoring, optimizing and controlling energy processes. E.ON, Germany’s leading grid operator, decided to purchase the new PSI control system generation in 2025 as part of a standardization project.

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[01]
The CSF platform creates a secure basis for a comprehensive suite of products that underpins services for monitoring, optimizing and controlling energy processes.

[02]
The system combines the very latest technologies with high modularity and innovation speed in order to support processes digitally and holistically.

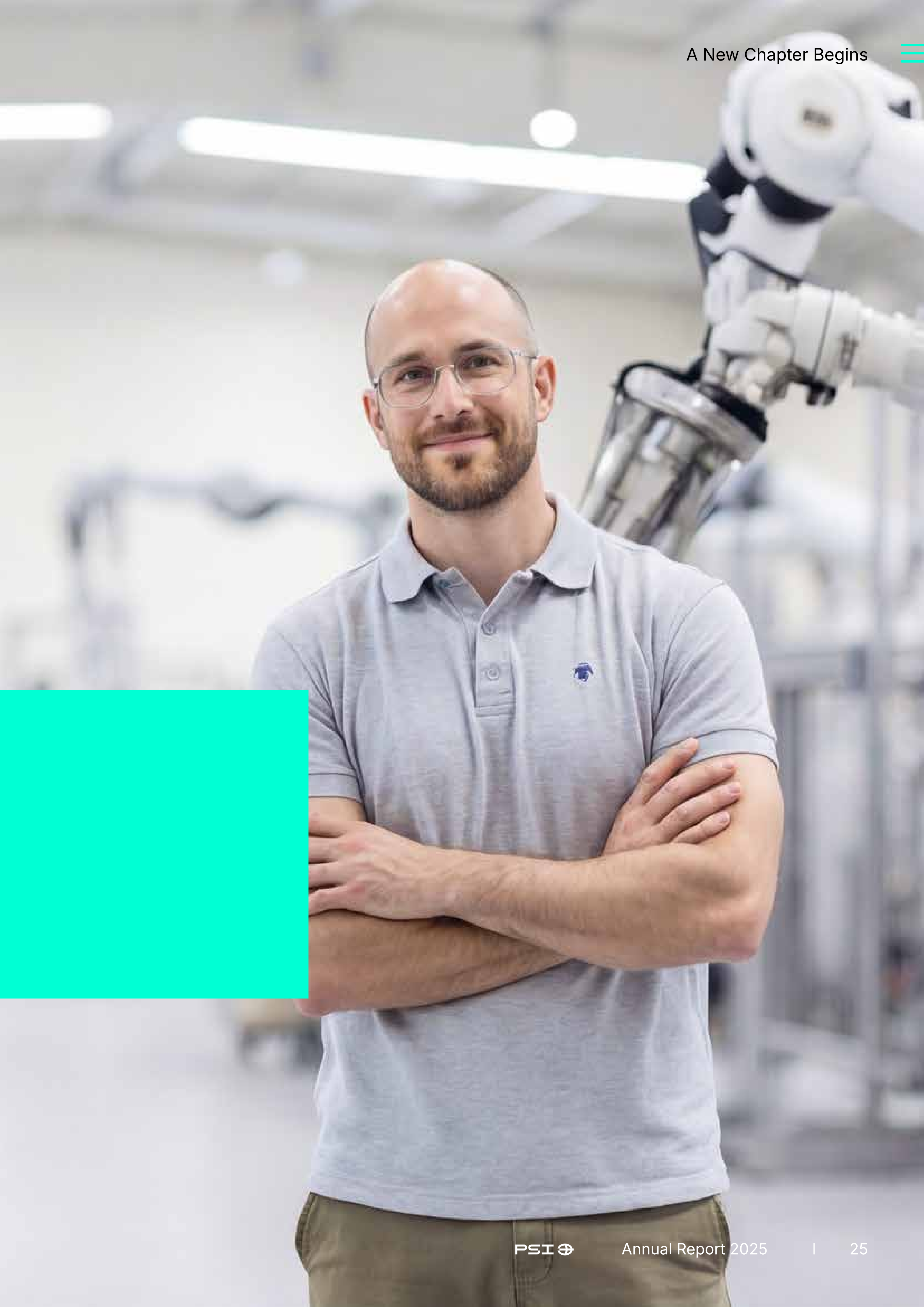
[03]
The platform is also designed to optimize maintenance, delivery, scalability and the degree of integration of the PSI product portfolio.

[04]
Agile principles and partnerships with leading grid operators drive competitiveness and keep development close to market needs.

Developing the future with partners.

STABILITY

Thanks to strong partnerships, we are shaping the future of our target industries. With software-based innovations that ensure sustainable and secure energy supply, logistics and production.



Innovative software through strong partnerships.

PSI partners with market-leading customers to develop innovative software products. For example, we are working closely with leading grid operators to develop the "Control System of the Future". In the area of logistics, the seamless integration of artificial intelligence allows us to take the degree of automation and efficiency in warehouse logistics to a completely new level. In this context, we cooperate closely with major international retail companies and logistics service providers to ensure that we profit collectively.

The strategic partnership with Google Cloud, launched in 2025, enables PSI to accelerate innovations, improve the scaling of the business and step up the pace of the industrial AI revolution. The Google Cloud Platform (GCP) forms the basis of PSI's SaaS offerings, with both partners complementing one another with their applications for industrial artificial intelligence. The partnership gives PSI access to a powerful ecosystem that has allowed the Company to fundamentally modernize the software development environment.

The partnership with the experienced technology investor Warburg Pincus enables PSI to implement its corporate strategy faster and become a leading company worldwide in the areas of energy and industrial software. E.ON, a long-standing PSI shareholder and an important customer, also supports this as a strategic investor.

Shaping industrial trends

We are also driving the AI revolution in the automotive industry together with leading vehicle manufacturers. Our flexible production management system enables the implementation of new, dynamic producttion concepts based on integrated artificial intelligence. The ability to make the optimum decision with the help of multi-criteria decision-making supported by large volumes of key production figures represents a significant competitive advantage for users of the PSI system. The combination of adaptive AI decision-making and optimization algorithms with generative AI also opens up the possibility of voice control. PSI's cloud-enabled and service-oriented production management solution is also playing a decisive role in the steel industry for the digital renewal of steel production and the transition to decarbonized steel. This involves the use of scalable digital templates to map out the implementation of modern workflows and harmonized tools. The use of generative AI as an interface to the PSI Factory Model also makes it possible to link real production data with the in-depth knowledge from the system documentation.

Expanding the presence in growth markets.

FOCUS

The presence of all operations in our international hubs allows us to exploit opportunities for growth and target our expansion into sectors and markets that offer major potential for our solutions.

Relevance through regional presence.

As well as strengthening our market position in German-speaking countries, we want to achieve systematic growth in four selected dynamic regions in the coming years. Our international Sales Engine gives our customers access to standardized software products and services. The expansion of our international hubs makes contacts available to our customers in their region.

In this respect, we focus on markets where the demand for industrial software solutions in our target industries is growing dynamically and where we are already represented by parts of our portfolio and excellent references.

Focused international growth

Average projected growth in the market for industrial software in selected regions (2029 to 2034)

North America
9.4%

Europe
8.5%

India
16.0%

Southeast Asia
10.9%

Sources for the diagram: Gartner data base & IT budget spending, 2025 | FMI: Industrial Software Market, 2024 | Orbis Research: Global Industrial AI Market, 2023

Shaping the transition.

INDUSTRY FOCUS

Here at PSI, strong teams work with innovative software to progress global trends, such as decarbonization, electrification and digital transformation. For our employees, this means clear goals and real opportunities for growth.

New talent and seasoned experts build products that matter.

PSI employees are passionate about developing software that will help make the world more sustainable and resilient for everyone. Our software helps customers navigate the transition and achieve their targets. To make this happen, we leverage a powerful combination of long-standing experience and the fresh impetus delivered by new talent.

We let our teams take collective responsibility for providing the best possible support to our customers in achieving their transformation goals. We do this by focusing on innovations that make a difference. Particularly in our international business, this offers excellent development possibilities.

35
nationalities

15
countries with PSI locations

48%
international
share of revenues

9.7
years with the company
on average

Our innovative products are helping to build a more sustainable, resilient and efficient world.

The Year in Review

2025

Long-term contract with E.ON

In February 2025, E.ON and PSI agreed to cooperate in developing a smart control system for the distribution grid of the future. The project aims to standardize the control systems used by all German distribution grid operators of the E.ON Group by 2029.

Cooperation with Google Cloud

As part of the cloud and SaaS transformation, PSI selected Google Cloud as a strategic partner. The Google Cloud Platform (GCP) serves as a basis for PSI's SaaS offerings, with both partners working together on applications for industrial artificial intelligence.

Best Product Award at LogiMAT 2025

At the LogiMAT international logistics trade fair in March 2025, PSI won the Best Product Award in the category "Software, Communication, IT" for its AI-based platform PSIwms AI. The direct connection between the AI platform and the Warehouse Management System attracted particular praise.

Factory Innovation Award for "Artificial Intelligence in the Factory"

At the Hannover Messe in April 2025, PSI won the Factory Innovation Award in the category "Artificial Intelligence in the Factory" for its self-learning production optimization system.

Strategic partnership with Warburg Pincus

In October 2025, Warburg Pincus and PSI concluded an investment agreement that aims to fast-track the transformation and growth of PSI in the global market for energy and industrial software.

Investor Relations and the PSI Share

2025

For the stock markets, 2025 was a very turbulent year that was characterized by developments that appear contradictory at first glance. Despite numerous incidences of political volatility and persistent international crises, the stock markets followed a very positive trend overall. This increase was primarily driven by the dynamic of many technology stocks associated with the AI boom, while trade disputes and spiraling government debt intermittently fueled strong price fluctuations. For PSI, the stock market year was initially characterized by a recovery following the challenging 2024 financial year, the strong dynamic in new orders and the implementation of the "PSI reloaded" strategy program. The focal point in this context was the cloud transformation and the efficiency program initiated during the second quarter. From October onwards, the focus of the intensive dialog with the capital market shifted to the partnership with private-equity investor Warburg Pincus and the resulting changes to the Company and investors.

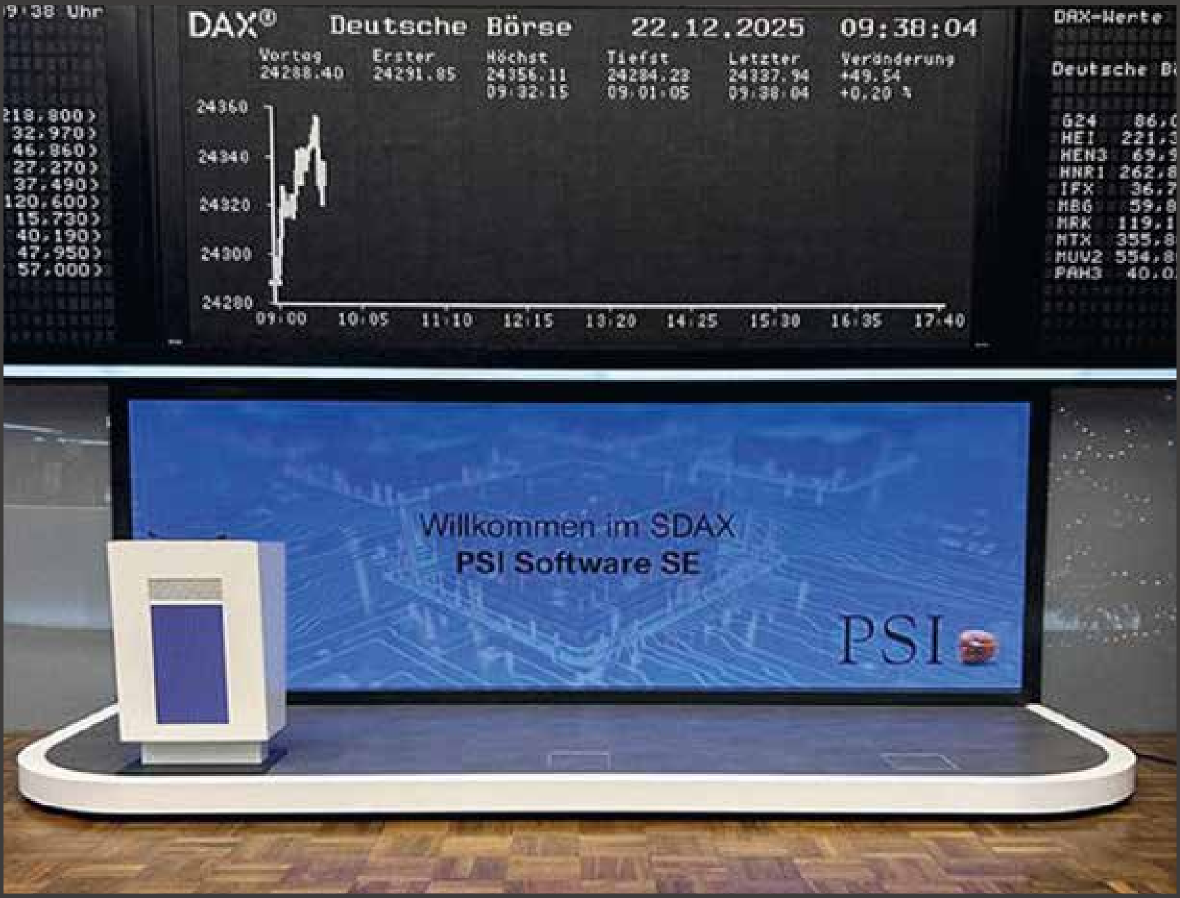
Share Performance during the Year

Company news affects the share price

Starting the year 2025 at a price of EUR 21.10, the PSI share reacted very positively to the Company news starting in February and reached almost EUR 30 by mid-March. Following the announcement of higher US tariffs, the PSI share fell significantly in early April, in line with the market overall, reaching its low for the year of EUR 20.80 on April 7. Following the publication of the first-quarter figures, the share price rose to over EUR 30 in early May, before trading sideways in a range of EUR 26 to EUR 32 through the end of the third quarter. On October 13, following the publication of the partnership with Warburg Pincus and the announcement of the public takeover bid, it jumped to the offer price of EUR 45. It reached its high for the year of EUR 46.10 at the end of October and ended the year at EUR 45, 113.3% above the previous year's closing price.

Transformation and takeover bid the focus of communication with the capital market

After the challenges of the previous year, the initial focus of our investor relations work in 2025 was on outlining the "PSI reloaded" transformation program, which we once again communicated intensively and proactively with the capital market. As in the previous year, this was done using both virtual and in-person formats. From October onwards, the partnership with Warburg Pincus and the explanation of the public takeover bid were the primary focus of investor interest. In total, we presented PSI at three virtual and 13 physical investor conferences and road-shows. There were also another 20 virtual and 10 in-person investor visits. The dialogue with financial and business journalists resulted in over 110 reports on PSI in print and online media and on stock market radio and TV.

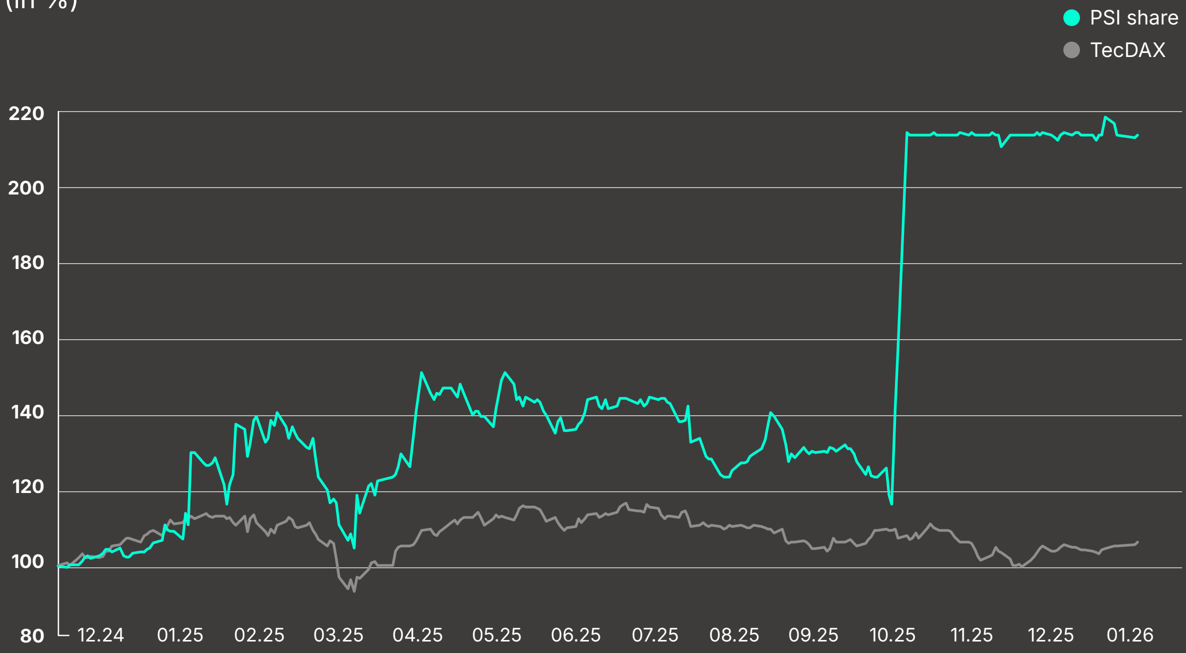


SDAX listing at the close of the year

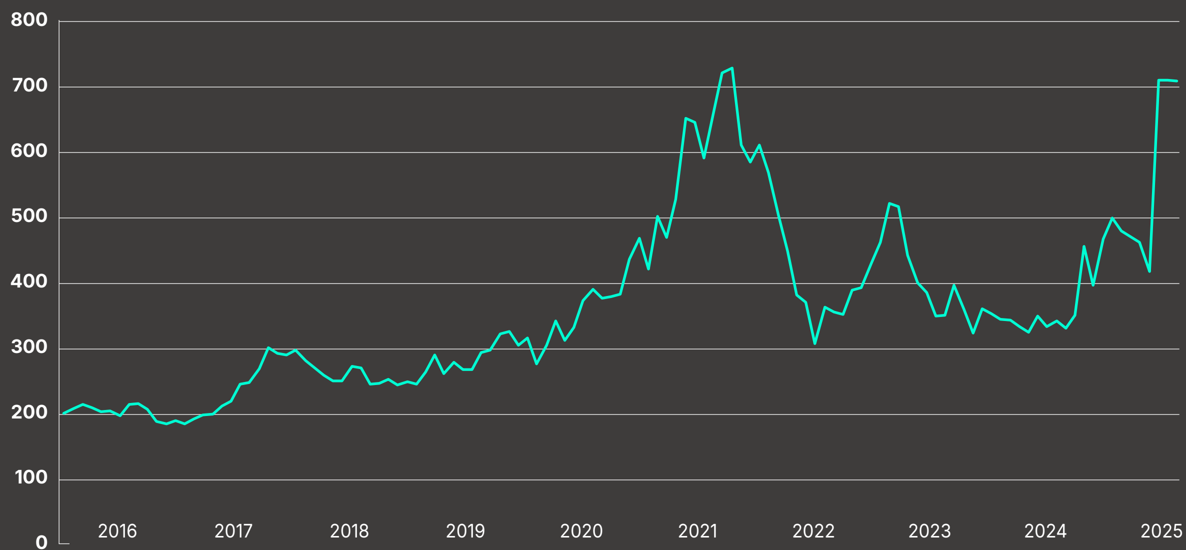
The announcement of the public takeover bid led to a substantial increase in the market capitalization and trading volume of the PSI share.

As a result, PSI was included in the SDAX on December 22, 2025. This meant that PSI ended the year as a member of one of the selection indexes of Deutsche Börse again for the first time since 2014.

PSI Share Price Compared to TecDax Index
(in %)



Market Capitalization 2016–2025
(in EUR million)



Analysts’ Recommendations for the PSI Share in 2025

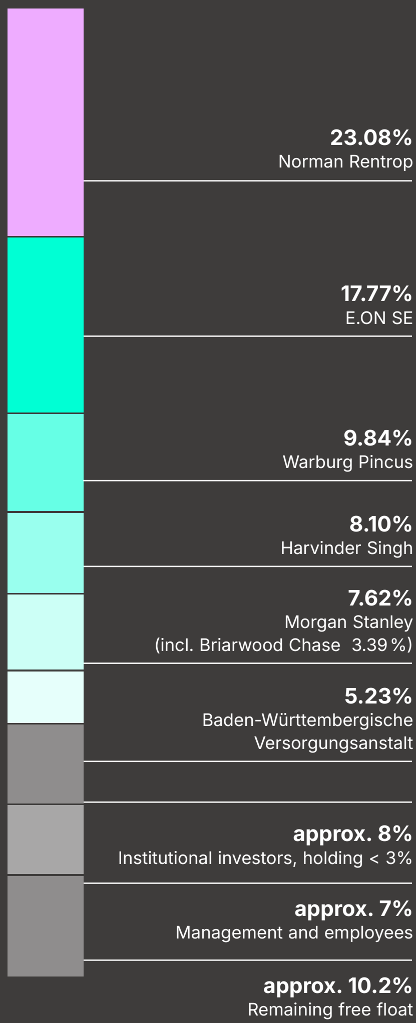
−5	+5	=	+13.71
1	**6**	**0**	**44.00**
positive recommendation	neutral recommendations	negative recommendations	average target price in EUR

Key Figures and Data on the PSI Share

Key figures on the PSI share	**2025**	2024
Earnings per share in EUR	**−2.04**	−1.35
Market capitalization on December 31 in EUR	**706,381,470**	331,214,423
High for the year in EUR	**46.10**	25.70
Low for the year in EUR	**20.80**	17.95
Number of shares on December 31	**15,697,366**	15,697,366

Data on the PSI share	
Stock exchanges	Xetra, Frankfurt, Berlin, Stuttgart, Düsseldorf, Hamburg, Hanover, Munich, Tradegate
Stock exchange segment	Regulated market, Prime Standard
Inclusion in indices	SDAX, Technology All Share, DAXsector Software, DAXsector All Software, DAXsubsector Software, DAXsubsector All Software, DAXsupersector Information Technology, Prime All Share, CDAX
ISIN	DE000A0Z1JH9
Securities identification number (WKN)	A0Z1JH
Stock exchange symbol	PSAN

Shareholder Structure on 31 December 2025*



*(Information according to voting rights notifications pursuant to the German Securities Trading Act (WpHG)

Financial Statements (IFRS) of PSI Software SE

2025 FINANCIAL YEAR

Consolidated Management Report

of PSI Software SE, Berlin,
for the 2025 Financial Year

1. Basic Information on the Group

Business Model of the Group

The core business of the PSI Group (PSI) consists of process control and information systems for the optimization of the energy and material flows in the following target industries:

– Utility companies in the electricity grid, gas grid, pipeline, heating and water network sectors

– Process and metals industry

– Discrete manufacturing, in particular mechanical and plant engineering, automotive and automotive supply sectors

– Logistics

Accordingly, the Group is divided into the Grid & Energy Management, Process Industries & Metals, Discrete Manufacturing and Logistics business units. PSI develops and sells its own software products and complete systems based on these products for these target sectors.

PSI has nearly 2,400 employees worldwide. As a specialist in process control and optimization systems, the Group has gained a leading position nationally and internationally in the target export markets, particularly among energy supply companies and metals producers. PSI continuously invests in the functionality and innovativeness of its products in order to secure and improve its competitive position. PSI was established in 1969, making it one of the most experienced German software companies.

In Germany, the PSI Group has locations in Berlin, Aachen, Aschaffenburg, Dortmund, Düsseldorf, Essen, Hanover, Karlsruhe, Munich, Oldenburg and Stuttgart. Internationally, PSI is represented by subsidiaries and representative offices in Austria, Belgium, Brazil, Denmark, India, Japan, Malaysia, Oman, Poland, Sweden, Switzerland, Thailand, the UK and the US.

Strategy and Control System

The PSI Group's strategy was revised as part of the PSI reloaded process in the 2024 financial year. The aim of the PSI reloaded strategy is to transform the PSI Group into an integrated software company whose business model is based on technological leadership and a strong corporate culture.

The Group strategy focuses on international growth and improving the revenues mix by increasing the proportion of high-margin, recurring revenues. To achieve its strategic goals, PSI is investing in the cloud and software-as-a-service (SaaS) transformation of its business model. In the coming years, PSI aims to further increase the share of profitable product revenues with a particular focus on artificial intelligence in industrial applications. Improving the efficiency and standardization of internal processes lays the foundations for increasing profitability.

The key performance indicators for achievement of the strategic goals are:

– the ratio of operating result to revenues (EBIT margin) as a key indicator for improving the Group's profitability. In contrast to previous financial years, from 2025 onward the PSI Group presents this indicator broken down on the basis of an adjusted EBIT and an unadjusted EBIT. The unadjusted EBIT also includes restructuring costs, costs for mergers and acquisitions, and costs associated with the takeover offer submitted by Warburg Pincus. The adjusted EBIT does not include these costs;

– the development of revenues as a key figure for the Group's growth rate;

– new orders as a significant leading indicator of future revenues growth;

– the share of consolidated revenues attributable to recurring revenues from maintenance, upgrade and SaaS contracts as a key figure for PSI's transformation;

– the share of international revenues in consolidated revenues;

– free cash flow, defined as the sum of cash flow from operating activities and cash flow from investing activities.

The plan was to use gross profit and the ratio of the sum of sales, marketing and administrative costs to revenues as additional key performance indicators alongside these key figures from 2025 onward. On account of the ongoing introduction of a new enterprise resource planning (ERP) system for the Group, these additional key figures were not yet determined in the 2025 financial year.

