ATOSS ANNUAL REPORT

ATOSS | 2024

Consolidated Overview as per IFRS

Year on year comparison in KEUR

	01/01/2024 - 12/31/2024	Proportion of Total sales	01/01/2023 - 12/31/2023	Proportion of Total sales	Change 2024 to 2023
Sales revenues	170,625	100%	151,198	100%	13%
Software	124,856	73%	108,197	72%	15%
Licenses	13,540	8%	19,610	13%	-31%
Maintenance	38,963	23%	35,669	24%	9%
Cloud & Subscriptions	72,353	42%	52,918	35%	37%
Consulting	35,943	21%	33,229	22%	8%
Hardware	5,801	3%	6,084	4%	-5%
Others	4,025	2%	3,688	2%	9%
EBITDA	67,829	40%	55,865	37%	21%
EBIT	63,427	37%	51,819	34%	22%
EBT	66,982	39%	53,326	35%	26%
Net profit	45,451	27%	35,773	24%	27%
Cash flow (operating)	59,472	35%	52,654	35%	13%
Liquidity [1/2]	112,216		82,584		36%
EPS in Euro [3]	2.86		2.25		27%
Employees [4]	820		775		6%

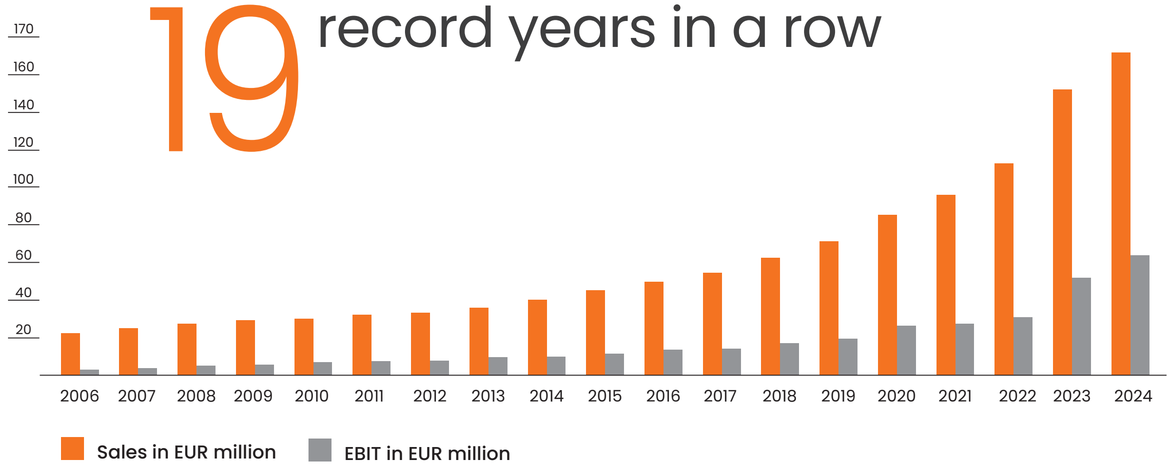
Quarterly comparison in KEUR

	Q4/24	Q3/24	Q2/24	Q1/24	Q4/23
Sales revenues	44,736	42,089	41,957	41,843	40,937
Software	33,366	30,587	31,181	29,722	29,212
Licenses	3,805	2,120	3,961	3,654	5,534
Maintenance	9,872	9,740	9,697	9,654	9,140
Cloud & Subscriptions	19,689	18,727	17,522	16,415	14,538
Consulting	9,074	8,913	8,676	9,280	9,050
Hardware	1,133	1,583	1,119	1,966	1,541
Others	1,163	1,006	981	875	1,134
EBITDA	18,828	17,148	16,783	15,070	16,180
EBIT	17,684	16,067	15,657	14,019	15,085
EBIT margin in %	40%	38%	37%	34%	37%
EBT	18,811	17,057	16,607	14,507	16,238
Net profit	12,573	11,628	11,491	9,759	10,986
Cash flow (operating)	-2,245	32,392	-124	29,449	-4,332
Liquidity [1/2]	112,216	115,273	83,268	110,858	82,584
EPS in Euro [3]	0.79	0.73	0.72	0.62	0.69
Employees [4]	820	819	813	779	775

1 Cash and cash equivalents, other current and non-current financial assets (sight deposits, gold) as of the qualifying date, adjusted to exclude borrowings (loans) **2** Dividend of EUR 3.37 on 05/06/2024 (KEUR 26,802); Dividend of EUR 2.83 on 05/04/2023 (KEUR 22,507) **3** In accordance with IAS 33.64, earnings per share (EPS) were adjusted retrospectively for previous periods as a result of the share split carried out in June 2024 **4** at the end of the quarter/year

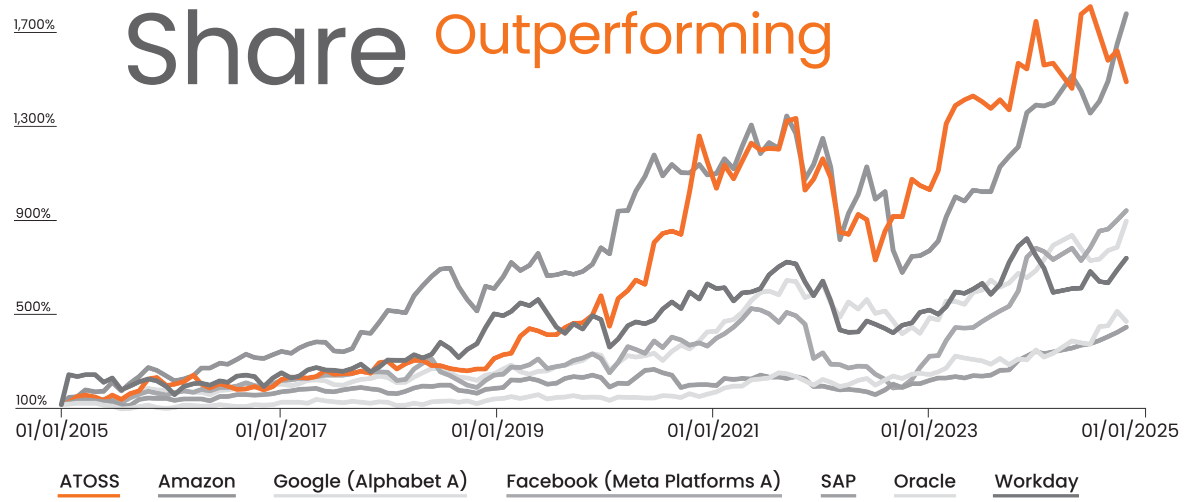
Numbers, Data & Facts

19 record years in a row



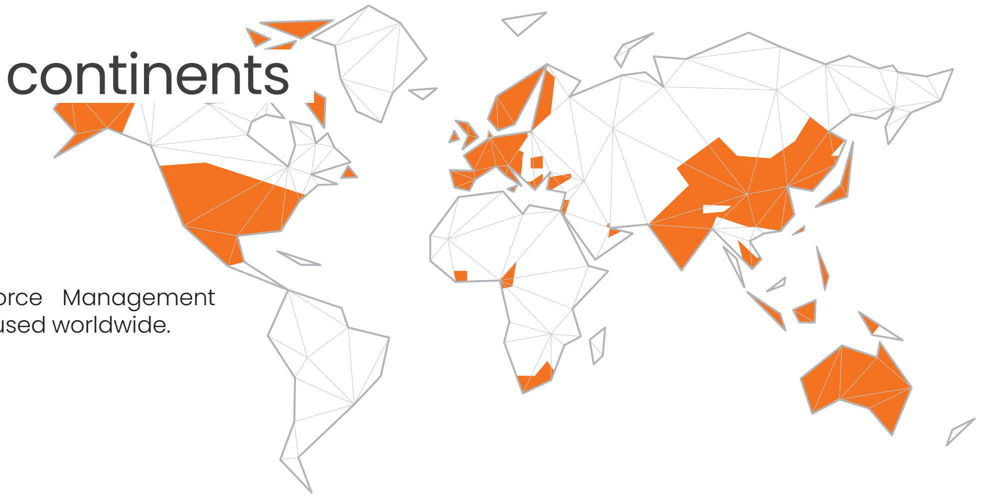
With sales of EUR 170.6 million and an operating result of EUR 63.4 million, ATOSS closed financial year 2024 with a record result. It is the 19th record year in succession. Against the backdrop of sustained strong demand for workforce management solutions, the Management Board expects the company to continue its growth and success story in financial year 2025 and beyond.

Share Outperforming



ATOSS share has recorded enormous growth over the past ten years. At its peak, it recorded an increase in value of over 1,200 percent. In comparison with large software stocks, a clear outperformance can still be seen today.

5 continents



ATOSS Workforce Management solutions are used worldwide.

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The future is on our side!

The world is in flux. A new technological supercycle presents European companies with the challenge of adapting processes and structures to remain competitive. In a conversation with Andreas Obereder, Founder & CEO of ATOSS, we take a look at the future of workforce management and discuss how European companies can compete internationally.

Andreas, according to the magazine "Handelsblatt," ATOSS is one of only 309 publicly traded companies worldwide with over one billion euros in corporate value and a continuous annual return of more than 20 percent over the past ten years. What does this tell us?
It definitely shows that European companies can achieve international success if they focus on solving real problems for their customers.

However, the truth is that only two German companies are included in the "Handelsblatt" analysis. Isn't that a warning signal for us?
Yes, time is running out. It's time to stop waiting around, weighing options, and comparing solutions—all of us, companies, people, and the state must act with courage now and make an effort to turn things around.

> *Digitalization only unfolds its full potential when it's implemented across all company processes. Only end-to-end digitized processes reveal maximum benefits in the form of disproportionate productivity increases.*
>
> Andreas F.J. Obereder
> CEO | ATOSS

That sounds dramatic…
…and it should! Other economies overshadow us with their productivity growth. While in the past three years, labor productivity per capita in the USA has increased by about seven percent according to the ECB, it has declined in Europe over the same period. We're, at best, standing still.

Truly alarming!
What explains the difference, in your opinion?
A key reason is the performance of today's technology—particularly the productivity of modern native cloud solutions. Digitalization only unfolds its full potential when it's implemented across all company processes. Only end-to-end digitized processes reveal maximum benefits in the form of disproportionate productivity increases. I'm repeatedly surprised and shocked by the incredible number of processes still handled with paper and Excel in European companies today.

What does the future hold for these companies?
We're on the brink of a new technological supercycle. The technologies of artificial intelligence and quantum computing complement each other, leading to exponential effects. These computers—currently equipped with 50 times the computing power of today—will be available as early 2027, for example, at PSI Quantum from Palo Alto. Within the next 12 to 24 months, the strong, efficiency-boosting benefits of artificial intelligence will also begin to take effect. The cards will be reshuffled, and enormous opportunities will present themselves only to those who understand how to take advantage of them. Everyone else will be left behind.

Optimistic words—and at the same time, they sound like a threat. Many companies struggle with digital transformation, and investment levels in Europe are only half of what they are in the USA…
Yes, there is a threat. However, it stems from hesitation, complacency, and the illusion that we have time to wait. The window for gradual, incremental change has closed. We are now in the „Disrupt or Die" phase. We need courage and entrepreneurship because we're facing critical years in which countries, industries, and companies must seize the opportunities digitalization affords them. You rarely get the chance to make such a significant difference in a few years. I find it incredibly motivating and invigorating to contribute, along with over 800 employees at ATOSS, to sustainably and decisively improving the productivity and competitiveness of many companies in Europe!

Last year, you assessed the future prospects of Europe very critically. What's your interim assessment?
The situation is very serious. Let's not kid ourselves—it's about our prosperity, which will ultimately determine how we and our children will live. Business models, not only of companies but of entire nations, are currently losing their foundation. The demographic changes will further intensify the productivity growth problem. But it's not too late — we have a historic opportunity!

And you believe in this historic opportunity for Europe?
Why not? The conditions are in place. The most innovative companies in the world are not turning away from Europe or Germany—they're investing. According to Apple CEO Tim Cook, the Munich engineering team is one of the 'innovative world leaders' driving groundbreaking developments in chip design Sam Altman, the CEO of OpenAI, gave the signal to the start of his technology location in Germany in February 2025.

However, the majority of companies still fail at digital transformation…
Yes, that's true. According to Porsche Consulting, 85 percent of companies are currently missing their digitalization and automation goals. One of the biggest misconceptions is the belief that decades-old software or on-premises systems qualify as digital transformation. That's not true transformation but merely eyewash. Digitalization is not about incremental IT upgrades but about a fundamental reshaping of how companies ensure their survival in a world characterized by speed, intelligence, and automation. We need a culture of uncompromising digitalization.

What do you mean by "uncompromising digitalization"?
No half measures, no outdated infrastructure, and no fragmented systems, but a comprehensive and truly consistent commitment to native, cloud-based, AI-driven, fully integrated processes. And I do see the beginning of a shift in attitude here. A good example is the healthcare sector, an industry not typically linked with digital innovation leadership. Just last year, we acquired six major hospital operators with a total of over 80,000 employees as new clients. Five of the six operators are transitioning to the cloud with us. Two years ago, this would have been unthinkable. This is a tremendously important contribution to the economy in Europe, as illustrated by the case of Germany: Almost six million people in Germany need care today—and this number is expected to rise to seven million in the coming years. These statistics highlight how fast the demand for care spaces is increasing. Each year we need 13,000 new places—with currently nonexistent care staff.

What's the solution to the even more dramatic shortage of care staff?
It requires a lot more, of course: what we can contribute is the significant relief of existing staff from administrative tasks. This accounts for up to 50 percent of the working time for doctors, nursing management, and others. Overall, this represents a significant capacity increase that is urgently needed on the patient side.

But won't these kinds of changes come too late or too slowly?
No, every day is a new opportunity to shape your future. However, it's also clear that with each passing day, catching up to competitors becomes more difficult. I have a compelling customer example from retail: Three years ago, there was a CEO change at a European retailer with about 30,000 employees. The new CEO immediately recognized the need for action regarding digitalization and prioritized over 30 projects. This included implementing our digital workforce management system, aiming to significantly enhance service levels for customers and generate more revenue—despite having fewer customers and fewer employees due to the shortage of skilled workers. In just nine months, our solution was successfully rolled out to hundreds of locations. The lesson is clear: courage to embrace change and speed is important.

> *I find it incredibly motivating and invigorating to contribute, along with over 800 employees at ATOSS, to sustainably and decisively improving the productivity and competitiveness of many companies in Europe!*
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> Andreas F.J. Obereder
> CEO | ATOSS

Do companies even have a chance of survival without first-class workforce management?
No, the demands for flexibility, continuous productivity growth, and attractiveness as an employer in the competition for skilled workers are too great. More and more customers tell us: "Without such a tool, modern management is no longer possible today." This importance will continue to increase. The Bertelsmann Foundation predicts the possibility of keeping 1.5 million "retirees" in the German labor market alone in the coming years. That's a good idea, given the shortage of skilled workers. However, it won't work without specialized working time models and smart deployment planning.

Digital systems produce valuable data—is the analysis of this through "Workforce Analytics" a buzzword or a game-changer?
No, Workforce Analytics is not a buzzword. Our world is becoming more complex every day, and the amount of data available is increasing exponentially. AI-supported Workforce Analytics allows us to identify risks in the processes for personnel deployment—such as personnel shortages—before they arise. It optimizes labor costs and productivity without compromising quality. Moreover, it enables real-time adjustments to keep operations running at maximum efficiency. This is not a trend but the foundation for future success.

How does AI change workforce management beyond Workforce Analytics?
AI is, of course, a central part of our North Star Strategy 2030. We're talking about a completely new kind of workforce management here. At ATOSS, we refer to this as Workforce Management 5.0 and a "People First Approach"—a whole new dimension of interaction between humans and software. Companies adopting Workforce Management 5.0 improve their workforce management while simultaneously establishing business models that are more flexible, resilient, and profitable. Organizations that use AI-driven workforce management will gain an enormous competitive advantage. All our current cloud customers will have the opportunity to participate in these developments.

So, will we also see disruption in the workforce management provider market due to AI?
Yes, of course, and it has already started. Internationally viable and globally applicable digital workforce management from the cloud is a big challenge to tackle. It requires not only a lot of experience and investment power but also the trust of customers that ATOSS will deliver the right solutions in the future.

Honestly, Andreas. How much is AI revolutionizing work at ATOSS today?
The fact is, just in the R&D area, we're experiencing productivity increases of over 20 percent! ATOSS is completely "cloudified." In the past three years, we have introduced more than 40 new systems.

In conclusion: Will 2025 be the 20th consecutive record year for ATOSS?
We're all working hard and focused on making this year the 20th consecutive record year, and I'm confident we'll succeed. The future is on our side. Equally important to us, however, is that we're preparing for that future with significant progress regarding our Agenda 2030. At this point, I want to express my gratitude for the trust our customers and partners place in ATOSS and for the passion, courage, and commitment of our employees!

People Centric

engelhorn

"With over 1,000 employees and their families sharing their experiences, a positive reputation can only lead to beneficial outcomes."

www.atoss.com/en/engelhorn

Fabian Engelhorn, CEO of Engelhorn,
discusses the significance of digitalization in boosting employee satisfaction and its resulting beneficial effect on the organization.

Record-breaking implementation at OBI

Dennis Eberle
Project Manager
OBI

Since 1970, OBI has represented the DIY spirit for people who get things done, create, and innovate. With over 640 stores in ten countries, 40,000 employees, and an annual revenue of 8.2 billion euros, OBI is more than just a hardware store—it's a success story. Every year, 250 million customers visit the stores for inspiration and advice. However, resting on its laurels is not an option for OBI, and thus, the company continuously works on the future of DIY. Investments in innovative technologies are often prerequisites for this progress. Therefore, two years ago, OBI decided to implement ATOSS Workforce Management. The goal: to enhance customer satisfaction through optimal staff deployment, improve employee satisfaction with flexible work models, and increase efficiency through optimized processes.

An ambitious goal—making the impossible possible

Dennis Eberle, Senior Project Manager at OBI, faced a significant task: to lead the implementation of ATOSS Workforce Management in over 300 German branches with 17,000 employees within nine months. Eberle was aware of the challenges: Some store managers used fixed two-week cycles, while others planned spontaneously—often without a data basis. The risk? Unequal shift distribution, which can affect employee satisfaction. "Having the right employee, with the right qualifications, in the right place, at the right time—this principle is more important than ever if you want satisfied customers," Eberle emphasizes. "Poor shift planning also leads to staff overload, resulting in higher absenteeism and employee turnover."