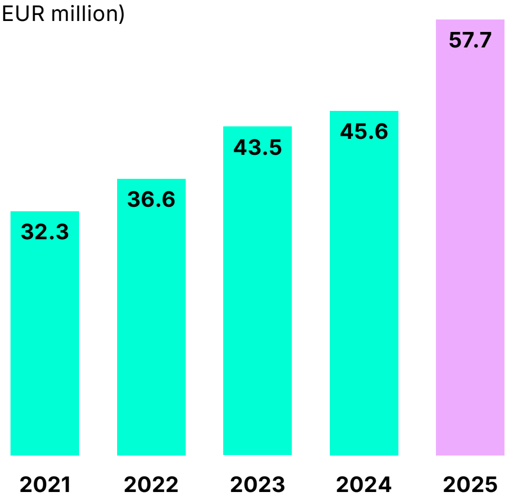
In the non-financial area, the PSI Group has been calculating the following key figures to measure its performance with regard to employee commitment and customer loyalty:

– An employee commitment index showing the employees' motivation and loyalty and the extent to which they identify with PSI

– A customer loyalty index that measures the customers' willingness to rely on PSI in the long term and to serve as a reference customer

The planned development of additional non-financial indicators for the PSI Group in 2025 was postponed because the EU requirements for sustainability reporting remained unclear until shortly before year-end and because of the ongoing implementation of the ERP system.

R&D Expenses Rise Again
(in EUR million)



Research and Development

PSI is constantly investing in the further development of its existing product portfolio, in new software components and functions and in the cloud transformation of its product base. The aim of these investments is to improve the conditions for international growth and strengthen the Company's competitive position through innovative software products. Functionality, modernity and security are just as crucial for commercial success as the use of extensive expertise in the application of cloud-based artificial intelligence in industrial applications.

When developing new products, PSI works closely with pilot customers. This collaboration is intended to ensure the marketability of the products right from the start. These products are then continuously evolved in follow-up projects and adapted to the development in the target markets.

In 2025, development activities focused on the new, modular PSI control system platform "Control System of the Future," the expansion of PSI industry software products to include new, AI-based functions, and the cloud and SaaS transformation of the product portfolio, among other things. The aim of this strategic development is to provide customers and partners with PSI products directly from the cloud as part of SaaS offerings. The provision of cloud-based products and SaaS offerings creates the conditions for decoupling international growth from PSI's personnel capacity.

In 2025, the PSI Group's research and development expenses (costs recognized as expenses and capitalized software development costs) amounted to EUR 57.7 million, up 26.5% from EUR 45.6 million in the previous year. This amount did not include any relevant purchased services. The capitalization rate was 10.0% after 9.4% in the previous year. Amortization of EUR 2.9 million related to capitalized software development costs.

In addition, PSI has also been involved in state-subsidized research projects for fundamental technology development for many years.

This research focuses on projects related to successfully implementing the energy transition and integrating an increasing share of energy from renewable sources. Another focus of PSI's research is projects dedicated to implementing the future-oriented Industry 4.0 project and the AI-based optimization of production processes. The knowledge gained in the projects is used in accordance with the cooperation or consortium agreements entered into between the parties involved in the respective research association. The PSI Group recognized state subsidies of EUR 5.6 million in total in the 2025 financial year.

2. Economic Report

Business Performance and General Conditions

After two years of contraction, the German economy returned to modest growth in 2025. Adjusted for inflation, gross domestic product increased by 0.2% after decreasing by 0.2% in the previous year. The economy also grew again in PSI's key export markets: gross domestic product rose by 1.5% in the eurozone, by 2% in the US, and by 4.5% in Malaysia.

Significantly higher growth rates were recorded in the market for industrial software, in which the PSI Group operates. Depending on the respective software products, these were between 5% and 10%, as in the previous year.

On our customers' side, economic megatrends such as decarbonization and resource efficiency, the handling of political and economic uncertainties, competitive pressure, and ever faster innovation cycles in cloud technology and artificial intelligence play a major role.

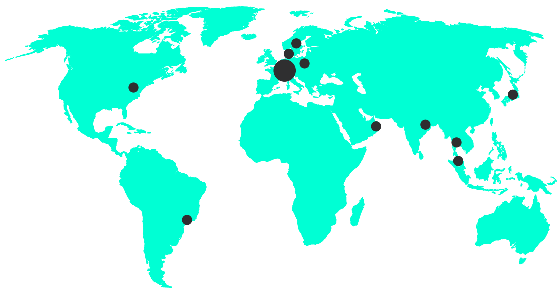
Overall Assessment of Business Performance

The PSI Group returned to growth in 2025, achieving most of its goals. The target of roughly 10% growth in new orders and revenues was reached with a 25.3% increase in new orders and 9.5% higher revenues. The growth was driven primarily by the Grid & Energy Management and Discrete Manufacturing business units, whose revenues increased by a clear double-digit percentage.

At 4.1%, the Group achieved the targeted adjusted EBIT margin, while the unadjusted EBIT margin was negative at −7.3%. The unadjusted operating result (EBIT) also includes restructuring costs, costs for mergers and acquisitions, and costs associated with the takeover offer submitted by Warburg Pincus. The adjusted EBIT does not include these costs.

The 10% growth target for recurring revenues from maintenance, upgrade and SaaS contracts was missed at 5.8%, so the share of these revenues in consolidated revenues was also slightly below the 42% target at 39.3%. Without the decline in the Other segment, which resulted from the sale of the Mobility division, the growth target for recurring revenues would have been exceeded at 11.3%. The target of around 48% for the share of international revenues was achieved at 47.8%. Free cash flow, defined as the sum of cash flow from operating activities and cash flow from investing activities, which was significantly negative in the previous year, improved to EUR 13.5 million. However, the target of EUR 15 million for free cash flow was not met due to the negative Group net result.

International Presence and Locations in Europe and Worldwide



• **PSI locations:** Austria, Belgium, Brazil, Denmark, Germany, India, Japan, Malaysia, Oman, Poland, Sweden, Switzerland, Thailand, UK, US

Result of Operations

New Orders Significantly Above Previous Year

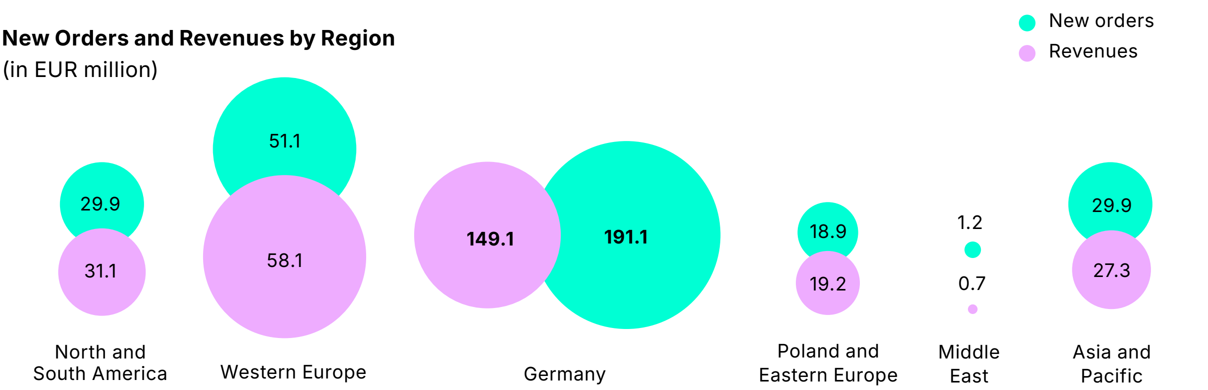
New orders amounted to EUR 322 million in 2025, up 25.3% on the previous year's figure of EUR 257 million and thus 12.8% higher than revenues. All business units contributed to the increase in new orders, more than compensating for the effect of the sale of the Mobility business unit at the start of the year.

The order backlog increased by 3.9% to EUR 158 million as at the end of the year.

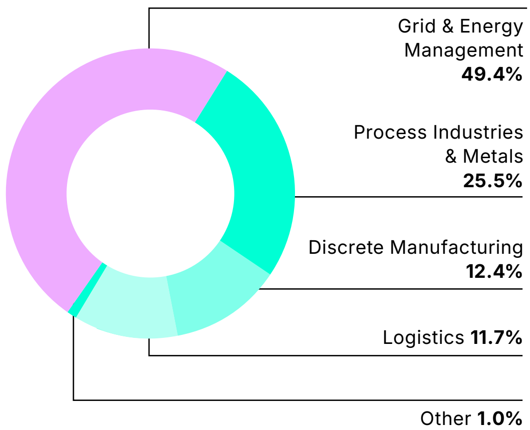
Consolidated Revenues Significantly Above Previous Year

Consolidated revenues amounted to EUR 285.5 million in 2025, up 9.5% on the previous year's figure of EUR 260.8 million. Revenues generated outside Germany rose by 8.6% from EUR 125.6 million in the previous year to EUR 136.4 million. This represents a slight decline in the export share from 48.2% to 47.8%. The share of annually recurring revenues was increased from EUR 106.0 million to EUR 112.1 million. In percentage terms, the share of annually recurring revenues fell slightly from 40.6% to 39.3%.

New Orders and Revenues by Region
(in EUR million)



Revenue Allocation by Segment
(2025)



In the Grid & Energy Management business unit, revenues increased by 21.9% to EUR 140.9 million, corresponding to a 49.4% share in consolidated revenues. Annual recurring revenues accounted for EUR 56.9 million or 40.4% of the business unit's revenues.

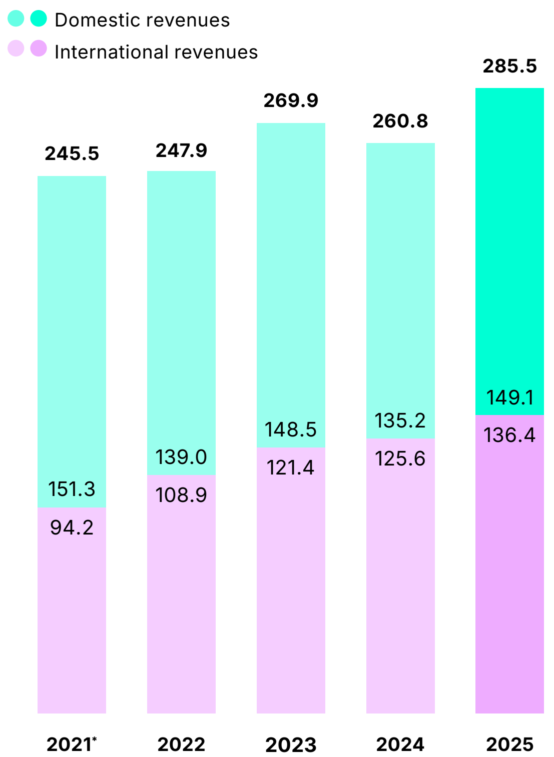
The second-largest business unit, Process Industries & Metals, increased its revenues by 11.0% to EUR 72.9 million (25.5% of consolidated revenues). Of these revenues, EUR 20.3 million was attributable to annually recurring revenues (27.9% of business unit revenues).

The Discrete Manufacturing business unit was successful in acquiring new customers and generated revenues of EUR 35.5 million, up 18.3%. The revenues therefore accounted for 12.4% of consolidated revenues. Annual recurring revenues accounted for EUR 18.5 million or 52.1% of the business unit's revenues.

The Logistics business unit generated revenues of EUR 33.4 million, up 6.3%. The business unit's revenues therefore accounted for 11.7% of consolidated revenues, while the share of annually recurring revenues in this business unit amounted to EUR 14.5 million or 43.4%.

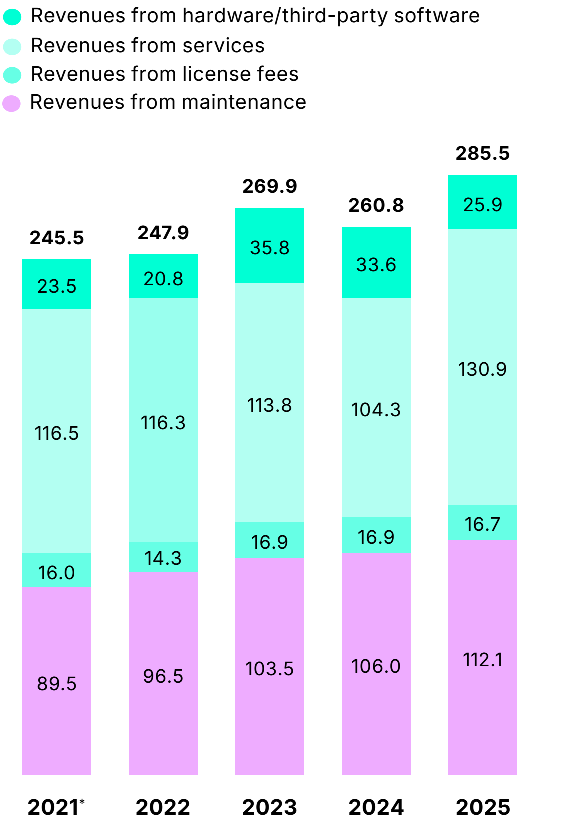
The Other segment primarily includes the pro rata revenues of PSI Transcom GmbH, whose shares were sold at the end of 2024 and transferred to the purchaser in March 2025. In addition to PSI Transcom's pro rata result, the segment's unadjusted operating result particularly includes the costs associated with mergers and acquisitions and the takeover offer submitted by Warburg Pincus.

Export Share at 48%
(in EUR million)



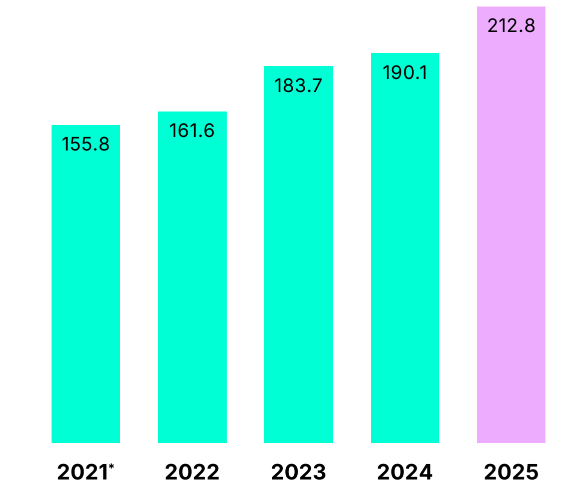
* Restated

Revenues from Maintenance and Services Increased
(in EUR million)



* Restated

Personnel Expenses Increased by Non-Recurring Expenses
(in EUR million)



* Restated

Cost of Materials Reduced, Other Operating Expenses Increased
Expenses for purchased goods and services decreased by EUR 3.3 million to EUR 35.0 million. Expenses for the project-related procurement of hardware and licenses fell by EUR 4.7 million, while expenses for purchased services increased by EUR 1.5 million.

Personnel expenses rose by 11.9% to EUR 212.8 million. The increase is primarily the result of non-recurring expenses of EUR 14.9 million associated with the cost reduction program initiated in the Grid & Energy Management business unit midway through the year.

Other operating expenses increased from EUR 45.0 million in the previous year to EUR 65.4 million. The sharp increase is primarily due to costs of EUR 16.0 million associated with mergers and acquisitions and the takeover offer submitted by Warburg Pincus.

Adjusted Consolidated Operating Result Positive Again
The PSI Group's adjusted operating result was positive at EUR 11.7 million. This also includes receivables from an insurer arising from the 2024 cyberattack. The unadjusted operating result, which also includes restructuring costs, costs for mergers and acquisitions, and costs associated with the takeover offer submitted by Warburg Pincus, was clearly negative at EUR −21.0 million. In the previous year, both the adjusted and unadjusted operating result were negative at EUR −15.2 million. The adjusted EBIT margin improved accordingly from −5.8% to 4.1%.

The Grid & Energy Management business unit recorded an adjusted operating result of EUR 9.0 million in 2025 after EUR –14.8 million in the previous year. The adjusted EBIT margin improved accordingly from –12.8% to 6.4%.

Process Industries & Metals improved its adjusted operating result from EUR 1.2 million in the previous year to EUR 4.3 million and achieved an adjusted EBIT margin of 5.9% after 1.9% in the previous year. As in the previous year, a major driver of the Process Industries & Metals business unit's operating business was the North American business.

In the Discrete Manufacturing business unit, a near break-even adjusted operating result of EUR −0.2 million and a near break-even adjusted EBIT margin of −0.7% (2024: EUR 0.4 million, 1.3%) were achieved despite expenses for the new cloud/SaaS-based MES product.

The Logistics business unit also invested in a new cloud/SaaS-based product version and achieved an adjusted operating result reduced from EUR 0.7 million to EUR 0.2 million. The adjusted EBIT margin fell accordingly from 2.2% to 0.6%.

Decrease in the Group Net Result Due to Non-Recurring Items

The Group net result fell from EUR −21.0 million to EUR −31.6 million in the reporting year, primarily due to restructuring costs, costs for mergers and acquisitions, and the costs associated with the takeover offer submitted by Warburg Pincus, but also to the deterioration in the financial result to EUR −3.4 million and the significantly higher income tax expenses of EUR 7.3 million.

Earnings per share fell accordingly from EUR –1.35 to EUR –2.04.

Financial Position

On December 31, 2025, PSI had cash credit facilities of EUR 44.9 million to finance its ongoing operations in addition to cash and cash equivalents of EUR 27.3 million and current and non-current financial liabilities of EUR 24.6 million. In the previous year, cash and cash equivalents were EUR 26.5 million, current and non-current financial liabilities were EUR 30.7 million and the cash credit facility was EUR 42.1 million. The Group was able to meet its payment obligations as planned at all times in the 2025 financial year.

Cash flow from operating activities improved from EUR –19.7 million in the previous year to EUR 12.0 million. It was primarily characterized by the negative Group net result and changes in working capital.

Cash flow from investing activities improved from EUR –7.0 million to EUR 1.5 million. This was driven primarily by the cash inflow from the sale of the subsidiary PSI Transcom, which amounted to EUR 8.6 million.

Cash flow from financing activities declined from EUR 5.3 million to EUR –14.6 million, predominantly as a result of the repayment of non-current and current financial liabilities. In the previous year, it was shaped by the increase in current financial liabilities.

Net Asset Situation

Balance Sheet Structure: Equity Ratio Drops to 24.2%
The total assets of the PSI Group increased from EUR 272.0* million to EUR 278.1 million in 2025.

On the assets side, non-current assets increased from EUR 111.9* million to EUR 139.9 million, primarily as a result of the increase in property, plant and equipment associated with the conclusion of a long-term lease. Current assets decreased from EUR 160.1 million to EUR 138.2 million. Within this item, assets held for sale in particular fell from EUR 18.3 million to EUR 0 million due to the sale of PSI Transcom GmbH.

On the equity and liabilities side, current liabilities rose from EUR 113.2 million to EUR 119.0 million, primarily due to the increase in trade payables and other liabilities and to the decrease in liabilities associated with assets held for sale. Non-current liabilities rose from EUR 63.5* million to EUR 91.9 million, primarily due to the increased lease liabilities associated with the conclusion of a long-term lease. Equity fell from EUR 95.4 million to EUR 67.2 million due to the negative Group net result. Accordingly, the equity ratio decreased from 35.1%* to 24.2%.

Overall Assessment of Net Assets, Financial Position and Results of Operations

In the 2025 financial year, the Group's results of operations and net assets deteriorated as a result of one-time costs for restructuring and mergers and acquisitions and costs associated with the takeover offer submitted by Warburg Pincus. In particular, the unadjusted operating result, the Group net result and the equity ratio were below the previous year. The financial position was stable thanks to positive cash flows from operating and investing activities. Especially under the future ownership structure, the Group will continue to have the financial resources necessary to fund organic growth and targeted acquisitions.

Non-Financial Performance Indicators
In 2025, the PSI Group achieved an employee commitment index score of 85%, which was below its target range (2024 score: 92%). This was the result of a year-on-year increase in staff turnover and a slightly lower sick leave rate while employee satisfaction remained stable.

The customer loyalty index score fell to 91% in 2025 from 92% in the previous year, mainly reflecting the slightly lower share of maintenance and upgrade revenues while willingness to serve as a reference customer remained more or less unchanged. The 2025 customer loyalty index was therefore within the targeted range.

* Restated based on revised offsetting methodology for deferred taxes

3. Statutory Disclosures

Disclosures in Accordance with Section 315a(1) HGB

As at December 31, 2025, the share capital of PSI Software SE amounted to EUR 40,185,256.96 and was divided into 15,697,366 no-par-value shares with an accounting par value of EUR 2.56. Each share confers the right to one vote. There are no different classes of shares. The shareholders exercise their voting rights at the Annual General Meeting in accordance with the statutory requirements and the Articles of Association. There may be statutory restrictions on voting rights in accordance with section 136 of the Aktiengesetz (AktG — German Stock Corporation Act) or, to the extent that the Company holds treasury shares, in accordance with section 71b AktG. As at December 31, 2025, there were no restrictions with regard to voting rights or transfers of shares.

In the 2025 financial year, Mr. Norman Rentrop, Germany, held a 23.08% interest in PSI Software SE. This has been held directly by him since December 30, 2024, and until this date was held via Investmentaktiengesellschaft für langfristige Investoren TGV, which he controls. According to the notification pursuant to section 27a(1) of the Wertpapierhandelsgesetz (WpHG — German Securities Trading Act) dated September 7, 2017, the investment in PSI Software SE serves the long-term objective of generating trading profits.

In the 2025 financial year, E.ON SE, Essen, Germany, held a 17.77% interest in PSI Software SE. E.ON SE is a major distribution grid operator and an important customer of PSI Software SE in the Grid & Energy Management business unit. According to the notification from E.ON SE pursuant to section 43(1) sentence 3 WpHG dated October 22, 2019, the investment in PSI Software SE is a direct consequence of the acquisition of the majority interest in innogy SE and thus serves the purpose of implementing strategic goals.

PSI Software SE has not issued any shares with special rights.

There are no voting right controls at PSI Software SE in relation to employee shares if employees have an investment in the Company's capital and do not exercise control rights directly.

In accordance with Article 9(1) of the Articles of Association, members of the Executive Board are appointed and dismissed by the Supervisory Board, which also determines the number of members of the Executive Board. Sections 84 et seq. AktG also apply to the appointment and dismissal of Executive Board members.

In accordance with Article 12 of the Articles of Association, the Supervisory Board is authorized to make amendments and additions to the Articles of Association that affect the wording only. Otherwise, the Articles of Association are adopted by the Annual General Meeting with a majority of two thirds of the votes cast or, if at least half of the share capital is represented, a simple majority of the votes cast, in accordance with Article 20 of the same Articles of Association. This applies except in cases where the law requires resolutions to be adopted with a majority of at least three-quarters of the share capital represented when the resolution is adopted.

PSI Software SE has authorized capital of up to EUR 8.0 million in place until May 22, 2028, that was created by resolution of the Annual General Meeting on May 23, 2023. This resolution authorizes the Executive Board, with the approval of the Supervisory Board and without requiring a further resolution by the Annual General Meeting, to increase the Company's share capital in exchange for cash or contributions in kind. This can be utilized for any purpose permitted by law. The Company has not yet exercised this authorization to date.

PSI Software SE also has contingent capital of up to EUR 8.0 million in place until May 18, 2026. This serves the purpose of servicing convertible and warrant-linked bonds and profit-sharing certificates. The Company was authorized to issue this contingent capital in a total nominal amount of up to EUR 100.0 million by the Annual General Meeting on May 19, 2021. The Company has not yet exercised this authorization to date.

PSI Software SE also has contingent capital of up to EUR 1.5 million in place. This serves exclusively to grant shares to the holders of share option rights from the 2024 share option program in accordance with the authorization of the Annual General Meeting on July 26, 2024. The conditional capital increase will only be carried out to the extent that the holders of share option rights exercise these share option rights and the Company does not fulfill the share option rights by paying cash or by granting treasury shares.

The Executive Board of PSI Software SE was authorized by the Annual General Meeting on May 23, 2023, to acquire treasury shares in the Company in a volume of up to 10% of the share capital until the end of June 30, 2026. Together with treasury shares acquired for other reasons that are owned by or attributable to the Company, the shares acquired on the basis of this authorization must not exceed 10% of the Company's share capital at any time. Treasury shares can only be acquired if the Company was able to establish a reserve in the amount of the expenses for the acquisition without reducing the share capital or any reserve to be established in accordance with the law or the Articles of Association that must not be used for payments to the shareholders. The authorization must not be used for the purpose of trading in treasury shares. In keeping with the principle of equal treatment, the Executive Board can choose to acquire the shares either on the stock market or by way of a public purchase offer to all shareholders of the Company. The authorization can be exercised one or more times in full or in partial amounts (see "Equity" in the notes).

There are no significant agreements of the Company that are subject to the condition of a change of control following a takeover bid.

Combined Corporate Governance Declaration

The corporate governance declaration in accordance with section 289f and section 315d of the Handelsgesetzbuch (HGB — German Commercial Code) has been published on PSI Software SE's website at **www.psi.de/en/company/investor-relations/corporate-governance**.

4. Report on Risks and Opportunities

The PSI Group's risk management system covers all organizational regulations and measures for identifying and dealing with the risks and opportunities of its business activities and serves to identify risk at an early stage, to make a risk analysis and to take appropriate countermeasures. The PSI Group's risk policy aims to secure the Group's success in the long term, to increase the enterprise value and, using countermeasures, to maintain an appropriate risk coverage potential (Group equity) at all times.

To this end, PSI has set up a risk management system that is used by the Executive Board of the Company as a tool for the early recognition, handling and prevention of risks. This particularly applies to risks whose effects, individually or in combination with other risks, could jeopardize the PSI Group as a going concern. Risk management covers the tasks of recording, assessing, communicating, managing, documenting and monitoring risks. The Company's risk management system is refined on an ongoing basis and the knowledge gained from the risk management system is integrated into corporate planning. There are various guidelines and operating instructions for documenting and communicating the risk management system integrated into the PSI Group guideline system. These are available to all employees in the internal PSI intranet.

Risks are identified each year by the risk manager in cooperation with the risk officers. In addition to regular risk reporting, all risk officers are required to monitor risks on an ongoing basis and to inform the Executive Board by means of ad hoc reporting of new risks or changes in existing risks. Each year, all identified risks are assessed in terms of their probability of occurrence and possible impact on the Company regarding the achievement of key performance indicators (KPIs). Risks are aggregated automatically in the risk management tool.