The workforce has to be informed early and continuously about upcoming changes to create acceptance.

Dennis Eberle
Project Manager | OBI

Building the right project team

From the beginning, Eberle knew that the right team would be crucial for success. He assembled an interdisciplinary project team combining experts from IT, HR, and store operations to ensure optimal alignment between technology, business goals, and employee needs. "The first challenge is always finding the right people," he explains. "You need a team that understands both the technology and its impact on the employees." By selecting team members with an understanding of digital systems and their effects on the workforce, Eberle laid the foundation for long-term success.

Professional project framework

From the start, the project team understood that the success of this ambitious endeavor would only be possible through high engagement and discipline from all involved. Technologically, it involved implementing a new time management system, workforce planning, qualification management, self-service desktop and mobile access, task management, determining personnel requirements, and developing interfaces, including those for the customer reservations system. More important than the technological implementation, however, was the clear definition of business and project goals:

- Increase customer and employee satisfaction
- Boost productivity through more efficient processes
- Ensure legal compliance
- Enable reliable time bookings and error-free billing
- Enhance data transparency

Eberle and the other project participants were aware of the importance of first-class project management. "Successful projects are not driven by functions. They're primarily driven by people who need to work together as a team. But even the best teams need structures and rules," Eberle concludes.

Change management and transparent communication

Eberle understood that implementing a new workforce management solution was not just about a new too—it was about the people. For the employees, transitioning to digital time tracking and structured work schedules meant more than just an operational change. "Every major change can trigger fears," he says. "Our task was to show our employees how the new system would improve their daily work." Employees received regular updates, Q&A sessions were held, and practical training was offered. The goal was clear: replace uncertainty with clarity and skepticism with trust.

Lessons learned

For Eberle, two key points were confirmed: first-class software selected through a professional process and a professional project setup are essential. For the experienced project manager, the project also brought a new insight. Previously, he had thought success was a matter of execution, completing tasks, and achieving defined goals. Today, success means asking the right questions at the right time and having the courage to pause and rethink. "At OBI, we are very enthusiastic, always full of energy and passion, with many ideas of what success could look like. Amidst all this, Angelika, our architect from ATOSS, acted as a mirror," Eberle recalls. Initially, Eberle and his team found it frustrating. They had made rapid progress, and were convinced they were on the right track. Looking back, Eberle says: "Angelika didn't let us rush forward blindly. Instead, she repeatedly asked us a simple but powerful question: 'Why?' Why do you want this? Why is it important? Why are you making this decision? Her questions made us pause. They made us rethink our choices. They made us better."

Transformation through Workforce Management

The project team succeeded in establishing a technological and organizational foundation for OBI, enabling further development of workforce management transformation. But that's just the beginning. By 2028, OBI will roll out ATOSS in eight more countries—backed by the valuable experiences gained in Germany. For Dennis Eberle, this project was about than just implementing software. "It was about initiating sustainable change and creating a stronger, more efficient organization," he reflects.

FUCHS
A TEREX BRAND

"

I require an intelligent system that helps me make informed decisions and develop a solid plan for the upcoming days, weeks, and months.

www.atoss.com/en/terex-fuchs

Thomas Sandrock, Director of Product Support & Quality at Fuchs, a Terex Brand, explores the difficulties of mobile work and showcases solutions to master these challenges.

ela[container]

The perfect collaboration of systems like ATOSS, DATEV, and Personio is essential!

Tim Achter
HR Payroll Specialist | ELA Container

More than "just" payroll

ELA Container, a successful global player, is a leading provider of flexible space modules. With a team of 1,400 employees, including 900 in Germany, the company offers customized space solutions for rent or purchase. There are 60,000 containers in use worldwide for customers. The success of ELA Container relies on innovative products and the flawless execution of digital business processes. In the HR department, payroll specialists Rieke Tykfer and Tim Achter play a central role. They are key figures in enhancing efficiency and innovation in ELA's HR sector. By developing HR systems, ensuring compliance, and continuously optimizing payroll, they contribute to a positive employee experience and operational excellence.

Rieke Tykfer
HR Payroll Specialist
ELA Container

Tim Achter
HR Payroll Specialist
ELA Container

Payroll: The backbone of a well-functioning organization
At ELA Container, payroll is both a technical and a strategic function requiring precision, compliance, and close coordination between HR and IT. "The combination of operational tasks, strategic thinking, and the management of modern HR systems makes our role incredibly diverse," says Achter. "It allows us to have a real impact on improving efficiency." To ensure the accuracy and reliability of payroll, ELA depends on the continuous integration of HR systems like ATOSS, DATEV, and Personio. As the primary users, Tykfer and Achter ensure that these systems function smoothly and evolve with new IT developments. Their role encompasses much more than payroll. It's crucial to create a structured, error-free system that employees can trust. Achter emphasizes the central importance of seamless system integration: "We're responsible for the financial stability of the employees. If systems don't communicate correctly, the risks multiply—data inconsistencies, discrepancies between recorded and processed hours, and incorrect payroll data. Therefore, ensuring smooth integration is essential." By optimizing system connections and automating key processes, they're shaping the future of payroll at ELA—making it more efficient, transparent, and resilient.

No room for error: The human side of payroll
Payroll may be a technical process, but at its core, it's about people. Behind every payment is an employee who depends on it. "We always remind ourselves that payroll isn't just about numbers—it's about people's livelihoods, their time, and their pay," emphasizes Tykfer. Achter agrees: „The responsibility we carry is enormous. Even a one percent error rate could lead to hundreds of complaints and calls in our department." Payroll errors can cause stress and frustration, making trust an essential component of Tykfer's and Achter's work. How do they ensure accurate payroll for 1,400 employees? The answer lies in automation and self-services that provide transparency and reduce the administrative burden. "Self-services make a big difference," explains Tykfer. "Employees can independently manage leave requests, make time corrections, and access attendance records—having real-time control over their data." By enabling employees to handle routine HR tasks themselves, self-services not only relieve the HR department but also increase data quality and transparency.

The future of HR: AI as a game changer
HR is evolving, and artificial intelligence (AI) will redefine workflows at ELA. One of the biggest challenges HR faces is handling repetitive employee inquiries, especially during onboarding. Employees often ask about absence records, policies for doctor's appointments, and procedures for forgotten time entries—questions that currently consume valuable HR resources. "We envision AI-driven chatbots within ESS platforms answering these questions instantly, improving efficiency and reducing the workload of the HR department," say Tykfer and Achter. But AI's role goes beyond chatbots. Predictive analytics is on the verge of revolutionizing workforce planning and decision making. "AI-driven predictive analytics will help us transition from reacting to personnel challenges to anticipating them," says Tykfer. Instead of addressing personnel issues after they arise, AI will enable HR to predict trends, optimize planning, and ensure the right staffing levels—ultimately improving employee retention and workforce stability.

Excellence through people and technology
The contributions of Tykfer and Achter extend far beyond payroll. Their expertise ensures business continuity, employee well-being, and digital transformation—proving that payroll is about more than just paying salaries. At ELA, digital transformation is not just about technological advancements but also about the people driving this change. And even more than that: it's about trust, precision, and the vision of a future where people and technology achieve great things together.

Our goal is to provide
our employees with the best
possible conditions.

www.atoss.com/en/ksob

Philipp Hämmerle, KSOB Executive Board Member,
emphasizes the importance of offering employees optimal working conditions
to ensure they can carry out their tasks effectively and achieve success.

UNIVERSITÄTS MEDIZIN FRANKFURT
GOETHE-UNIVERSITÄT

I really appreciate the software's flexibility. It contains standard options that we can adapt as we wish and allows us to develop our own solutions.

Florian Dietrich
Head of Time Management Department | Universitätsmedizin Frankfurt

A university hospital with creative solutions for complex requirements

Florian Dietrich
Head of Time Management Department
Universitätsmedizin Frankfurt

Under one roof, the Universitätsmedizin Frankfurt combines the University Hospital and the Faculty of Medicine at Goethe University to create an ideal connection between teaching, research, and patient care. More than 8,500 employees ensure top-level medical care every day. Since 2011, University Medicine has been utilizing ATOSS time management and workforce planning to make processes more efficient, transparent, and employee friendly. Florian Dietrich has been part of University Medicine Frankfurt since 2021 and heads the time management department with two teams, including experts in ATOSS software processes.

Architect of Time Management

The time management department within the human resources division encompasses two main areas: The first area is work time management, which enables efficient planning and control of working hours, significantly contributing to the optimization of processes at Universitätsmedizin Frankfurt. This also includes consulting on duty time models, co-determination by the staff council, and adjustments to tariff changes. "We support users with issues as first-level support and convey best practices through training and support to ensure they can utilize the software optimally," explains Florian Dietrich. The second area deals with the development and further development of the ATOSS system, including the implementation of new modules and complex requirements. The areas are closely linked and require both technical and tariff knowledge, making it challenging to find qualified specialists.

Compliance with legal regulations through automation

The legal and tariff requirements that need to be reflected in duty rosters are becoming increasingly complex and are often contradictory. "We use the software intensively to create duty rosters based on applicable legal and tariff regulations. Manually monitoring all regulations would be almost impossible," emphasizes Dietrich. An example is the implementation of the nursing staff regulation (PPR 2.0), where the software is indispensable, according to Dietrich. The software allows the extensive requirements of the PPR 2.0, which prescribes specific staffing needs based on adequate patient care, to be implemented efficiently and accurately. At the same time, automation significantly reduces workload and prevents rule violations, which would bring sanctions, leaving more time for patient care.

High flexibility for tailored solutions

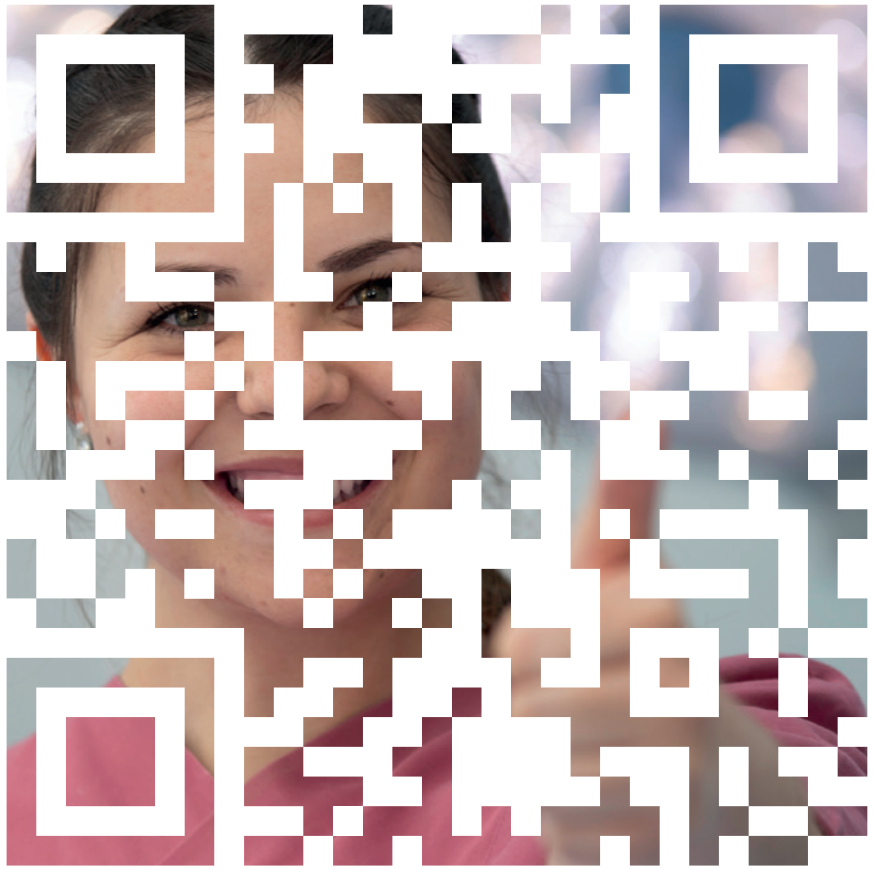
The software offers many possibilities to automatically and user-friendly record complex issues. "I greatly appreciate the flexibility of the software. It contains standard solutions that we can adapt as we wish and allows us to develop our own solutions," Dietrich explains. This is particularly valuable for very individual requirements, such as the in-house relief tariff agreement that Universitätsmedizin Frankfurt has independently implemented in the software. Thanks to the software's high adaptability, the department can quickly respond to changing requirements and find appropriate solutions. Thus, with the technical possibilities and the support from the board and human resources management, we can contribute to increasing employee satisfaction and ensuring that University Medicine is already at the forefront of tomorrow's medicine today.

Versatile toolkit for leadership topics and project planning

Dietrich also personally benefits from the software, as it simplifies leadership topics like vacation planning and time corrections. It enables fast and efficient processes and provides an overview of resources, which is important for project planning. "Working with the software is exciting because it is constantly evolving," Dietrich summarizes. It offers a versatile toolkit and a network of users with whom one can exchange ideas. This allows for effectively addressing challenges and finding creative solutions. Through the continuous development of the software, Dietrich can ensure that the time management department is always up to date and develops the best solutions for the complex requirements in the healthcare sector for the benefit of patients and staff.

INNKLINIKUM
ALTÖTTING UND MÜHLDORF

In the social sector,
we need various working time models.
We require flexibility to take into account
the needs of our employees.



www.atoss.com/en/innklinikum

Manuela Landgraf, Chairman of the Staff Council at Innklinikum, discusses the necessity of flexibility in the social sector and how it can be applied to meet the needs of employees.

> *My team is absolutely thrilled to finally have the opportunity to participate instead of just standing in front of ready-made shift plans.*
>
> **Susanne Braun**
> Nurse Manager ENT Clinic | SRH Zentralklinikum Suhl

From paperwork to smart scheduling

Susanne Braun
Nurse Manager ENT Clinic
SRH Zentralklinikum Suhl

Nils Kirsch
System Owner ATOSS
SRH Shared Services GmbH

With ten acute clinics, six rehabilitation clinics, and 13 medical care companies, SRH Gesundheit GmbH is one of the most important healthcare providers in Germany. Around 10,000 employees work together in the SRH clinics on an interdisciplinary basis, with treatment quality and patient safety taking top priority. To ensure this high standard, the company continuously invests in state-of-the-art medical technology, innovative treatment procedures, and digital solutions. One milestone on this path is the introduction of digital and flexible shift planning at SRH Zentralklinikum Suhl. Here, Susanne Braun, nurse manager of the ENT clinic, is one of those responsible for efficient, transparent, and employee-friendly shift planning.

Reliable planning with less effort

Braun is responsible for scheduling 23 employees on her ward. Reliable shift planning is essential—not only for the smooth running of the clinic but also for a good work-life balance for employees. "I've always enjoyed creating shift plans," reflects Braun. However, with the existing solutions, including Excel spreadsheets and handwritten notes, she increasingly reached her limits in the fast-paced day-to-day operations of the clinic. "Like many clinics in Germany, we come from a very paper-heavy past. The change that came with the digitalization and standardization of scheduling processes was not easy for all the employees and managers," reports her colleague Nils Kirsch, who, as ATOSS System Owner at SRH Shared Services, is driving digital change throughout the organization. Braun, however, embraced the change with open arms. The introduction of ATOSS provided her with a powerful tool that considerably speeds up her daily work. "I now only need around two hours to create a shift plan for my station—it used to take me twice as long. That's a huge improvement," she explains.

Transparency and legal compliance

The digital transition has also made shift planning safer and more transparent. When creating a schedule, the software takes into account the personnel assessment guidelines in the German healthcare sector, such as PpUGV, PPP-RL, and PPR 2.0. "We have set up warning messages that alert our planners to potential rule violations at an early stage and enable fair and compliant shift planning," reports Kirsch. Static, printed shift plans are finally a thing of the past. Employees all use the kiosk computers or the app to view their timetables, track changes, or find out about upcoming shifts.

More participation and flexibility for the team

A major advantage of ATOSS is the ability for employees to actively participate in organizing their working hours. "My team is absolutely thrilled to finally have the opportunity to participate instead of just standing in front of ready-made shift plans." emphasizes Braun. Their employees now submit their preferred shift requests digitally in the Staff Center, where they are displayed directly to Braun. This means more self-determination for the team and less manual effort for Braun. "I can transfer all requests to the duty roster with just one click," confirms Braun. Even older colleagues quickly adapted to the new technology. "The introduction of the ATOSS app went smoothly; everyone got to grips with the intuitive interface right from the start," says Braun happily. She herself has now discovered a few tricks in the system that simplify her tasks—such as entering a private shift swap.

Outcome: Digitization as a benefit for the entire station

ATOSS makes Braun's day-to-day work much easier: less planning effort, more transparency, and greater satisfaction within the team. "I like planning with ATOSS. I really enjoy it," she sums up. The positive experience is already inspiring new ideas; for example, there are plans to introduce digital shift swaps to further increase flexibility. The digital transformation in the healthcare sector is in full swing—and with her commitment, Braun is making a decisive contribution to shaping it successfully.

BERLIN-CHEMIE
MENARINI

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Flexible working hours are a top priority for us. We cater to our employees‘ needs almost 100 percent and allow them to choose their own work schedules.

www.atoss.com/en/berlin-chemie

Steffen Lunkwitz, Head of Human Resources at BERLIN CHEMIE, introduces the concept of flexible working hours and demonstrates how it can lead to increased employee satisfaction and a thriving business.

Luzerner Kantonalbank

We now offer significantly more working time models and employ many more part-time employees.

Gabriela Bucher
Head of Payroll Administration / Social Insurance | Luzerner Kantonalbank

At Luzerner Kantonalbank, experience is gold

Gabriela Bucher
Head of Payroll Administration / Social Insurance
Luzerner Kantonalbank

Gabriela Bucher, Head of Payroll Administration at Luzerner Kantonalbank, has been supporting digital change in the financial sector for over 20 years. Her extensive experience has made her the driving force behind the digital HR-transformation of the company, which employs more than 1,300 people.

Over the past two decades, Gabriela Bucher has witnessed the rapid development of digitalization and played a key role in shaping it. At the end of the 1990s, Luzerner Kantonalbank recognized the need for digitalization and began to gradually convert its corporate processes. A milestone in the digitalization of HR work was the introduction of the ATOSS time recording solution in 1995.

Her indispensable wealth of experience in dealing with digital solutions makes Gabriela Bucher a unique resource within the bank. "I've been working with the ATOSS solution and corresponding systems such as SAP for over 20 years—so of course I know the system landscape inside out," says Bucher. She shares her knowledge with her team through regular training, which brings considerable benefits to the company. "If something gets stuck, I usually know every trick there is to fix the problem. And of course I also know exactly where the weak points are," she adds.