In the 2025 financial year, PSI updated its risk management system in light of economic developments and the company's transformation as part of the PSI reloaded process. The individual risks were restructured, specified and refined. On this basis, as in the previous year, risks were identified, classified and assessed uniformly throughout the Group. In doing so, the following material risk categories were identified:

– Corporate strategy risks (2 individual risks)

– Financial risks (15 individual risks)

– Organizational and legal risks (15 individual risks)

– Operating business risks (16 individual risks)

Analysis of Risks and Opportunities

There are no material differences in the PSI Group's business model across the individual business units. Specific aspects resulting in differences to the risk structure in the individual business units are described below. Unless indicated otherwise, the subsequent presentation of material individual risks applies equally to the individual business units.

The individual risks described below focus on those risks that can have a considerable negative impact on the business, net assets, financial position (including impacting assets, liabilities and cash flows) and results as well as the reputation of the PSI Group. The financial risks identified are of minor importance both individually and overall. The order of the risks shown within the four categories reflects the current assessment of the relative extent of risk for the PSI Group, thus offering an indication for the current importance of these risks. Based on our risk assessment, all risks of the category "Moderate" (size of loss: EUR 0.4–4 million) and "Material" (size of loss: EUR 4–21 million) with a probability category of "Probable" (20–50%) were taken up in the following reporting.

In the 2025 financial year, both in the individual assessment as well as overall, there was no risk/risk group that was assessed as jeopardizing the continued existence of the Group (size of loss: greater than EUR 21 million). This risk category was not achieved even as a result of the combination of different risks.

Risks and Opportunities in the Business units

In the Grid & Energy Management business unit, there is a high level of dependency on German and German-speaking markets, which are strongly determined by local regulations in the area of energy supply. The narrow nature of local markets and appropriate compliance of regulations are important corporate strategic risks in this business unit. In Grid & Energy Management, the transnational effects of the expansion of renewable energy and the ongoing digitalization and increasing flexibility of grid operations will result in additional business potential in the long term.

In the Process Industries & Metals business unit, the PSI Group is significantly less dependent on domestic markets and further expanded its share of international activities. This reduces dependence on economic developments in individual markets, while at the same time increasing the risks associated with the negative effects of customs duties and trade barriers.

The Discrete Manufacturing business unit has a stable customer base in the medium-sized manufacturing industry with a focus on German-speaking countries. As a result, there is a relevant risk of being negatively affected by a sustained economic downturn in these countries. Business opportunities arise from the trend toward digitalization and AI-based optimization of industrial processes.

The Logistics business unit has grown in recent years, particularly in the markets of Central and Eastern Europe, where it has been able to gain market share. This has reduced our dependence on the German-speaking markets, but at the same time there is still a risk of weak economic development in Europe. Further opportunities also arise in logistics from the digitalization and optimization of logistics processes. .

Presentation of Material Individual Risks of the PSI Group

The share of international activities, measured in terms of revenues generated outside Germany, increased in the previous years, thereby reducing the dependency on the domestic market. Overall, the higher export share indicates that the dependency on the domestic economy is still only limited and presents further opportunities for international growth. However, the international expansion gives rise to new risks of dependency on international partners, exchange rates and legal systems. On the other hand, risks and opportunities will be more broadly diversified as a result of the further focused expansion of international activities.

Corporate Strategy Risks

Transformation of the PSI Group (material)

PSI's strategy for the coming years is focused on the Group's further transformation into an international software product provider, on ongoing internationalization and on expanding the cloud and SaaS strategy. If this does not succeed as planned, there is a risk that the PSI Group may not achieve its revenues and earnings targets. In addition, PSI would then still be dependent to a large extent on the general economic development and regulatory framework in Germany.

Compliance (material)

The legal environment of PSI Software SE as a listed company, a software supplier for critical infrastructure and a company with an international alignment is complex in regulatory terms, changes quickly and is shaped by a high level of rules and regulations. An infringement of relevant regulations in this environment could have a considerable financial impact and result in the loss of reputation. For all relevant compliance areas, the PSI Group has implemented monitoring mechanisms aimed to secure compliance with existing regulations.

Organizational and Legal Risks

Availability and security of IT systems/cyber and information security (moderate)

Business processes in the PSI Group are interwoven with IT systems and applications. There is a risk that a breach of confidentiality or the lack of integrity or availability on the part of these IT systems could have a significant adverse effect on business operations, thereby entailing high costs. For example, instances of this would include the failure of infrastructure components, disruptions in the energy supply or telecommunications, and malfunctions, unauthorized access or errors at partners, customers or suppliers in the event of a cyberattack. The PSI Group is working on an ongoing basis on the needs-driven expansion and conversion of the IT infrastructure as well as the development of highly qualified staff for infrastructure operations in order to secure sufficient availability of the IT systems. A detailed analysis of the Group's information security risks, in coordination with the Security & Resilience central function, considered the following detailed risks, among others:

– Faulty or insecure software (moderate)
  If the software products that PSI sells or deploys, including third-party components, are not up to date and have known issues or security vulnerabilities, this could lead to malfunctions or even enable attackers to take control. This could cause operational disruptions to our business activities, as well as data loss and reputational damage, and could potentially affect customer systems as well.

– Human error (e.g., misconfiguration, incorrect input) (moderate)
  As a software company that develops highly complex products and uses extensive IT resources for its own back-office processes, PSI is always exposed to the risk of human error in the development and use of software.

– Insecure interfaces of exposed systems (moderate)
  As a software company, PSI operates various IT systems and services with corresponding interfaces, some of which are accessible from the internet. Misconfigurations and vulnerabilities could lead to unauthorized access to, use of and modification, including deletion, of information with a corresponding operational and financial impact.

– Outage/malfunction of a critical supplier (e.g., GCP, MS365) (moderate)
  The migration of PSI's products and services to the cloud increases PSI's dependence on the respective providers. As was seen in 2025 with the outages of MS Teams, AWS and Cloudflare, a prolonged outage of a cloud provider can have global consequences for all users, including PSI and its customers.

– Unauthorized (privileged) access to confidential information (moderate)
  As a company serving utilities and key industries, PSI is always exposed to the risk of unauthorized access to confidential information. Errors can, among other things, cause data loss, operational outages and damage to reputation and revenues. We constantly monitor cyber threats and continually improve our organization and tools in this area.

– Weak authentication/missing MFA (moderate)
  Secure authentication in IT systems is a key concept that must be implemented correctly to protect our assets. Even with the most advanced tools and processes, there remains a risk of abuse or exploitation of weak authentication methods to extract information or to negatively affect the integrity of our data and/or the availability of PSI systems.

– Data loss due to missing or failed backups (moderate)
  Due to misconfigurations, cyberattacks, hardware failures, process weaknesses or human error, PSI could lose part of its own data or its customers' data and be unable to properly conduct its business operations.

PSI Group employees (moderate)
As PSI performs technically challenging tasks, the Group is reliant on employing suitably qualified staff. In Germany in particular, there is a risk that it may not be able to acquire a sufficient number of suitable employees due to the demographic development. PSI counters this risk with active HR marketing and measures to strengthen employee loyalty. In this way, the Company has so far succeeded in hiring, integrating and permanently retaining a sufficient number of qualified employees.

Operating Business Risks

Risks from the availability of products for use in projects (moderate)
There is a risk that products or modules cannot be delivered within the specified timeframe (roadmap/release deadlines), at the required quality level or within the allocated budget (due to inaccurate effort estimates), with the result that they may not be available in time for use in projects (release synchronization). New releases of PSI products could also be incorrectly programmed, may not integrate as expected, or may not meet customers' expectations. Subsequent corrections can become costly.

Excessive use of discounts to close deals (moderate)
As the integration of the PSI Group's sales organization continues, it is essential that sales practices (in particular with regard to pricing for certain products and services as well as the approval of individual quotes) are aligned and based on a standardized costing methodology. An excessive reliance on individual negotiations and the voluntary granting of discounts could cause projects to be undervalued and reduce brand awareness. The Sales & Partner Management central function is working on a consolidated pricing policy, which it will refine and implement in 2026.

Lack of coordination between business units (moderate)
The integration of the PSI Group improves the ability to sell products and services from multiple business units to major customers. However, this opportunity also carries the risk that the alignment of sales activities across business units might not be sufficient to ensure the upselling of these products and services. The Sales & Partner Management central function was established and a Group-wide CRM system implemented to reduce this risk.

Risks of services not performed in fixed-price projects (moderate)
Alongside low-risk standard products, the PSI Group sells and implements large, technically complex projects under fixed-price contracts for work and services ("fixed-price projects"). There is the risk that contractually agreed services cannot be performed or can only be performed at a significantly greater expense to the PSI Group. Such risks can arise as a result of individual technical and contractual integration and migration specifications whose feasibility has not yet been demonstrated by implemented software solutions or unclear, unrealistic or changing customer requirements or the miscalculation of the expense involved.

The PSI Group has an extensive and detailed system to monitor all projects. Complex fixed price projects remain subject to specific release processes, monthly management control and monitoring by the Executive Board. In the 2025 financial year too, this involved strengthening standardized legal frameworks, improving the ability to forecast employee workloads and tightening control over the sales pipeline.

Risks from the open-source software used (moderate)
Like other software manufacturers, the PSI Group uses elements of open-source software in its products. Despite careful checks and security measures, security vulnerabilities can be discovered or errors occur that can result in considerable costs that are not remunerated by the final customer.

Risks from the discontinuation of service and maintenance revenues (moderate)
The PSI Group generates significant revenues from maintenance and upgrade contracts with existing customers. These revenues are highly profitable. There is a risk that maintenance contracts will not be extended or will be concluded on less favorable terms, which could have a negative impact on revenues and earnings. The PSI Group is countering this risk with investments in the upgrade capability of the software products and the initiated cloud and SaaS transformation.

Description of the Key Features of the Internal Control and Risk Management System with Regard to the Group Accounting Process (Section 315(4) HGB)

The primary objective of the accounting-related control and risk management system in the PSI Group is to secure the correctness of financial reporting with the objective of compliance with all relevant regulations of the consolidated financial statements and the consolidated management report of the PSI Group and the annual financial statements of PSI Software SE as the parent company.

The structure of the risk management system is aligned to the well-known COSO Standard (Committee of Sponsoring Organizations of the Treadway Commission) Enterprise Risk Management – Integrating with Strategy and Performance (2017) and the ISO (International Organization for Standardization) Standard 31000 (2018). The frameworks link the risk management process with financial reporting and the internal control system. At the PSI Group, the accounting-related internal control system is also aligned to the Internal Control – Integrated Framework (2013), the internationally recognized framework developed by COSO. This means that clear management and control structures are implemented in accounting, areas of responsibility are clearly assigned and critical functions are separated from one another. The Group's net assets, financial position and results of operations are reported to management on an ongoing basis.

The consolidated financial statements of the PSI Group are prepared on the basis of a fixed conceptual framework. This essentially consists of standards in the form of accounting guidelines and a chart of accounts. An analysis takes place on an ongoing basis as to whether any adjustments to the conceptual framework are required as a result of changes in the regulatory environment. The data basis for preparing financial information is the financial statement information reported by PSI Software SE and its subsidiaries. Assistance is provided by external service providers in specific instances, such as the measurement of pension provisions.

On the basis of the reported financial statement information, the financial statements are prepared in the consolidation system. The steps required in preparing the financial statements are subjected to manual and system controls. The qualifications of the employees involved in the accounting process are assured by means of suitable selection processes and training. In general, taking materiality considerations in account, the dual control principle applies. Furthermore, financial statement information must pass through specific release processes. Further control mechanisms include the variance analysis of forecasts and the analysis of the composition and changes to the individual items, in relation to both the financial statement information reported by the Group units and to the consolidated financial statements.

To provide protection against unauthorized access, access rights have been defined in the accounting-related IT systems in line with our regulations on IT security. The IT systems are based on standard software.

The Audit Committee of the Supervisory Board is also integrated into the control system. In particular, it monitors the accounting and accounting process and the effectiveness of the internal control system and the risk management system. There are also rules for accounting-related complaints.

Description of the Key Features of the Internal Control System (Recommendation A.5 of the German Corporate Governance Code)

The PSI Group has implemented an additional risk management, internal control and compliance management system that goes above and beyond the internal risk management and accounting control system described above.

The internal control system contains all Group-wide rules for managing operational, financial and compliance risks. These rules are published in the form of guidelines, operating instructions or process descriptions. The creation, approval, development, provision and communication of these internal rules is centrally controlled and based on standard procedures.

PSI Group employees are required to adhere to the Group Code of Conduct as a core component of the compliance management system. It contains the Group-wide value system and the rules for dealing with the stakeholders of the PSI Group.

The main business processes of the PSI Group are supported by IT solutions and tools in which controls are integrated. In line with the Group-wide digitalization strategy, integrated digital controls are preferred because they provide greater security than manual controls. Manual controls are also used to detect errors as we cover all aspects of our business processes.

The PSI Group relies on external audits in quality management (ISO 9001), information security (ISO 27001), environmental management (ISO 14001), energy management (ISO 50001), occupational health and safety (ISO 45001) and other industry-specific audits.

The operational and central units of the PSI Group, the Executive Board and the Supervisory Board communicate regularly with regard to the risk situation and ad hoc changes in the risk situation. Each process owner is responsible for the effectiveness of internal controls. The Executive Board has overall responsibility for the internal control system.

Under a total quality management process — which includes continuous improvement measures — the standards, processes and responsibilities of the internal control system are continuously reviewed and adjusted and their effectiveness continuously monitored. The Executive Board currently has no indications that the internal control system or risk management system are inadequate or ineffective as a whole.

5. Forecast

Overall Economic Situation

Based on current forecasts for global economic development, we once again do not expect a substantial change in the business environment and anticipate only a slight recovery in 2026, particularly in German-speaking countries and the eurozone. We expect the growth observed in 2025 for important foreign markets such as North and South America and Southeast Asia to continue in 2026. However, the economic risks have grown larger since the start of 2026 on account of geopolitical crises and trade conflicts.

In recent years, trends such as digitalization and artificial intelligence have enabled the software industry to partially decouple itself from these macroeconomic trends. While there is a risk that existing business models will be disrupted by artificial intelligence, this is outweighed in the industrial software sector by the opportunities arising from the use of industrial artificial intelligence and the accompanying efficiency gains. We therefore expect medium-term growth rates of between 9% and 15%, depending on the target industry and main product, as well as further demand for industrial AI. The use of artificial intelligence also offers significant opportunities to improve our own efficiency and thus support our margin performance over the long term.

As a provider of software products for operators of energy infrastructures, for the steel and automotive industries and for the logistics sector, PSI is in an excellent position thanks to its sustainable and highly relevant products. With an order backlog of EUR 158 million as of December 31, 2025, the Group has made a good start to the year. In the 2025 financial year, there were significant major orders from existing customers and orders from new customers. Customers' reactions to the cloud and SaaS strategy were also promising. In 2025, the PSI Group also took further successful steps toward the cloud transformation of its business model and gained a strategic partner for the transformation process in Google Cloud.

In the Grid & Energy Management business unit, we again expect strong demand in 2026 for our products for efficiently managing grid infrastructure. With a high order backlog and market leadership in the German-speaking region, there are good prospects for continuing the positive trend from 2025. Following the consolidation of PSI's energy-related activities into one business unit, we invested in streamlining the organizational structures and initiated a cost reduction program in 2025. Overall, we are aiming for growth in revenues of over 10% and an adjusted EBIT margin of just under 10% in the Grid & Energy Management business unit.

In Process Industries & Metals, we anticipate stable demand in North America, continued subdued performance in Europe, and an increasingly challenging environment in the Middle East. Overall, we are aiming for growth in revenues of nearly 10% and an adjusted EBIT margin of up to 4% in this business unit.

In the Discrete Manufacturing business unit, we will expedite our investments in the new, cloud-based MES product, the integration of additional AI functions, and the cloud/SaaS transformation of the business model in 2026. The successful acquisitions of new customers in 2025 validate the business unit's strategic direction. At the same time, the economic environment in this business area remains challenging on account of international trade conflicts and sustained competitive pressure. However, there are still good opportunities thanks to continuing investments in digital manufacturing. We therefore continue to see this business as being subject to a high degree of volatility. Against this backdrop, we expect the business unit to see stable revenues and a negative adjusted EBIT margin of around –20%.

For Logistics, we expect the strong order trend to continue in 2026. With the new cloud/SaaS-based product version of the warehouse management system (WMS), we have laid the foundations for revenue growth well into double digits. We are therefore aiming to grow revenues by approximately 10% in this business unit. Investments in the new product versions and further internationalization steps will again lower the business unit's adjusted EBIT in 2026, so we are targeting a slightly positive adjusted EBIT margin.

For the PSI Group, we expect growth in new orders and revenues of around 10% and an adjusted EBIT margin of around 4%.

Recurring revenues from maintenance, upgrade and SaaS contracts are expected to grow by at least 5%, accounting for nearly 40% of total consolidated revenues in the 2026 financial year. The share of international revenues will reach nearly 50% of consolidated revenues as in the previous year. We expect negative free cash flow of up to EUR –10 million, which is primarily due to one-time payments associated with the takeover offer submitted by Warburg Pincus.

Regarding our non-financial performance indicators, the values attained in 2025 should not decline significantly in 2026.

Berlin, June 26, 2026

Robert Klaffus Gunnar Glöckner

6. Group Non-Financial Statement

In an internal process, PSI assessed the non-financial areas of environment, customers, employees, society, human rights and combating corruption in terms of their materiality to the Group and derived non-financial key performance indicators on this basis. The PSI Group has used the international framework of the Global Reporting Initiative (GRI) as a basis for preparing its Group non-financial statement.

As PSI is a developer of specialized software solutions that does not manufacture any physical products, employee commitment and long-term customer relationships in particular are key to the PSI Group's success. For a detailed description of the business model, please refer to the Basic Information on the Group section of the Consolidated Management Report. In order to measure its performance with regard to these parameters, PSI calculates an employee commitment index and a customer loyalty index.

Employee commitment shows the employees' motivation and loyalty and the extent to which they identify with PSI. The employee commitment index includes average employee turnover, employee satisfaction and the average sick leave rate in the Group, with targets being defined for all three criteria. In the subsequent calculation of the index based on the respective level of target achievement, employee turnover and employee satisfaction are given a higher weighting than the sick leave rate. In 2025, the PSI Group achieved an employee commitment index score of 85%, which was below its target range (2024 score: 92%). This was the result of a year-on-year increase in staff turnover and a slightly lower sick leave rate while employee satisfaction remained stable. PSI attributes this in particular to the development of the labor market for IT specialists. For 2026, PSI is aiming for an index value of between 84% and 88%.

Long-term customer relationships form the basis for the PSI Group's sustained positive economic performance. The customer loyalty index therefore considers customers' willingness to enter into long-term maintenance and upgrade contracts and to serve as a reference customer. Targets are defined and their achievement is measured both for the share of consolidated revenues attributable to maintenance and upgrade contracts and for the level of willingness to serve as a reference customer. The target achievement levels calculated in this way are included in the index with equal weightings. The customer loyalty index score amounted to 91% in 2025 after 92% in the previous year, mainly reflecting the slightly lower share of maintenance and upgrade revenues while willingness to serve as a reference customer remained more or less unchanged. The 2025 customer loyalty index was therefore within the targeted range. For 2026, PSI is again aiming for an index value of between 90% and 94%.

Sustainability and CSR

Ever since the Company was founded in 1969, sustainability in customer projects as well as in-house processes combined with corporate social responsibility have always been very important issues for PSI. In addition to environmental and social concerns, this particularly includes the areas of employees and customers.

Transparent and Responsible Corporate Governance
PSI follows ethical principles in its dealings with customers, shareholders, employees, partners and competitors. These principles are set out in the Code of Conduct, which is publicly accessible on the Group's website at www.psi.de/en/. Here, PSI commits to ethical business practices and compliance with legal standards for fair working conditions, protection of natural resources, collaborative business conduct and protection of intellectual property.

In addition to the Code of Conduct, PSI has adopted guidelines that govern many different aspects of sustainable and responsible corporate governance. PSI once again complied with the recommendations of the Government Commission on the German Corporate Governance Code in 2025, with a small number of exceptions that are discussed in the declaration of compliance. The declaration of compliance, the corporate governance declaration and the remuneration report are published on the website of PSI Software SE at www.psi.de/en/company/investor-relations/corporate-governance.

Sustainability in PSI Products and Internal Processes
PSI supports the United Nations' 17 Sustainable Development Goals, and its software products make a material contribution to the careful and sustainable use of energy, raw materials and labor in the energy industry and the production and mobility sector. In this way, PSI particularly contributes to the goal of sustainable energy supply (SDG 7), sustainable production (SDG 12), resilient infrastructure (SDG 9) and sustainable cities (SDG 11). PSI also indirectly helps combat climate change, end poverty, generate sustainable economic growth and promote decent work.

PSI's control systems for managing major energy grids have been and still are being continuously expanded with functions that enable the smart management of the feed-in of renewable energy. As a result, considerably more energy from renewable sources can be used and losses in the network minimized, while at the same time increasing security of supply. Together with partners from the energy industry and science, PSI is actively involved in developing the smart energy supply infrastructure of the future. This also includes new products for smart microgrids and charging infrastructure. PSI's gas management systems optimize the transmission, distribution and storage of natural gas, green gas and hydrogen. They enable the optimization of the compressor stations required for grid operations and minimize technical losses. Leak detection and location systems help reduce losses in gas and fuel transport over long distances and avoid environmental damage.

In industry, PSI software products assist in increasing efficiency and the responsible handling of energy, raw materials and labor. The use of PSI's algorithms based on artificial intelligence allows the optimization of assembly sequences in the automotive industry and production processes in the steel industry. This can significantly reduce the use of energy and resources. In the field of logistics, PSI has, among other things, developed new solutions for the dynamic control and operation of optimized logistics networks that help reduce transport costs and emissions by up to 10%.

As a software manufacturer with a low environmental impact, PSI uses sustainable and resource-efficient technologies in its own business processes. In Germany, PSI procures energy from renewable sources and uses cogeneration at its location in Aschaffenburg. At the Aschaffenburg site, charging stations operated by AVG, the local utility company, are available for charging electric company and private vehicles. Wall-mounted EV chargers have also been installed at other PSI locations.

Resource conservation and energy efficiency are key factors for successful sustainable development. PSI's implementation of an environmental management system in accordance with DIN EN ISO 14001 at its Aschaffenburg site clearly shows its commitment to achieving these objectives. PSI strives to lead by example in combating climate change, reducing environmental impacts and ensuring compliance with limits and environmental protection.

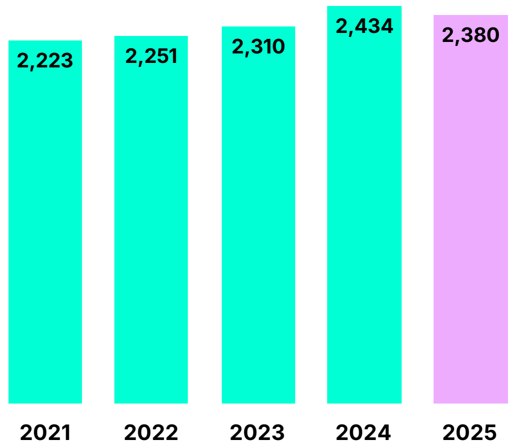
Since 2025, PSI has also operated an energy management system in accordance with DIN EN ISO 50001 at all locations of PSI Software SE. The system enables the systematic analysis of energy consumption, the identification of potential improvements and the pursuit of targeted measures to increase energy efficiency. PSI has participated in the Carbon Disclosure Project since 2011 and received a climate change score of C and a supplier engagement assessment score of B– in 2025.

Employees and Social Commitment

Employee development and training are crucial for the functionality and innovativeness of the products developed by PSI. The main focus areas are specialist training for new employees at the international locations and in Germany and employee development. This takes place in the form of sales, project management and contract law training and courses relating to software tools. Group-wide cooperation on key cross-sector issues promotes the transfer of expertise and standardization within the Group. Employee qualification for the Group's successful cloud/SaaS transformation is particularly important for the strategic development of the Group.

In order to make contact with graduates in the relevant courses of study at an early stage, PSI is involved in promoting education and research in science and engineering. For example, at its main locations, the PSI Group has formed university partnerships that range from offering internships to cooperating on dual study programs.

Number of Employees Decreased
(employees on December 31)



In the first half of 2025, PSI again issued staff shares, which can be acquired on the stock market, for example. The number of employees declined by 54 to 2,380 as at the end of the year.

PSI has been involved in social activities for many years. Examples include various regional initiatives to support charitable organizations based near PSI locations. In addition, PSI promotes team sports activities of various different employee groups by funding participation in competitions and equipment. PSI has repeatedly received awards as a highly desirable employer in recent years.

Information according to the EU Taxonomy

In connection with the objective of directing the flow of capital into ecologically sustainable economic activities, the European Union (EU) developed a classification system for sustainable economic activities for a total of six environmental objectives (EU Taxonomy).

Assessment of Taxonomy Eligibility

In view of the main activities of the PSI Group, the following product groups and services were classified as EU Taxonomy-eligible.

<u>Contribution to climate change mitigation</u>

In relation to climate change mitigation, we classified the activity "8.1 Data processing, hosting and related activities" as a Taxonomy-eligible activity. This includes the operation of the multi-cloud app store. Revenues are calculated in accordance with IFRS (in particular IFRS 15) and are equal to the revenues reported in our consolidated income statement. The development expenses for the PSI App Store were capitalized and recognized in accordance with IAS 38.

In addition, in relation to activity "8.2 Data-driven solutions for GHG emissions reductions," we examined whether our services can be assigned to this category. It is true that various optimization solutions at PSI have functions to reduce greenhouse gas emissions, but they also support other optimization and efficiency targets and were not primarily developed to reduce greenhouse gas emissions. For this reason, in 2025 PSI did not recognize any revenues, operating expenditure or capital expenditure in connection with these activities that could be classified as Taxonomy-eligible. However, we expect that in the future our customers will increasingly request solutions to improve the sustainability of their business processes. This is why we anticipate that the share of revenues, operating expenditure and capital expenditure related to such solutions will increase over the next few years.

In addition to products and services, the activity "6.5 Transport by motorbikes, passenger cars and light commercial vehicles" should be classified as Taxonomy-eligible. The activity "6.5 Transport by motorbikes, passenger cars and light commercial vehicles" includes leasing contracts for company cars.

<u>Contribution to climate change adaptation</u>

In relation to climate change adaptation, we assessed the relevance of the activity "8.2 Computer programming, consultancy and related activities" as PSI is primarily active in computer programming, consultancy and related activities. Due to the special provisions on environmental objective 2 in accordance with (C/2023/305) and (2022/C 385/01), no revenues can be counted as Taxonomy-eligible for economic activities in the "adapted" category, in contrast to the "enabling" category. As activity 8.2 according to Annex II (2021) 2800 to Delegated Regulation 2020/852 is not an enabling activity, the resulting revenues are not Taxonomy-eligible. However, as a climate and vulnerability assessment and an investment plan are available for 8.2, the associated OpEx is considered eligible.

<u>Calculation basis for revenues, operating expenditure and capital expenditure</u>

Revenues are determined according to IFRS and correspond to the revenues recognized in our consolidated income statement and the revenues breakdown shown in the notes to the consolidated financial statements.

Operating expenditure was determined as defined by the EU Taxonomy and includes, inter alia, expenses for research and development, short-term leases and maintenance and repair expenses.

Capital expenditure was determined on the basis of the additions to non-current assets recognized in the consolidated financial statements.

Assessment of Taxonomy Alignment

In addition to Taxonomy eligibility, Taxonomy alignment also requires a substantial contribution to climate change mitigation or climate change adaptation, the specific DNSH criteria must be satisfied, as must the criteria of Appendices A, B, C and D to Annex I of Delegated Regulation (EU) 2021/2139, and minimum safeguards must be in place.

DNSH review and minimum safeguards review

In accordance with Appendix A, a climate risk and vulnerability assessment was conducted for all relevant locations, thereby ruling out specific climate risks. All relevant climate risks were then examined in detail for each of these locations and addressed in the course of risk management. The potential risk of environmental degradation related to preserving water quality and avoiding water stress in accordance with Appendix B is considered minor. As we were unable to identify a substantial contribution of Taxonomy-eligible activities, the DNSH review and minimum safeguards criteria are not applicable.

Contribution to climate change mitigation

In relation to climate change mitigation, the activity "8.1 Data processing, hosting and related activities" was classified as Taxonomy-eligible. However, as this activity did not yet satisfy the substantial contribution criteria in 2025, it was not yet Taxonomy-aligned, though this is intended.

The activity "6.5 Transport by motorbikes, passenger cars and light commercial vehicles" includes leasing contracts for company cars. According to the technical screening criteria in section 6.5 of Annex I to the Delegated Regulation, a vehicle with CO_2 emissions of 50 g CO_2/km or less is considered to make a substantial contribution to climate change mitigation. This includes electric vehicles and most plug-in hybrid vehicles.

Contribution to climate change adaptation

Activity "8.2 Computer programming, consultancy and related activities" was found to be Taxonomy-eligible regarding climate change adaptation. However, because some of the assessments for meeting the substantial contribution were unavailable for this activity in 2025, we classified the activity as not Taxonomy-aligned.

No additional aspects were identified that apply exclusively to PSI Software SE.

Berlin, June 26, 2026

Robert Klaffus Gunnar Glöckner

EU Taxonomy Revenues

2025 Financial Year				Criteria for Substantial Contribution					
Economic Activities (1)	Code(s) (2)	Absolute Revenues (3)	Share of Revenues (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water and Marine Resources (7)	Circular Economy (8)	Pollution (9)
		(in EUR million)	%	%	%	%	%	%
A. TAXONOMY-ELIGIBLE ACTIVITIES								
A.1 Environmentally sustainable activities (Taxonomy-aligned)								
thereof enabling activities		0.00	0	0	0	0	0	0
thereof transitional activities		0.00	0	0	0	0	0	0
Revenues from environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0.00**	**0**	**0**	**0**	**0**	**0**	**0**
A.2 Taxonomy-eligible activities that are not environmentally sustainable (Taxonomy non-eligible activities)								
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL
Data processing, hosting and related activities	CCM 8.1	0.01	0	EL	N/EL	N/EL	N/EL	N/EL
Revenues from Taxonomy-eligible activities that are not environmentally sustainable (Taxonomy non-aligned activities) (A.2)		**0.01**	**0**	0	0	0	0	0
Total (A.1 + A.2)		**0.01**	**0**	0	0	0	0	0
B. TAXONOMY NON-ELIGIBLE ACTIVITIES								
Revenues from Taxonomy non-eligible activities (B)		**285.52**	**100**					
Total (A + B)		**285.53**	**100**					

Y — Yes; activity is Taxonomy-eligible and Taxonomy-aligned with relevant environmental objective

N — No; activity is Taxonomy-eligible, but not Taxonomy-aligned with the relevant environmental objective

EL — "eligible", activity is Taxonomy-eligible for the respective activity

N/EL — "not eligible", activity is not Taxonomy-eligible for the respective objective

CCM — Climate Change Mitigation

CCA — Climate Change Adaption

	DNSH Criteria ("No Significant Harm")									
Biodiversity and Ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water and Marine Resources (13)	Circular Economy (14)	Pollution (15)	Biodiversity and Ecosystems (16)	Minimum Safe-guards (17)	Taxonomy-Aligned Share of Revenues, 2024 (18)	Category (Enabling Activities) (19)	Category "(Tran-sitional Activities)" (20)
%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
0	N	N	N	N	N	N	N	0	E	
0	N	N	N	N	N	N	N	0		T
0	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0**	**0**	**0**
EL; N/EL										
N/EL								0		
0								0		
0								0		

EU Taxonomy operating expenditure

2025 Financial Year				Criteria for Substantial Contribution					
Economic Activities (1)	Code(s) (2)	Absolute OpEx (3)	OpEx Share (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water and Marine Resources (7)	Circular Economy (8)	Pollution (9)	
		(in EUR million)	%	%	%	%	%	%	
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1 Environmentally sustainable activities (Taxonomy-aligned)									
thereof enabling activities			0	0	0	0	0	0	
thereof transitional activities			0	0	0	0	0	0	
OpEx for environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0.00**	**0**	**0**	**0**	**0**	**0**	**0**	
A.2 Taxonomy-eligible activities that are not environmentally sustainable (Taxonomy non-eligible activities)									
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	2.36	4	EL	N/EL	N/EL	N/EL	N/EL	
Computer programming, consultancy and related activities	CCA 8.2	**51.98**	**91**	EL	EL	N/EL	N/EL	N/EL	
OpEx for Taxonomy-eligible activities that are not environmentally sustainable (Taxonomy non-aligned activities) (A.2)		**51.98**	**91**	0	91	0	0	0	
Total (A.1 + A.2)		**51.98**	**91**	0	91	0	0	0	
B. TAXONOMY NON-ELIGIBLE ACTIVITIES									
OpEx for Taxonomy non-eligible activities (B)		**5.03**	**9**						
Total (A + B)		**57.00**	**100**						

Y — Yes; activity is Taxonomy-eligible and Taxonomy-aligned with relevant environmental objective

N — No; activity is Taxonomy-eligible, but not Taxonomy-aligned with the relevant environmental objective

EL — "eligible", activity is Taxonomy-eligible for the respective activity

N/EL — "not eligible", activity is not Taxonomy-eligible for the respective objective

CCM — Climate Change Mitigation

CCA — Climate Change Adaption

	DNSH Criteria ("No Significant Harm")									
Biodiversity and Ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water and Marine Resources (13)	Circular Economy (14)	Pollution (15)	Biodiversity and Ecosystems (16)	Minimum Safe-guards (17)	Taxonomy-Aligned OpEx Share, 2024 (18)	Category (Enabling Activities) (19)	Category "(Tran-sitional Activities)" (20)
%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
0	N	N	N	N	N	N	N	0	E	
0	N	N	N	N	N	N	N	0		T
0	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0**	**0**	**0**
EL; N/EL										
N/EL								5		
N/EL								89		
0								89		
0								89		

EU Taxonomy investments

2025 Financial Year				Criteria for Substantial Contribution					
Economic Activities (1)	Code(s) (2)	Total CapEx (3)	CapEx Share (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water and Marine Resources (7)	Circular Economy (8)	Pollution (9)
		(in EUR million)	%	%	%	%	%	%
A. TAXONOMY-ELIGIBLE ACTIVITIES								
A.1 Environmentally sustainable activities (Taxonomy-aligned)								
thereof enabling activities			0	0	0	0	0	0
thereof transitional activities			0	0	0	0	0	0
CapEx for environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0.00**	**0**	**0**	**0**	**0**	**0**	**0**
A.2 Taxonomy-eligible activities that are not environmentally sustainable (Taxonomy non-eligible activities)								
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	1.32	3	EL	N/EL	N/EL	N/EL	N/EL
Data processing, hosting and related activities	CCM 8.1	0.00	0	EL	N/EL	N/EL	N/EL	N/EL
CapEx for Taxonomy-eligible activities that are not environmentally sustainable (Taxonomy non-aligned activities) (A.2)		**1.32**	**3**	13	0	0	0	0
Total (A.1 + A.2)		**1.32**	**3**	13	0	0	0	0
B. TAXONOMY NON-ELIGIBLE ACTIVITIES								
CapEx for Taxonomy non-eligible activities (B)		**44.78**	**97**					
Total (A + B)		**46.11**	**100**					

Y — Yes; activity is Taxonomy-eligible and Taxonomy-aligned with relevant environmental objective

N — No; activity is Taxonomy-eligible, but not Taxonomy-aligned with the relevant environmental objective

EL — “eligible”, activity is Taxonomy-eligible for the respective activity

N/EL — “not eligible”, activity is not Taxonomy-eligible for the respective objective

CCM — Climate Change Mitigation

CCA — Climate Change Adaption

	DNSH Criteria (“No Significant Harm”)									
Biodiversity and Ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water and Marine Resources (13)	Circular Economy (14)	Pollution (15)	Biodiversity and Ecosystems (16)	Minimum Safe-guards (17)	Taxonomy-Aligned CapEx-Share, 2024 (18)	Category (Enabling Activities) (19)	Category “(Tran-sitional Activities)“ (20)
%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
0	N	N	N	N	N	N	N	0	E	
0	N	N	N	N	N	N	N	0		T
0	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0**	**0**	**0**
EL; N/EL										
N/EL								8		
N/EL								5		
0								13		
0								13		

Summary of Economic Activities

	Share of Revenues/ Total Revenues		**OpEx Share/ Total OpEx**		**CapEx Share/ Total CapEx**	
	Taxonomy-aligned per Objective	Taxonomy-eligible per Objective	Taxonomy-aligned per Objective	Taxonomy-eligible per Objective	Taxonomy-aligned per Objective	Taxonomy-eligible per Objective
CCM	0	0%	0	4%	0	3%
CCA	0	0	0	91%	0	0
WTR	0	0	0	0	0	0
CE	0	0	0	0	0	0
PPC	0	0	0	0	0	0
BIO	0	0	0	0	0	0

CCM Climate Change Mitigation
CCA Climate Change Adaptation
WTR Water and Marine Resources
CE Circular Economy
PPC Pollution Prevention and Control
BIO Biodiversity and Ecosystems

Activities in the Area of Nuclear Energy and Fossil Gaseous Fuels

Activities in the area of nuclear energy	
The company is active in the area of research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle. The company finances such activities or is exposed to risks in connection with these activities.	No
The company is active in the area of the construction and safe operation of new nuclear power plants, for the generation of electricity or process heat — including for the purposes of district heating or industrial processes such as hydrogen production — as well as their safety upgrades using best-available technologies. The company finances such activities or is exposed to risks in connection with these activities.	No
The company is active in the area of the safe operation of existing nuclear power plants, for the generation of electricity or process heat — including for the purposes of district heating or industrial processes such as hydrogen production — as well as their safety upgrades. The company finances such activities or is exposed to risks in connection with these activities.	No

Activities in the area of fossil gaseous fuels	
The company is active in the area of the construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels. The company finances such activities or is exposed to risks in connection with these activities.	No
The company is active in the area of the construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels. The company finances such activities or is exposed to risks in connection with these activities.	No
The company is active in the area of the construction, refurbishment, and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels. The company finances such activities or is exposed to risks in connection with these activities.	No

Consolidated Financial Statements (IFRS)

of PSI Software SE, Berlin,
for the 2025 Financial Year

Consolidated Balance Sheet
as at December 31 (IFRS)

in EUR thousand	Note	**2025**	2024
ASSETS			
Non-current assets			
Intangible assets	G. 1	73,444	72,328
Property, plant and equipment	G. 1	64,884	35,339
Investments in associated companies	D	977	693
Deferred tax assets	G. 14	599	3,543*
		139,904	**111,903**
Current assets			
Inventories	G. 2	2,995	2,997
Net trade receivables	G. 3	44,138	50,355
Receivables from long-term development contracts	G. 4	41,916	45,296
Other assets	G. 5	14,125	9,626
Income tax receivables		7,693	7,050
Cash and cash equivalents	G. 6	27,287	26,483
Assets held for sale	H. 21	0	18,338
		138,154	**160,145**
		278,058	**272,048**

* Restated based on revised offsetting methodology

in EUR thousand	Note	2025	2024
EQUITY AND LIABILITIES			
Equity			
Share capital	G. 7	40,185	40,185
Capital reserves	G. 7	35,137	35,137
Reserve for treasury shares	G. 7	–2,371	–4,698
Other reserves	G. 7	–12,827	–13,913
Unappropriated surplus	G. 7	7,046	38,690
		67,170	**95,401**
Non-current liabilities			
Pension provisions and similar obligations	G. 8	33,287	35,715
Deferred tax liabilities	G. 14	1,065	1,294*
Other liabilities	G. 12	560	694
Provisions	G. 9	513	954
Lease liabilities	G. 10	50,351	15,190
Financial liabilities	G. 11	6,134	9,639
		91,910	**63,486**
Current liabilities			
Trade payables	G. 12	34,742	21,163
Other liabilities	G. 12	43,576	29,248
Provisions	G. 9	1,255	1,783
Liabilities from long-term development contracts and deferred revenues	G. 4	15,557	20,877
Lease liabilities	G. 10	5,333	8,419
Financial liabilities	G. 11	18,515	21,081
Liabilities in connection with assets held for sale and from discontinued assets	H. 21	0	10,590
		118,978	**113,161**
		278,058	**272,048**

Consolidated Income Statement

for the period from January 1 to December 31 (IFRS)

in EUR thousand	Note	**2025**	2024
Revenues	H. 15	285,527	260,838
Other operating income	H. 16	21,514	11,945
Cost of materials	H. 17	–35,018	–38,263
Personnel expenses	H. 18	–212,829	–190,111
Depreciation and amortization	G. 1	–14,758	–14,614
Other operating expenses	H. 19	–65,416	–45,039
Operating result		**–20,980**	**–15,244**
Investment income	H. 20	284	305
Interest and similar income		677	635
Interest and similar expenses		–4,096	–3,569
Earnings before taxes		**–24,115**	**–17,873**
Income taxes	G. 14	–7,309	–3,783
Earnings after taxes from continuing operations		**–31,424**	**–21,656**
Earnings after taxes from discontinued operations	H. 21	**–220**	**700**
Group net result		**–31,644**	**–20,956**
Consolidated earnings per share (basic and diluted) (in EUR)	H. 22	–2.04	–1.35
Share of earnings attributable to shareholders from continuing operations		**–2.03**	**–1.40**
Share of earnings attributable to shareholders from discontinued operations		**–0.01**	**0.05**
Average shares outstanding (in thousands)	H. 22	15,537	15,488

Consolidated Statement of Comprehensive Income

for the period from January 1 to December 31 (IFRS)

in EUR thousand	**2025**	2024
Group net result	**–31,644**	**–20,956**
Items that are reclassified to consolidated net result in subsequent periods **Currency translation of foreign operations**	**–1,556**	**2,772**
Items that are not reclassified to consolidated net result in subsequent periods Actuarial gains	3,068	2,651
Income tax effects	–426	–792
	2,642	**1,859**
Other comprehensive income after taxes	**1,086**	**4,631**
Consolidated total comprehensive income	**–30,558**	**–16,325**

Consolidated Cash Flow Statement

for the period from January 1 to December 31 (IFRS)

in EUR thousand	2025	2024
1. Cash flow from operating activities		
Consolidated earnings before income taxes	**–24,335**	**–17,173**
Adjustment of annual earnings for non-cash transactions		
Amortization of intangible assets	4,164	3,873
Depreciation of property, plant and equipment	3,212	3,640
Amortization of right-of-use assets	7,382	7,101
Income from investments in associated companies	–284	–305
Expenses from disposals of fixed assets	75	0
Interest income	–677	–635
Interest expense	4,095	3,569
Other non-cash income/expenses	–445	–860
	–6,813	**–790**
Change in inventories	2	649
Change in trade receivables and receivables from long-term development contracts	9,591	–7,144
Change in other current assets	–5,723	–5,733
Change in provisions	–539	–2,161
Change in trade payables	13,569	3,513
Change in other non-current and current liabilities	5,760	–1,389
	15,847	**–13,055**
Income taxes paid	–3,804	–6,625
Cash flow from operating activities	**12,043**	**–19,680**
2. Cash flow from investing activities		
Outflows for investments in intangible assets	–5,828	–4,764
Outflows for investments in property, plant and equipment	–2,035	–2,969
Inflows from the sale of consolidated companies less divested cash and cash equivalents	8,564	0
Inflows from distributions by associated companies	224	198
Interest received	550	526
Cash flow from investing activities	**1,475**	**–7,009**
3. Cash flow from financing activities		
Outflows for the repayment of lease liabilities	–5,962	–6,566
Interest paid on leases	–1,256	–778
Interest paid	–1,262	–1,431
Inflows/outflows from the repayment/borrowing of financial liabilities	–6,071	14,091
Cash flow from financing activities	**–14,551**	**5,316**
4. Cash and cash equivalents at end of period		
Net change in cash and cash equivalents — continuing operations	–1,033	–21,373
Exchange-rate-related changes in cash and cash equivalents	–1,199	417
Cash and cash equivalents at beginning of period	29,519	50,475
Cash and cash equivalents at end of period	**27,287**	**29,519**
thereof disposal of cash and cash equivalents — assets held for sale	0	3,036
Amount recognized in the balance sheet — cash	27,287	26,483

Consolidated Statement of Changes in Equity

for the period from January 1 to December 31 (IFRS)

in EUR thousand	Share capital	Capital reserves	Reserve for treasury shares
Balance as at December 31, 2023	**40,185**	**35,137**	**−4,698**
Group net result			
Other comprehensive income after taxes			
Consolidated total comprehensive income after taxes			
Balance as at December 31, 2024	**40,185**	**35,137**	**−4,698**
Group net result			
Other comprehensive income after taxes			
Consolidated total comprehensive income after taxes			
Dividend distribution to shareholders of the parent company			
Acquisition of treasury shares			0
Sale of treasury shares			0
Issue of treasury shares			2,327
Total capital transactions	0	0	2,327
Balance as at December 31, 2025	**40,185**	**35,137**	**−2,371**

	Other reserves	Unappropriated surplus	Total
	–18,544	**59,646**	**111,726**
		–20,956	–20,956
	4,631		4,631
	4,631	**–20,956**	**–16,325**
	–13,913	**38,690**	**95,401**
		–31,644	–31,644
	1,086		1,086
	1,086	**–31,644**	**–30,558**
		0	0
			0
			0
			2,327
	0	0	2,327
	–12,827	**7,046**	**67,170**

Consolidated Segment Reporting

for the period from January 1 to December 31 (IFRS)

	Grid & Energy Management		Process Industries & Metals	
in EUR thousand	**2025**	2024	**2025**	2024
Revenues				
Revenues with third parties	140,938	115,647	72,945	65,719
Revenues with other segments	39	1,029	231	1,320
Total revenues	**140,977**	**116,676**	**73,176**	**67,039**
Segment operating result before depreciation and amortization	**1,356**	**–7,628**	**7,814**	**4,368**
Segment operating result before depreciation and amortization from purchase price allocation	**–6,014**	**–14,412**	**4,779**	**1,688**
Adjusted operating result	**8,956**	**–14,797**	**4,345**	**1,218**
Segment operating result	**–6,364**	**–14,797**	**4,345**	**1,218**
Financial result/Investment income	–1,511	–1,140	–625	–489
Segment result before taxes	**–7,875**	**–15,937**	**3,720**	**729**

	Discrete Manufacturing		Logistics		Other		PSI Group	
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024
	35,457	29,979	33,405	31,424	2,782	18,069	285,527	260,838
	73	48	11	70	–354	–2,467	0	0
	35,530	**30,027**	**33,416**	**31,494**	**2,428**	**15,602**	**285,527**	**260,838**
	1,515	**1,494**	**1,482**	**2,508**	**–18,389**	**–1,372**	**–6,222**	**–630**
	–284	**386**	**–244**	**721**	**–18,433**	**–2,701**	**–20,196**	**–14,318**
	–244	**386**	**206**	**721**	**–1,529**	**–2,772**	**11,734**	**–15,244**
	–284	**386**	**–244**	**721**	**–18,433**	**–2,772**	**–20,980**	**–15,244**
	–604	–356	–382	–388	–13	–256	–3,135	–2,629
	–888	**30**	**–626**	**333**	**–18,446**	**–3,028**	**–24,115**	**–17,873**

Development of Fixed Assets

for the period from January 1 to December 31, 2025 (IFRS)

in EUR thousand	Costs				
	Jan. 1, 2025	Exchange differences	Additions	Disposals	**Dec. 31, 2025**
Intangible assets					
Other intangible assets	30,389	–36	69	2,531	27,891
Goodwill	59,855	–544	0	0	59,311
Capitalized software development costs	18,039	0	5,759	0	23,798
	108,283	**–580**	**5,828**	**2,531**	**111,000**
Property, plant and equipment					
Land and buildings	17,363	–12	21	0	17,372
Computers and computer accessories	26,419	–153	1,453	3,393	24,326
Other equipment, operating and office equipment	10,023	–151	561	851	9,582
Right-of-use assets from leases for immovable assets	48,441	24	36,887	0	85,352
Right-of-use assets from leases for movable assets	5,532	9	1,355	857	6,039
	107,778	**–283**	**40,277**	**5,101**	**142,671**
Financial assets					
Investments in associated companies	693	0	283	0	976
	693	0	283	0	976
	216,754	**–863**	**46,388**	**7,632**	**254,647**

Development of Fixed Assets

for the period from January 1 to December 31, 2024 (IFRS)

in EUR thousand	Costs				
	Jan. 1, 2024	Exchange differences	Additions	Disposals	**Dec. 31, 2024**
Intangible assets					
Other intangible assets	36,154	37	470	6,272	30,389
Goodwill	61,414	1,522	0	3,081	59,855
Capitalized software development costs	13,745	0	4,294	0	18,039
	111,313	**1,559**	**4,764**	**9,353**	**108,283**
Property, plant and equipment					
Land and buildings	17,349*	32	56	74	17,363
Computers and computer accessories	27,641*	345	1,967	3,534	26,419
Other equipment, operating and office equipment	9,638*	72	946	633	10,023
Right-of-use assets from leases for immovable assets	46,348*	–177	5,121	2,851	48,441
Right-of-use assets from leases for movable assets	6,060*	–22	1,331	1,837	5,532
	107,036	**250**	**9,421**	**8,929**	**107,778**
Financial assets					
Investments in associated companies	693	0	0	0	693
	693	0	0	0	693
	219,042	**1,809**	**14,185**	**18,282**	**216,754**

* Restated
An appropriate allocation within the property, plant and equipment is made for a subsidiary.

	Accumulated amortization/depreciation					Carrying amounts	
	Jan. 1, 2025	Exchange differences	Additions	Disposals	**Dec. 31, 2025**	**Dec. 31, 2025**	Dec. 31, 2024
	26,729	–32	1,279	2,531	25,445	2,446	3,660
	2,352	0	0	0	2,352	56,959	57,503
	6,874	0	2,885	0	9,759	14,039	11,165
	35,955	**–32**	**4,164**	**2,531**	**37,556**	**73,444**	**72,328**
	12,665	–9	303	0	12,959	4,413	4,698
	21,348	–147	2,127	3,336	19,992	4,334	5,071
	6,844	–79	782	850	6,697	2,885	3,179
	28,471	2	5,990	0	34,463	50,889	19,970
	3,111	13	1,392	840	3,676	2,363	2,421
	72,439	**–220**	**10,594**	**5,026**	**77,787**	**64,884**	**35,339**
	0	0	0	0	0	976	693
	0	0	0	0	0	976	693
	108,394	**–252**	**14,758**	**7,557**	**115,343**	**139,304**	**108,360**

	Accumulated amortization/depreciation					Carrying amounts	
	Jan. 1, 2024	Exchange differences	Additions	Disposals	**Dec. 31, 2024**	**Dec. 31, 2024**	Dec. 31, 2023
	31,087	16	1,814	6,188	26,729	3,660	5,067
	2,299	53	0	0	2,352	57,503	59,115
	4,815	0	2,059	0	6,874	11,165	8,930
	38,201	**69**	**3,873**	**6,188**	**35,955**	**72,328**	**73,112**
	12,342*	31	320	28	12,665	4,698	5,007*
	21,960*	287	2,529	3,428	21,348	5,071	5,681*
	6,552*	50	791	549	6,844	3,179	3,086*
	25,063*	–110	5,850	2,332	28,471	19,970	21,285*
	3,690*	–66	1,251	1,764	3,111	2,421	2,370*
	69,607	**192**	**10,741**	**8,101**	**72,439**	**35,339**	**37,429**
	0	0	0	0	0	693	693
	0	0	0	0	0	693	693
	107,808	**261**	**14,614**	**14,289**	**108,394**	**108,360**	**111,234**

Notes to the Consolidated Financial Statements

PSI Software SE, Berlin, as at December 31, 2025

A. General Information on the Company

The parent company of the PSI Group is PSI Software SE (PSI SE, headquartered at Dircksenstrasse 42 to 44 in 10178 Berlin, Germany. It is entered in the commercial register of the Charlottenburg district court with the number HRB 255242.