The last few years have not only advanced technology, but have also fundamentally changed the working environment. Thedemand for skilled workers has increased and issues such as work-life balance are more important than ever. "Compared to the past, we have significantly more working models on offer and the number of part-time employees has increased enormously," explains Bucher.

With these changes, the challenges are also growing, particularly in managing part-time employees and correctly paying of wages across different working models. The time recording software in Lucerne currently runs on-premises. "At the time when the ATOSS solution became available in the cloud, internal regulations prevented migration," adds Bucher. However, the further development of cloud technology makes future migration an essential part of the bank's digitalization strategy.

For Gabriela Bucher, the digital transformation is a decisive step in maintaining the competitiveness of Luzerner Kantonalbank. Comprehensive and integrated HR systems are intended to complement the existing flexible work environment and make administration easier for employees. For Gabriela Bucher, digital transformation is a crucial step in maintaining the competitiveness of Luzerner Kantonalbank.

Data privacy is of utmost importance to us. We're delighted that the ATOSS solution can meet and manage our data protection needs.

www.atoss.com/en/hermes-fulfilment

René Koch, Chairman of the Works Council at Hermes Fulfillment, discusses the significance of data protection in real-world applications and how it can be put into practice to address employees' concerns.

WA

Why ATOSS Cloud Solutions?

Stadt Ingolstadt

The digitalization strategy of the City of Ingolstadt makes the cloud indispensable. Migrating of the ATOSS software was the next logical step. The goal was also to reduce the workload of our IT department, giving it more room to focus on other important projects.

Raimund Walthier
Head of Working Time and Leave Law | Personnel Office of the City of Ingolstadt

Less effort, more possibilities

Raimund Walthier
Head of Working Time and Leave Law
Personnel Office of the City of Ingolstadt

Ingolstadt, a dynamic city on the banks of the Danube, is in the midst of its digital transformation journey. With over 3,400 employees who support around 143,000 citizens in all aspects of life, the city administration relies on innovative solutions. The cloud plays a central role in this. Raimund Walthier, Head of Working Time and Leave Law, is actively shaping the digitalization of the city. He explains the benefits of migrating the ATOSS solution to the cloud for the IT department, the HR office, and the city's employees.

Mr. Walthier, what prompted you to move to the cloud?
Walthier: The digitalization strategy of the City of Ingolstadt makes the cloud indispensable. In my department, we've already successfully moved two of the specialized programs I manage—P&I LOGA and ZABAS BeiPro—to the cloud. Migrating the ATOSS software was the next logical step. The goal was also to reduce the workload of our IT department, giving it more room to focus on other important projects.

How exactly does the cloud relieve your IT department?
Walthier: Now that ATOSS is responsible for software operations, our IT department spends significantly less time on it. ATOSS monitors our systems continuously and ensures a stable performance. They also conduct regular audits to verify compliance with current security standards.

In your role, you work closely with IT—do you also benefit from time savings?
Walthier: Yes, the cloud has also simplified my day-to-day work. Before, resolving technical issues required me to coordinate with the IT department to set up a remote maintenance session with ATOSS. Now our contact person can access the system directly if necessary and deal with the matter promptly. This enhances communication and speeds up problem-solving.

What advantages does the cloud offer for your personnel strategy?
Walthier: A key advantage is that our personnel processes are always accessible thanks to the cloud. Even during a release update, there is no downtime. All workflows continue smoothly, ultimately benefiting both the city and its employees.

Do employees feel any impact from this change?
Walthier: In terms of performance, no—which I take as a good sign. However, since transitioning to the cloud, we have introduced the mobile version of the employee portal in certain areas, which is a great addition for our staff. This would have been possible with an on-premises solution as well, but not without an additional server. Thanks to the cloud, we were able to avoid that extra cost.

What benefits does the mobile employee portal offer for your staff?
Walthier: Employees can record and manage their working hours flexibly via terminals, their workstation, or the app. This means they can request remote work or vacation, correct time entries, or submit a request for leave according to civil service and collective bargaining laws—anytime and from anywhere. This has increased transparency and flexibility for our employees.

Would you recommend other city administrations to switch to the cloud?
Walthier: One phrase I heard at the ATOSS customer days was: 'The question isn't whether or not to move to the cloud, but when to move to the cloud'. Personally, that thought really convinced me. IT development is progressing rapidly, and in the cloud, we benefit directly from innovations like artificial intelligence. For these reasons, I can wholeheartedly recommend making the move to the cloud.

> *The cloud enables us to scale our IT systems globally and respond flexibly to new requirements.*
>
> **Anna Evers**
> IT Business Partner HR Digital Solutions & Learning | Truma Group

Limitless mobility thanks to the cloud

Anna Evers
IT Business Partner HR
Digital Solutions & Learning
Truma Group

Almost every camper in Europe knows Truma. The company began in 1949 with a gas light in the living room. Since then, it has developed into a leading supplier of caravan and motorhome accessories. Today, Truma is an internationally successful system supplier with more than 1,000 employees. The product range includes heaters, air conditioning systems, and the innovative Truma iNet system, which digitally connects everyday camping life. Anna Evers plays a crucial role in this environment of constant innovation. As IT Business Partner for HR Digital Solutions & Learning, she is driving the digital transformation in Truma's HR department. The introduction of ATOSS Workforce Management has taken HR work to a new level.

Ms. Evers, you play a central role in the digitalization of HR at Truma. What should the new HR system landscape be able to do?
Evers: As a manufacturing company, shift planning has always played an important role for us. Our previous systems were simply not able to cover the new requirements. The ideal solution needed to include a qualification matrix and be able to automate our planning processes. In addition, we at Truma traditionally offer a variety of flexible working time models. A new time management system should be able to map and support this diversity.

What convinced you that ATOSS is the right choice for your goals?
Evers: In addition to functional aspects, it was important to us that a workforce management system should be customer-oriented and easy to use and maintain. We wanted a solution that we could configure and customize independently, without external consultants. ATOSS provided us with the opportunity to meet these requirements while also benefiting from a cloud-based solution.

Why is the cloud so important for Truma?
Evers: The cloud enables us to scale our IT systems globally and respond flexibly to new requirements. Given our increasingly globalized corporate structure with international subsidiaries, it was important to create a uniform and expandable system landscape. The cloud also opens the door to innovative concepts such as Bring Your Own Device (BYOD). This is particularly beneficial for our production.

What prompted you to introduce a BYOD concept in production?
Evers: With the move to the cloud, it was clear that our old terminals were no longer compatible and needed to be replaced. But our aim was to provide modern and up-to-date solutions. So we reduced the terminals by half and switched to the ATOSS app. That was the birth of our BYOD concept.

How was the introduction of the ATOSS app received by employees?
Evers: The high acceptance rate of 80 percent shows that this innovation has been well received. The app significantly increases the flexibility of the 270 employees in the Putzbrunn production facility. They can conveniently record their working times on their smartphones. There are also significantly fewer queues at the terminals.

What steps are you planning to take to drive digitalization forward in the future?
Evers: We are currently working on the introduction of a shift swap exchange for production, which can be used via the app. This function should enable employees to swap shifts with each other easily if required. It gives them additional flexibility and promotes their work-life balance.

What's your personal conclusion from the digitalization process at Truma so far?
Evers: I'm proud that Truma has taken the bold step towards digitalization and cloud migration. It was an intensive process that required a lot of commitment and resources. The decision to cut off old processes and break new ground has brought us many benefits, such as increased efficiency and transparency. I'm delighted to be part of this journey and to see how our employees are benefiting from it.

VELTINS

It's particularly important for the younger generations to work in a tech-enabled and modern environment. This realization has led us to adapt digital processes and technologies.

Dominik Ochmann
Human Resources / HR Projects | Brauerei C. & A. VELTINS

A traditional brewery with a digital vision

Dominik Ochmann
Human Resources/
HR Projects
Brauerei C. & A. VELTINS

Efficiency, flexibility, and future orientation are the core values driving the transformation at C. & A. VELTINS. Established in 1824, this brewery is one of Germany's most traditional companies, with its headquarters nestled in scenic Meschede-Grevenstein in the Sauerland region. With a comprehensive digitalization project, VELTINS is transforming its HR processes to ensure the brewery remains on the path to success using modern technologies.

Mr. Ochmann, why was it necessary to introduce a new workforce management system (WFM)?
Ochmann: On the one hand, the declining beer market in Germany is forcing us to continuously optimize processes and technologies to remain competitive. On the other hand, the shortage of skilled workers, worsened by demographic changes, presents us with considerable challenges. To counter this, we need innovative approaches to staff retention and recruitment. The new workforce management system is a central component of our strategy for mastering these challenges.

Why a new WFM solution right now?
Ochmann: The timing is ideal, as we're in a phase of modernization and digitalization. We want to completely upgrade our HR software landscape by 2026. Moving software to the cloud plays an important role in this. Now is the right time to optimize our processes and increase efficiency. With the new WFM solution, we can involve our 737 employees more closely in the organization of working hours and make shift planning more efficient and transparent.

Why did you choose ATOSS as your solution provider?
Ochmann: Our aim was to meet employee needs and company requirements in equal measure. We evaluated various providers and ATOSS convinced us right from the start. The software is hosted in the ATOSS cloud and connected to other HR systems such as Rexx and DATEV. ATOSS provides us with exactly the functions we need, such as automated shift planning, a real-time overview of working times, and a user-friendly app for our employees. All of this helps us increase both our efficiency and employee satisfaction.

How exactly do the ATOSS features help you to cope with the shortage of skilled workers?
Ochmann: We see ATOSS as a solution that will equip us to meet the future demands of the workforce for flexibility. In addition, we believe that this can be an important factor in combating the shortage of skilled workers.

Do you also expect productivity increases through the use of ATOSS?
Ochmann: Yes, absolutely. In production, it's important to know which employees are assigned to which machines. ATOSS gives us a clear overview of this at any time. The same goes for employee qualifications. Understanding when qualifications need to be updated is significantly easier with qualifications management integrated into workforce scheduling. This integration allows us to plan training courses better and manage certificates more efficiently, ensuring that we're always optimally positioned.

When do you plan to fully implement the system?
Ochmann: The full go-live for all employees is scheduled for January 2026. We are currently in the advanced implementation phase. The basic structure of time management, including the Staff Center and mobile app, is already in place. We're very satisfied with our progress and achievements so far.

What's the next steps after the go-live?
Ochmann: Following the go-live, we'll be concentrating on the introduction of workforce scheduling. With the associated automation, we aim to ease the burden on our supervisory roles responsible for planning.

What long-term goals does VELTINS pursue in its cooperation with ATOSS?
Ochmann: Even during the workshop, we were impressed that ATOSS is already integrating AI solutions into its product development. This spirit of innovation is encouraging for us because we aspire to act and grow with our partners in a future-oriented way.

Planning reliability in daily hospital operations

Petra Geistberger
Managing Director
and Labor Director
München Klinik

München Klinik, Germany's second largest municipal clinic and the largest dermatology clinic in Europe, is a central healthcare provider in Munich with locations in Bogenhausen, Harlaching, Neuperlach, and Schwabing. Around 110,000 patients are treated annually, and the clinic leads the field in obstetrics with almost 6,000 births each year. As a teaching hospital of the Ludwig Maximilian University and the Technical University of Munich, the clinic focuses on training and innovation. The team is currently preparing for the go-live of a new workforce management system from ATOSS. Ms. Geistberger, Managing Director and Labor Director of München Klinik, talks about the software and its role in the implementation of PPR 2.0.

Ms. Geistberger, why was the introduction of a new workforce management (WFM) solution necessary, and why now?
Geistberger: The introduction of a new WFM solution was necessary because the previous system had reached its limits in continuously adapting to legal requirements, such as the forthcoming introduction of PPR 2.0—a staffing assessment tool for nursing care. In the future, staffing requirements will be measurably based on the individual severity of patients' care needs, which we want to meet. ATOSS provides real-time data on balances, availabilities, and deviations. This significantly improves the options available to duty planners, particularly during periods where requirements need to be managed with a certain degree of flexibility.

ATOSS has proven that it's possible to implement PPR 2.0 in complex collective bargaining structures. Only a few service providers can adequately map the requirements of a company as large as ours.

Petra Geistberger
Managing Director and Labor Director
München Klinik

Why did you opt for workforce management from ATOSS?
Geistberger: The decision in favor of ATOSS was made as part of an award procedure at the Munich Clinic, where ATOSS not only excelled in time planning but also in time evaluation, including the ability to integrate additional clinical systems. Our requirements are manifold, as we have to reconcile staff movements between our five locations with operational peculiarities. ATOSS has already demonstrated in the university sector how complex, location-specific collective bargaining regulations can be implemented. ATOSS not only meets the technical requirements, but also has a deep understanding of the specific needs of the healthcare sector.

Can you go into more detail about the role of PPR 2.0 and explain how ATOSS can provide support here?
Geistberger: The challenge of staffing according to PPR 2.0 lies in classifying patients' care needs based on a structured matrix with various interdependent components. Requirements are subject to fluctuations. However, our hospital must draw up a duty roster two months before the planning phase begins. Intelligent digital support helps reconcile target and actual requirements while addressing employees' needs. This is where ATOSS increases transparency through real-time data. The system also enhances planning convenience by automatically calculating staffing requirements based on the number of patients and the corresponding performance figures.

As the Labor Director of München Klinik, what do you particularly appreciate about the software?
Geistberger: For me, it's important that the system can be fully integrated into the existing system landscape of our clinic, that the interfaces are user-friendly, and that we can manage the training needed for approximately 8,000 employees with varying levels of experience. Furthermore, I appreciate the cooperation with the ATOSS development department and the reliability of the information on customization options. For example, the medical department needs to coordinate the rotation phases of doctors in training while complying with numerous regulatory requirements. Expert advice is needed to determine whether specific adjustments are necessary or if alternative routes via interface connections should be chosen. Our core task is patient care. ATOSS will help to reduce the administrative workload for our employees in duty scheduling and allow them to concentrate on patients.

In which typical work processes do your employees benefit from this user-friendliness?
Geistberger: For example, the introduction of the "Staff Center" will provide a better overview of all individual time management issues. The ability to plan shifts at the workstation level and across locations will be a game changer in duty scheduling.

How do you plan to utilize the potential of the new workforce management system in the future?
Geistberger: We want to create a more comfortable working environment for our employees, making it more attractive. That's why we're also looking at introducing the ATOSS app in the medium term. One advantage might be that employees could easily swap shifts, provided that the necessary approval workflows can be implemented. Of course, we're still in discussions with our works councils, as we need binding regulations for using the app. We're also planning on using ATOSS to develop long-term HR strategies that address both our employees' needs and the demands of patient care in a modern workplace.

AI

The ATOSS Agenda 2030 is based on investments starting in 2025 — and beyond

The global market for workforce management solutions offers us numerous opportunities and is steadily growing. ATOSS is well-positioned for the future due to its outstanding solution portfolio.

Christof Leiber
CFO | ATOSS

What makes a company successful? CFO Christof Leiber discusses the reasons behind ATOSS' sustainable, impressive growth, provides an overview of the strategic orientation towards new markets, talks about the specific approaches at international locations, and reveals other exciting plans for ATOSS' ambitious expansion course.

Christof, ATOSS is celebrating its 19th consecutive record year. It's become a nice tradition to ask you this question: How does ATOSS achieve this?
Our continued success stems from long-term investments, our drive to revolutionize, and our enthusiasm for our vision to change the working world for the benefit of employees, companies, and society. Crucial to our success is that our customers have perceived us as a reliable partner for decades. Factors such as the ability to adapt to new technologies and trust in the innovative power of our solutions also form part of our recipe for success. Lastly, as with any long-term success, hard work, dedication, and the passion of a cohesive tcontribute significantly

The fact that customers have been reliable partners for decades can be well supported by figures...
Absolutely! ATOSS can look back on impressive financial metrics. We have increased our total revenues from 22 million euros in 2006 to 171 million euros in 2024. At the same time, we have succeeded in significantly raising our growth rate from around 7% p.a. from 2006 to 2013 to 16% between 2014 and 2024, while greatly increasing our profitability. Most importantly, the sustainability of this development makes ATOSS unique.

To what extent do these success figures influence the development of the EBIT margin?
Our EBIT margin has continuously improved. We're confident in achieving our goal announced in 2020 of an EBIT margin of over 30% for 2025—despite significant investments. In 2024, our profitability was even higher.

How are the revenues of the Recurring Revenue category developing?
The share of recurring revenues has steadily and significantly increased. While in 2015, 38% of our total revenues came from recurring revenue types, this figure rose to 46% by 2020 and now stands at 65% in 2024. At the same time, the share of cloud and subscription-based revenues in recurring revenues has grown strongly from just 32% in 2020 to now 64% in 2024. This mirrors our strategic focus on delivering high-quality, sustainable revenues over the long term, which is also evident in the significant improvement of our Net Promoter Score, with a 14-point increase in 2024.

The establishment of our Global Capabilities Center (GCC) in India is well advanced. In the medium term, this initiative offers us a scalable infrastructure for growth, both domestically and internationally, while closely aligning with our existing processes.

Christof Leiber
CFO | ATOSS

Such a success story isn't easily found in Europe or globally...

Certainly not. A recent "Handelsblatt" study shows: We're among the few publicly traded companies worldwide at a market capitalization of more than USD 1 billion that have consistently grown over the past ten years while simultaneously maintaining profitability of at least 20%. Of the 6,556 publicly traded companies from 50 countries with a capitalization of at least USD 1 billion mentioned in the study, only 309 companies achieved this—two of which are from Germany. ATOSS is one of them!

What investments will ATOSS focus on in the foreseeable future?

In addition to continuous investments in our solutions, we'll particularly focus on Sales & Marketing in 2025. We're investing in building a Revenue Operations unit in India and expanding sales enablement for different market segments to drive lead generation and development. We're also expanding our sales organization both nationally and internationally. This will sustainably increase our access to each target market and form the basis for our medium-term growth strategy until 2030. Furthermore, we're investing in strengthening and expanding our partner management.

What advantages does the engagement in India offer?

The establishment of our Global Capabilities Center (GCC) in India is well advanced. In the medium term, this initiative offers us a scalable infrastructure for growth, both domestically and internationally, while closely aligning with our existing processes. Additionally, we're investing in the expansion of our Sales & Service Hubs in Benelux and France. Overall, our investment focus is on enhancing our go-to-market teams.