The Executive Board prepared the consolidated financial statements as at December 31, 2025, and the consolidated management report for the 2025 financial year on June 26, 2026, approved them for publication and subsequently released them for submission to the Supervisory Board.

The business operations of the PSI Group comprise the development and sale of software systems and products that meet the specific needs and requirements of customers mainly operating in the following industries and service sectors: energy supply, production, infrastructure, software technology, internet applications and business consultancy. In addition, the PSI Group performs services of all kinds in the field of data processing, sells electronic equipment and runs data processing systems.

Since the end of the 2024 financial year, the PSI Group has been divided into the four main business units Grid & Energy Management, Process Industries & Metals, Discrete Manufacturing and Logistics.

The Company's shares are publicly listed in the Prime Standard on the German stock exchange in Frankfurt/Main (securities identification number (WKN) A0Z1JH, ISIN DE000A0Z1JH9).

B. Basis of Preparation of the Financial Statements

General Information

The consolidated financial statements of the PSI Group are generally prepared on a going concern basis, with assets and liabilities being stated at amortized cost. The consolidated income statement is prepared using the nature of expense method. The Group presents assets and liabilities in the consolidated balance sheet according to their current or non-current components.

The consolidated financial statements of the PSI Group are prepared in accordance with the IFRS Accounting Standards (IFRSs) as adopted by the EU. The consolidated financial statements take into account all IFRSs published at the end of the reporting period and applicable in the European Union. The consolidated financial statements were prepared in euro. Unless specified otherwise, all figures are rounded up or down to the nearest thousand euro according to commercial rounding.

The accounting policies applied in the 2025 financial year are the same as those applied in the previous year.

C. Amended IASB Standards and Interpretations

Effects of New Accounting Standards Required to Be Applied in the Financial Year

The following amendments to Standards and Interpretations that were effective for the first time from January 1, 2025, had no effect on the consolidated financial statements:

Standard	Title	Date of publication
IAS 21	Lack of Exchangeability (amendments to IAS 21)	August 2023

Accounting Standards Published But Not Yet Applied

The IASB has published the following amendments to standards and interpretations that do not become effective until subsequent reporting periods and are not being applied early by the Group:

Standard	Title	Effective date	Anticipated effect
IFRS 9, IFRS 7	Classification and Measurement of Financial Instruments	January 1, 2026	No impact
IFRS 9, IFRS 7	Contracts Referencing Nature-dependent Electricity	January 1, 2026	No impact
IFRS 1, IFRS 7, IFRS 9, IFRS 10, IAS 7	Annual Improvements to IFRS Accounting Standards — Volume 11	January 1, 2026	No impact
IFRS 18	Presentation and Disclosures in Financial Statements	January 1, 2027	Impact expected, exact extent currently being analyzed
Endorsement pending			
IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 1, 2027	No impact
Amendments to IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 1, 2027	Effect still being examined
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency	January 1, 2027	Effect still being examined

D. Principles of Consolidation

a) Subsidiaries

The financial statements of the Group cover PSI SE and the companies it controls. The consolidated financial statements include PSI SE and its subsidiaries over which it exercises control as defined in IFRS 10. PSI SE controls an investee when it has direct or indirect power over the investee, is exposed to variable returns from the investee and has the ability to affect the investee's variable returns through its power over it. The interest in an investee is determined based on the actual control exercised over the investee. If control is lost, the subsidiary in question is no longer included in the scope of consolidation.

A total of 16 (previous year: 17) companies are consolidated in the consolidated financial statements, and one company (previous year: one) is included as an associated company. No simplification rules are applied. None (previous year: one) of the companies included in consolidation is located in Germany and 16 (previous year: 16) are located in other countries.

Under a contract dated December 21, 2024, PSI Software SE sold 100% of the shares in PSI Transcom GmbH, effective March 5, 2025 (share and purchase agreement). Control over the company therefore ended on March 5, 2025. Besides this, there were no other changes in the consolidated companies. As well as PSI SE, all companies controlled by PSI SE were included in the consolidated financial statements, as in the previous year. Please refer to the list of shareholdings in section K.

Company acquisitions are accounted for using the acquisition method in accordance with IFRS 3. Companies acquired or sold during the financial year under review are included in the consolidated financial statements starting from the date of the acquisition or until the date of sale.

The excess of the cost of an acquisition over the interest in the fair value of the identifiable assets and liabilities acquired as at the date of the acquisition transaction is referred to as goodwill and recognized as an asset. The identifiable assets and liabilities recognized are measured at their fair values as at the acquisition date. Costs incurred as a result of the business combination are recognized as expenditure.

b) Associated companies

An associated company as defined by IAS 28 is a company in which the PSI Group typically holds more than 20% of the voting rights and over which the Group has significant influence. Investments in associated companies are accounted for using the equity method. In accordance with the equity method, investments in an associated company are recognized in the consolidated balance sheet at cost plus changes in the Group's share of the associated company's net assets that occurred after the acquisition. The consolidated income statement includes the share of the associated company's profit or loss attributable to the Group. Changes reported directly in the associated company's equity are recognized by the Group in the amount of its share in the consolidated statement of changes in equity where appropriate. Unrealized gains and losses from transactions between the Group and the associated company are eliminated in line with the share in the associated company.

The investment in the following associated company is measured using the equity method:

– caplog-x GmbH, Leipzig, 31.3% (previous year: 31.3%)

caplog-x GmbH’s net income is recognized in the consolidated financial statements in the amount of this interest under “Income from equity investments.” The figures taken from caplog-x GmbH’s balance sheet and income statement are as follows:

in EUR thousand

caplog-x GmbH	31.3% 2024	100% 2024*	31.3% 2023	100% 2023
Share in the assets and liabilities of the associated company:				
Non-current assets	441	1,410	330	1,053
Current assets	1,451	4,635	1,492	4,767
Current liabilities	1,003	3,204	911	2,912
Equity	**889**	**2,841**	**911**	**2,908**
Share of the revenues and earnings of the associated company:				
Revenues	3,316	10,595	3,412	10,901
Earnings	283	905	305	972
Carrying amount of the equity investment as at Dec. 31, 2025	977			

* The PSI Group had not yet received the annual financial statement figures for the 2025 financial year at the time that its balance sheet was prepared.

c) Consolidation measures and uniform measurement throughout the Group

The annual financial statements of the subsidiaries and associated companies included in the consolidated financial statements are based on uniform accounting standards and reporting periods/reporting dates.

Intragroup balances and transactions and resulting intragroup gains and unrealized gains and losses between consolidated companies were eliminated in full. Unrealized losses were only eliminated if the transactions did not provide evidence of an impairment of the asset transferred.

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between independent market participants at the measurement date. In a fair value measurement, it is assumed that the transaction in which the asset is sold or the liability is transferred takes place either in the

– principal market for the asset or liability or

– most advantageous market for the asset or liability, if there is no principal market.

The Group must have access to the principal market or to the most advantageous market. The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability. It is assumed that the market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available for measuring the fair value. In doing so, the use of relevant, observable inputs is maximized and that of unobservable inputs is minimized.

All assets and liabilities whose fair value is determined or reported in the financial statements are classified in the fair value hierarchy described below based on the lowest-level input that is significant to the entire fair value measurement:

- Level 1 — quoted prices (unadjusted) in active markets for identical assets or liabilities

- Level 2 — valuation methods in which the lowest-level input that is significant to the entire fair value measurement is directly or indirectly observable on the market

- Level 3 — valuation methods in which the lowest-level input that is significant to the entire fair value measurement is not observable on the market

In the case of assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether there have been any transfers between the levels of the hierarchy by reviewing the classification at the end of each reporting period.

Foreign Currency Translation and Measurement

PSI's consolidated financial statements are prepared in euro, the functional currency and presentation currency of the Group. Each company within the Group determines its own functional currency. The items included in the respective company's financial statements are measured using this functional currency. Foreign currency transactions are initially translated at the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated into the functional currency at the closing rate. All associated exchange differences are recognized in the net profit or loss for the period. Non-monetary items of the consolidated balance sheet in foreign currencies are updated at historical exchange rates.

The functional currency of the main foreign companies is generally the respective local currency. As at the end of the reporting period, the assets and liabilities of these subsidiaries are translated into the presentation currency of PSI SE (the euro) at the closing rate. For practical reasons, income and expenses are translated at the average rate in the respective financial year. The effects of using the average rate as compared to the rate on the transaction date are immaterial overall for the financial year and for the previous year. The exchange differences that arise on translation are recognized in equity under other reserves.

E. Significant Judgments, Estimates and Assumptions

In the process of applying the accounting policies, management has made the following judgments, estimates and assumptions that have the most significant effect on the amounts recognized in the statements.

In applying the Group's accounting policies, management did not make any judgments that have a significant impact on the amounts in the consolidated financial statements, with the following exceptions.

Recognition of intangible assets (software development costs): The PSI Group recognizes expenses for internally generated intangible assets when incurred. In exceptional cases — to a limited extent — development expenses that are incurred in development projects over multiple periods and that satisfy all the criteria of IAS 38 are capitalized and amortized over the estimated useful life of up to five years. Assessing whether internally generated intangible assets from development activities meet the criteria for recognition requires the exercise of judgment, in particular in the following areas:

- Assessing whether activities should be classified as research or development activities requires the application of criteria in which these activities differ.

- Assessing whether the recognition criteria for intangible assets have been met requires assumptions regarding market conditions, customer demand and other future developments.

- The term “technical feasibility” is not defined in the IFRSs. Assessing whether the completion of an asset is technically feasible therefore requires an approach specific to the Company that unavoidably entails the exercise of judgment.

- Assessing whether the asset in development can be used or sold in the future and assessing whether this use or sale is likely to create future benefits requires assumptions regarding future market developments and investment by customers.

These judgments affect the total amount of the intangible assets that we report in our consolidated balance sheet and the timing of the recognition in profit or loss of development expenses that are included in staff costs and other operating expenses.

The main assumptions regarding the future and other major sources of estimation uncertainty at the end of the reporting period that entail a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. Estimates and assumptions are based on historical information and planning data and information on economic conditions in the sectors or regions in which PSI customers operate. Changes to these may adversely affect the estimates. Even if management believes that its estimates regarding the future development of underlying uncertainties are appropriate, it cannot guarantee that the financial impact of these will reflect the assumptions taken into account for the assessment of the reported assets, liabilities, income and expenses and the contingent liabilities disclosed in PSI’s consolidated financial statements. Actual results may differ from the original estimates and assumptions made by management.

Impairment of non-current assets: The PSI Group tests non-current assets for impairment once a year based on the provisions of IAS 36. The impairment tests are based on the future surplus cash generated for individual assets or for groups of assets combined in cash-generating units. An asset or a cash-generating unit is impaired if its carrying amount exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value, less costs to sell and its value in use. Value in use is calculated using the discounted cash flow method. The recoverable amount depends on the discount rate used when applying the discounted cash flow method as well as on the expected future cash inflows and the growth rate used for extrapolation purposes. Significant non-current assets that are tested for impairment on an annual basis relate to the goodwill reported in the PSI Group. Further details with regard to impairment testing can be found in section G. 1 of the notes. Changes in the carrying amounts of capitalized development costs are shown in the consolidated income statement on page 82 and in the development of fixed assets on page 88 f.

Project valuation: The PSI Group recognizes revenues for software development over time. If software development services are performed on the basis of fixed-price projects, the amount of the revenues recognized over time is calculated based on the estimated performance in the projects. Performance estimates are based on an estimated hourly volume and estimated costs for purchased services and are continuously updated. Estimating the volume of hours in software development projects requires assumptions regarding the services yet to be performed for the customer, when these services will be performed and other contractual aspects agreed with the customer. Further details on the income recognized for projects but not yet invoiced are provided in section G. 4.

Deferred taxes: Deferred tax assets are recognized for all unused tax loss carryforwards and temporary differences to the extent that it is probable or there is convincing evidence that taxable income will be available for this purpose, meaning that the tax benefits depicted can actually be used in the near future. To determine the amount of the deferred tax assets, management must make an estimate based on the expected timing and amount of future taxable income and on the future tax planning strategy (timing of tax results, taking tax risks into account, etc.). Further details are presented in section F. under "Deferred taxes."

When determining valuation allowances on receivables on the basis of expected defaults/losses, to a significant degree estimates and judgments have to be made regarding individual receivables that are based on the creditworthiness of the customer in question and on current economic developments. These take information about customer ratings — if available — into account. Further details are presented in section F. under Financial Risk Management Objectives and Methods.

As in the previous year, receivables from insurers were recognized on the balance sheet where settlement was deemed highly probable under the existing policy terms and the conditions for the claim. Legal and technical expert opinions were obtained to substantiate the assessment that payment by the insurance company was highly probable.

Pensions and other post-employment benefits: The expenses from post-employment defined benefit plans and the present value of the pension liability are determined using actuarial calculations. The actuarial valuation is based on assumptions relating to discount rates, the expected retirement age, future increases in wages and salaries, mortality and future pension increases. In view of the long-term nature of these plans, such estimates are subject to significant uncertainties. All assumptions are reviewed at the end of each reporting period. Management determines an appropriate discount rate based on the interest rates of corporate bonds that are denominated in the same currency as the post-employment benefit obligation and have a rating of at least AA from an internationally recognized rating agency. Where necessary, these interest rates are adjusted to the expected duration of the defined benefit obligation by way of extrapolation along the yield curve. Further details are presented in section G. 8.

F. Presentation of Accounting Policies and Financial Risk Management Methods

Non-Current Assets

a) Intangible assets

Intangible assets are initially measured at cost. Intangible assets are recognized if it is probable that the future economic benefits attributable to the asset will flow to the Company and if the cost of the asset can be measured reliably. For the purposes of subsequent measurement, intangible assets are recognized at cost less accumulated amortization and accumulated impairment losses (reported under depreciation and amortization). The amortization period and the amortization method are reviewed at the end of each financial year.

Intangible assets comprise:

Goodwill
Goodwill from a business combination is initially measured at cost, which is calculated as the excess of the cost of the business combination over the PSI Group's interest in the fair values of the identifiable assets acquired and the identifiable liabilities and contingent liabilities assumed. After initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is tested for impairment at least once a year or when facts or changes in circumstances indicate that its carrying amount may have decreased. To check whether goodwill acquired in a business combination is impaired, this goodwill must be allocated to a cash-generating unit. If the recoverable amount of the cash-generating unit is lower than its carrying amount, an impairment loss must be recognized.

Other intangible assets
Amounts paid to purchase industrial property rights and license rights are capitalized and subsequently amortized on a straight-line basis over their expected useful lives (three to eight years).

The acquisition cost of new software is capitalized and treated as an intangible asset, provided it does not constitute an integral part of the related hardware. Software is amortized on a straight-line basis over a period of three to five years.

Costs incurred to restore or maintain the future economic benefits that the Company had originally expected are recognized as an expense.

Research and development costs
Research costs are recognized as an expense in the period in which they are incurred. Development costs for an individual project are only capitalized as an internally generated intangible asset if the criteria for capitalization under IAS 38.57 "Intangible Assets" are met on a cumulative basis.

After initial recognition, capitalized development costs are accounted for at cost less accumulated amortization. The amortization period is typically between three and five years.

b) Property, plant and equipment
Property, plant and equipment is measured at cost less any accumulated depreciation and any accumulated impairment losses. For property, plant and equipment acquired as part of business combinations, cost corresponds to the fair value at the acquisition date. If items of property, plant and equipment are sold or scrapped or if no further economic benefit is expected from their use, then the corresponding cost and accumulated depreciation are derecognized. Any realized gain or loss on disposal is reported in the consolidated income statement.

The cost of an item of property, plant and equipment comprises the purchase price including the costs necessary to bring the item into condition for its intended use. Subsequent expenses such as servicing and maintenance costs that arise after the fixed assets have started being used are recognized as an expense when incurred. If it is likely that expenses will result in the Company receiving future economic benefits in excess of the originally assessed performance of the existing asset, these expenses are capitalized as additional costs of property, plant and equipment.

Depreciation is calculated on a straight-line basis over an anticipated useful life, assuming a residual carrying amount of EUR 0. The following expected useful lives are used for the individual asset groups:

Buildings	25 to 50 years
Exterior facilities, other constructions	10 to 20 years
Computer hardware	3 to 7 years
Leasehold improvements	Based on remaining term of the lease or actual useful life if shorter
Other office equipment	5 to 13 years

The useful lives and depreciation method for property, plant and equipment are reviewed on an annual basis to ensure that the depreciation method and depreciation period are consistent with the expected pattern of economic benefits from the items of property, plant and equipment.

c) Property, plant and equipment/leases – the Group as a lessee

In leases, the PSI Group is solely a lessee. Determining whether an arrangement is or contains a lease is based on the economic substance of the arrangement and requires an assessment as to whether the fulfillment of the contractual arrangement is dependent on the use of a specific asset or assets and whether the arrangement grants a right to use the asset.

The PSI Group has essentially entered into leases for properties, vehicles and hardware (servers). In accordance with IFRS 16, the Group recognizes right-of-use assets and lease liabilities as at the commencement date for leases with a term of more than twelve months, provided the underlying asset is not of low value. Rights of use are measured at cost less any accumulated amortization. The costs of rights of use include the recognized lease liabilities, the initial direct costs incurred and the lease payments made at or before the commencement date, less any lease incentives received. Extension options are included in the term of the lease if it is reasonably certain that they will be exercised.

Rights of use are amortized on a straight-line basis over the term or the expected useful life of the leases as follows:

Properties	2 to 15 years
Movable assets	2 to 5 years

In calculating the present value of the lease payments, the Group uses the incremental borrowing rate as the interest rate implicit in the lease cannot be readily determined. The carrying amount of the lease liabilities is also adjusted in the case of changes in the lease, the term, the lease payments, or the assessment.

An overview of the maturities of lease liabilities is presented in section G. 10.

Other financial obligations from short-term leases and low-value leases that do not come under IFRS 16 as a result of applying the exemption are shown in section K. under "Other Financial Obligations and Contingent Liabilities."

d) Impairment of non-current, non-financial assets

Non-current assets are tested for impairment when facts or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In the first step of the impairment test, the recoverable amount of the asset or cash-generating unit must initially be determined. This is defined as the higher of fair value less costs to sell and value in use. Fair value less costs to sell is defined as the price that can be achieved in a sale of an asset or cash-generating unit between two knowledgeable, willing and independent business partners, less the costs to sell. The value in use of an asset or a cash-generating unit is determined by its present value in its current use on the basis of expected cash flows. No impairment of non-current assets was recognized in the past financial year or in the previous year.

Financial Assets

In the past financial year and in the previous year, the PSI Group only held financial assets in the form of originated loans and receivables recognized at amortized cost. Financial assets are included in the balance sheet items trade receivables, other assets and cash and cash equivalents.

Originated loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These assets are measured at amortized cost using the effective interest method. Gains and losses are recognized in the net profit or loss for the period when the loans and receivables are derecognized or impaired.

In accordance with IFRS 9, the PSI Group recognizes loss allowances for expected credit losses on all financial assets and contract assets in accordance with IFRS 5 using the expected loss model. Expected credit losses are recognized as a collective impairment. On the initial measurement of financial assets, all credit losses expected over the lifetime of the respective receivables are taken into account using a simplified impairment approach. The losses are estimated using a provision matrix. Moreover, loss allowances for individual financial assets are recognized when there is objective evidence of permanent impairment. Receivables and other financial assets are derecognized in full or in part when there is no reasonable expectation of recovery.

As in the previous year, the carrying amounts of the financial assets correspond to their fair values.

Discontinued Operation, Assets and Liabilities Held for Sale

A part of the Group whose operations and cash flows can be clearly distinguished, operationally and for financial reporting purposes, was reported as a discontinued operation in the previous year when:

- its carrying amounts will be recovered principally through a sale transaction rather than through continuing use;
- there has been a resolution to discontinue its operations and discontinuation has begun, the operation has been classified as a segment and there is a coordinated plan for discontinuation.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the consolidated income statement. When operations are classified as discontinued operations, the consolidated income statement and the consolidated statement of cash flows for the comparative period are restated as if the operation had been classified as discontinued from the start of the comparative period.

In the previous year's consolidated balance sheet, non-current and current assets and liabilities were assigned to the discontinued operation if they were expected to be recovered principally through a sale transaction, a permanent disposal, rather than through continuing use. The sale or disposal had to have been expected within one year from the date of the classification. The assets and liabilities intended for disposal were therefore reported separately as a current item in the consolidated balance sheet. They were recognized at the lower of carrying amount or fair value, and non-current assets were no longer depreciated or amortized. Impairment losses were recognized in profit or loss on initial classification. Impairment on subsequent measurement after initial classification was recognized in the profit or loss of the discontinued operation.

The PSI Group classifies an asset or liability as held for sale if its carrying amount is recovered principally through a sale transaction rather than through continuing use.

Financial Liabilities

The financial liabilities included in the PSI Group's consolidated financial statements are recognized in the balance sheet items trade payables, other liabilities, lease liabilities and financial liabilities. There is a reconciliation to the individual financial liabilities in section G. 12.

On initial recognition, financial liabilities are accounted for at their settlement amount, which corresponds to the fair value of the consideration given; transaction costs are included.

Financial liabilities are no longer reported when they are repaid, i.e., when the obligations specified in the contract have been settled, canceled or have expired.

As in the previous year, the carrying amounts of the financial liabilities generally correspond to their fair values.

Financial Risk Management Objectives and Methods

The main financial instruments used by the Company to finance its operating business are cash funds, available-for-sale financial assets and current financial liabilities. There are also current receivables and liabilities from long-term development contracts, which are also covered by financial risk management. The main risks result from market, default/credit and liquidity risks.

a) Market risk
The Group is exposed to currency risks as a result of its operating activities and net investments in foreign subsidiaries. For significant loans issued within the Group, a sensitivity analysis in relation to exchange rates was performed in order to illustrate possible effects on the Group net result. If the EUR/MYR exchange rate had been 2% lower as at December 31, 2025, this would have resulted in a decrease in the Group net result of approximately EUR 10 thousand (previous year: 2%, EUR 30 thousand). Conversely, a 2% increase in the EUR/MYR exchange rate would have meant an increase in the Group net result before taxes of approximately EUR 10 thousand (previous year: 2%, EUR 30 thousand). Due to the low significance of interest-bearing liabilities, interest risks exist only to a limited extent.

b) Default/credit risk
Credit risk, or the risk that a counterparty might fail to meet its payment obligations, is managed by using credit facilities, defining pre-financing ratios for specific orders and applying monitoring procedures. The Group only enters into transactions with creditworthy third parties. A credit assessment is performed for all customers wishing to enter into transactions with the Group on a credit basis. As most of the PSI Group's customers are well-known major companies from the energy and utilities sector or the steel and automotive industry that have good or very good credit quality, the Executive Board believes that the overall receivables portfolio of the PSI Group has a lower-than-average risk profile in comparison to other software providers. Concentrations of risk may arise with individual customers or groups of customers that are exposed to the same risk scenarios or operate in the same type of environment (same sector, same customers, same

sales region, same currency, etc.). For trade receivables, contract assets and other financial receivables, expected credit losses are reported using the simplified method over the remaining term, which is typically not more than twelve months for these assets. For trade receivables, contract assets and other financial receivables with a remaining term of less than twelve months and for which a significant increase in credit risk is not assumed (class 1), there are historic credit risks of between 0.0% and 0.1% of the corresponding nominal amounts. For practical reasons, an expected credit loss of 0.0% is assumed for class 1 assets. For all other assets that have either a longer term or a higher credit risk (class 2), the expected credit loss is determined individually for each asset. A significant credit risk is assumed if there are delays in payment or external information indicates a deterioration in credit ratings. The average value of the credit risk for class 2 assets is historically between 50.0% and 75.0%. Depending on the geographic region, a default or the classification of a trade receivable, contract asset or other financial receivable is assumed after 180 or 360 days.

c) Liquidity risk

The Group continuously monitors the risk of a liquidity shortage using liquidity planning tools (maturity, expected cash flows). The aim of this monitoring is to maintain a balance between continuously covering financing requirements and ensuring flexibility. In monitoring the financial balance, it is particularly important to monitor project financing. The PSI Group strives to maximize the pre-financing ratio (ratio of advance payments received for projects to receivables from long-term development contracts) for each project. As there are significant differences in customers' payment history in relation to pre-financing depending on the industry in which the customers operate, the PSI Group has not made any specifications with regard to the exact amount of pre-financing. A sufficient pre-financing ratio is targeted throughout the Group. There are no further individual targets for key figures in the area of liquidity monitoring. Information on the categories and development of financial assets and financial liabilities is provided in section F.

The PSI Group was the target of a cyberattack in the 2024 financial year. The incident was discovered by the internal IT department on the night of February 14 to February 15, 2024. Most of the PSI Group's IT systems were taken offline and shut down. In addition, as a precautionary measure, all site-to-site connections from the corporate network to the customers' networks were terminated.
On February 15, 2024, the PSI Group started working to restore all relevant IT systems. From mid-February to the end of April 2024, the PSI Group was limited in its ability to carry out central activities of its business model. Even after major parts of the internal IT system were restored, some of these restrictions persisted because subsystems of the IT infrastructure could not be brought back online with up-to-date data. As a result of the restrictions described above, the ability to provide the full range of services to end customers was particularly affected. As a result, the PSI Group was not able to achieve the originally targeted level of revenues in the period presented and had to incur unplanned expenses for restarting the IT systems. To cope with the considerable economic consequences of the cyberattack, various measures were introduced in the PSI Group that partially offset the economic impact.

d) Capital management
The primary objective of the PSI Group's capital management is to ensure that a high credit rating and a corresponding equity ratio of at least 30% are maintained so as to support operating activities and maximize shareholder value.

The PSI Group manages its capital structure in line with the prevailing economic conditions. In the financial year that has just ended and in the year previous to that, no adjustment measures or amendments were made to capital management goals and targets.

The PSI Group monitors its capital using the equity ratio on a consolidated basis. The PSI Group is not subject to any externally imposed capital requirements.

Current Assets

a) Inventories
Inventories comprise goods held for sale, typically hardware, licenses and accessories, and relate directly to existing contracts with customers. They are measured at the lower of cost or net realizable value. Valuation and consumption sequence simplification procedures are not applied.

b) Cash and cash equivalents
Cash and cash equivalents comprise cash in hand, bank balances and short-term time deposits with maturities of three months or less and earning interest at an average effective rate of 1.00%. Cash and cash equivalents are measured using the general impairment approach in accordance with IFRS 9. The cash funds reported in the consolidated statement of cash flows exclusively contain cash and cash equivalents. The fixed-term deposits and bank balances are not past due; default risks were calculated and not recognized due to immateriality.

Equity

Equity comprises the share capital, the capital reserve, the reserve for treasury shares, other reserves and the unappropriated surplus.

The capital reserve includes premiums in accordance with section 150 of the German Stock Corporation Act (AktG) and offset loss carryforwards in line with resolutions on the allocation of earnings.

Retained earnings in the unappropriated surplus include earnings allocations in accordance with section 174 AktG.

If the PSI Group acquires treasury shares, these are deducted from equity. The purchase, sale, issue, or withdrawal of treasury shares is not recognized in profit or loss.

Other reserves include unrealized gains and losses from currency translation and actuarial gains and losses from the measurement of pension provisions.

Pension Provisions and Similar Obligations

The PSI Group has several defined benefit pension plans for vested and current benefits for active and former employees as well as, in some cases, their surviving dependents. In some cases, there are plan assets in the form of pension liability insurance for the defined benefit plans. The expenses for benefits granted under the defined benefit plans are calculated separately for each plan using the projected unit credit method. Actuarial gains and losses are recognized directly in other comprehensive income.

Provisions

Provisions in accordance with IAS 37 are recognized if the PSI Group has a present (statutory, contractual, or constructive) obligation due to a past event, if it is likely that the settlement of the obligation will result in an outflow of resources that represents an economic benefit and if the amount of the obligation can be estimated reliably. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If the corresponding interest effect is material, the amount of the provision corresponds to the present value of the expenses likely to be required to settle the obligation. Where discounting is used, the increase in the provision to reflect the passage of time is recognized as borrowing costs.

Government Grants

Government grants are recognized if there is reasonable assurance that the grant will be received and that the Company will comply with the conditions attaching to it. Government grants are recognized in profit or loss as scheduled in line with the recognition of the related costs which they are intended to compensate. Income generated in connection with the grants is reported as other operating income in the consolidated income statement.

In the reporting year, the PSI Group received subsidies totaling EUR 5,577 thousand (previous year: EUR 4,827 thousand) under various subsidy programs, including programs offered by the German federal government, the State of Berlin, the European Union and other public sector sources outside Germany. As in the previous year, the subsidies granted were recognized in profit or loss and reported as other operating income. Besides the obligation to demonstrate the amount of the expenses for which the subsidies were granted, there are no further conditions or obligations arising from the subsidy projects.

Research and Development Costs

The research and development costs included in the consolidated income statement amounted to EUR 52.0 million in the financial year (previous year: EUR 41.3 million) and essentially relate to personnel expenses.

Revenues

The PSI Group primarily generates its revenues from software development and maintenance and from issuing licenses for the use of its own software products to end customers, both with and without customer specific adjustments. Revenues are also generated from the sale of hardware and services. All of the revenues generated by the PSI Group as a contracting entity are generated directly with customers.

The PSI Group recognizes revenues when control over definable goods or services is transferred to the customer, i.e. when the customer has the ability to determine the use of the transferred goods or services and primarily derives the remaining benefits from them. Revenues from software development and maintenance are recognized over time, while revenues from licenses and hardware are recognized at a point in time if the respective services are agreed upon individually with the customer.

Revenue recognition is subject to the condition that there must be a contract with enforceable rights and obligations and that receipt of the consideration must be probable, taking the customer’s creditworthiness into account. The revenues correspond to the transaction price to which the PSI Group is expected to be entitled. Variable consideration is included in the transaction price if it is highly likely that there will not be a significant reduction in revenues once there is no longer any uncertainty in connection with the variable consideration. If there is a period of more than twelve months between the transfer of the goods or services and the payment date and if the financing results in a significant benefit for the customer or the PSI Group, the consideration is adjusted for the time value of the money. With the exception of statutory warranty obligations, the PSI Group does not have any post-contractual performance obligations.

If a contract includes multiple distinct goods or services, the transaction price is allocated to the performance obligations based on the relative individual selling prices, if the performance obligations can be realized separately from each other according to objective criteria. For each performance obligation, the corresponding revenues are recognized either at a point in time (licenses and hardware) or over time (software development and maintenance). If the individual performance criteria cannot be considered separately according to objective criteria, revenues are recognized in line with the primary performance component.

Receivables from revenues recognized according to the percentage of completion method are contract assets and are reported in the consolidated balance sheet as receivables from long-term development contracts. Under the typical payment terms of a contract, payments are made by the customer as performance progresses to cover significant portions of costs incurred and partial profits. These contingent payments are recognized as advance payments and reduce receivables from long-term development contracts. If advance payments exceed the receivables from long-term development contracts, this gives rise to contract liabilities that are reported as liabilities from long-term development contracts. Furthermore, revenues from maintenance contracts that are recognized over time are deferred in the consolidated balance sheet as contract liabilities. The corresponding maintenance revenues are reversed on a straight-line basis over the agreed contract term.

Trade receivables are recognized when the claims for payment by customers become unconditional, regardless of the type of performance.

a) Software development
Revenues are recognized over a specific period in line with the percentage-of-completion method based on the ratio of the costs already incurred to the estimated total costs. An anticipated loss from a contract is immediately recognized as an expense. Invoices are issued in accordance with the contractual conditions; the payment terms usually stipulate payment within 30 days of the invoice being issued. With the percentage-of-completion method, the estimate of the percentage of completion is particularly important; in addition, it may include estimates regarding the scope of deliveries and services required to fulfill the contractual obligations. These significant estimates comprise the estimated total costs, total estimated revenues, order risks — including technical, political and regulatory risks — and other relevant parameters. Under the percentage-of-completion method, changes in estimates may increase or reduce revenues. It must also be assessed whether the continuation of the contract in question or its termination represents the most likely scenario. For this assessment, all relevant facts and circumstances must be taken into account individually for each contract.

b) Sale of licenses
The PSI Group recognizes its revenues on the basis of a corresponding contract as soon as the license has been delivered, the selling price is fixed or determinable, there are no significant obligations to customers and collection of the receivables is considered probable. The delivery of a license to the customer occurs when the customer confirms that it has obtained the ability to technically install the license on hardware in its possession or in the possession of a third party. A payment obligation on the part of the customer typically arises on delivery of the license.

c) Maintenance
Revenues from maintenance agreements are recognized on a straight-line basis over the term of the agreement on the basis of past experience. Revenues from software-as-a-service and upgrade-as-a-service models are likewise recognized as software maintenance.

d) Merchandise
Income from the sale of merchandise is recognized at a point of time when control passes to the customer. The point in time at which control passes is determined subject to the delivery agreement with the customer. Income from the sale of hardware is reported under revenues from merchandise.

Current Tax Assets and Liabilities

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. This amount is calculated based on the tax rates and tax laws that are applicable or will soon be applicable as at the end of the reporting period. The amount of the expected tax liabilities or tax receivables is the best estimate, taking any tax uncertainty into account.

Deferred Taxes

Income taxes are recognized and measured in accordance with IAS 12. Deferred taxes are accounted for using the liability method for all temporary differences as at the end of the reporting period between the carrying amount of an asset or liability in the consolidated balance sheet and its tax base. Deferred tax liabilities are recognized for all taxable temporary differences with the exception of:

– deferred tax liabilities from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and does not affect the accounting profit for the period or the taxable profit at the time of the transaction;

– the deferred tax liability from taxable temporary differences relating to investments in subsidiaries, associated companies and interests in joint ventures that cannot be recognized if the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, unused tax loss carryforwards and unused tax credits to the extent that it is probable or there is convincing evidence that taxable income will be available against which the deductible temporary differences and the unused tax loss carryforwards and tax credits can be offset, with the exception of:

– deferred tax assets from deductible temporary differences arising from the initial recognition of an asset or liability in a transaction that is not a business combination and does not affect the accounting profit for the period or the taxable profit at the time of the transaction;

– deferred tax assets from deductible temporary differences relating to investments in subsidiaries, associated companies and interests in joint ventures. These can only be recognized to the extent that it is probable that the temporary differences will reverse in the foreseeable future and sufficient taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of the deferred tax assets is reviewed at the end of each reporting period and written down to the extent that it is no longer probable that sufficient taxable profit will be available against which the deferred tax asset can be at least partially offset. Unrecognized deferred tax assets are reviewed at the end of each reporting period and recognized to the extent that it has become probable or convincing evidence has emerged that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled. This is done based on the tax rates (and tax laws) that are applicable or have been announced and will soon be applicable as at the end of the reporting period. Income taxes relating to items recognized directly in equity are recognized in equity and not in the consolidated income statement.

Deferred tax assets and deferred tax liabilities are offset against one another if they relate to income taxes of the same taxable entity levied by the same taxation authority and if it is not possible to offset the current taxes against one another.

Income taxes relating to items recognized in other comprehensive income or directly in equity are recognized in other comprehensive income or directly in equity and not in the consolidated income statement.

Sales Tax

Revenues, expenses and assets are recognized net of sales tax, except in the following cases:

– If the sales tax incurred when purchasing assets or services cannot be claimed from the taxation authority, the sales tax is recognized as part of the cost of the asset or as part of the expenses.

– Receivables and liabilities are recognized including the associated amount of sales tax.

The amount of sales tax reimbursed by or paid to the taxation authority is recognized in the consolidated balance sheet under other assets or other liabilities.

Segment Reporting

a) Business units
In accordance with IFRS 8, operating segments (business units) are to be differentiated on the basis of internal reporting from areas of the Group that are regularly reviewed by the Group's chief operating decision makers to make decisions about the allocation of resources to these segments and assess their performance. In the PSI Group, the segment information is recognized on the basis of accounting according to IFRS. Since the end of the 2024 financial year, the PSI Group has essentially differentiated between the following four business units:

– Grid & Energy Management
– Process Industries & Metals
– Discrete Manufacturing
– Logistics

Financial information on the segments is presented on page 86 f.

b) Transactions between business units
The elimination of transfers between segments is shown in section J. and contained in the "Other" column of the Segment Reporting on page 87.

G. Disclosures on the Consolidated Balance Sheet

1 Intangible Assets and Property, Plant and Equipment

With regard to the development of non-current assets in the financial years that ended on December 31, 2025, and on December 31, 2024, please refer to the attached information on the development of intangible assets, property, plant and equipment, and amortization and depreciation recognized in the financial year (page 88 f.).

a) Goodwill
As at December 31, 2025, and December 31, 2024, the PSI Group performed an impairment test with regard to goodwill. In addition, the PSI Group carried out an impairment test as at June 30, 2025, in connection with the restructuring measures. In the impairment tests, the Group determined the value in use of its cash-generating units and compared this with the respective carrying amounts. For determining the value in use, the impairment testing took into account the operating units of the Grid & Energy Management, Process Industries & Metals, Discrete Manufacturing and Logistics segments with the attributable carrying amounts for goodwill.

The table below shows the breakdown of carrying amounts into the four segments:

in EUR thousand	**Dec. 31, 2025**	Dec. 31, 2024
Grid & Energy Management	32,438	32,799
Process Industries & Metals	22,441	22,626
Discrete Manufacturing	1,242	1,242
Logistics	838	838
Total goodwill	**56,959**	**57,505**

The impairment test is based on cash flow projections for the individual cash-generating units that correspond to the operating segments (growth rates in the relevant market segment, ratio of software project and product income as well as maintenance income, hourly and daily rates for employees, average personnel expenses, higher margins for sales of hardware and third-party licenses). The three-year planning period followed by a financial year in which a perpetual annuity is applied reflects the long-term corporate planning approved by the Supervisory Board. The first year of this planning corresponds to the budgets approved by management. The cash flows recognized were derived from past information of the segments and the information from the operational and strategic planning processes. The cash flows are adjusted by means of discounts to take current economic conditions into account (current interest rates and inflation rates). The budgets for the following years are planned on the basis of individually calculated operating margin growth. This differs particularly in the areas of regulated and unregulated markets. The assumptions made by management with regard to the general trend for business development in the software industry correspond to the expectations of analysts, industry experts and market observers and do not lead to valuations for the cash-generating units that in total exceed the PSI Group's market capitalization.

Discount rates of 7.30% to 11.90% after taxes (previous year: 7.10% to 12.50%) and 8.40% to 12.50% before taxes (previous year: 6.60% to 13.60%) were applied. The adjustment of the interest rate compared to the previous year reflects the current economic conditions in each case (development of the real economy and financing conditions). Cash flows arising after the three-year period are extrapolated using a growth rate of 0.50% to 1.00% (previous year: 0.50% to 1.00%).

Management is of the opinion that only a change in the interest rates applied in determining the value in use of the cash-generating units could currently reasonably be expected to result in the carrying amount of the cash-generating unit significantly exceeding its recoverable amount and an adjustment of the interest rates would not give rise to any further changes in parameters (ceteris paribus). For example, an assumed increase in the interest rate used for discounting by 1 percentage point (previous year: 1 percentage point) (assumed possible change of the parameter) would, as in the previous year, result in a possible impairment of EUR 0 thousand for the four segments. The interest rate used for discounting, at which no impairment would occur, would be 18.20% (Grid & Energy Management), 14.70% (Process Industries & Metals), 14.10% (Discrete Manufacturing) and 43.70% (Logistics).

The table below shows the underlying assumptions used in the impairment testing of the groups of cash-generating units to which significant goodwill has been allocated:

in %	Long-term growth rate	Discount factor after taxes
Grid & Energy Management	0.50 (previous year: 0.50)	7.30 to 9.80 (previous year: 7.10 to 8.60)
Process Industries & Metals	1.00 (previous year: 1.00)	8.70 to 11.90 (previous year: 8.80 to 12.50)
Discrete Manufacturing	1.00 (previous year: 1.00)	8.70 (previous year: 8.80)
Logistics	1.00 (previous year: 1.00)	8.70 (previous year: 8.80)

b) Right-of-use assets from leases

The following table shows the additions to right-of-use assets from leases and the amortization/depreciation of the 2025 financial year as well as the carrying amounts of the right-of-use assets as at the end of the reporting period compared with the previous year.

Right-of-use assets 2025

in EUR thousand	Additions	Depreciation and amortization	Carrying amount as at Dec. 31, 2025
Properties	36,887	5,990	50,889
Movable assets	1,355	1,392	2,363
Total	**38,242**	**7,382**	**53,252**

Right-of-use assets 2024

in EUR thousand	Additions	Depreciation and amortization	Carrying amount as at Dec. 31, 2024
Properties	5,121	5,850	19,970
Movable assets	1,331	1,251	2,421
Total	**6,452**	**7,101**	**22,391**

Changes in the right-of-use assets in the 2025 financial year are shown under "Development of Fixed Assets (IFRS)" on page 88 f.

2 Inventories

in EUR thousand	**Dec. 31, 2025**	Dec. 31, 2024
Third-party hardware and licenses	**2,995**	**2,977**

As in the previous year, no inventories were measured at the lower net realizable value as at the end of the reporting period.

3 Net Trade Receivables

in EUR thousand	**Dec. 31, 2025**	Dec. 31, 2024
Gross trade receivables	45,710	51,896
Impairment	−1,572	−1,541
	44,138	**50,355**

The maximum exposure to credit risk is limited to the carrying amount.

Trade receivables are not interest-bearing and are due within 0 to 90 days. The valuation allowances recognized developed as follows:

in EUR thousand	**2025**	2024
As at January 1	1,541	1,629
Allocation to expenses	329	251
Utilized	0	−20
Reversal in income	−298	−319
As at December 31	**1,572**	**1,541**

As at December 31, the maturity structure of trade receivables was as follows:

in EUR thousand	Dec. 31, 2025	Dec. 31, 2024
Neither past due nor impaired	**33,893**	**38,268**
Past due (after impairment) < 30 days	6,795	6,623
30 to 60 days	958	1,204
60 to 90 days	780	369
90 to 120 days	265	121
> 120 days	1,447	3,770
	10,245	**12,087**
As at December 31	**44,138**	**50,355**

The valuation allowances recognized, determined on the basis of the expected credit losses, relate to project-specific valuation allowances and were assessed in the amount of the expected payment default. Expected cash shortfalls are calculated by forming portfolios for specific countries for which the cash shortfalls were estimated based on past experience.

4 Receivables and Liabilities from Long-Term Development Contracts and Deferred Revenues

Receivables subject to revenue recognition over time arise when revenues are recognized that cannot yet be invoiced according to the contractual conditions. These amounts are recognized according to the ratio of planned and incurred costs. This item comprises directly attributable costs (personnel expenses and purchased services) as well as an appropriate portion of general overhead costs and profit shares. Possible non-payment risks that are already known prior to entering into individual orders are taken into account in the order valuation in the amount of the expected nonpayment. Most of the receivables from long-term development contracts (contract assets) and liabilities from long-term development contracts (contract liabilities) will be settled in 2026, hence there will be no material items outstanding in the following financial year.

The receivables and liabilities from long-term development contracts comprise the following components:

in EUR thousand	Dec. 31, 2025	Dec. 31, 2024
Costs incurred	87,563	99,037
Share of profits	16,492	18,992
Contract revenues	**104,055**	**118,029**
Advance payments received	–70,058	–85,375
thereof offset against contract revenues	–62,139	–72,733
Receivables from long-term development contracts	41,916	45,296
Liabilities from long-term development contracts	7,919	12,642

Receivables from long-term development contracts in the amount of EUR 41,916 thousand (previous year: EUR 45,296 thousand) were not past due as at December 31 of the respective year. Liabilities from long-term development contracts comprise advance payments received that exceed the corresponding receivables from long-term development contracts (contract liabilities). There were no significant changes in the payment terms of customers in the financial year.

Liabilities from long-term development contracts and deferred revenues of EUR 15,557 thousand (previous year: EUR 20,877 thousand) include accrued revenues for maintenance contracts of EUR 7,638 thousand (previous year: EUR 8,235 thousand).

5 Other Assets

The amount recognized in the consolidated balance sheet is due within one year. This amount includes a receivable from an insurance company of EUR 5,000 thousand (previous year: EUR 1,679 thousand). The management is reasonably certain that this matter, which relates to expenses directly attributable to the cyberattack, is covered by the insurance and that settlement of the claim can be firmly expected. Loss allowances were not recognized for other assets in the amount of the expected default as, based on past experience, this was not necessary. There are no material receivables that are past due or impaired.

6 Cash and Cash Equivalents

in EUR thousand	Dec. 31, 2025	Dec. 31, 2024
Bank balances	25,927	25,568
Fixed-term deposits	1,351	901
Cash in hand	9	14
	27,287	**26,483**

The fixed-term deposits and bank balances are not past due; there are no default risks.

For one amount not yet disbursed totaling EUR 200 thousand, the amount was deposited into a separate term deposit account, and this account was pledged to a pledgee as security. The payment was made to the pledgee in August 2026. The pledge is released by the pledgee after payment.

7 Equity

Please refer to the Consolidated Statement of Changes in Equity (page 84 f.) for information on the development of equity.

a) Share capital

The fully paid-in share capital entered in the commercial register amounts to EUR 40,185,256.96 (previous year: EUR 40,185,256.96) and is exclusively divided into 15,697,366 (previous year: 15,697,366) registered no-par-value shares representing a pro rata amount of the share capital of EUR 2.56 per share. Each no-par-value share bears full dividend and voting rights with the exception of treasury shares.

At the Annual General Meeting of PSI SE on May 23, 2023, the Executive Board was authorized to acquire treasury shares in a volume of up to 10% of the share capital. Based on the share capital as at the end of the reporting period, this results in an authorization to buy back up to 1,567,984 no-par-value shares in the Company. The authorization will expire on June 30, 2026.

b) Contingent capital and authorized capital

By way of resolution of the Annual General Meeting on May 19, 2021, the Executive Board of the Company was authorized to issue convertible and warrant-linked bonds as well as profit-sharing rights or income bonds (or combinations of these instruments) on one or more occasions, with the option of disapplying pre-emption rights in each case, until May 18, 2026.

To fulfill any rights exercised in the above context, a new "Contingent Capital 2021" was created at the Annual General Meeting on May 19, 2021. Under this contingent capital, the Company's share capital is contingently increased by up to EUR 8,035,840.00, divided into 3,139,000 no-par-value shares.

By resolution of the Annual General Meeting on July 26, 2024, the Executive Board of the Company was authorized to grant up to 600,000 subscription rights for up to 600,000 registered no-par-value shares in the company until July 25, 2029 (inclusive) ("Share Option Program 2024").

Additional conditional capital "Contingent Capital 2024" was created at the Annual General Meeting on July 26, 2024, to implement the 2024 share option program. This is limited to a maximum volume of EUR 1,536,000.00.

By way of resolution of the Annual General Meeting on May 23, 2023, new authorized capital (AC 2023) was created. The Executive Board was authorized, with the approval of the Supervisory Board, to increase the Company's share capital on one or more occasions by a total of up to EUR 8,035,840.00 by issuing new registered no-par-value shares in exchange for cash or contributions in kind in the period until May 22, 2028.

Authorized capital and contingent capital break down as follows:

in EUR thousand	Dec. 31, 2025	Dec. 31, 2024
Authorized capital (AC)		
AC 2023 (until May 22, 2028)	8,036	8,036
	8,036	**8,036**
Contingent capital (CC)		
CC 2021 (until May 18, 2026)	8,036	8,036
CC 2024 (until July 25, 2029)	1,536	1,536
	9,572	**9,572**
	17,608	**17,608**

c) Capital reserve
The capital reserve includes the premium from capital increases. The costs attributable to issuing equity instruments were deducted directly from equity as a negative premium, taking tax effects into account.

d) Reserve for treasury shares
As in the previous year, no shares were bought back in the financial year. As part of an employee share program, 108,266 treasury shares were transferred (previous year: 0). The Company held 101,105 treasury shares as at December 31, 2025 (previous year: 209,371). These shares account for share capital of EUR 258,828.80 (previous year: EUR 535,989.76).

Under the existing employee share programs, employees of the PSI Group can purchase treasury shares in PSI SE or be allocated treasury shares without specified consideration. Such share purchases/allocations are made at normal market conditions. The acquisition of shares by employees does not result in any significant expense for the Company overall. If shares are allocated, the Company recognizes the fair value of the shares issued as personnel expenses. As at the end of the reporting period, there were no obligations to transfer shares under the 2025 employee share program.

e) Other reserves
Other reserves break down as follows:

in EUR thousand	Dec. 31, 2025	Dec. 31, 2024
Reserve for exchange differences	−390	1,166
Actuarial losses	−19,035	−22,103
Deferred taxes	6,598	7,024
	−12,827	**−13,913**

The deferred tax resulted from actuarial gains and losses.

f) Dividends
In accordance with the German Stock Corporation Act, dividends payable are calculated on the basis of the retained earnings recognized in the PSI SE annual financial statements and determined according to the German Commercial Code (HGB).

As in the previous year, no dividend was paid in the financial year. Based on the equity structure of PSI SE under commercial law, no dividend distributions are possible at the end of the reporting period on December 31, 2025.

8 Pension Provisions and Similar Obligations

Pension provisions are recognized for existing entitlements and claims to company pension benefits on the part of current and former employees of the PSI Group and their surviving dependents (old-age pensions, disability benefits and benefits for surviving dependents).

For the majority of the beneficiaries, the entitlements arise from static vested rights determined as at December 31, 2006, in the form of a direct defined-benefit commitment. For service periods after December 31, 2006, employees generally no longer gain any increases in their entitlements in the direct commitment. Instead, the employees were granted the right to choose between an increase in the gross cash compensation or contributions to a provident fund with pension liability insurance to compensate for the loss of future increases in entitlements. As the surpluses granted from the provident fund are not sufficient to ensure the obligation to adjust current pensions in accordance with section 16 of the German Company Pensions Act (BetrAVG), pension provisions are also recognized in relation to the pension adjustment obligation.

As part of the transfer of undertakings of Business Technology Consulting AG (BTC AG) as at January 1, 2019, in accordance with section 613a of the German Civil Code (BGB), the pension obligations for this group of employees were transferred to the PSI Group. The pension plan that is also open to new employees at two locations is set up as a securities-linked direct commitment under which annual contributions that depend on working hours are posted to a capital account for the employees and invested on the capital market via a contractual trust arrangement (CTA). Accordingly, a retirement pension, an early retirement pension, a reduced earning capacity pension and a spouse's and orphan's pension are granted after retirement and are subject to an annual guaranteed pension adjustment of one percent. The respective retirement benefit results from the pension capital formed for the individual employee being annuitized when the conditions for the pension arise. The pension capital results from the sum of the annual pension expenses and the investment income generated on them. The nominal payments are guaranteed as the minimum pension capital to be annuitized. Instead of a lifelong employee pension, the Company may grant the employee a lump-sum benefit in up to ten annual installments at the employee's request.

The amount of the pension obligation (present value of the pension commitments) was calculated using actuarial methods based on the following assumptions:

in %	**2025**	2024
Discount factor		
Germany	3.80	3.30
Austria	3.80	3.30
Salary trend		
Germany*	0.00/3.80	0.00/3.80
Austria	3.80	3.80
Pension trend		
Germany	2.50	2.50
Austria	0.00	0.00
Staff turnover		
Germany	0.00	0.00
Austria	0.00	0.00
Mortality tables used:		
Germany	RT Heubeck 2018 G (previous year: RT Heubeck 2018 G)	
Austria	AVÖ 2018-P (previous year: AVÖ 2018-P)	

* Some of the pension commitments were superseded on December 31, 2006. Salary trends are not relevant to the calculation of the obligation for these commitments.