Besides Sales & Marketing, which area is a priority?

In light of our plans, we'll invest more heavily in HR activities. Our aim is to improve our international recruiting and personnel development, supporting our future growth through outstanding international HR processes. Overall, we have allocated budgets to invest in expanding the go-to-market teams, digitalization, transformation, and general capacity building, amounting to around six percentage points of our EBIT margin. Over 50% of this share is allocated to expansion in Sales & Marketing.

What are challenges that need to be addressed beyond that?

The growing demands of our customers, due to demographics, rapid technological change, and the need for continuous digitalization of their processes, are the biggest challenges—and at the same time, drivers of our entrepreneurial and technological progress. We prioritize innovation, allocating approximately 15% of our sales to research and development. Looking ahead to 2025, we intend to further boost these investments by one percentage point.

What are the goals for 2025?

Specifically, in 2025, we aim to increase our revenue to at least 190 million euros and sustain strong growth, particularly in cloud revenues. Additionally, our goal is to maintain the successful growth dynamic of 2024 in the Enterprise DACH area and to foster sustainable growth once again, especially in the SMB and International areas. This lays the foundation for the organization beyond our mid-term plan (2023–2025), enabling ATOSS to achieve approximately 15% annual revenue growth by 2030.

How do you assess the future development of the market for Workforce Management solutions?

The global market for Workforce Management solutions presents numerous opportunities and icontinues to grow steadily. ATOSS is perfectly positioned for the future thanks to its outstanding solution portfolio, following successful investments in cloud transformation, AI services, and solutions like Crewmeister. At the same time, our financial strength provides us with many additional options: We can accelerate the development of our product portfolio through acquisitions and significantly expand our market access both nationally and internationally.

What does ATOSS have planned for the coming years?

We're continuing to strengthen our market leadership as a global provider of innovative cloud solutions for Workforce Management. In 2024, we laid the foundation for a Buy, Build, and Partner strategy. The focus remains on organic growth, with partner solutions, such as those from Visier in the area of AI-based analytics and acquisitions that complement our solutions and facilitate market access increasingly coming into focus. In everything we do, based on the strength of our current solution portfolio, we will continue to pursue our successful strategy toward our 20th record year. As Andreas already mentioned: The future is on our side!

Cloud transformation—if not now, when?

ATOSS has its Agenda 2030 in focus: research, strategic alliances, and digital transformation are at the forefront. To learn how ATOSS is positioning itself for this future, we spoke with ATOSS' Chief Technology Officer (CTO), Pritim Kumar Krishnamoorthy.

Are European companies rushing to the cloud? Is ATOSS the big winner of this trend?
Absolutely! Last year, cloud migrations exploded: our ATOSS Staff Efficiency Suite (ASES) product line grew by 180%, and the ATOSS Time Control (ATC) product line by 200%. Demand exceeded our expectations by 150%—this is not just a trend; it's a wake-up call for anyone who hasn't yet jumped on the bandwagon.

Why the sudden rush to the cloud?
The benefits are undeniable: significantly more flexibility, scalability, and cost savings. Companies that don't recognize this risk are falling behind. Our solutions also open up new possibilities in the field of artificial intelligence—this is Europe's chance to catch up.

How has cloud transformation fueled innovation for ASES and ATC?
Our "People First" strategy in artificial intelligence has led to groundbreaking new services for ASES customers. This focus has resulted in the introduction of new AI-powered services for demand forecasting and anomaly detection. Companies that are still hesitating risk being overtaken by the competition.

What are the main benefits of demand forecasting services for customers?
Demand forecasting services offer several advantages. Firstly, they require less configuration effort than traditional forecasting models, making implementation easier. Secondly, they provide more accurate forecast results than conventional methods in retail. Finally, they automatically adapt to disruptive changes in business demand, ensuring reliable forecasts. They deliver more precise results and quickly adapt to market changes. Those who don't leverage the potential of the cloud are putting their business at risk. These services are not just an upgrade; they're a necessity.

Can you describe the anomaly detection solutions and the future plans?
Anomaly detection offers significant advantages for companies. It simplifies the process by automatically identifying noticeable changes in demand drivers, thus reducing manual effort. It also improves the accuracy of demand forecasts and planning quality by providing precise data. Additionally, it offers an intuitive and interactive visual representation of data anomalies with a drill-down function for deeper insights. Besides these benefits, we plan to introduce two new AI-powered services for forecasting sickness and vacation rates by 2025. Our roadmap focuses on features that enhance employee engagement and productivity.

> *The benefits of migrating to the cloud are undeniable: greater flexibility, scalability, and reduced costs.*
>
> Pritim Kumar Krishnamoorthy
> CTO | ATOSS

What improvements does cloud transformation bring to ATC customers?
Through cloud transformation, we have greatly accelerated time-to-market for ATC, allowing us to respond more quickly to evolving customer needs. As a result, we've reached significant milestones, including monthly releases starting in the second half of 2024 and the launch of a new module for notification management that enhances interaction between employees and managers. Additionally, we've secured full certification with the payroll provider DATEV to provide our customers with a seamless experience. Our accelerated time-to-market is a game changer. The introduction of new modules and the seamless integration with DATEV demonstrate our readiness to lead.

> *We have simplified complex analyses, allowing our users to focus on strategic decision making rather than getting lost in data analysis. This means that HR leaders and managers can make informed decisions without needing to be data experts.*
>
> Pritim Kumar Krishnamoorthy
> CTO | ATOSS

How is the Crewmeister solution developing for micro-enterprises?
Our commitment to technological innovation has led to significant advancements, particularly with our Crewmeister solution, which has undergone transformative development in recent years. 2024 was an important year for Crewmeister: the solution surpassed the impressive mark of 15,000 customers and boasts an availability rate of 99.98%. This high reliability, coupled with a strong infrastructure, ensures that businesses can rely on the platform for workforce management. With over 15,000 customers and nearly perfect availability, Crewmeister is essential for micro-enterprises that want to succeed.

In what areas do companies see the greatest impact from cloud migration?
Customers benefit from increased security and compliance as we prioritize data protection and privacy. They also experience rapid innovation and AI integration, which enables faster deployment of AI-powered services. Additionally, cloud migration accelerates time-to-market by increasing the number of releases and new features available to customers. Finally, we ensure European cloud sovereignty by adhering to EU regulations and regional requirements. Those who do not adopt the cloud miss out on increased security, faster innovations, and rapid time-to-market. Data protection and compliance are our top priorities and they should be for all companies in Europe.

How do the hyperscalers' investments in AI impact the industry, and what effect does this have on ATOSS?
US hyperscalers alone are expected to invest $1 trillion in AI by 2026—a massive amount that will significantly drive innovation and growth in the industry. As a provider of cloud-based solutions, we're well-positioned to benefit from these investments as they enable us to leverage and integrate cutting-edge AI technologies into our products and services. The upcoming trillion-dollar investment by US hyperscalers in AI is a wake-up call. Companies that are not prepared will be left behind. ATOSS is ready and will benefit massively from these developments.

What modern solutions are now integrated into our cloud-native offerings?
Our new partnership in embedded analytics is an excellent example of how we leverage cloud technologies to drive transformation and growth. The benefits of this partnership include seamless data integration, enhanced insights, higher accessibility, and a transformative impact on our customers' businesses. Our partnership in embedded analytics is not just an advantage; it's a necessity.

How has this partnership affected ATOSS solutions?
The partnership has been a turning point for us. It has enabled us to integrate advanced embedded analytics directly into our ATOSS Staff Efficiency Suite in the cloud, offering several crucial advantages that change the way our customers manage their workforce. A turning point that changes the competitive landscape. Companies that don't act now will struggle to keep pace with the new reality.

How do these embedded analytics improve decision-making?
Embedded analytics provide deep, actionable insights into labor trends and enable data-driven HR strategies. This is a significant improvement over traditional methods, where decisions were often based on intuition or incomplete data. These analytics are a must for data-driven HR strategies. Those who continue to rely on gut feelings will quickly reach their limits.

Have these analytics been made more accessible to users without prior knowledge?
Yes, we have simplified complex analytics so that our users can focus on strategic decisions instead of getting lost in data analysis. This means that HR leaders and managers can make informed decisions without having to be data experts. Companies that do not utilize this are doing themselves harm by leaving valuable insights untapped.

What does this mean for the future of workforce management?
The integration of embedded analytics into our platform is a major step forward. It positions us and our customers at the forefront of innovation in workforce management by enhancing productivity, performance, and business outcomes through data-driven personnel management. So, the integration of embedded analytics is more than just an improvement; it's basically a necessity to give companies a competitive edge.

How do investments in research and development (R&D) contribute to ATOSS' competitiveness, and what are the future plans?
Our R&D investments are a crucial part of our competitive advantage. We rank 39th among the top 100 European software companies in terms of R&D investments and are number 1 among European WFM software companies. Our investments are essential to dominate the market.

Will ATOSS continue to actively shape cloud transformation?
That's the goal! We're already actively shaping the cloud revolution and meeting the specific needs of European companies. We aim to remain the driving force behind change.

What is your message to European decision-makers?
The message is clear: European companies must act now to remain competitive and innovative. The cloud is not merely a technological shift—it's a strategic necessity that must be implemented with a partner. And if not with us, then with whom?

Excellence is part of our DNA

In this interview, Frederik shares his impressions as the new Chief Revenue Officer at ATOSS, providing insight into the company's international expansion strategy and explains the role of partnerships in ATOSS's success in complex markets. He also discusses specific growth goals for the company.

Frederik, you joined ATOSS as Chief Revenue Officer in October 2024. What attracted you to ATOSS?
What I saw in ATOSS was a clear technology leader with an incredibly strong foundation—particularly in complex markets where others often struggle. Here was a company performing like clockwork, growing consistently, with solid references and remarkably low churn rates. That's not something you see every day in the software industry.

What have been your key observations in your first six months?
In my first six months, I've had the chance to delve into our operations, and what stands out is how well we handle complexity. Whether it's healthcare, manufacturing, retail and logistics, or services and pharma, we're addressing real business challenges. Our customers trust us because we have the expertise they're looking for, we understand their specific needs—we're not just selling software, we're delivering solutions that make a tangible difference to their operations. What really excites me is the growth potential I see. We've got solutions ranging from enterprise with ASES down to smaller customers with ATC, and now, with our cloud-native platform, we're perfectly positioned to scale internationally. Plus, with our continuous innovation in AI and analytics, we're really at the forefront of what's possible in workforce management. This isn't just about keeping up with technology—it's about leading the way.

ATOSS has established a strong market leadership in Germany and the DACH region. What do you see as the key factors behind this success?
Our strong position in Germany and the DACH region is due to a few key factors. Where our competition often struggles, we excel. We can demonstrate this through clear metrics: a 70% reduction in HR personnel costs at Hornbach, a 75% reduction in planning time at Acer, and a 25% decrease in overtime costs at Douglas. These aren't just numbers—they're proof points of real value delivered. Also, our technological foundation is rock solid. The fact that we're the only workforce management solution with SAP Premium Certification for our Staff Efficiency Suite speaks volumes. This isn't just about having good technology—it's about having technology that integrates seamlessly into our customers' environments.

> *Whether it's healthcare, manufacturing, retail and logistics, or services and pharma, we're addressing real business challenges.*
>
> Frederik Maris
> CRO | ATOSS

How does your industry expertise contribute to this market leadership?
We've built deep vertical expertise. Take healthcare, for example: We understand everything from German nursing regulations to staff minimum requirements to complex labor agreements like TV-Ärzte. In manufacturing, we're experts in skill matching and certification tracking. This depth of knowledge means we're not just a software provider but a strategic partner.

How does this translate into customer relationships?
The results speak for themselves when it comes to customer loyalty. Our exceptional retention rates—cloud churn at just 1.6% and maintenance churn at 3.1%—rank among the industry's best. But customers don't just stay with ATOSS; they grow with us, as demonstrated by our strong net retention rate. This ongoing investment from our existing customers shows they're getting real value from our solutions. The impact is evident in our financials too, with recurring revenues now accounting for 65% of total revenue. We're well on track to reach our target of 80%, which proves the stability and predictability of our business model.

Considering ATOSS' international growth ambitions, what's your strategy for expanding beyond our current regions?
Our international expansion strategy consists of two elements. The first is about what we're offering—we're taking our proven expertise into new markets. We're the only vendor truly capable of handling the complex regulations present in various European countries, and even in markets outside Europe. This sets us apart when talking to international customers.

How are you approaching these new markets?
We're focusing on France, Benelux, the Nordics, and the Middle East. In each of these regions, we're identifying strong local partners who understand their markets and have established customer relationships. They bring the local knowledge while we contribute the technology and workforce management expertise. What's important is that we're being strategic about which markets we enter. We're targeting regions where workforce management is becoming increasingly critical, where labor costs are high, and where there's a clear need for sophisticated solutions. It's about finding the right balance between opportunity and execution capability. Our cloud-first approach makes this expansion significantly easier. We can deploy faster, scale more efficiently, and maintain the high standards our customers expect, regardless of their location.

Speaking of partners, how do you see partnerships playing a role in ATOSS' future growth?
Partnerships are absolutely central to our growth strategy. We've structured our approach into four clear areas: advisory partnerships, technology alliances, implementation partners, and reseller relationships. This isn't just about expanding our reach—it's about creating an ecosystem that delivers more value to our customers. In the DACH region, we're focused on a co-selling model that complements our direct sales capabilities. Internationally, we're looking for partners with strong local knowledge and proven integration expertise. It's crucial that these partners understand the local regulatory frameworks and have established customer relationships.

ATOSS has shown particular strength in sectors like healthcare, manufacturing, pharma, services, and retail & logistics. What's behind this success?
Our sector approach is yielding strong results, which isn't by chance. Looking at specific examples, our solutions are trusted by major healthcare providers like Universitätsmedizin Mainz. In retail & logistics, we work with leading brands like Engelhorn where we've achieved 60-80% faster planning whilst maintaining high quality standards. This depth of experience in each sector is crucial.

How do you plan to build on this vertical expertise?
What's exciting is how we're expanding this expertise. We're seeing great opportunities in pharma and selected service markets. Our plan is to leverage our experience from regulated industries—where we excel—and apply it to these new verticals. We're also significantly increasing our marketing investment for both brand awareness and lead generation in these sectors. Our technology partnerships demonstrate the strength of our alliance strategy. These partnerships range from advisory relationships where we gain strategic insights to technology alliances that enhance our solutions to implementation partners who ensure successful delivery, and reseller relationships that extend our market reach. Each type plays a distinct yet complementary role in our ecosystem.

The journey from €170M to €400M in revenue is ambitious. What are the key elements of your growth strategy to achieve this?
Reaching €400M involves executing clear priorities. First, as Pritim has outlined, we're investing heavily in product innovation that addresses the real challenges businesses face today. With qualified workers becoming harder to find and employee expectations evolving, organizations need sophisticated tools to proactively manage their workforce. We're using AI and advanced analytics to help our customers make data-driven decisions that impact their bottom line and significantly improve employee engagement and satisfaction. After all, how can you run your business effectively if you can't find—and keep—the people you need? Second, as I mentioned earlier, we're expanding our partner ecosystem while deepening our own expertise. Many organizations don't fully understand the potential gains from effective workforce management. By analyzing their current operations, we can demonstrate the concrete benefits they can achieve.

> *The fact that we're the only workforce management solution with SAP Premium Certification for our Staff Efficiency Suite speaks volumes. This isn't just about having good technology—it's about having technology that integrates seamlessly into our customers' environments.*
>
> Frederik Maris
> CRO | ATOSS

How will you ensure the successful execution of this growth strategy?
We're being very strategic about which customers we target, which verticals we serve, and which countries we expand into. This ensures we maintain our high standards of delivery and continue to excel in our chosen markets. Underpinning all of this, we're building best-in-class internal processes, particularly around AI and data-driven decision making. This isn't just about internal efficiency—it's about becoming even more effective at serving our customers and delivering the value they expect from ATOSS.

Customer success and implementation excellence have been hallmarks of ATOSS. What's your approach to maintaining these standards?
Excellence in implementation isn't just something we aim for—it's part of our DNA and fundamental to our success. Our industry-leading churn rate shows we're getting it right, but we're not resting on our laurels. We're continuously investing in our customer success organization to ensure we stay deeply connected with our customers' challenges and help them maximize the value of our solutions. A key focus is supporting cloud migrations for our on-prem customers, where we can deliver even greater value through enhanced functionality, security, and scalability.

How are you ensuring successful cloud migrations for customers?
We've established dedicated teams for cloud migration, pairing sales specialists with customer success managers. This ensures we're not just selling cloud solutions—we're actively helping our customers succeed with them. The results validate our approach. Take Berlin-Chemie, which achieved a 50% increase in administrative efficiency, or Klinikum Rosenheim, which reduced planning efforts by 80%. These aren't just numbers—they're proof that we're delivering real value. This is the standard we need to maintain as we scale.

What role will your team be playing in achieving these goals?
We're making fundamental changes in how we operate and grow our organisation. We're building an integrated demand generation engine, implementing world-class operations across sales and marketing, and developing a comprehensive sales enablement program. This isn't just about adding headcount—it's about building the right capabilities.

How are you developing the Revenue organization to support this growth?
A key part of this is our new Global Capability Center in India, which will give us the scalability we need across areas like data analysis, sales operations, and marketing support. We're also investing heavily in our teams' development, particularly around understanding our customers' businesses and processes, new AI and analytics technologies, and our cloud solutions. The goal is to have an organization that can scale efficiently while maintaining our high standards. It's about having the right people with the right skills, supported by the right processes and tools. That's how we'll deliver on our growth ambitions.

Financial Report

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Letter to Shareholders

Dear shareholders,
Dear customers and business partners,
Dear employees,

In the 2024 financial year, ATOSS Software SE remains en route for further growth for the 19th record year in succession. Notwithstanding the economic situation, the Munich specialist for workforce management has succeeded for the nineteenth time in a row in surpassing its already high record numbers for revenue and earnings from previous years.

Skills shortages as a strategic challenge for companies
Since its inception, ATOSS has been pursuing the objective of shaping transitions in the world of work for the benefit of companies, employees and society. This task is more important today than ever before. Volatile markets, increasing regulatory demands, digital transformation and skills shortages – companies today are facing extreme challenges. A study by the strategy consultants, Advyce & Company, in collaboration with Deutsche Schutzgemeinschaft für Wertpapierbesitz e.V. (DWS), for example, shows that skills shortages currently represent one of the most serious crisis factors in German industry alongside high wage costs and structural expenses, extensive regulation and tougher international competition*. Consequently, companies are being forced to deploy their existing personnel as efficiently as possible.

Only if companies manage to control the deployment of their staff with pinpoint accuracy and respond quickly, flexibly and individually to fluctuations in supply and demand, will they be in a position to hold their own on the markets. This is doubly applicable in the current tough economic environment.

Successful change of legal form and consistent profitability on a global scale
The successful change in the legal form of ATOSS Software AG to a European Company in June 2024 laid down a long-term, strategic marker for the continued expansion of our Group. Conversion to an SE (Societas Europaea) as a supranational legal form not only represents a significant step in the growth of the ATOSS Group, but also signals a clear commitment to flexibility and growth in an increasingly globalized market environment.

Our impressive growth and success story is also attracting increasing attention from the wider public. According to research published by Handelsblatt in 2024 in which all listed companies with a market capitalization of more than one billion euros were analyzed, ATOSS is one of only two German companies which consistently record an operating return on revenue of 20 percent in the last decade. This positions ATOSS among the top 5 percent most profitable companies in the world alongside international corporations such as Apple, Alphabet or Oracle**. At the same time, we are in 4th place in the top 25 list of HR software providers with the highest revenues in the DACH region***. These successes underscore our position as a leading player in the market and serve as a reminder of our steady upwards progress. At the same time, this motivates us with each new day to embrace our vision of a human economy.

* Asleep at the wheel for 20 years: Why the German economy is really ailing and how it can emerge from the crisis (02/12/2025)
** Companies with dream returns – Handelsblatt, July 1, 2024, no. 124; Top 25 list.
*** The 25 HR software providers with the highest revenues in the DACH region in 2023 – Personalmagazin (October 2024)

Leading technology and innovation
Continuous innovation, the most advanced, leading edge technologies, as well as their strict alignment with sustainable customer benefits have always taken top priority at ATOSS since its inception, while at the same time forming the foundation of our outstanding market position. We have the right solution for every scenario, every industry and every company size. This ambition is only enabled by continuous investment in research and development. For example, in 2024 alone, approx. EUR 25.6 million and thus around 15 percent of our revenue went to the Innovation & Product Development department. The lion's share was accounted for by personnel costs for more than 300 software developers employed by the Group in Germany and abroad. According to the study entitled "The 2024 EU Industrial R&D Investment Scoreboard", this once again means that we are among the top 100 European software manufacturers with the highest investments in research & development, and rank as the number 1 among European workforce management software providers. We will uncompromisingly maintain this high level of technology investment in the future.

Prospects for 2025
According to consultants McKinsey, the area of software and cloud services is currently one of the twelve fastest-growing industries in the world alongside semiconductors and e-commerce, for example, generating around half of global economic profit. We are proud to be among the new growth centers of the global economy in this key industry, and, as an innovator in the workforce management market, and we are excellently positioned to continue our profitable, sustainable growth in the future in all relevant markets revolving around the topics of workforce management and digitalization across all customer segments.

The success achieved combined with extremely positive market forecasts and prospects demonstrate that ATOSS' growth potential is far from exhausted. The digital transformation of the global economy is in full swing and ATOSS, with its attractive portfolio of solutions for companies of every size and sector, as well as its innovative strategy will play a major role in this development.

Against this backdrop, the Management Board expects to see revenue of at least EUR 190 million and an EBIT margin of 31 percent for the 2025 financial year. With a look to 2026 and 2027, the Group is forecasting revenues of at least EUR 215 million and EUR 245 million respectively. Over the medium term, based on the numerous growth opportunities in the field of workforce management and ATOSS' first-class market positioning, ATOSS' ambition is to hit the EUR 400 million mark for revenue by 2030.

*Study shows which industries will shape the economy in 2040, Handelsblatt 10/24/2024

Thanks to employees, business partners and shareholders
Once again, the past year was a very challenging but also successful year for our company. More than anything else, our success is driven by more than 800 employees ready to contribute their commitment, skills and knowledge. We would like to take this opportunity to express our sincere thanks to each and every one of you. In particular, our thanks also go to our Supervisory Board for its consistently proactive support and our excellent working relationship in the past year.

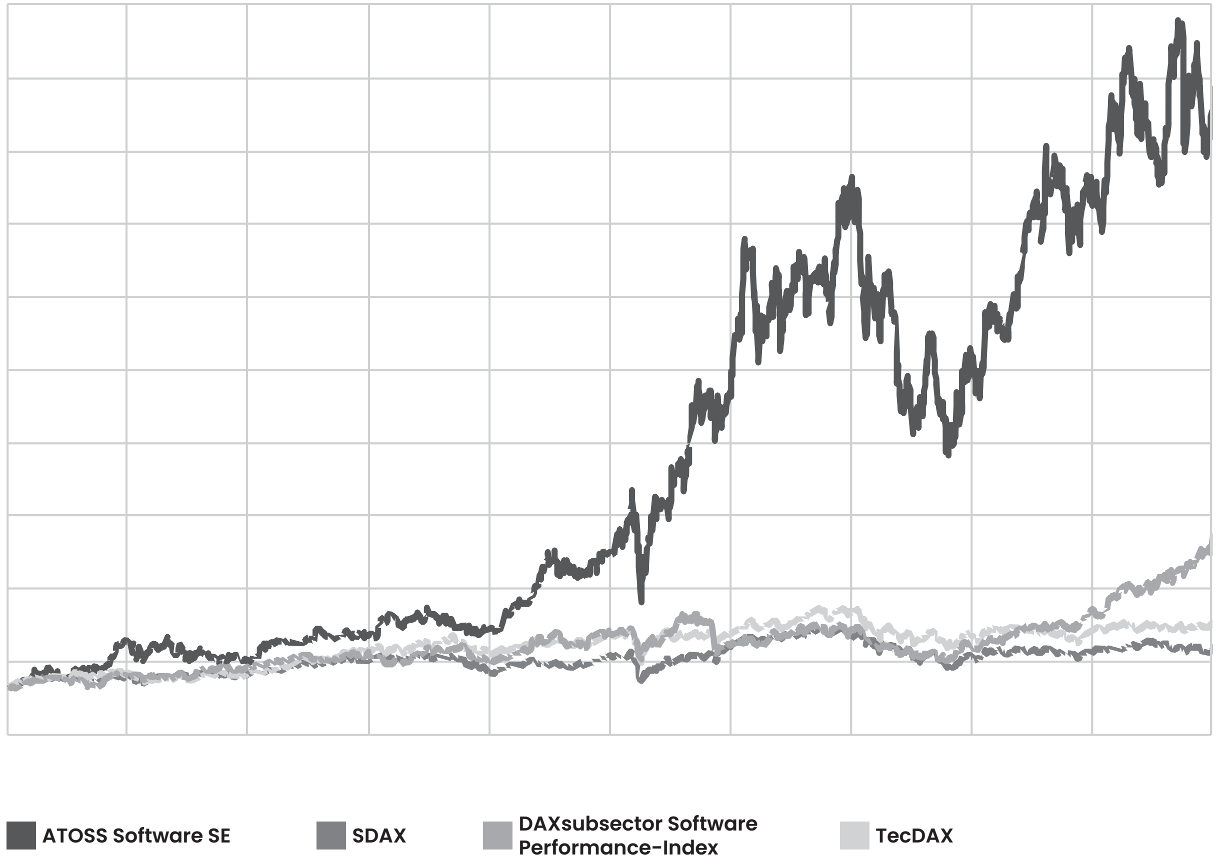
To you, dear shareholders, we would like to say thank you for the trust you have shown in us and for your loyalty. Now and in future, we will continue to keep you up to date on our further progress.

With best regards,

Andreas F.J. Obereder
CEO and Founder

Investor Relations

Share price movements 01/2015 – 12/2024



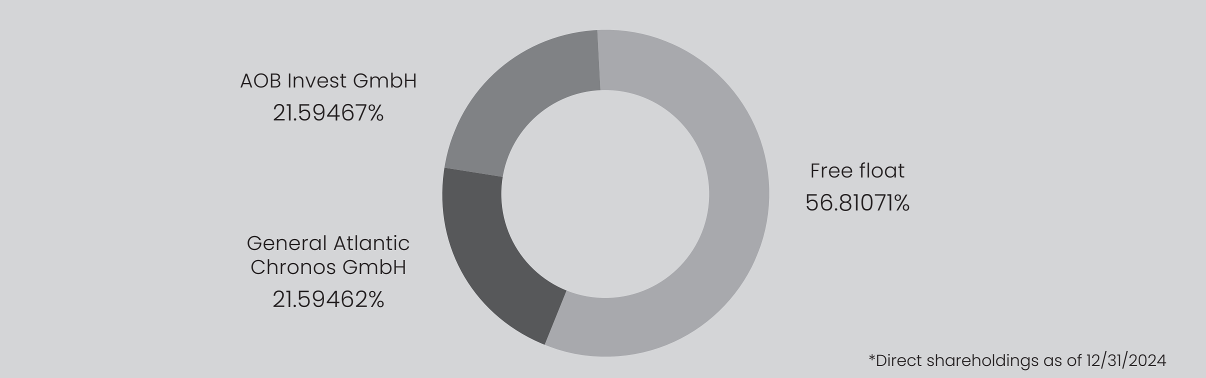
ATOSS stock hits new all-time highs in 2024

After a volatile year on stock exchanges in 2023, the capital markets had to cope with further challenges in 2024. Although the news was dominated by geopolitical tensions, wars, natural disasters and increasing political polarization, the international exchanges proved mightily unimpressed by any of it. Stock markets corrected repeatedly in the course of the year, but the ultimate upshot was that previous all-time highs were frequently reached or even surpassed. In the final quarter of 2024, in particular, the capital markets were swayed by positive economic news in the USA and China coupled with Donald Trump's election victory, leading to significant gains for the US dollar and US equities. The boom in Artificial Intelligence was one of the predominant factors driving the valuations of many US technology stocks higher and creating new all-time highs for many indices with US major tech stocks. The S&P 500 jumped more than 20 percent for two years in succession, the first time this had happened since 1998. At the end of the year, the S&P 500 and the NASDAQ 100 had gained more than 25 percent. The Magnificent 7 consisting of Apple, NVIDIA, Microsoft, Alphabet, Amazon, Meta and Tesla led the way with an average rise of almost 70 percent. High flying NVIDIA even soared 170 percent. For a time, the chip designer was the most valuable company in the world based on its market value*. The DAX stood at 19,909 points at the end of 2024, a rise of 19 percent.

Against this background and in line with the good development of the company, ATOSS succeeded in continuing the impressive performance of its share in 2024 and reaching a new all-time high in the stock market year 2024. The ATOSS share price peaked at EUR 143.20 (XETRA) on August 21, 2024. At this time, the price had risen by 36 percent**. Over the entire year, the price climbed 9 percent**. And a dividend of EUR 1.69 represents the icing on the cake***. Especially from a long-term perspective, ATOSS Software SE has generated extremely gratifying growth for its shareholders. Since 01/02/2015, the stock has gained 1,276 percent. Over the same period, the Daxsubsector Software Performance Index was only up 356 percent. Both the SDAX and TecDAX stock indices on which ATOSS Software SE is listed significantly underperformed ATOSS over the same period with gains of 90 percent and 149 percent respectively. This means the ATOSS stock beat all three indices by a comfortable margin, easily outperforming the market.

* CompaniesMarketCap; as of: 27/12/2024
** XETRA opening price on 01/02/2024: EUR 105.00
*** For greater comparability, dividend was adjusted following the capital increase from company funds and the issuance of new shares carried out in 2024

Shareholder structure*



The shareholder, Andreas F.J. Obereder of Grünwald, Germany, holds 3,434,907 shares representing 21.59467 percent of the shares in ATOSS Software SE via AOB Invest GmbH, Grünwald, Germany in which he owns 100 percent of the shares, following his sale of 1,336,979 shares to General Atlantic Chronos GmbH, Munich, on September 10 and September 11, 2024. As of 12/31/2024, General Atlantic Chronos GmbH holds a 21.59462 percent interest in ATOSS Software SE.

Among the shares in free float, in accordance with voting rights notices available on 12/31/2024, no institutional investor held an interest in excess of 3 percent in ATOSS Software SE.

Stock split

The stock split adopted by the Annual General Meeting of April 30, 2024 was carried out with effect from June 25, 2024. For every existing share held, each shareholder received one new share by means of a corresponding credit in their securities account. Technically, the stock split was carried out by means of a capital increase from company funds of EUR 7,953,136 thereby raising the share capital from EUR 7,953,136 to EUR 15,906,272. As a result of the capital increase carried out from company funds in 2024 and the issuance of new shares, the share capital of ATOSS Software SE doubled from 7,953,136 to 15,906,272 shares.

Capital market-oriented figures

(in EUR, unless otherwise specified)

	2024	2023
Market price at the financial year-end	114.20	104.5* (209)
Number of shares (Dec. 31)	15,906,272	15,906,272* (7,953,136)
Market capitalization in EUR millions as of 12/31	1,816	1,662
Earnings per share in EUR	2.86	2.25* (4.50)

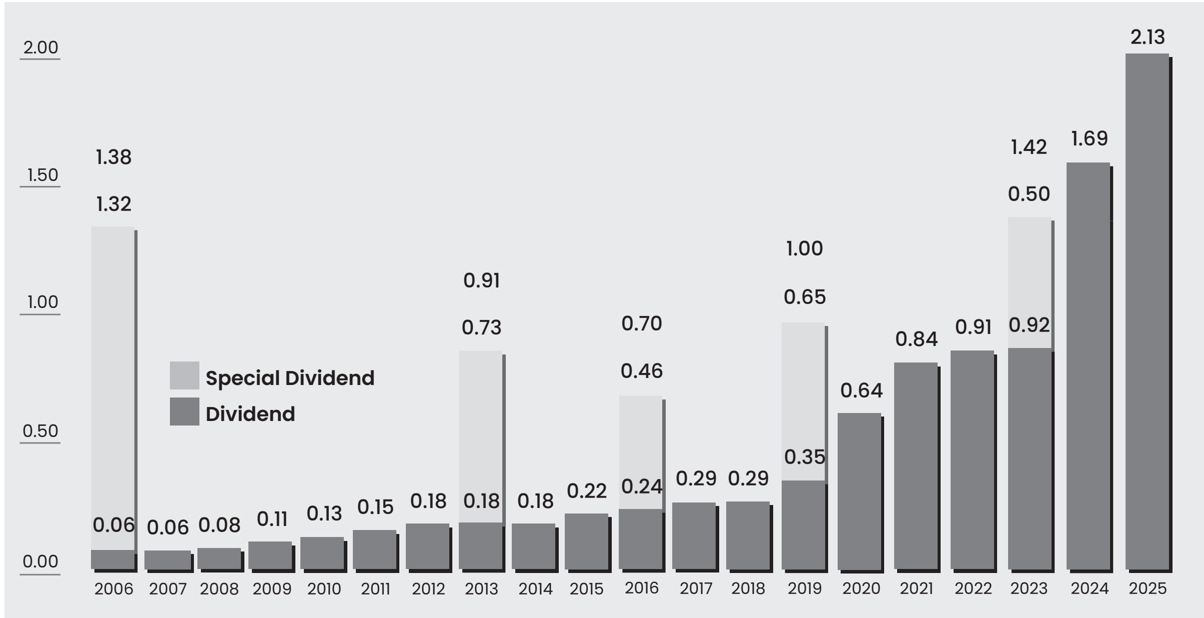
*For greater comparability, the figures were retrospectively adjusted as a result of the capital increase from company funds and the issuance of new shares carried out in 2024

Based on the results for 2024, the average price/earnings ratio amounted to 43 with liquidity of EUR 7.05 per share at year-end.

Dividend policy and dividend

In 2003 ATOSS published the principles of its long-term dividend policy. As in the case of the company's communications with the capital markets, one of the essential goals of this dividend policy was to offer a maximum of dependability. With dividends consistently rising over many years, ATOSS has remained faithful to its principles, offering its shareholders an excellent and reliable return in addition to significant increases in the share price. In addition, financial years 2006, 2013, 2016, 2019 and 2023 were capped off with attractive special dividends. In January 2020, the Management Board decided to raise the company's previous distribution ratio from 50 to 75 percent of consolidated earnings per share on a permanent basis. This policy follows the principle of dividend continuity according to which this year's dividend should not fall below that of the previous year and should be increased if this is possible with a distribution ratio of 75 percent with respect to consolidated earnings per share.

ATOSS Software SE set a new high in financial year 2024, with earnings per share of EUR 2.86. In line with its proposed appropriation of net income, the Management Board has submitted a proposal to the Supervisory Board for a standard dividend of EUR 2,13 per share, maintaining its dividend policy. A decision on the appropriation of earnings recommended by the Management and Supervisory Boards will be taken at the Annual General Meeting on April 30, 2025. If the Annual General Meeting approves the proposal, the dividend return on the basis of the closing price on 12/30/2024 of EUR 114.2 (XETRA) would stand at 1.9 percent.



*For greater comparability, the figures for 2006-2024 were adjusted following the capital increase from company funds and the issuance of new shares carried out in 2024

Analysts praise strong growth trajectory

The course of business and dividend policy confirm earlier analysts' assessments of the ATOSS stock. The substantial growth in revenues, maintained now over many years, coupled with the stability of earnings and the dividend yield underscore the sustained value as well as the outlook for our stock.

In the opinion of analysts, ATOSS Software SE occupies a strong position in an attractive market. The need to deploy staff with maximum profitability is a constant challenge for companies in Germany and abroad, and to such an extent that the workforce management solutions offered by ATOSS are in demand regardless of the vagaries of the economy, and the company's growth potential is still far from exhausted. The fact that through the sustainable expansion of its Cloud activities ATOSS has succeeded in accessing new, long-term areas of growth is of particular strategic importance.

The company's development has been regularly reviewed during the reporting period by analysts at Warburg Research and Hauck & Aufhäuser. Against the background of figures that remain strong and growth potential deemed to be high even over the long term, analysts from Warburg Research rated the stock a "Buy" on February 3, 2025 following publication of the financial figures for the 2024 financial year, with a price target of EUR 146. The analysts from Hauck & Aufhäuser came to a similar assessment, rating the stock a "Buy" on the same day with a price target of EUR 145.