The salary trend comprises anticipated future salary increases that are estimated on an annual basis depending on factors such as inflation and length of service at the Company.

As at the end of the reporting period, the individual standard retirement age under the statutory pension system was used when calculating the German pension obligation.

Total expenses of EUR 1,240 thousand were incurred for defined benefit plans in the reporting year. These break down as follows:

in EUR thousand	**2025**	2024
Current service costs recognized in personnel expenses	145	132
Net interest expenses recognized in net interest	1,095	1,283
Expenses for retirement benefits	**1,240**	**1,415**

Expenses of EUR 1,313 thousand (previous year: EUR 1,233 thousand) are expected in the following year based on the current headcount.

The following overview shows the development of the present value of the defined benefit obligation:

in EUR thousand	2025	2024
Present value at start of year	47,526	54,659
Current service cost	145	132
Interest cost	1,181	1,356
Actuarial (gains)/losses in other comprehensive income	−1,415	−2,392
of which experience adjustments	238	−43
of which changes to financial assumptions	1,653	−2,349
Liabilities from assets held for sale	0	−3,518*
Pension payments made	−2,107	−2,370
Change in present value of the defined benefit obligation covered by pension liability insurance	−569	−341*
Present value as at end of reporting period	**44,761**	**47,526***

* Restated to reflect the values of the subsidiary that was classified as held for sale in 2024

The following overview shows the development of the present value of the plan assets:

in EUR thousand	2025	2024
Market value/present value at start of year	11,811	11,703
Interest income	86	70
Expenses/income from plan assets not included in net interest	−556	−81*
Employer contributions	138	124
Reimbursements	−5	−5
Market value/present value as at end of reporting period	**11,474**	**11,811***

* Restated to reflect the values of the subsidiary that was classified as held for sale in 2024

The following overview shows the development of the net amount of the provision:

in EUR thousand	2025	2024
Carrying amount at start of year	35,715	42,958
(Income)/expense recognized in the income statement	1,240	1,415
Pension payments from working capital	−2,102	−2,365
Contributions to plan assets	−138	−124
Actuarial (gains)/losses	−1,428	−2,651
Liabilities from assets held for sale	0	−3,518
Carrying amount at end of year	**33,287**	**35,715**

Changes in the main actuarial assumptions for Germany would have the following effect on the defined benefit pension obligation:

in EUR thousand	Dec. 31, 2025	Dec. 31, 2024
Change in assumed actuarial interest rate		
Increase of 0.2 percentage points	−622	−720
Reduction of 0.2 percentage points	643	746
Change in assumed pension trend		
Increase of 0.2 percentage points	501	571
Reduction of 0.2 percentage points	−488	−555

The sensitivity analyses presented each take into account a change in one assumption while the other assumptions remain unchanged as compared to the original calculation.

As at the end of the reporting period, the average remaining term (Macaulay duration) of the defined benefit obligation is 11.1 years (previous year: 12.3 years).

The table below shows the expected payout structure from working capital for the coming years for Germany:

in EUR thousand	**2025**	2024
Pension payments made	2,107	2,370
Expected pension payments		
2026 (previous year: 2025)	2,141	2,030
2027 (previous year: 2026)	2,175	2,070
2028 (previous year: 2027)	2,176	2,125
2029 (previous year: 2028)	2,160	2,128
2030 (previous year: 2029)	2,195	2,127
Another 5 years	10,979	10,787

9 Provisions

The provisions exclusively comprise tax provisions for past and future periods.

Until December 31, 2024, an interest rate of 1.8% was used to discount the estimated payment for these risks. No discounting was performed in the reporting year due to immateriality.

Provisions developed as follows:

in EUR thousand	**2025**	2024
As at January 1	2,737	4,049
Allocation to expenses	657	1,314
Liabilities in connection with a subsidiary held for sale	0	–584
Utilized	–1,626	–1,282
Reversal in income	0	–760
As at December 31	**1,768**	**2,737**
thereof non-current	513	954
thereof current	1,255	1,783

10 Lease Liabilities

The table below shows the discounted lease payments, including extension options in cases where the Group is reasonably certain that it will exercise them:

in EUR thousand	**2025**	2024
Payable within one year	5,333	8,419
Payable in 1 to 5 years	16,845	12,810
Payable in more than 5 years	33,506	2,380
Carrying amount at end of year	**55,684**	**23,609**

Total cash outflows from lease liabilities amounted to EUR 5,962 thousand in the 2025 financial year (previous year: EUR 6,566 thousand).

The leases in accordance with IFRS 16 mainly relate to properties. Due to the relatively low incremental borrowing rate to be applied, the difference between discounted and undiscounted can be regarded as immaterial overall. Interest expenses for lease liabilities amounted to EUR 1,256 thousand in the 2025 financial year (previous year: EUR 778 thousand).

Other financial obligations from short-term leases and low-value leases that do not come under IFRS 16 as a result of applying the exemption are shown in section K.

11 Financial Liabilities

As in the previous year, the non-current financial liabilities at the end of the financial year consisted mainly of two new agreements made with banks in 2023.

In the 2023 financial year, two loan agreements were concluded with IKB Deutsche Industriebank AG, Düsseldorf, for a nominal amount of EUR 15,000 thousand: Loan I for a nominal amount of EUR 4,900 thousand and Loan II for a nominal amount of EUR 10,100 thousand, each maturing on September 30, 2028. Loan I is refinanced by KfW under the ERP Digitalization and Innovation Loan (380) program. The loan bears interest at a rate of 3.98% per annum and is repayable quarterly beginning December 30, 2023. The residual value as at December 31, 2025, is EUR 2,695 thousand. Loan II is refinanced by KfW under the KfW Development Loan (375) program. The loan bears interest at a rate of 5.0% per annum and is repayable quarterly beginning December 30, 2024. The residual value as at December 31, 2025, is EUR 6,944 thousand.

The PSI Group used short-term, floating-rate overdrafts for financing purposes in the previous year and in the reporting year. The financial liabilities were repaid on a monthly basis and bore interest at rates between 5.51% and 6.68% in the reporting year (previous year: between 5.46% and 6.76%). No special collateral was provided.

As at December 31, 2025, the PSI Group had undrawn borrowing facilities from overdrafts in the amount of EUR 31,639 thousand (previous year: EUR 20,039 thousand).

Expenses for interest from overdrafts amounted to EUR 594 thousand in the 2025 financial year (previous year: EUR 698 thousand).

12 Additional Information on Financial Assets and Liabilities

A reconciliation of individual balance sheet items to total financial assets and financial liabilities can be found in the following table.

in EUR thousand	**Dec. 31, 2025**	Dec. 31, 2024
Current financial assets		
Net trade receivables	44,138	50,355
Other assets	7,854	4,216
Cash and cash equivalents	27,287	26,483
	79,279	**81,054**
Financial liabilities		
Financial liabilities	24,649	30,720
Trade payables	34,742	21,163
Lease liabilities	55,684	23,609
Other liabilities	3,110	3,509
	118,185	**79,001**
thereof non-current	57,045	25,523
thereof current	61,140	53,478

13 Additional Information on Non-Financial Assets and Liabilities

Other non-financial assets (EUR 6,271 thousand; previous year: EUR 5,410 thousand) comprise advance payments and prepaid expenses. Other non-financial liabilities (EUR 41,026 thousand; previous year: EUR 26,433 thousand) include liabilities to employees as well as sales tax and payroll tax liabilities. Liabilities to employees include EUR 12,274 thousand for contractually agreed termination benefits.

14 Deferred Taxes/Income Taxes

German trade tax is levied on the taxable profit of the German group companies, which is calculated by deducting certain income that is not subject to trade tax and adding certain expenses that are not deductible for trade tax purposes. The effective trade tax rate depends on the municipality in which the respective German group company operates. As in the previous year, the average trade tax rate in 2025 was approximately 14%. A corporation tax rate of 15% applied in the 2024 and 2025 financial years. In addition to corporation tax, a solidarity surcharge of 5.5% is levied on the corporation tax determined. This therefore results in an effective tax rate of 29.83% (previous year: 29.83%) for the calculation of current income taxes for the 2025 financial year. The German corporation tax rate, currently 15%, will be reduced by 1 percentage point each year from 2028 through 2032 to 10%. This incremental reduction was accounted for in the valuation of the deferred taxes of EUR 379 thousand.

As at December 31, 2025, the amount of non-capitalized tax benefits from loss carryforwards for corporation tax (including foreign companies) was EUR 124.1 million, while those from loss carryforwards for trade tax was EUR 124.8 million (previous year: EUR 66.3 million/ EUR 68.4 million). PSI SE's tax loss carryforwards as at December 31, 2024, and December 31, 2025, already take into account the findings of ongoing external tax audits. Deferred tax assets on tax loss carryforwards of EUR 4.4 million were capitalized in the financial year (previous year: EUR 4.4 million).

Income tax expense for the current financial year breaks down as follows:

in EUR thousand	**2025**	2024
Current tax expense		
Current year	**–5,020**	**–3,469**
Deferred tax expense		
Intangible assets	–785	493
Long-term development contracts	1,587	–584
Inventories	–30	11
Partial retirement and anniversary bonus provisions	–22	7
Trade receivables	83	28
Other receivables	–1,492	0
Pension provisions	–1,027	–203
Trade payables	–549	528
Provisions	–251	–548
Fixed assets	–9	–25
Leases	346	80
Use of tax loss carryforwards	0	0
Deferred income	–130	–85
Miscellaneous	–10	–16
	–2,289	**–314**
Income tax expense	**–7,309**	**–3,783**

The following overview shows a reconciliation of tax expense/income:

in EUR thousand	2025	2024
Earnings before taxes	–24,115	–17,873
Theoretical income tax expense (29.83%; previous year: 29.83%)	7,194	5,332
Non-capitalized tax losses	–18,926	–10,204
Non-deductible operating expenses and trade tax additions	–454	–544
Use of non-capitalized tax loss carryforwards	99	96
Effects of tax rate differences outside Germany	2,411	1,146
Tax expense for previous years	–397	–3
Tax-free income and foreign income	3,465	980
Change in tax rate	–379	0
Miscellaneous	–322	–586
Current tax expense	**–7,309**	**–3,783**

The PSI Group has the following tax loss carryforwards:

in EUR million	Dec. 31, 2025	Dec. 31, 2024
Loss carryforward for trade tax in Germany	128.5	70.9
Loss carryforward for corporation tax in Germany	128.6	69.8
Loss carryforwards outside Germany	3.7	4.4

The loss carryforwards in Germany do not expire. Of the foreign tax loss carryforwards of EUR 3,695 thousand (EUR 4,394 thousand), an amount of EUR 866 thousand (previous year: EUR 541 thousand) is subject to loss carryforward restrictions relating to time (between five and ten years) due to local national regulations.

The deferred taxes reported in the PSI Group break down as follows:

in EUR thousand (as at Dec. 31)	2025	Change	2024
Deferred taxes			
Use of tax loss carryforwards	4,432	0	4,432
Fixed assets	4	–9	13
Pension provisions	2,747	–1,453	4,200
Leases	669	346	323
Partial retirement and anniversary bonus provisions	105	–22	127
Project-related provisions	988	–549	1,537
Assets held for sale	0	440	–440
Deferred tax assets before offset	**8,945**	**–1,247**	**10,192**
Offset	–8,346	–1,697	–6,649*
Deferred tax assets reported	**599**	**–2,944**	**3,543***
Intangible assets	–1,927	–752	–1,175
Goodwill amortization affecting tax	–1,012	–33	–979
Trade receivables	–308	83	–391
Receivable from long-term development contracts	–3,770	1,587	–5,357
Other receivables	–1,492	–1,492	0
Other provisions	–666	–251	–415
Deferred income	–209	–132	–77
Liabilities in connection with assets held for sale	0	–464	464
Miscellaneous	–27	–14	–13
Deferred tax liabilities before offset	**–9,411**	**–1,468**	**–7,943**
Offset	8,346	1,697	6,649*
Deferred tax liabilities reported	**–1,065**	**229**	**–1,294***
Net	**–466**	**–2,715**	**2,249**
As at January 1, net	2,249		3,330
Tax income/expense recognized in the reporting period	–2,289		–314
Assets held for sale	0		24
Tax income/expense recognized in other comprehensive income in the reporting period	–426		–791
As at December 31, net	**–466**		**2,249**

*Restated based on revised offsetting methodology

As in the previous year, no deferred tax assets were recognized for tax loss carryforwards in the financial year.

H. Disclosures on the Consolidated Income Statement

The consolidated income statement is prepared using the nature of expense method.

15 Revenues

Revenues for software development are paid according to the percentage of completion. Maintenance revenues are paid by customers in advance and recognized pro rata temporis. Revenues from licenses and merchandise are recognized at a point in time on delivery. The balance of contract liabilities at the beginning of the reporting period was recognized as revenues in the financial year. Revenues break down as follows:

in EUR thousand	**2025**	2024
Revenues		
Software development	130,855	104,283
Maintenance	112,086	106,026
Licenses	16,678	16,933
Merchandise	25,908	33,596
Total	**285,527**	**260,838**

16 Other Operating Income

in EUR thousand	**2025**	2024
Subsidies	5,577	4,827
Income from project provisions	4,677	79
Insurance recovery	3,491	1,680
Income from the sale of a subsidiary	3,354	0
Income from exchange rate differences	991	1,071
Income from the reversal of provisions	883	1,827
Income from written-off receivables	94	641
Miscellaneous	2,447	1,820
	21,514	**11,945**

17 Cost of Materials

in EUR thousand	**2025**	2024
Cost of purchased services	21,905	20,412
Cost of purchased goods	13,113	17,851
	35,018	**38,263**

18 Personnel Expenses

in EUR thousand	**2025**	2024
Wages and salaries	179,749	157,661
Social security expenses	33,080	32,450
	212,829	**190,111**

Personnel expenses include expenses for payments to private pension institutions of EUR 471 thousand (previous year: EUR 509 thousand) and payments to state pension funds of EUR 9,208 thousand (previous year: EUR 9,148 thousand) in connection with defined contribution pension commitments.

19 Other Operating Expenses

in EUR thousand	**2025**	2024
Legal and consulting costs	26,149	7,346
Data line, IT and telephone costs	12,154	8,095
Travel costs	4,838	5,428
Rental, leasing of property including ancillary costs	4,485	4,463
Advertising and marketing activities	4,074	4,402
Expenses from exchange rate differences	1,412	1,323
Lease costs for movable assets	1,411	1,389
Project-related expenses	492	5,820
Miscellaneous	10,401	6,773
	65,416	**45,039**

20 Investment Income

Investment income exclusively comprises caplog-x GmbH, which is accounted for using the equity method. The income recognized in the reporting year relates to the pro rata income from caplog-x GmbH's net income for the 2024 financial year.

21 Assets and Liabilities Held for Sale, Liabilities from Discontinued Operations

In the previous year, liabilities from discontinued operations resulted from a contingent liability (residual carrying amount as at December 31, 2024: EUR 623 thousand) in connection with a bank loan repaid by a former Russian subsidiary. The bank loan was fully repaid by PSI SE in the 2025 financial year because the guarantee was called. The loss (previous year: profit) from discontinued operations for the 2025 financial year amounting to EUR 220 thousand (previous year: profit of EUR 700 thousand) relates exclusively to exchange differences. The loss (previous year: profit) was allocated in full to the shareholders of PSI SE.

The assets and liabilities held for sale in the previous year related solely to a German subsidiary that was held for sale as at December 31, 2024. In the previous year, the result of this subsidiary was included in the income statement for continuing operations. The shares in the subsidiary were sold under a share and purchase agreement dated December 21, 2024. During the financial year, the result was included in consolidation until the sale took legal effect on March 5, 2025, at which point the entity was deconsolidated. The gain on the sale of EUR 3,354 thousand was recognized under other operating income. As in the previous year, the subsidiary was allocated to the Other segment.

The assets and liabilities of the subsidiary held for sale were attributable to the following individual items:

in EUR thousand	**Dec. 31, 2024**
Assets	
Inventories	1,258
Trade receivables	3,365
Receivables from long-term development contracts	5,913
Other current assets	131
Income tax receivables	404
Cash and cash equivalents	3,036
Current assets	**14,107**
Property, plant and equipment	624
Intangible assets	3,166
Deferred tax assets	440
Non-current assets	**4,230**
Assets	**18,338**
Financial liabilities	
Trade payables	1,299
Other liabilities	1,553
Tax provisions	584
Advance payments received and deferred income	2,136
Current liabilities	**5,572**
Pension provisions	3,519
Deferred tax liabilities	464
Lease liabilities IFRS 16	413
Non-current liabilities	**4,395**
Equity and liabilities	**9,967**

22 Earnings per Share

In accordance with IAS 33, earnings per share are calculated by dividing the Group net result by the weighted number of no-par-value shares.

	2025	2024
Result of continuing operations (EUR thousand)	−31,424	−21,656
Result of discontinued operations (EUR thousand)	−220	700
Number of weighted no-par-value shares (in thousands)	15,537	15,488
Number of weighted no-par-value shares, diluted (in thousands)	15,537	15,488
Earnings per no-par-value share from continuing operations (EUR/share)	−2.03	−1.40
Earnings per no-par-value share from continuing operations, diluted (EUR/share)	−2.03	−1.40
Earnings per no-par-value share from discontinued operations (EUR/share)	−0.01	0.05
Earnings per no-par-value share from discontinued operations, diluted (EUR/share)	−0.01	0.05

To calculate diluted earnings per share, the net profit attributable to ordinary shareholders and the weighted average number of shares outstanding are adjusted for the effects of all dilutive potential ordinary shares that could arise as a result of subscription rights being exercised. As in the previous year, there were no potentially dilutive shares in the 2025 financial year. In the future, the employee share program may have a potentially dilutive effect on earnings per share.

I. Disclosures on the Consolidated Cash Flow Statement

The cash flow statement is prepared according to IAS 7 and is broken down into cash flows from operating, investing and financing activities. The cash funds recognized in the consolidated cash flow statement comprise all the cash and cash equivalents recognized in the consolidated balance sheet under "Cash and cash equivalents," i.e., cash in hand and short-term bank balances. The reported cash and cash equivalents are not subject to any restrictions on their availability due to third parties. The breakdown of cash and cash equivalents is shown in the table under G. 6. Overdraft liabilities were not included in cash and cash equivalents.

The cash and cash equivalents shown in the cash flow statement can be derived as follows from the balance sheet item "Cash and cash equivalents":

in EUR thousand	**Dec. 31, 2025**	Dec. 31, 2024
Cash and cash equivalents as per balance sheet	27,287	26,483
Cash and cash equivalents held for sale	0	3,036
Cash and cash equivalents according to the cash flow statement	27,287	29,519

J. Disclosures on the Consolidated Segment Reporting

The PSI Group has had four reportable segments since the end of the 2024 financial year. Besides these reportable segments, in the financial year there was a non-reportable segment shown in the segment reporting with the reconciliation effects.

Unlike in previous financial years, the PSI Group presents both an adjusted and an unadjusted EBIT. The unadjusted EBIT also includes restructuring costs and transaction costs (costs associated with the takeover offer submitted by Warburg Pincus LLC, New York, United States of America, to the shareholders of PSI, as well as costs for the sale of the Mobility business unit). The adjusted EBIT does not include these costs (totaling EUR 32,714 thousand).

Description of the Segments

- Grid & Energy Management: Energy control systems for electricity, gas, heat, oil and water. The focus is on state-of-the-art grid control systems and energy trading software for the grid and energy market.

- Process Industries & Metals: Software solutions for production management, supply chain management (SCM), advanced planning & scheduling (APS) and manufacturing execution systems (MES).

- Discrete Manufacturing: An enterprise resource planning (ERP) system and a cloud-based manufacturing execution system (MES) for the control and optimization of production processes in manufacturing industry.

- Logistics: Logistics software for the analysis, planning and optimization of supply chains as well as warehouse and transport management systems for logistics service providers, retail, industry and airport luggage logistics.

Other

Revenues from transactions with other segments are grouped in the "Other" column. Revenues between business units amounted to EUR 354 thousand as at December 31, 2025. Earnings before taxes totaled EUR –18,446 thousand.

Additional Geographical Disclosures

In the 2025 financial year, the PSI Group generated revenues of EUR 149.1 million (previous year: EUR 135.2 million) in Germany and revenues of EUR 136.4 million (previous year: EUR 125.6 million) in foreign countries. The revenues are assigned based on the domicile of the respective customer.

Non-current assets (not including deferred tax assets) of EUR 94,216 thousand (previous year: EUR 60,163 thousand) relate to Germany and EUR 45,088 thousand (previous year: EUR 48,197 thousand) to other countries. This allocation is based on the domicile of the subsidiary where the asset is recognized.

K. Other Disclosures

Other Financial Obligations and Contingent Liabilities

Rental agreements and leases — PSI Group as lessee
Properties, cars, office equipment, data processing systems and other equipment were rented under leases. For short-term leases (term of less than twelve months) and for low-value leases for properties and movable assets, the PSI Group applies the exemption in accordance with IFRS 16.5. This results in other current financial obligations of EUR 141 thousand in total (previous year: EUR 148 thousand).

Expenses from short-term and low-value leases are reported under other operating expenses. The table below shows the rental and lease fees incurred in the reporting year and the previous year:

in EUR thousand	**2025**	2024
Properties	545	563
thereof insignificant	39	46
thereof current	506	517
Movable assets	447	446
thereof insignificant	385	333
thereof current	62	113
Total	**992**	**1,009**

An overview of the maturities of lease liabilities is presented in section G. 10.

There are other financial obligations from other contractual relationships totaling EUR 23,628 thousand (previous year: EUR 25,120 thousand) of which a partial amount of EUR 3,295 thousand (previous year: EUR 1,422 thousand) is current and the remaining amount of EUR 20,333 thousand (previous year: EUR 23,698 thousand) relates to financial obligations with a term of more than one and less than four years.

Bill of exchange guarantees

Bill of exchange guarantees of EUR 31,329 thousand (previous year: EUR 30,109 thousand) were assumed in the ordinary course of business for the PSI Group by various companies and banks as at the end of the reporting period.

Purchase commitment

The contractual obligations mainly relate to the purchase of hardware and software for investment projects and amount to EUR 1.6 million as at December 31, 2025 (previous year: EUR 1.2 million).

Contingent assets

As at the end of the reporting period, there was a potential claim against former members of management in connection with the February 2024 cyberattack. This claim was reported in parallel to PSI SE's D&O insurers. The cash inflow is considered probable, but it was not recognized in the financial statements as at the reporting date due to uncertainties about the amount and timing of the cash inflow.

Employees

The average number of employees in the PSI Group is 2,364 in the financial year (previous year: 2,353). The workforce breaks down by function as follows:

	2025	2024
Software development	1,955	1,952
Administration	253	242
Sales organization	156	159
Total	**2,364**	**2,353**

List of Shareholdings

	Equity interest in %	Equity[1] Dec. 31, 2025 in EUR thousand	Net profit[1] 2025 in EUR thousand
Fully consolidated			
International			
PSI AG für Produkte und Systeme der Informationstechnologie, Wil, Switzerland	100	1,762	776[2]
PSI Automotive & Industry Austria GmbH, Traun, Austria	100	1,379	379
PSI Incontrol Sdn. Bhd., Selangor, Malaysia	100	15,232	2,952[2]
Incontrol Tech (Thailand) Ltd., Bangkok, Thailand	100	–1,745	–221[2]
Incontrol Tech Holdings (Thailand) Ltd., Bangkok, Thailand	100	–572	0[2]
PSI Information Technology (Shanghai) Co. Ltd. Shanghai, China	100	1,080	176[2]
PSI Metals Austria GmbH, Graz, Austria	100	5,841	161
PSI Metals Belgium NV, Brussels, Belgium	100	–631	25
PSI Metals Brazil Ltda, Rio de Janeiro, Brazil	100	1,161	868
PSI METALS INDIA PRIVATE LIMITED, Pune, Maharashtra, India	100	372	35
PSI METALS NORTH AMERICA Inc. Pittsburgh, USA	100	9,855	6,673
PSI Metals UK Ltd., Watford, United Kingdom	100	2,330	–184
PSI Neplan AG, Küsnacht, Switzerland	100	2,442	850
PSI Polska Sp. z o.o., Poznan, Poland	100	16,959	12,165
PSIAG Scandinavia AB, Karlstad, Sweden	100	1,280	369[2]
Time-steps AG, Affoltern am Albis, Switzerland	100	764	150
Equity valuation			
Germany			
caplog-x GmbH, Leipzig	31.3	2,841	905[3]

[1] Values according to legal and local accounting regulations before consolidation entries
[2] IFRS values before consolidation entries
[3] Values as at December 31, 2024, as values as at December 31, 2025, were not available at the date of the financial statements

Services by the Auditor

The auditor for PSI SE and the Group is RSM Ebner Stolz GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft. The following fees were incurred for services performed by the auditor in the financial year:

in EUR thousand	2025	2024
Auditing services	633	963
Other confirmation services	0	16
Total	**633**	**979**

The auditing services primarily include the fees for the audit of the annual and consolidated financial statements of PSI SE.

Related Party Disclosures

In accordance with IAS 24, related parties are those companies and persons who have the ability to control the PSI Group or exercise significant influence over its financial and operating policies. In determining whether related parties of the PSI Group exercise significant influence over its financial and operating policies, the existence of fiduciary relationships was taken into account as well as existing control relationships.

Related companies
The affiliated companies included in the consolidated financial statements are to be regarded as related companies. In addition, the associated company caplog-x GmbH is regarded as a related company. There are no other related companies.

Related persons
The members of the Executive Board and the Supervisory Board are to be regarded as related persons.

Transactions with related parties
There are transactions between PSI SE and its subsidiaries in the context of supplies and services, cash management, central administrative services and personnel provision; these are eliminated on consolidation.