The complete analyses by Warburg Research and Hauck & Aufhäuser are available on the Internet at https://www.atoss.com/en/company/investor-relations/stock

Supervisory Board Report on financial year 2024

Dear Shareholders,

The financial year 2024 was once again an extremely successful one for ATOSS Software SE. The consistent, sustained growth trajectory was maintained for the nineteenth time in succession in 2024. We have overseen the measures taken and fulfilled all of the tasks incumbent upon us in accordance with the law, the company's articles of association as well as the German Corporate Governance Code and our own rules of procedure. The Board was also involved in all decisions of a fundamental nature. The Management Board has kept us regularly, fully and promptly informed, verbally and in writing, of all material aspects of business development. In particular, this included the current earnings situation, risks and risk management. At no time did we have cause for complaint regarding either the due and proper nature or economic efficiency of the company management.

Decisions made by the Supervisory Board were reached on the basis of extensive reports and proposals by the Management Board. In addition, the Supervisory Board was kept informed, even outside of meetings, of projects and events of material importance or urgency. The Board resolved upon those matters required of it in accordance with the law and the company's articles of association. The Chairman of the Supervisory Board was also in regular contact with the Management Board, with the result that any events of exceptional importance for ATOSS Software SE could be discussed without delay.

In financial year 2024 there were no conflicts of interest on the part of Management or Supervisory Board members which required immediate disclosure to the Supervisory Board.

Personnel changes to the Supervisory Board
The following changes occurred to the Supervisory Board in the reporting period. With effect from October 23, 2024, Christian Osterland, Principal General Atlantic DACH, was delegated to the Supervisory Board in place of the previously delegated Supervisory Board member, Jörn Nikolay, on the instructions of General Atlantic for the period until the end of the Annual General Meeting which resolves on discharging board members from liability for the first full or stub year of ATOSS Software SE (which has changed its legal form since May 22, 2024).

Personnel changes to the Management Board
The following changes occurred to the Management Board in the reporting period. The management board employment contract of Dirk Häußermann expired on March 31, 2024.

Supervisory Board committees
ATOSS Software SE set up an audit committee in 2021 which was composed of the following members in financial year 2024: Klaus Bauer (Chairman of the Audit Committee), Moritz Zimmermann, Rolf Baron Vielhauer von Hohenhau and, for the period from January 1 until October 22, 2024, Jörn Nikolay or Christian Osterland since October 23, 2024. The Board refrained from forming further committees as recommended by the German Corporate Governance Code as it is of the view that with a Board consisting of four members, the efficiency of its work will not be increased by forming further committees.

The Chairman of the Audit Committee consulted regularly with the auditor on the progress of the audit and reported on his discussions to the committee. The Audit Committee also consulted regularly with the auditor without the Chairman.

In the following report, the Supervisory Board and the Audit Committee provide information on the advisory focus of their work.

Supervisory Board meetings and resolutions in 2024
In the reporting year, the Supervisory Board met for five regular meetings (held as a physical event in each case) and two extraordinary meetings (both held by video/telephone conference). Apart from the last regular and last extraordinary meeting from which Mr. von Hohenhau was excused due to sickness, the meetings were attended by all members of the Supervisory Board. The Audit Committee held five regular meetings in the 2024 financial year (four as physical meetings and one as a video/telephone conference) which were attended by all members of the Supervisory Board's Audit Committee apart from the final regular meeting (Mr. Von Hohenhau absent due to sickness).

Principal subjects of discussion at the meeting of the Supervisory Board's Audit Committee on February 21, 2024

The first meeting of the Audit Committee in 2024 focused on presentation of the provisional results of the audit of the 2023 financial year by the auditors PricewaterhouseCoopers GmbH, Wirtschaftsprüfungsgesellschaft, Munich. The auditors reported on the main results of their audit and answered all questions posed by the Board. In this context, the Audit Committee concerned itself with a preliminary assessment and preparation of the Supervisory Board's decision, particularly with regard to the annual financial statements and consolidated financial statements including the combined management report ("combined management report"), the separate non-financial report, the dependent company report and the remuneration report. Internal consultations followed with the auditors within the Audit Committee. This was followed by an assessment of the quality of the audit of the financial statements by the Audit Committee, a preliminary draft of a recommendation for a resolution to be proposed by the Supervisory Board to the Annual General Meeting for the election of the auditor including an examination of the auditor's independence as well as advance approval of non-audit services to be provided by the auditor.

Principal subjects of discussion at the extraordinary Supervisory Board meeting on February 21, 2024

The subject under discussion at the first extraordinary meeting of the Supervisory Board was the resolution to approve the conversion plan and the articles of association of the future ATOSS Software SE.

Principal subjects of discussion at the Supervisory Board meeting on March 08, 2024

At its first regular meeting in the reporting period, the Supervisory Board received the annual financial statements, consolidated financial statements and the combined management report for financial year 2023 from the Management Board for examination in good time prior to its accounts meeting after a preliminary review by the Audit Committee. These documents were examined by members of the Supervisory Board and addressed in full detail at the accounts meeting in the presence of the auditors PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft.

The Supervisory Board followed the recommendations of the Audit Committee by agreeing the results of the audit and raising no objections. The accounts prepared by the Management Board having been approved, the annual financial statements were then adopted. The Supervisory Board likewise concurred with the proposal by the Management Board regarding the appropriation of retained earnings and agreed to propose a capital increase from company funds to the Annual General Meeting of shareholders by issuing new shares (stock split).

In accordance with the recommendation of the Audit Committee, the Supervisory Board verified pursuant to Secs 170, 171 AktG that the separate non-financial Group report for the 2023 financial year was properly prepared with regard to its legality, compliance and functionality, and subjected both the methods and procedures used by the Management Board and the data collection processes to critical review. The separate non-financial Group report was subjected to a limited assurance engagement by the auditor (ISAE 3000 (Revised)). No situations came to light during the auditing procedures implemented or the audit certificate issued that would indicate that the separate non-financial Group report for the period from January 1 to December 31, 2023 was not prepared in compliance with Secs 315c in conjunction with Secs 289c to 289e HGB in all material aspects. After the final result of this audit, there were no grounds for objections and on March 8, 2024, the Supervisory Board approved the separate non-financial Group report prepared by the Management Board.

The remuneration report to be jointly prepared by the Management and Supervisory Boards for financial year 2023 was also adopted.

Principal subjects of discussion at the Supervisory Board meetings on April 30, 2024

The second and third regular Supervisory Board meeting were both held in Munich as the inaugural meetings of the Supervisory Boards of ATOSS Software AG and ATOSS Software SE following the 2024 Annual General Meeting. The Supervisory Board of ATOSS Software AG constituted itself and re-elected Moritz Zimmermann as Supervisory Board Chairman and Rolf Baron Vielhauer von Hohenhau as Deputy Chairman. It also re-elected the members and Chairman of the Audit Committee of ATOSS Software AG.

In the following inaugural meeting of the first Supervisory Board of ATOSS Software SE, the first Supervisory Board elected Moritz Zimmermann as Chairman and Rolf Baron Vielhauer von Hohenhau as his deputy. Furthermore, the members of the Management Board of ATOSS Software SE were (re)-appointed and their terms of office as the Management Board of the AG ended when the conversion to an SE became effective. Further areas on which the inaugural meeting of the first Supervisory Board of ATOSS Software SE focused, were the re-formation of the Audit Committee incl. the election of its members and chairman (Klaus Bauer) and the adoption of the rules of procedure for the Supervisory Board and Management Board of ATOSS Software SE.

Principal subjects of discussion at the meetings of the Supervisory Board's Audit Committee on April 30, 2024

Following the inaugural Supervisory Board meetings, the second and third regular meetings of the Audit Committee were held as the inaugural meetings of the Audit Committees of ATOSS Software AG and ATOSS Software SE. The meetings acknowledged the election of Klaus Bauer as Chairman of the Audit Committee and the appointments of Klaus Bauer and Moritz Zimmermann as financial experts for accounting and auditing including expertise in sustainability.

Principal subjects of discussion at the meeting of the Supervisory Board's Audit Committee on September 18, 2024

The fourth regular meeting of the Audit Committee was held in advance of the Supervisory Board meeting on September 18, 2024. The Management Board first informed the Audit Committee of the current course of the business. Further items on the agenda were a presentation of the key internal control processes in the area of Finance and a preview of the premises for the budget for the 2025 financial year.

Principal subjects of discussion at the Supervisory Board meeting on September 18, 2024

The main focus of the fourth regular meeting of the Supervisory Board was the report of the CEO on current developments in Sales.

Principal subjects of discussion at the meeting of the Supervisory Board's Audit Committee on November 28, 2024

At the fifth regular meeting of the Audit Committee held in advance of the Supervisory Board meeting on November 28, 2024, the Audit Committee agreed the main focus of the audit of the annual financial statements and consolidated financial statements for 2024 by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Munich and an extension to the audit assignment to include the Group sustainability report for the 2024 financial year. In addition, the Audit Committee asked the Management Board to bring it up to date on the course of the business and the status of the compliance and risk management system. The meeting was also attended by Christian Osterland, member of the Supervisory Board who was delegated to join the Supervisory Board with effect from October 23, 2024 on the instructions of General Atlantic to replace the previously delegated Supervisory Board member, Jörn Nikolay, and also elected to the Audit Committee at the subsequent meeting of the Supervisory Board.

Principal subjects of discussion at the Supervisory Board meeting on November 28, 2024

The fifth regular Supervisory Board meeting centered on the presentation and adoption of the Group budget for 2025, assessing the suitability of Management Board salaries and the Management Board's report on developments in Sales. In addition, the Supervisory Board attended to an amendment to the schedule of responsibilities for the Management Board, Management Board remuneration in 2024 and the targets to be agreed for members of the Management Board for the 2025 financial year. In addition, Christian Osterland was elected as an ordinary member of the Audit Committee as the successor to Mr. Nikolay.

The 2024 declaration of compliance with the German Corporate Governance Code as amended on April 28, 2022 was also approved at this meeting and published on November 28, 2024 on the company's website (https://www.atoss.com/en/company/investor-relations/corporate-governance).

Principal subjects of discussion at the Supervisory Board meeting on December 12, 2024

The second extraordinary and at the same time final meeting of the Supervisory Board in the 2024 financial year focused on deciding the targets to be agreed with members of the Management Board for the 2025 financial year.

In addition, the Supervisory Board drafted resolutions by circulation on March 25, 2024 and July 1, 2024 in the 2024 financial year to amend the schedule of responsibilities for the Management Board.

Principal subjects of discussion at the extraordinary Supervisory Board meeting on February 4, 2025

The subject of the first extraordinary meeting of the Supervisory Board in 2025 was to consult on drafting a revision to the Management Board remuneration system as it was routinely due to be presented to the Annual General Meeting for approval.

Principal subjects of discussion at the meeting of the Supervisory Board's Audit Committee on February 24, 2025

The first meeting of the Audit Committee in 2025 focused on presentation of the provisional results of the audit of the 2024 financial year by the auditors PricewaterhouseCoopers GmbH, Wirtschaftsprüfungsgesellschaft, Munich. The auditors reported on the main results of their audit and answered all questions posed by the Board. In this context, the Audit Committee concerned itself with a preliminary assessment and preparation of the Supervisory Board's decision, particularly with regard to the annual financial statements and consolidated financial statements including the combined management report, the Group sustainability report and the remuneration report. Internal consultations followed with the auditors within the Audit Committee. This was followed by the Audit Committee's assessment of the quality of the audit, a preliminary draft of a recommended resolution to be proposed by the Supervisory Board to the Annual General Meeting for the election of the auditor of the financial statements and the auditor of the sustainability report including an examination of the auditor's independence as well as advance approval of non-audit services to be provided by the auditor.

Appointment of auditors and conduct of audit
At the Annual General Meeting held on April 30, 2024, PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main (Munich Branch) were elected to audit the annual financial statements and the consolidated financial statements for financial year 2024 both for ATOSS Software AG and ATOSS Software SE. Prior to the election, the Supervisory Board satisfied itself as to the independence of the auditors. The Board was able to exclude any relationships between the company and the auditors. The audit assignment included a consideration of the early warning system for the detection of risk and the obligation to observe the auditing principles contained in the current German Corporate Governance Code.

PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft have audited the annual financial statements and the consolidated financial statements of ATOSS Software SE as of 12/31/2024 as well as the combined management report for the company and the Group as of 12/31/2024 and issued unqualified audit opinions in each case on 02/25/2025.

Accounts meeting of the Supervisory Board on February 27, 2025

Audit of the annual financial statements
After a preliminary assessment by the Audit Committee, the Supervisory Board received the annual financial statements, consolidated financial statements and combined management report for financial year 2024 from the Management Board for examination in good time prior to the accounts meeting of the Supervisory Board. These documents were examined by members of the Supervisory Board and addressed in full detail at the accounts meeting in the presence of the auditors PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Munich.

The Supervisory Board followed the recommendations of the Audit Committee by agreeing the results of the audit and raising no objections. The accounts prepared by the Management Board having been approved, the annual financial statements were then adopted. The Supervisory Board likewise concurred with the proposal by the Management Board regarding the appropriation of retained earnings.

In accordance with the recommendation of the Audit Committee, the Supervisory Board verified pursuant to Secs 170, 171 AktG that the combined Group sustainability declaration included in the combined management report was properly prepared with respect to its legality, compliance and functionality, and subjected both the methods and procedures used by the Management Board and the data collection processes to critical review. The combined Group sustainability declaration included in the combined management report was subjected to a limited assurance engagement by the auditor (ISAE 3000 (Revised)). No situations came to light during the auditing procedures implemented or the audit certificate issued that would indicate that the combined Group sustainability declaration included in the combined management report was not prepared in compliance with the requirements of the CSRD, Secs 315c in conjunction with Secs 289c to 289e HGB and Article 8 of the (EU) 2020/852 Regulation or with the specific criteria set out by the company's legal representatives in all material aspects. After the final result of this audit, there were no grounds for objections and on February 27, 2025, the Supervisory Board approved the combined Group sustainability report prepared by the Management Board.

The remuneration report to be jointly prepared by the Management and Supervisory Boards for financial year 2024 was also adopted. The Supervisory Board also adopted the modified remuneration system for members of the Management Board.

The report by the Supervisory Board for financial year 2024 was also discussed and agreed and the agenda for the Annual General Meeting on April 30, 2025 approved.

The Management Board and the company's staff have once again delivered an outstanding result. The Supervisory Board would like to extend its thanks to the Management Board and all of the employees of ATOSS Software SE for their special dedication and contribution to the success of the past financial year, and signify its recognition and appreciation of what is now 19 record years in succession.

Munich, March 2025

Moritz Zimmermann
Chairman of the Supervisory Board

Members of the Supervisory Board, with a summary of other supervisory board positions held

Moritz Zimmermann
Chairman of the Supervisory Board
Member of the Supervisory Board, Munich
Mr. Zimmermann did not hold any other supervisory or similar board positions in financial year 2024.

Rolf Baron Vielhauer von Hohenhau
Deputy Chairman of the Supervisory Board
President of the Bund der Steuerzahler in Bayern e.V., Munich.
Baron Vielhauer von Hohenhau holds the following other supervisory and administrative board positions:
- Europäischer Wirtschaftssenat e.V., Munich (Supervisory Board Chairman)

Klaus Bauer
Member of the Supervisory Board and Chairman of the Audit Committee
Supervisory and Advisory Board member, Nuremberg
Until June 30, 2024, Mr. Bauer held the following other supervisory or similar board positions:
- Schwanhäußer Industrie Holding GmbH & Co. KG, Heroldsberg (Advisory Board member)
- Schwanhäußer Grundbesitz Holding GmbH & Co. KG, Heroldsberg (Advisory Board member)

Christian Osterland
Member of the Supervisory Board
Supervisory and Advisory Board member, Munich
Mr. Osterland holds the following other supervisory or similar board positions:
- NCG – NUCOM GROUP SE, Unterföhring (member of the Supervisory Board)
- Staffbase SE, Chemnitz (member of the Supervisory Board)
- SMG Swiss Marketplace Group AG, Zurich, Switzerland (member of the Management Board)

Group Management Report

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About this report

This report combines the group management report of ATOSS Software SE (formerly: ATOSS Software AG), consisting of ATOSS Software SE (formerly: ATOSS Software AG) and its consolidated subsidiaries, as well as the management report of ATOSS Software SE (formerly: ATOSS Software AG) for the 2024 financial year.

The consolidated financial statements prepared by ATOSS Software SE as of December 31, 2024 meet the International Financial Reporting Standards (IFRS) as they are to be applied in the European Union as of December 31, 2024 as well as the German commercial regulations in conjunction with German accounting standards.

1. Group basics

1.1. Company

ATOSS Software SE and its subsidiaries are providers of technology and consulting solutions for professional workforce management and demand optimized personnel deployment. From conventional working time management to mobile apps, detailed workforce forecasting, sophisticated workforce scheduling or strategic capacity and demand scheduling, ATOSS offers its customers various solutions – in-the-cloud or on-premises.

Headquartered in Munich, the company also has offices in Berlin, Frankfurt, Hamburg, Meerbusch, Mettingen, Stuttgart, Brussels (Belgium), Paris (France), Sibiu (Romania), Stockholm (Sweden) and Utrecht (Netherlands), as well as its subsidiaries ATOSS CSD Software GmbH in Cham, ATOSS Software Ges. m.b.H. in Vienna (Austria), ATOSS Software AG in Zurich (Switzerland), ATOSS Software S.R.L. in Timisoara (Romania) and ATOSS Aloud GmbH in Munich.

1.2. Corporate structure and organization

In 2024, ATOSS Software SE successfully completed its conversion from stock corporation to a European Company (Societas Europaea / SE) announced in 2023 – with the change in form entered in the commercial register of the District Court of Munich, and has been trading as ATOSS Software SE since May 22, 2024.

The Annual General Meeting of shareholders had approved the conversion to an SE on April 30, 2024. On the same day, the newly constituted Supervisory Board of ATOSS Software SE appointed the members of ATOSS Software SE's Management Board. The company has retained its headquarters in Munich, Germany. The dual system consisting of a management board and a supervisory board has been maintained. The Supervisory Board of ATOSS Software SE continues to be made up of four members, three of whom were elected by the Annual General Meeting on April 30, 2024 with one member delegated by the eligible voters defined in the articles of association.

Fundamentally, the legal status of ATOSS Software AG shareholders is unaffected by the conversion to an SE. The company's listings on the regulated market (Prime Standard) of the Frankfurt Stock Exchange and on the SDAX and TecDAX are also unaffected by the change in legal form.

1.3. Positioning of the ATOSS Group

The following paragraphs contain disclosures typical of a management report which also relate to the disclosure requirements of ESRS 2-SBM 1.40 a) i) and ii) in respect of the Group sustainability report.