There are transactions between the PSI Group and the associated company in conjunction with goods and services and the granting of loans, which are shown in the table below:

in EUR thousand	2025	2024
Associated companies		
Goods and services provided	90	95
Goods and services received	1,195	1,005
Other receivables	0	224
Receivables from loans	0	290
Trade payables	285	199

Outstanding balances as at the end of the reporting period are not collateralized or discounted and are settled in cash. There are no guarantees for receivables or liabilities between the PSI Group and the associated company.

Besides the employment contracts with the members of the Executive Board and the expense allowances for the Supervisory Board, there were no business transactions between the related persons and the PSI Group in 2025 or in 2024.

Supervisory Board

The following persons were members of the Supervisory Board in the 2025 financial year:

Prof. Dr. Uwe Hack
(Chairman)
Metzingen

Professor of International Finance and Accounting, Furtwangen University

Membership of supervisory boards of other companies:

1. abcfinance GmbH, Cologne
2. abcbank GmbH, Cologne

Prof. Dr.-Ing. Ulrich Wilhelm Jaroni
(Deputy Chairman)
Aschau

Former member of the Management Board of ThyssenKrupp Steel Europe AG, Duisburg

Dr. Patrick Wittenberg
Oldenburg

Chairman of the Executive Board of E.DIS AG, Fürstenwalde/Spree
Membership of supervisory boards of other companies:
1. Stadtwerke Barth GmbH, Barth (Deputy Chairman)
2. Stadtwerke Ribnitz-Damgarten GmbH, Ribnitz-Damgarten (Deputy Chairman)
3. Stadtwerke Energie und Wasser Potsdam GmbH, Potsdam
4. Netzgesellschaft Schwerin mbH, Schwerin (Deputy Chairman)
5. SWS Energie GmbH, Stralsund (Deputy Chairman)
6. Stadtwerke Brandenburg an der Havel GmbH (Deputy Chairman)
7. Stadtwerke Wismar GmbH, Wismar (Deputy Chairman)

Dr. Georg Tacke
Bonn
Senior Advisor at Simon-Kucher & Partners, Bonn

Membership of supervisory boards/boards of directors of other companies:
1. Scopevisio AG, Bonn (Deputy Chairman)
2. Digital Hub Bonn AG, Bonn
3. Skribble AG, Zürich (Member of the Board of Directors)
4. Sharpist GmbH, Berlin (Member of the Board)

Elena Günzler (until May 20, 2025)
(employee representative)
Berlin

Product manager in the Discrete Manufacturing business unit of PSI SE, Berlin

Uwe Seidel
(employee representative)
Duisburg

Maintenance project manager Contract & Service Management in the Operation & Support unit of the Grid & Energy Management business unit of PSI SE, Berlin

Ingo Fick (since May 20, 2025)
(employee representative)
Ransbach-Baumbach

Solution architect in the Logistics business unit of PSI Software SE, Berlin

Remuneration of Executive Board and Supervisory Board

Remuneration totaling EUR 3,001 thousand (previous year: EUR 1,423 thousand) was granted to the Executive Board of PSI SE for the 2025 financial year. This total remuneration included long-term remuneration of EUR 1,428 thousand (previous year: EUR 0 thousand).

As in the previous year, remuneration was not paid to former members of the governing bodies.

The Supervisory Board received remuneration of EUR 351 thousand (previous year: EUR 329 thousand) in the reporting year.

Individualized information on the remuneration of the Executive Board and the Supervisory Board is presented in the Remuneration Report.

Disclosures on the German Corporate Governance Code

PSI SE issued the statements required in accordance with section 161 of the German Stock Corporation Act on March 18, 2026. They are permanently available to the shareholders in the investor relations section of PSI SE's website **(www.psi.de)**.

Event After the Reporting Period

At the close of the additional acceptance period for the takeover offer from Warburg Pincus LLC, New York, United States of America, to PSI's shareholders on January 2, 2026, Warburg Pincus had secured 83.24% of PSI's share capital through tendered or attributable PSI shares. Following the granting of the final outstanding regulatory approval from the Federal Ministry for Economic Affairs and Energy, the takeover offer can now be settled.

Berlin, June 26, 2026

Robert Klaffus　　Gunnar Glöckner

Responsibility Statement

To the best of our knowledge and in accordance with the applicable accounting principles, the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group, and the Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Berlin, June 26, 2026

PSI Software SE
The Executive Board

Robert Klaffus Gunnar Glöckner

Independent Auditor’s Report

To PSI Software SE, Berlin

Report on the Audit of the Consolidated Financial Statements and the Consolidated Management Report

Qualified Opinions

We have audited the consolidated financial statements of **PSI Software SE**, Berlin (PSI SE), and its subsidiaries (the Group), which comprise the consolidated balance sheet as at December 31, 2025, the consolidated income statement, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year from January 1 to December 31, 2025, and the notes to the consolidated financial statements, including material information regarding accounting policies. In addition, we have audited the consolidated management report of PSI Software SE, Berlin, for the financial year from January 1 to December 31, 2025. In accordance with the German legal requirements, we have not audited the content of section 6 “Group Non-Financial Statement” in the consolidated management report, the combined corporate governance declaration published on the Company’s website, which is referenced in section 3 “Statutory disclosures,” subsection “Combined corporate governance declaration” in the consolidated management report, or the information extraneous to management reports in accordance with section A.5 of the German Corporate Governance Code in section 4 “Report on Risks and Opportunities,” subsection “Description of the Key Features of the Internal Control System (Recommendation A.5 of the German Corporate Governance Code)” in the consolidated management report.

In our opinion, based on the knowledge obtained in the audit:

– the accompanying consolidated financial statements, except for the effects of the matter described in the “Basis for the Qualified Opinions” section, comply, in all material respects, with the IFRS accounting standards issued by the International Accounting Standards Board (IASB) (hereinafter referred to as “IFRS accounting standards”) as adopted by the EU and the additional requirements of German commercial law pursuant to section 315e (1) HGB and, except for said effects, give a true and fair view of the assets, liabilities and financial position of the Group as at December 31, 2025, and of its financial performance for the financial year from January 1 to December 31, 2025, in compliance with these requirements, and

– the accompanying consolidated management report as a whole, except for the effects of the matter described in the “Basis for the Qualified Opinions” section, provides an appropriate view of the Group’s position. In all material respects, except for the effects of said matter, this consolidated management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the consolidated management report does not extend to the unaudited elements of the consolidated management report set out above.

Pursuant to section 322(3) sentence 1 HGB, we declare that, except for the described qualifications of our opinions on the consolidated financial statements and on the consolidated management report, our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and the consolidated management report.

Basis for the Qualified Opinions

The Company recognized a contingent asset within the meaning of IAS 37 amounting to EUR 5.0 million under other assets. The Company was unable to provide sufficient evidence to obtain reasonable assurance that the claims were virtually certain within the meaning of IAS 37. As a result, other assets are overstated by EUR 5.0 million, other operating income by EUR 3.3 million, and other operating expenses are understated by EUR 1.7 million. Furthermore, after taking tax effects into account, there are also changes in the Group net result and Group equity. A contingent asset within the meaning of IAS 37 would have to be disclosed in the notes to the consolidated financial statements. This matter also affects the presentation of the Group’s performance in the consolidated management report, including the Group net result and position.

We conducted our audit of the consolidated financial statements and of the consolidated management report in accordance with section 317 HGB and the EU Audit Regulation (No. 537/2014, subsequently referred to as the “EU Audit Regulation”) and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW — Institute of Public Auditors in Germany). Our responsibilities under those requirements and principles are further described in the “Auditor’s responsibilities for the audit of the consolidated financial statements and of the consolidated management report” section of our auditor’s report. We are independent of the Group companies in accordance with the commercial and professional regulations of European and German law and have fulfilled our other German professional obligations in accordance with these requirements. In addition, in accordance with Article 10(2) (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5(1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the consolidated management report.

Key Audit Matters for the Audit of the Consolidated Financial Statements

Key audit matters are such matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from January 1 to December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon; we do not provide a separate opinion on these matters.

In addition to the matter described in the “Basis for the Qualified Opinions” section, we present what we consider to be the key audit matters:

1) Goodwill impairment
2) Project-related revenue recognition

Re 1) Goodwill impairment

a) Risk to the consolidated financial statements

Goodwill of EUR 57 million is reported in the consolidated financial statements of PSI SE under intangible assets. This accounts for approximately 20.5% of total assets. The Company tests goodwill for impairment as at the end of the respective financial year.

The goodwill impairment test is carried out on the basis of a valuation model using the discounted cash flow method at the level of the lowest cash-generating units. Impairment is required if the carrying amounts of goodwill exceed the recoverable amount of the respective cash-generating unit. Disclosures on goodwill and impairment testing are presented in the notes to the consolidated financial statements in section E. “Significant Judgments, Estimates and Assumptions” under “Impairment of non-current assets” on page 95 and in section F. “Presentation of accounting policies and financial risk management methods” under “Impairment of non-current, non-financial assets” on page 98. Information on the composition of goodwill and the impairment test can also be found in section G. “Disclosures on the consolidated balance sheet” under sub-section 1 “Intangible assets and property, plant and equipment” in the notes to the consolidated financial statements.

The calculation based on the discounted cash flow method is complex, and the result is largely dependent on management’s assessment of the future cash inflows from the forecast business and earnings performance of the cash-generating units during the planning period and on the determination of the discount rate used.

In this context, there is a risk to the consolidated financial statements that an impairment requirement that exists as at the end of the reporting period is not detected. We therefore considered this a key audit matter.

b) Audit approach and conclusions

To assess the appropriateness of the planning assumptions, we obtained an understanding of the planning process and the associated controls that exist through interviews conducted with management. We compared the planning figures used in impairment testing against the business planning prepared by management and approved by the Supervisory Board.

The reliability of the business planning was assessed based on the forecast quality of previous years. If there were material deviations, these were discussed with the employees of PSI SE responsible regarding their relevance to these consolidated financial statements.

We assessed the appropriateness of PSI SE’s method of calculation and the key parameters used, such as the discount rate (weighted average cost of capital) including the market risk premium used, the beta factor and the growth discount, in consultation with a valuation specialist.

To ensure the mathematical accuracy of the measurement model used, we reconstructed PSI SE’s calculations on the basis of elements selected in line with risk considerations.

We also examined whether the carrying amount of the respective cash-generating unit was properly calculated as at the measurement date on the basis of the assets and liabilities to be taken into account. In addition, the allocation and reallocation of goodwill to the cash-generating units was examined for plausibility and appropriate implementation in discussions with management.

We verified the validity of the sensitivity analysis performed by PSI SE for the cash-generating units, which comprises a change in the discount rate, and assessed its mathematical accuracy.

We consider PSI SE’s method of calculation for impairment testing to be appropriate for calculating potentially necessary impairment requirements. Overall, the accounting parameters and assumptions applied appear to be comprehensible and appropriate. They are consistent with our expectations.

Re 2) Project-related revenue recognition

a) Risk to the consolidated financial statements

Revenues of EUR 285,527 thousand are reported in the consolidated income statement for the 2025 financial year. These result from software development, the sale of licenses and merchandise as well as the typically downstream maintenance revenues. In software development, revenues are recognized over the period of time in line with the transfer of the associated significant risks and rewards to the customer, while revenues from licenses and hardware are recognized at a point in time if the respective services are agreed individually with the customer. Maintenance revenues are recognized over the contract term.

Due to the high degree of individualization and the large number of different contractual agreements within the Group as well as the extensive effects of project-related revenue recognition on the recognition and measurement of assets and liabilities as well as income and expense items, we deem revenue recognition in project business to be a particularly complex area. Given this complexity and the increased risk of accounting misstatements it entails, we identified project-related revenue recognition as a key audit matter.

Disclosures on the accounting policies for revenues are presented in the notes to the consolidated financial statements in section E. “Significant Judgments, Estimates and Assumptions” under “Project valuation” on page 95 and in section F. “Presentation of accounting policies and financial risk management methods” and under “Revenues.” Information on the breakdown of revenues can also be found in section H. “Disclosures on the consolidated income statement” under sub-section 15 “Revenues” of the notes to the consolidated financial statements. Further relevant information can be found in section G. “Disclosures on the consolidated balance sheet” in the subsections 3 “Net trade receivables” and 4 “Receivables and liabilities from long-term development contracts and deferred revenues” of the notes to the consolidated financial statements.

b) Audit approach and conclusions

In conjunction with our audit, we assessed the accounting policies used for the recognition of project-related revenues in the consolidated financial statements based on the criteria defined in IFRS 15. To this end, we performed a structural audit in the area of revenue recognition, paying particular attention to compliance with the relevant policies and to the effects of specific contractual arrangements within the Group.

In conjunction with the risk assessment, we obtained an understanding of the development of business in the period under review and analyzed the extent to which subjectivity, complexity or other inherent risk factors could have influenced revenue recognition.

Our audit was substantive and extended, in particular, to whether revenues were properly recognized at a point in time or over time. In particular, we examined the existence of an enforceable legal right and the possibility for alternative use of the contractual performance obligations.

Furthermore, we examined which different types of services were included in the contracts and whether these could be differentiated and thus accounted for separately.

In addition, we reviewed revenue recognition in project business based on the contractual agreements by randomly inspecting agreements and project documents, such as correspondence with customers, and evidence of hours booked. We also randomly validated the appropriateness of the percentage of completion through discussions with project controllers and leads.

We consider the accounting policies practiced by PSI SE for revenue recognition to be appropriate.

Other Information

Management and the Supervisory Board are responsible for the other information. The other information comprises:

– the report by the Supervisory Board;

– the remuneration report in accordance with section 162 AktG;

– section 6 "Group non-financial statement" in accordance with section 315b and section 315c HGB in the consolidated management report;

– the combined corporate governance declaration published on the Company's website, which is referenced in section 3 "Statutory disclosures," subsection "Combined corporate governance declaration" in the consolidated management report;

– the unaudited information extraneous to management reports in accordance with section A.5 of the German Corporate Governance Code in section 4 "Report on Risks and Opportunities," subsection "Description of the Key Features of the Internal Control System (Recommendation A.5 of the German Corporate Governance Code)" in the consolidated management report;

– the responsibility statement in accordance with section 297(2) sentence 4 HGB and section 315(1) sentence 5 HGB on the consolidated financial statements and the consolidated management report; and

– the other parts of the annual report, but not the consolidated financial statements, the disclosures in the consolidated management report whose content was audited, or our related auditor's report.

The Supervisory Board is responsible for the report of the Supervisory Board. The Company's management and the Supervisory Board are responsible for the declaration of compliance with the German Corporate Governance Code in accordance with section 161 AktG, which is referred to in the combined corporate governance declaration published on the Company's website and the remuneration report in accordance with section 162 AktG. In all other respects, management is responsible for the other information.

Our opinions on the consolidated financial statements and on the consolidated management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information referred to above and, in so doing, to consider whether the other information:

– is materially inconsistent with the consolidated financial statements, with the disclosures in the consolidated management report whose content was audited, or with our knowledge obtained in the audit; or

– otherwise appears to be materially misstated.

If, on the basis of our work, we come to the conclusion that this other information contains a material misstatement, we are required to report this fact. We have nothing to report in this context.

Responsibilities of Management and the Supervisory Board for the Consolidated Financial Statements and the Consolidated Management Report

Management is responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS accounting standards as adopted by the EU and the additional requirements of German commercial law pursuant to section 315e(1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, management is responsible for such internal control as it has determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e. the manipulation of financial reporting or financial losses) or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern. It is also responsible for disclosing, as applicable, matters related to its continuation a going concern. In addition, it is responsible for financial reporting based on the going concern basis of accounting, unless there is the intention to liquidate or discontinue the Group, or there is no realistic alternative.

Furthermore, management is responsible for the preparation of the consolidated management report that, as a whole, provides an appropriate view of the Group’s position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a consolidated management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the consolidated management report.

The Supervisory Board is responsible for overseeing the Group’s financial reporting process for the preparation of the consolidated financial statements and of the consolidated management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Consolidated Management Report

Our objective is to obtain reasonable assurance as to whether the consolidated financial statements as a whole are free from material misstatement due to fraud or error and whether the consolidated management report as a whole provides a suitable view of the Group’s position and, in all material respects, is consistent with the consolidated financial statements, audit findings and German legal requirements, and accurately presents the risks and opportunities of future development, and to issue an audit report containing our audit opinions on the consolidated financial statements and the consolidated management report.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with section 317 HGB and the EU Audit Regulation and in compliance with the German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can result from fraud or errors and are considered material if they could reasonably be expected, individually or collectively, to influence the economic decisions that users make on the basis of these consolidated financial statements and the consolidated management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatements in the consolidated financial statements and the consolidated management report due to fraud or errors, we plan and perform audit procedures in response to these risks, and obtain audit evidence that is sufficient and appropriate to form the basis of our audit opinions. The risk that a material misstatement as a result of fraud is not detected is greater than the risk that a material misstatement due to error is not detected, because fraud can include collusion, falsification, intentional omissions, misrepresentation or the invalidation of internal controls;

- obtain an understanding of the internal controls relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the consolidated management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal controls of the Group and these precautions and measures;

– evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures;

– conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the consolidated management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern;

– evaluate the presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS accounting standards as adopted by the EU and the additional requirements of German commercial law pursuant to section 315e(1) HGB;

– plan and perform the audit of the consolidated financial statements in order to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis to express opinions on the consolidated financial statements and on the consolidated management report. We are responsible for the direction, supervision and review of the audit activities performed for the purpose of the audit of the consolidated financial statements. We remain solely responsible for our audit opinions;

– evaluate the consistency of the consolidated management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides;

– perform audit procedures on the prospective information presented by management in the consolidated management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and, where applicable, the procedures or safeguards implemented to remove risks to independence.

Of the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current reporting period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other Statutory and Legal Requirements

Report on the Audit of the Electronic Renderings of the Consolidated Financial Statements and the Consolidated Management Report in accordance with Section 317(3a) HGB prepared for the Purposes of Disclosure

Opinion

We have performed assurance work in accordance with section 317(3a) HGB to obtain reasonable assurance about whether the renderings of the consolidated financial statements and the consolidated management report (hereinafter the "ESEF documents") contained in the file "529900OS5AIRXC3T2J37-2025-12-31-1-de.xbri" and prepared for publication purposes comply in all material respects with the requirements of section 328(1) HGB for the electronic reporting format (ESEF format). In accordance with the German legal requirements, this audit extends only to the conversion of the information contained in the consolidated financial statements and the consolidated management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the file identified above.

In our opinion, the renderings of the consolidated financial statements and the consolidated management report contained in the above electronic file and prepared for publication purposes comply in all material respects with the requirements of section 328(1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying consolidated management report for the financial year from January 1 to December 31, 2025, contained in the "Report on the Audit of the Consolidated Financial Statements and on the Consolidated Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the electronic file identified above.

Basis for the Opinion

We conducted our assurance work of the renderings of the consolidated financial statements and the consolidated management report contained in the above file in accordance with section 317(3a) HGB and the IDW Auditing Standard: Assurance in accordance with section 317(3a) HGB on the electronic rendering of financial statements and management reports prepared for publication purposes (IDW PS 410 (06.2022)). Our responsibilities under those requirements are further described in the "Auditor's responsibilities for the audit of the ESEF documents" section. Our audit firm has applied the IDW Standard on Quality Management: Requirements for Quality Management in Audit Firms (IDW QMS 1 (09.2022)).

Responsibilities of Management and the Supervisory Board for the ESEF Documents

The Company's management is responsible for the preparation of the ESEF documents including the electronic renderings of the consolidated financial statements and the consolidated management report in accordance with section 328(1) sentence 4 no. 1 HGB and for tagging the consolidated financial statements in accordance with section 328(1) sentence 4 no. 2 HGB.

In addition, the Company's management is responsible for such internal control as it has determined necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional noncompliance with the requirements of section 328(1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process of preparing the ESEF documents as part of the accounting process.

Auditor's Responsibilities for the Audit of the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of section 328(1) HGB. We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

– identify and assess the risks of material intentional or unintentional non-compliance with the requirements of section 328(1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion;

– obtain an understanding of the internal controls relevant to the audit of the ESEF documents in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these controls;

– evaluate the technical validity of the ESEF documents, i.e. whether the electronic file containing the ESEF documents meets the requirements of Commission Delegated Regulation (EU) 2019/815 on the technical specification for this electronic file;

– evaluate whether the ESEF documents enable an XHTML rendering with content equivalent to the audited consolidated financial statements and the audited consolidated management report;

– evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with Articles 4 and 6 of Commission Delegated Regulation (EU) 2019/815 as applicable at the end of the reporting period enables an appropriate and complete machine-readable XBRL copy of the XHTML reproduction.

Further information pursuant to Article 10 of the EU Audit Regulation

We were elected as the auditor of the annual financial statements by the Annual General Meeting on May 20, 2025. In accordance with section 318(2) HGB, we are considered the auditor of the consolidated financial statements as no other auditor was appointed. We were engaged by the Chairman of the Audit Committee of the Supervisory Board of PSI Software SE, Berlin, on October 27, 2025. We have continuously been the auditor of the consolidated financial statements of PSI Software SE, Berlin, since the 2023 financial year.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the Audit Committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

Other Issue — Use of the Audit Report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited consolidated management report as well as the examined ESEF documents. The consolidated financial statements and consolidated management report converted into ESEF format — including the versions to be published in the German Federal Gazette — are merely electronic renderings of the audited consolidated financial statements and the audited consolidated management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the examined ESEF documents made available in electronic form.

Responsible Auditor

The German Public Auditor responsible for the engagement is Mr. Fuat Kalkan.

Berlin, July 10, 2026

RSM Ebner Stolz GmbH & Co. KG

Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

Dr. Christoph Eppinger	Fuat Kalkan
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

PSI Multi-Year Overview

in EUR million	2025	2024	2023	2022	2021
Order situation					
New orders	322	257	297	253	266
Order backlog	158	152	170	155	160
Income statement					
Revenues	285.5	260.8	269.9	247.9	245.5**
Export share in %	47.8	48.2	45.0	43.9	39.6**
License revenues	16.7	16.9	16.9	14.3	16.0**
License share in %	5.8	6.5	6.3	5.8	6.5**
R&D expenses	57.7	45.6	43.5	36.6	32.3
R&D ratio in %	20.2	17.5	16.1	14.8	13.2**
Adjusted operating result (adjusted EBIT)	11.7	−15.2	5.6	20.2	25.0**
Adjusted EBIT margin in %	4.1	−5.8	2.1	8.1	10.2**
Operating result (EBIT)	−21.0	−15.2	5.6	20.2	25.0**
EBIT margin in %	−7.3	−5.8	2.1	8.1	10.2**
Earnings before taxes (EBT)	−24.1	−17.9	3.0	19.9	24.5**
Group net result	−31.6	−21.0	0.3	9.7	15.8
Return on sales in %	−11.1	−8.1	0.1	3.9	6.4
Cash flow					
Cash flow from operating activities	12.0	−19.7	16.8	3.4	38.8
Cash flow from investing activities	1.5	−7.0	−6.9	−9.8	−5.0
Cash flow from financing activities	−14.6	5.3	−5.0	−15.9	−7.7
Investments*	7.9	7.7	7.7	10.3	5.4
Balance sheet					
Equity	67.2	95.4	111.7	119.0	114.7
Equity ratio in %	24.2	35.1**	39.5	43.7	40.4
Return on equity in %	−47.0	−22.0	0.3	8.2	13.8
Total assets	278.1	272.0**	283.2	272.6	284.1
Share					
Earnings per share in EUR	−2.04	−1.35	0.02	0.62	1.01
Closing price at end of year in EUR	45.00	21.10	25.30	22.45	46.30
Market capitalization on December 31	706.4	331.2	397.1	352.4	726.8
Employees					
Number of employees on December 31	2,380	2,434	2,310	2,251	2,223
Personnel expenses	212.8	190.1	183.7	161.6	155.8*

* Company acquisitions, intangible assets, property, plant and equipment
** Restated

PSI Quarterly Overview for 2025

in EUR million	Q1	Q2	Q3	Q4
Order situation				
New orders	158	52	59	53
Order backlog	223	206	188	158
Income statement				
Revenues	67.9	65.0	70.7	81.9
thereof Grid & Energy Management	30.2	30.9	35.8	44.0
thereof Process Industries & Metals	19.2	16.1	17.8	19.9
thereof Discrete Manufacturing	7.8	8.9	8.9	9.9
thereof Logistics	8.2	8.9	8.3	8.1
Adjusted operating result (adjusted EBIT)	2.1	1.4	2.3	5.9
Adjusted EBIT margin in %	3.2	2.1	3.2	7.3
Operating result (EBIT)	2.1	−0.04	−22.5	−0.6
EBIT margin in %	3.2	−0.1	−31.8	−0.8
Earnings before taxes (EBT)	1.5	−0.9	−22.9	−1.8
Group net result	0.3	−1.7	−24.9	−5.3
Return on sales in %	0.4	−2.6	−35.2	−6.5
Share				
Earnings per share in EUR	0.02	−0.11	−1.61	−0.34
Closing price at end of quarter in EUR	25.30	30.50	26.60	45.00
Employees				
Number of employees at end of quarter	2,339	2,351	2,373	2,380
Personnel expenses	51.4	48.2	59.9	53.3

Financial Calendar for 2026

Publication of annual results	July 13, 2026
First-quarter report	July 13, 2026
First half-year report	July 28, 2026
Half-year results analyst conference	July 28, 2026
Annual General Meeting	September 2, 2026
Third-quarter report	October 30, 2026

The PSI Share

Stock exchange segment	Prime Standard
Stock exchange symbol	PSAN
Securities identification number (WKN)	A0Z1JH
ISIN	DE000A0Z1JH9

Your Investor Relations Contact

"By entering into an investment agreement with the experienced investor, Warburg Pincus, we are beginning a new chapter in PSI's company history. In doing so, we want to initiate the next growth phase."

Karsten Pierschke
Head of Investor Relations
and Corporate Communications

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We would be glad to add your name to our shareholder information mailing list. Please also get in touch if you would like a copy of the PSI SE financial statements (in German). For the latest investor news, please visit our website at **www.psi.de/en/psi-investor-relations/.**

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