The market ATOSS addresses is comprised on the one hand of extensive numbers of small and medium-sized enterprises (the SME market) with up to 500 employees, and on the other of the premium market represented by the high-end small companies, and major, large-scale companies. The competitive pressure is greater in the case of applications which make no more than modest demands on personnel resource planning systems than for complex solutions which demand a high degree of integration between time and attendance management and workforce scheduling. The technological platform on which ATOSS products are based, consulting skills which in management's opinion offer expert advice and the reliable, successful management of ATOSS are all convincing decision-making criteria.

One of the defining features of the competitive environment in which the company operates is a high degree of vendor fragmentation. In this environment, the company has successfully established itself as a provider of time management and workforce management software systems and, since its inception, has steadily increased its market share in the retail, healthcare, manufacturing and logistics sectors in particular. ATOSS, however, also offers solutions for all sectors and companies, in both the SME and premium market segments.

ATOSS has positioned itself as a specialist in its core fields of time and attendance management and workforce management, offering a comprehensive range of integrated solutions that meet the high functional and technological demands of its customers. And with the availability of interfaces with solutions from complementary providers, we can meaningfully address the needs of customers of every size and in every industry. In management's view, ATOSS is very successful in every customer segment it addresses. The company can also offer supremely competent consultancy services with the guarantee that its customers will benefit from improved efficiency and enhanced productivity. And ultimately, as a financially independent partner with a committed long-term outlook, ATOSS solutions offer investment security.

When it comes to deciding upon a long-term partnership, ATOSS' impression is that major, large-scale customers in particular are increasingly focusing on independent companies with a sound financial foundation. A strong equity ratio (ratio of equity to total assets) of 56 percent (previous year: 54 percent) and consistently high expenditure on technological development – these are especially crucial advantages when investment decisions are made.

The right staff
ATOSS' end-to-end portfolio includes solutions which highlight the qualifications of available personnel, thereby facilitating rapid planning, scheduling and deployment. Short-term and even seasonal bottlenecks can be overcome by accessing a large number of employees.

At the right time
In many industries, demands on capacity are likely to fluctuate, whereas staff cannot always be employed on a pattern which mirrors these fluctuations. Taking into account operational requirements, wage agreements and statutory regulations as well as factors such as vacations, sickness, part-time employment and so on, ATOSS provides solutions which optimize workforce management in order to cover both peaks and troughs in demand.

In the right place
Flexible staff deployment and workforce management at varying locations enable decentrally organized businesses and branch-based operations to make more efficient use of capacity and raise their productivity levels.

Working on the right job
In ATOSS' experience, it is rare for workforce scheduling to be integrated into the process of production planning. Nevertheless, a meaningful exchange of data in this very instance can underpin planning reliability and accelerate production processes.

At the right cost
Nowadays, company and operational working time models can often yield more flexible options for staff deployment than is possible with rigid working hours. However, deploying and managing staff under conditions of optimized cost can only be achieved by evaluating hours worked in association with wage supplements and ancillary costs.

1.4. Management of the company

Executive bodies
With effect from October 23, 2024, Christian Osterland, Principal at General Atlantic Chronos GmbH DACH, was delegated to the Supervisory Board in place of the previously delegated Supervisory Board member, Jörn Nikolay, on the instructions of General Atlantic for the period until the end of the Annual General Meeting which resolves on discharging board members from liability for the first full or stub year of ATOSS Software SE. Furthermore, the Supervisory Board in fiscal 2024 also comprised Moritz Zimmermann as Chairman, Rolf Baron Vielhauer von Hohenhau as Deputy Chairman, and Klaus Bauer. The Audit Committee that has been in existence since 2021 is chaired by Klaus Bauer.

After the departure of the former Co-CEO Dirk Häußermann with effect from March 31, 2024, the Management Board of ATOSS Software SE in financial year 2024 consisted of Andreas F.J. Obereder (CEO), Pritim Kumar Krishnamoorthy (CTO) and Christof Leiber (CFO).

The management of the Group proceeds on the basis of plans jointly agreed by the Management and Supervisory Boards. These plans are reviewed annually and adapted in line with changing circumstances and opportunities arising.

Financial performance indicators
As in the previous year, the Management Board regards the key figures of revenue and the EBIT margin (operating earnings in relation to revenue) as the essential measures of its success. Here the company aims to ensure average revenue growth targets in the period 2023-2025 of 19 percent and EBIT margins of ≥ 30 percent. These figures form the basis for the operational and strategic decisions taken by the Management Board of ATOSS Software SE and thereby constitute the ATOSS Group's most important financial performance indicators. Although cash flow, software revenues, cloud order backlog, Cloud Annual Recurring Revenue (Cloud ARR, for short), Cloud Net Retention Rate (Cloud NRR, for short), and recurring revenue represent further important indicators for the Management Board, their significance is of less relevance in terms of managing the Group. Non-financial performance indicators are not used to manage the Group.

The company is managed primarily on the basis of a broad system of targets. Company, departmental and individual targets are agreed with almost every member of staff and linked with an appropriate variable salary component, dependent on each employee's level of responsibility. These variable components generally range between 10 percent and 50 percent of the contractually agreed target salary. The company targets are in turn keyed to the relevant scheduled revenue and operating profit data for the financial year. Departmental targets take the form of a uniform table of revenues or performance targets dependent on position and responsibility, while individual targets are linked to the performance of each individual employee.

The Group's annual budget is approved by the Management and Supervisory Boards. Targets are monitored on the basis of a Group-wide management information system which includes detailed reporting of revenues, costs and earnings.

As in the previous year, the Management Board essentially uses the key indicators of revenues and profit margin under HGB to measure the success of ATOSS Software SE's activities, as the Group parent company. The profit margin here is defined as pre-tax earnings (EBT) in relation to sales revenues. These figures form the basis for the operational and strategic decisions taken by the Management Board of ATOSS Software SE and constitute the company's most important financial performance indicators at the level of the individual company ATOSS Software SE (in accordance with HGB). Although cash flow, software revenues, cloud order backlog, Cloud Annual Recurring Revenue (Cloud ARR, for short), Cloud Net Retention Rate (Cloud NRR, for short), and recurring revenue represent further important indicators for the Management Board, their significance is of less relevance in terms of managing ATOSS Software SE as a single company (in accordance with HGB).

1.5. Corporate strategy

At the heart of our business activities lie the acquisition of new customers and the development of existing customer installations in the fields of time and attendance management and workforce scheduling and deployment. In management's view, ATOSS continued to enjoy great success in both areas in 2024. For example, products incorporating the company's latest generation of software solutions were placed both with existing customers and a large number of new customers. Not least the fact that all products are now available as cloud solutions has opened the door to new groups of customers and yielded additional orders.

1.6. Research and development

It is crucial for ATOSS customers to be able to use our solutions to map and reflect the complex demands that will also be arising in the future. At the same time they also need to deploy technologically sophisticated solutions which will be equally at home in the system environments of the future and therefore capable of returning long-term economic benefits. For this reason, we will cut no corners in maintaining our commitment to refining our products, a commitment that management regards as substantial.

The basis for these developments is provided by our digital software suites, ASES (ATOSS Staff Efficiency Suite), ASE (ATOSS Startup Edition) and ATC (ATOSS Time Control) which facilitate their integration into the wide range of system environments operated by our customers.

The data exchange between our own solutions and others used by our customers is simplified by means of the technologies of the so-called service-oriented architecture (SOA). For example, our solutions can be connected via interfaces to upstream planning or personnel management systems or downstream evaluation systems, thus generating value added beyond their original functionalities. The continuing development of these interfaces makes it simple and easy for customers to integrate our solutions into their existing system architecture and thereby derive the benefits. Our interfaces with HR systems such as SAP SuccessFactors, SAP HCM PT or DATEV offer a classic example of this.

ATOSS workforce management solutions can be used across all sectors of industry, regardless of the size of the company. The ATOSS Startup Edition (ASE) and ATOSS Time Control (ATC) are distinguished by the simplicity of their user interface. These two solutions are a stepping stone for customers using a variety of system environments. As their requirements become more complex in future, they can migrate to the ATOSS Staff Efficiency Suite (ASES). All three ATOSS product suites have been available in the cloud since 2015. Thanks to the successful transformation of our services into cloud-native solutions, we are in a position to provide an ultra-modern infrastructure with significantly enhanced security measures as part of our ASES Cloud 24/7 and ATC Cloud 24/7 solutions. At the same time, they form the basis for expanding our AI-based services.

Since 2016, the Group has been developing its pure cloud solution, Crewmeister, for startups, small companies or divisions and departments of major companies, in its subsidiary ATOSS Aloud GmbH.

Expenditure on research and development in the ATOSS Group (IFRS) in 2024 amounted to EUR 25.6 million (previous year: EUR 23.6 million). The bulk of this figure in the amount of EUR 20.4 million (previous year: EUR 18.7 million) was accounted for by the personnel costs for 310 software developers (previous year: 288). R&D expenditure as a proportion of overall revenue amounted to 15 percent at Group level (previous year: 16 percent). At the level of ATOSS Software SE, Munich, (HGB), R&D expenditure in 2024 amounted to EUR 11.8 million (previous year: EUR 10.6 million). As in preceding years, expenditure on the development of software products is not capitalized, but is instead reported in full as an expense.

2. Business report

2.1. Economic climate and sector-related conditions

Economic environment
The global economy has been severely tested in the last five years. The coronavirus pandemic, the outbreak of geopolitical conflicts and extreme weather events interrupted supply chains, triggered energy crises and food shortages and exacted tough interventions on the part of governments to protect lives and livelihoods. Although the global economy proved resilient, the figures hide unequal developments in certain regions and the continued existence of weaknesses. The latest forecasts from the IMF are therefore currently calling for economic growth of 3.2 percent for 2024.[1]

Economies in the Eurozone remained weak, growing by a mere 0.4 percent in Q3 2024 over the previous quarter and 0.9 percent by comparison with the previous year.[2]

In Germany, too, economic recovery was conspicuous by its absence due to consistent structural problems.[3] As a consequence, gross domestic product (GDP) fell by 0.2 percent on an annualized basis.[4]

Segmental environment and market background
Against this background, developments in the market for information and communications technologies (ICT market) in 2024 are particularly noteworthy. The industry association BITKOM, for example, expects growth in the software segment in the year elapsed to come in at 9.5 percent over the previous year.[5]

1 Federal Ministry for Economic Affairs and Climate Protection, Highlights of Economic Policy December 2024 monthly report
2 Ifo Institute: ifo Winter 2024 Economic Forecast: German Economy at the Crossroads December 12, 2024
3 Kiel Economic Reports No. 120 (2024IQ4) – German Economy in Winter 2024 – December 11, 2024
4 Federal Statistical Office, Press Release No. 039 dated January 30, 2025
5 BITKOM, ICT market data December 2024

Actual growth of the ATOSS Group in financial year 2024 by comparison with the previous year's outlook
Given the underlying conditions described, the ATOSS Group in 2024 once again succeeded in maintaining its streak for the 19th time in succession, thereby again outperforming the market in the process.

Group revenues posted double-digit growth of 13 percent, hitting EUR 170.6 million (previous year: EUR 151.2 million). Consolidated operating profit increased to EUR 63.4 million despite considerable investment in the future (previous year: EUR 51.8 million). This meant that the revenue forecast of EUR 170 million announced by the Group in February 2024 was met in full. The forecast for an EBIT margin of 30 percent was significantly exceeded, primarily due to the temporary postponement of investments in the expansion of sales personnel resources.

This positive business growth can be mainly put down to the sustainable expansion of cloud business and the increasing share of recurring revenues as a direct result as well as to success in winning new customers.

2.2. Results of operations, financial position and net assets of the ATOSS Group (IFRS)

The results of operations, financial position and net assets of the ATOSS Group under IFRS are explained below. The results of operations, financial position and net assets of ATOSS Software SE are the subject of a separate commentary in Section 2.3 "Results of operations, financial position and net assets of ATOSS Software SE (under HGB) incl. the report on opportunities and risks as well as the forecast for ATOSS Software SE as the Group parent company".

Earnings

Development in software licensing, maintenance and cloud revenues, order situation for software licenses and the cloud
Software revenues in 2024 stood at EUR 124.9 million, up by 15 percent over the previous year's figure of EUR 108.2 million. The main drivers of software revenue were once again revenues from Cloud and Subscriptions which were up 37 percent to EUR 72.4 million (previous year: EUR 52.9 million) and now account for 42 percent of total revenues (previous year: 35 percent). Together with the 9 percent rise in software maintenance revenues amounting to EUR 39.0 million (previous year: EUR 35.7 million), recurring revenues advanced year-on-year by 26 percent, reaching EUR 111.3 million (previous year: EUR 88.6 million). Recurring revenues from the cloud and maintenance now make up 65 percent of total sales revenues in fiscal 2024 (previous year: 59 percent). Revenues from software licenses fell by 31 percent to EUR 13.5 million (previous year: EUR 19.6 million). Revenues from consulting services expanded to EUR 35.9 million in the same period (previous year: EUR 33.2 million).

The demand for new software licenses from new and existing customers was slightly below that of the previous year overall, notwithstanding rising demand in Enterprise business in the DACH region. Thanks to the SaaS business model in conjunction with a low churn rate, the order position in cloud business exhibited very positive growth. For example, the cloud order backlog which states the revenues from contractually committed cloud usage fees within the next 12 months, increased by 33 percent to EUR 85.8 million in the 2024 financial year (previous year: EUR 64.3 million). This key cloud indicator also includes Cloud Annual Recurring Revenue (ARR) from current cloud usage fees which increased by 35 percent over the year-end figure of EUR 58.9 million as of 12/31/2023, totaling EUR 79.3 million. Total ARR (consisting of cloud usage fees and maintenance revenue) trended upwards to EUR 118.4 million as of 12/31/2024, a rise of 24 percent. This order book position creates revenue and planning certainty for the near future for the company and all its facilities. What's more, the company's substantial liquidity and good equity ratio provides security for customers, employees and shareholders over and beyond the sound order book.

Development in consulting revenues
Consulting revenues in 2024 stood at EUR 35.9 million, up by 8 percent over the previous year's figure of EUR 33.2 million. As a result, consulting accounted for 21 percent of overall revenues (previous year: 22 percent).

Development in hardware and other revenues
Revenues from the sale of hardware declined by 5 percent in 2024 to EUR 5.8 million (previous year: EUR 6.1 million), equating to 3 percent of overall revenues (previous year: 4 percent). Other revenues, the heading under which, in particular, consulting services for process analysis and change management, customer-specific programing services and identification media are booked, amounted to EUR 4.0 million, some 8 percent higher than the year before, and equating to 2 percent of overall revenues (previous year: 2 percent).

Long-term production orders
As in previous years the Group realizes long-term orders in application of the percentage of completion method. In 2024 this applied to 3 orders (previous year: 3) which were realized in accordance with the progress of the project in an amount of EUR 0.4 million (previous year: EUR 3.5 million) on the basis of existing contracts.

Notwithstanding the year-on-year increase in R&D expenditure and general, ongoing increases in staffing levels, particularly due to strong, consistent growth in cloud business, operating profit (EBIT) grew by EUR 11.6 million to reach EUR 63.4 million. The EBIT margin amounts to 37 percent (previous year: 34 percent), and thus lies above the original outlook for fiscal 2024 of 30 percent.

Following a positive financial result of EUR 3.6 million (previous year: EUR 1.5 million), earnings before taxes (EBT) increased by 26 percent to EUR 67.0 million (previous year: EUR 53.3 million). Net income for financial year 2024 amounted to EUR 45.5 million (previous year: EUR 35.8 million), Earnings per share increased from EUR 2.25* to EUR 2.86.

The Group succeeded in maintaining its profitability by comparison with the previous year in spite of the general increase in staffing levels and higher R&D expenditure, chiefly by winning further customers and sustainably expanding its cloud business, thereby financially underscoring the accuracy of its long-term corporate strategy.

Subsidiaries and international business
With the exception of ATOSS Aloud GmbH, all operating subsidiaries of ATOSS Software SE recorded positive results in 2024. The proportion of Group revenue accounted for by our international business in 2024 amounted to 17 percent (previous year: 15 percent).

Financial and asset position
The company regards equity as an essential balance sheet item in guarding against economic, sector- and company-specific risks. Consequently, the company's financial strategy is directed towards maintaining a level of equity commensurate with such risks. The intention is to guarantee shareholders an appropriate return on equity and offer customers and suppliers investment security for their software decisions through the medium of long-term partnerships.

The cash flow from operating activities for the period from 01/01/2024 to 12/31/2024 amounted to EUR 59.5 million (previous year: EUR 52.7 million) and was thereby EUR 6.8 million higher than in the year before. Cash and cash equivalents increased from EUR 64.2 million to EUR 82.7 million. This item as a whole comprising liquidity and other current and non-current financial assets and precious metals (e.g. investment funds, fixed-term deposits, gold) increased from EUR 82.6 million to EUR 112.2 million. Liquidity per share on 12/31/2024 including these other current and non-current financial assets and precious metals accordingly stood at EUR 7.05 (previous year: EUR 5.19).**

The principal factors which impacted positively on cash flow from operations included net income, a reduction in trade receivables and an increase in miscellaneous current financial and non-financial liabilities resulting from higher salary and commission liabilities and invoices expected. Interest received from the fixed-term deposit also had a positive impact on the cash flow from operating activities. The main effects from operating activities reducing cash flow stemmed from an increase in capitalized contract costs.

Cash outflows from investment activities in an amount of EUR 10.9 million (previous year: cash inflow of EUR 10.1 million) resulting from disbursements to cover investments in fixed assets in the amount of EUR 0.9 million (previous year: EUR 1.9 million) and payments for the acquisition of financial assets amounting to EUR 20.0 million (previous year: EUR 0.0 million) had a negative effect on liquidity. Payments received from the return on financial assets in an amount of EUR 10.0 million (previous year: EUR 11.9 million) had a positive impact on the cash flow.

Payment of a dividend of EUR 3.37 per share (before the capital increase from company funds and the issuance of new shares carried out in 2024) (previous year: dividend of EUR 1.83 and special dividend of EUR 1.00 per share (before the capital increase from company funds and the issuance of new shares carried out in 2024) (total distribution: EUR 26.8 million; previous year: EUR 22.5 million) and the repayment of lease liabilities in an amount of EUR 3.3 million (previous year: EUR 3.0 million) led to a reduction in liquidity.

* In accordance with IAS 33.64, earnings per share were retrospectively adjusted as a result of the capital increase from company funds carried out in 2024 and the issuance of new shares.
** In accordance with IAS 33.64, liquidity per share was retrospectively adjusted as a result of the capital increase from company funds and the issuance of new shares carried out in 2024.

All in all, the ATOSS Group is excellently supplied with financial resources which enable the company to counter both macroeconomic as well as sector-specific risks and exploit opportunities for external growth. Similarly, the ability of the company to meet its payment obligations remains securely guaranteed.

Property, plant and equipment and intangible assets fell from EUR 4.6 million to EUR 4.3 million.

The company's long-term holdings in gold amounting to EUR 1.1 million (previous year: EUR 0.9 million) and deposits paid as part of rental contracts in an amount of EUR 0.5 million (previous year: EUR 0.5 million) are reported under the heading of other non-current financial assets and precious metals which totaled EUR 1.7 million (previous year: EUR 1.3 million),

Trade receivables fell from EUR 10.4 million to EUR 9.3 million. The average time to receipt is 21 days (previous year: 23 days).

Other current financial assets and precious metals as of 12/31/2024 amounted to EUR 28.4 million (previous year: EUR 17.5 million), and also included investment fund deposits approved by the Supervisory Board in an amount of EUR 5.2 million (previous year: EUR 5.2 million), investments in physical gold amounting to EUR 3.2 million (previous year: EUR 2.3 million) or fixed-term deposits and alternatives (EUR) in an amount of EUR 20.0 million (previous year: EUR 10.0 million) in line with the company's defined investment strategy.

Valuation of current and non-current gold holdings at fair value results in finance income of EUR 1.1 million (previous year: TEUR 241). In addition, income from the revaluation of short-term investment funds amounting to TEUR 49 (previous year: TEUR 122) respectively. Distributions from the investment of liquid assets in an investment fund serving as an alternative short-term investment, resulted in financial income of TEUR 89 (previous year: TEUR 89) respectively.

The ATOSS Group is financed through the ongoing cash flow generated from operations. Current liabilities include trade accounts payables in the amount of EUR 2.0 million (previous year: EUR 2.4 million), contractual liabilities in the amount of EUR 3.2 million (previous year: EUR 3.7 million), short-term lease liabilities in the amount of EUR 0.4 million (previous year: EUR 0.3 million), other current financial and non-financial liabilities amounting to EUR 25.0 million (previous year: EUR 24.0 million) as well as tax liabilities in the amount of EUR 18.9 million (previous year: EUR 7.7 million). Current liabilities on 12/31/2024 increased to EUR 49.6 million (previous year: EUR 38.4 million). The rise in current liabilities as of 12/31/2024 is essentially due to higher tax liabilities. It remains the Group's intention not to incur borrowings to finance business operations.

The other current non-financial liabilities relate predominantly to commitments to employees in respect of variable salary components to be disbursed in the following year. As of 12/31/2024, there are no significant foreign currency liabilities. As of 12/31/2024, there are no bank loans. It remains the Group's intention not to use bank loans to finance business operations.

An unsecured credit line in the amount of EUR 1.0 million (previous year: EUR 1.0 million) is in place with the principal bank of the integrated companies which may optionally be used for guarantee purposes or as an overdraft facility. As of the reporting date, an amount of EUR 0.3 million was used for guarantees (previous year: EUR 0.5 million). As in the previous year, there were no liabilities to banks.

Non-current liabilities essentially include the pension provision in the amount of EUR 1.8 million (previous year: EUR 1.8 million), long-term lease liabilities in the amount of EUR 6.2 million (previous year: EUR 8.1 million) and long-term provisions for share-based remuneration in the amount of EUR 2.7 million (previous year: EUR 2.3 million).

Group equity as of 12/31/2024 amounted to EUR 80.0 million (previous year: EUR 61.8 million), resulting in an equity ratio (the ratio of equity to total assets) of 56 percent as of 12/31/2024 (previous year: 54 percent). The return on equity (net earnings vs. equity) as of 12/31/2024 stood at 57 percent (previous year: 58 percent).

As a matter of principle, the ATOSS Group reports its expenditure on research and development in its income statement. As in the past, intangible assets of our own manufacture are not capitalized.

Thanks to the continuing overall excellent earnings situation and to its continuing sound asset position, the Group expects its ability to meet its financial commitments to remain unchanged in the future.

Employees of the ATOSS Group
In financial year 2024 the Group employed an average workforce of 808 members of staff (previous year: 747). Of these, 308 (previous year: 283) in development, 190 (previous year: 175) in consulting, 187 (previous year: 177) in sales and marketing and 123 (previous year: 112) in administration. Personnel costs in 2024 amounted to EUR 73.2 million, some 7 percent higher than the figure of EUR 68.4 million for the preceding year.

As for the previous year, there were no traineeships as of 12/31/2024.

2.3. Results of operations, financial position and net assets of ATOSS Software SE (under HGB) incl. the report on opportunities and risks as well as the forecast for ATOSS Software SE as the Group parent company

The following comments relate to ATOSS Software SE as the Group parent company of the ATOSS Group. The disclosures are made on the basis of the German Commercial Code (HGB) for the accounting of large corporations and the German Stock Corporation Act (AktG).

Earnings
The earnings of ATOSS Software SE in fiscal 2024 are marked by a 15 percent rise in sales revenues to EUR 167.0 million (previous year: EUR 145.1 million). The positive revenue developments in Cloud & Subscriptions (+31 percent), Software maintenance (+8 percent), and Consulting (+11 percent) are particularly worthy of mention. Sales revenues in Licenses ran counter to this trend (-34 percent). The revenues for software (software licenses, software maintenance and the cloud), maintenance and services brokered by subsidiaries on behalf of the parent company rose by 29 percent to EUR 40.9 million (previous year: EUR 31.8 million).

The rise in other operating income of EUR 0.9 million is primarily due to the release of provisions.

The increase in personnel expenses results primarily from salary adjustments, taking on more staff during the year and the creation of personnel-related provisions. In total, personnel expenses increased by EUR 2.6 million to EUR 52.4 million.

The rise in other operating expenses of EUR 3.8 million to EUR 48.0 million is predominantly due to higher expenses for cost reimbursements and commissions to subsidiaries as well as higher expenses for maintenance and usage fees resulting from general digitization.

Income in financial year 2024 from distributions by subsidiaries to the parent company amounted to EUR 2.2 million (previous year: EUR 5.1 million). The assumption of the ongoing losses of ATOSS Aloud GmbH, Munich, as part of the existing profit and loss transfer agreement resulted in expenses of EUR 0.6 million (previous year: EUR 0.8 million).

The key indicator for the profitability of ATOSS Software SE, earnings before taxes (EBT), increased by EUR 10.4 million to EUR 64.0 million, thereby exceeding the growth in revenues for the reasons described above. As a result, the return on sales relative to operating earnings (EBT) stood at 38 percent, 1 percentage point higher than the previous year. Net income for financial year 2024 amounted to EUR 43.6 million (previous year: EUR 37.7 million), some 16 percent higher than in the year before.

By expanding its business with both new and existing customers while continuing its high expenditure on research and development, ATOSS Software SE has maintained its profitability at a high level and secured a sound financial basis for a long-term strategy which is proving its worth.

Financial and asset position
The company regards equity as essential in guarding against economic, sector- and company-specific risks. Consequently, the company's financial strategy is directed towards maintaining a level of equity commensurate with such risks. The intention is to guarantee shareholders an appropriate return on equity and offer customers and suppliers investment security for their software decisions through the medium of long-term partnerships. Here the ATOSS Group met its budget in the 2024 financial year.

Investments in fixed assets (excl. financial assets) amounted to EUR 0.7 million in 2024 (previous year: EUR 1.7 million).

Trade receivables on 12/31/2024 stood at EUR 7.0 million (previous year: EUR 8.0 million). The average time to receipt is 15 days (previous year: 17 days).

Other assets as of 12/31/2024 amounted to EUR 23.0 million (previous year: EUR 3.3 million) and besides fixed-term deposits of EUR 20.0 million (previous year: EUR 0.0 million), they also include investments in physical gold amounting to EUR 1.7 million (previous year: EUR 1.7 million). The company did not make any new investments in gold in 2024.

Securities comprise investments in investment funds approved by the Supervisory Board. As of 12/31/2024, the securities portfolio stood at EUR 5.1 million (previous year: EUR 5.1 million).

Cash on hand and bank balances amounted to EUR 72.6 million as of 12/31/2024 (previous year: EUR 65.6 million).

The company is financed by cash flow continuously generated. Liabilities include trade payables in the amount of EUR 1.6 million (previous year: EUR 2.1 million) and obligations towards affiliated companies in an amount of EUR 2.4 million (previous year: EUR 2.5 million), down payments received in an amount of EUR 4.9 million (previous year: EUR 4.8 million) as well as other liabilities in the amount of EUR 1.1 million (previous year: EUR 1.6 million). Total liabilities amount to EUR 10.0 million (previous year: EUR 11.1 million). As of 12/31/2024, there are no significant foreign currency liabilities. There are also no bank loans. It remains the company's intention not to use bank loans to finance business operations.

An unsecured credit line in the amount of EUR 1.0 million (previous year: EUR 1.0 million) is in place with the principal bank which may optionally be used for guarantee purposes or as an overdraft facility. As of the reporting date, an amount of EUR 0.3 million was used for guarantees (previous year: EUR 0.5 million). As in the previous year, there were no liabilities to banks.

Other provisions mainly comprise commitments to employees for variable salary components as well as adequate provisions for expected invoices and vacation commitments.

Deferred income amounting to EUR 0.4 million (previous year: EUR 0.8 million) essentially includes deferred sales revenues.

As of 12/31/2024, the equity of ATOSS Software SE stood at EUR 67.6 million (previous year: 50.8 million) in spite of the dividend distributed at the beginning of May 2024 totaling EUR 26,8 million and taking into account the net income for the year of EUR 43.6 million, resulting in an equity ratio of 56 percent as of 12/31/2024 (previous year: 54 percent).

Thanks to the continuing overall excellent earnings situation and to its continuing sound asset position, the company expects its ability to meet its financial commitments to remain unchanged in the future.

Employees of ATOSS Software SE
In financial year 2024, ATOSS Software SE employed an average of 415 staff (previous year: 410). Of these, 113 (previous year: 107) in development, 102 (previous year: 97) in consulting, 107 (previous year: 119) in sales and marketing and 93 (previous year: 87) in administration. Personnel costs in 2024 amounted to EUR 52.4 million, some 5 percent higher than the figure of EUR 49.8 million for the preceding year. As for the previous year, there were no traineeships as of 12/31/2024.

Report on opportunities and risks for ATOSS Software SE
The main opportunities and risks for ATOSS Software SE as the Group parent company and the only significant operating company in the ATOSS Group reflect the opportunities and risks of the Group described in Section 3 "Risk and opportunity report". ATOSS Software SE is integrated into the Group-wide risk management system.

Outlook for ATOSS Software SE
The comments made in Section 4 "Outlook" on the future economic and sector climate also apply to the following commentary on the outlook for ATOSS Software SE for financial year 2025 as the parent company of the ATOSS Group.

With regard to financial year 2025, we expect for ATOSS Software SE as the parent company of the ATOSS Group a revenue increase of around 11 percent within a range of +/- 3 percent. At the same time, in financial year 2025, ATOSS intends to increase the level of investment in addressing new markets and associated opportunities for fresh growth in the field of workforce management. Investments are planned in particular in sales and marketing. With an essentially overall stable cost structure, the company is assuming a profit margin based on the ratio of pre-tax earnings to sales revenues (on the level of the company under HGB) of 33 percent within a range of +/- 3 percent for the 2025 financial year.

Comparison of actual with the forecast performance of ATOSS Software SE
In its outlook for financial year 2024 published in February 2024, ATOSS Software SE forecast a revenue increase of around 13 percent within a range of +/- 3 percent and a profit margin based on the ratio of pre-tax earnings to sales revenues of 30 percent within a range of +/- 3 percent.

Thanks to the positive growth of the business in 2024 with a rise in revenues of 15 percent to EUR 167.0 million (previous year: EUR 145.1 million) and a profit margin of 38 percent on pre-tax earnings of EUR 64.0 million (previous year: EUR 53.6 million), ATOSS met its forecast rise in revenues in 2024 in full and significantly exceeded its profit margin forecast. The fact that the profit margin was exceeded is primarily due to lower personnel expenses versus the original budget resulting from the temporary deferment of investments in the expansion of sales personnel resources. Consequently, pre-tax earnings also came in ahead of the budget.

3. Risk and opportunity report

3.1. Company-wide risk management and control system

The following section contains typical management report disclosures also relating to the disclosure requirements of ESRS 2-GOV 5.36 as well as ESRS G1.3 MDR-A 68 a) with respect to the Group sustainability report.

As a capital market oriented company as defined in Section 264d of the German Commercial Code, the company is obliged in accordance with Section 289 (4) and Section 315 (4) of the Commercial Code to describe the essential features of its internal risk management and control system insofar as this affects its accounting procedures.

The law does not provide a definition of an accounting-related internal control and risk management system. Drawing upon the definitions given by the Institut der Wirtschaftsprüfer in Deutschland e. V., Düsseldorf, of an accounting-related internal control system (IDW PS 261 new, Note 19f) and of a risk management system (IDW PS 340 new, Note 4), we understand an internal control and risk management system to be an all-embracing system. An internal control system is accordingly considered to comprise the principles, processes and measures introduced internally within the undertaking by the management to support the organizational implementation of management decisions

- to safeguard the effectiveness and economic efficiency of business operations,
- to ensure the correctness and reliability of internal and external accounting processes, and
- to comply with the provisions of the law applicable to the company.

The risk management system comprises the entirety of all organizational rules and activities designed to recognize risk and deal with the risks inherent in the conduct of business. Opportunity management is not subject to any comparable, systematic process. Risk in this context is deemed to be a negative deviation from expectations. Against this background within the framework of the existing risk management system we concentrate solely on the identification of risks. The procedure for the recognition and management of risk is described in the following explanatory notes:

In accordance with its long-term business strategy the company endeavors to avoid exposure to any unreasonable risks. Nevertheless in the course of its ordinary business activities the company is unavoidably exposed to a variety of risks which arise from these business operations as well as from changes in environmental conditions.

In order to make these risks transparently clear and evaluate them, the company has developed a comprehensive risk management system. The object is not merely to identify and monitor risks on an ongoing basis throughout the Group on the basis of an integrated overall risk inventory, but also having assessed the probability of their occurrence and the conceivable level of damage that may be caused, to provide decision-making criteria which convey a transparent picture of the company's willingness to accept risk exposure. At the same time, developments that represent an existential threat can be detected in time, enabling suitable counter-measures to be implemented immediately to secure the company as a going concern. The assessment as to whether an existential threat exists with respect to the company's financial position, cash flows and results of operations, presupposes the determination of the company's risk capacity in relation to the overall risk position. The risk capacity is defined as the maximum risk that the company can bear over time without endangering its own continuation as a going concern. This capacity is analyzed and monitored by the Management Board on an ongoing basis taking account of earnings and liquidity developments. As part of the risk assessment, the gross risks are first registered and then presented as net risks reduced by the effect of measures to manage the risk. Extreme risks involving very extensive losses and very low probability of occurrence (so-called tail event risks) are also surveyed by the company as part of its risk survey.

Overall in the view of the Management Board, ATOSS has an extremely comprehensive and easily comprehended system at its disposal which meaningfully supports the company's risk strategy.

3.2. Risk report

The following section contains typical management report disclosures also relating to the disclosure requirements of ESRS 2-GOV 5.36 with respect to the Group sustainability report.

In the past financial year two risk reviews were undertaken. The results were compiled by the risk management committee in a risk report and submitted to the Management Board.

In accordance with the principles adopted by ATOSS for the management of risk, all individual risks with an expected loss value (calculated as the product of the level of loss and the probability of occurrence) of more than EUR 2.0 million within the divisions and the two main subsidiaries, ATOSS CSD Software GmbH and ATOSS Aloud GmbH, as well as risks with an associated loss value which is merely rated as "high" or is not quantifiable, are fundamentally deemed to be material. As previously, there are no individual risks with an expected loss value greater than EUR 15.0 million.

Looking ahead to the coming two years, provided that there is no material change in either the market environment or general economic data, the company anticipates a similar risk structure.

Probability of occurrence of potential risk

Level	
Low	0-33%
Medium	>33-66%
High	>66-100%

Extent of loss entailed in potential risk (gross)

Level	
Low	EUR 0 - 1.0 million
Medium	> EUR 1.0 - 5.0 million
High	> EUR 5 million

Limits for expected loss value (gross)

Level	
Observe	EUR 0 - 1.0 million
Monitor	> EUR 1.0 - 5.0 million
Material	> EUR 5.0 million

Corporate risks

Risk category	Probability of occurrence	Extent of loss	Expected loss value
Economic, political, social risks:			
1) Global, economic and political environment	medium	high	material
2) Legal risks and intellectual property	low	high	monitor
3) Data protection	low	high	material
Corporate Governance & compliance risks			
4) Unauthorized publication of information	low	high	monitor
5) Ethical conduct	low	low	observe
Financial risks			
6) Counterparty risk	low	low	observe
7) Liquidity risk	medium	low	observe
8) Market risk	medium	medium	monitor
Personnel risks			
9) Personnel resources	medium	high	material
IT risks			
10) Cloud operation	medium	high	material
11) Cybersecurity and IT security	low	high	material
Operating risks			
12) Strategic risks	medium	high	material
13) Sales	medium	high	material
14) Consulting	low	medium	observe
15) Partner network	low	low	observe
16) Technology and products	low	medium	monitor
17) Exceptional incidents	low	high	monitor
18) Other risks	low	high	monitor

Economic, political, social and regulatory risks:

1) Global, economic and political environment (material)
The current geopolitical and economic uncertainty around the globe could have a negative impact on the business activities of ATOSS and lead to heightened competitive and price pressure as a result of companies' reluctance to invest. Besides intensive customer service as part of the sales processes in which the benefits and sustainable value added from the use of ATOSS solutions are identified, the Group has implemented various measures such as the continuous monthly monitoring of all ATOSS KPIs of managerial relevance or the regular preparation of reports on the current financial status and progress of investments. The ongoing expansion of the proportion of recurring software revenues in total revenues leading to more predictable revenues and consequently greater stability in the face of fluctuating sales, represents a further risk minimization factor in this context.

2) Legal risks and intellectual property (monitor)
ATOSS is exposed to various risks under contract, antitrust, trademark and patent law on the basis of its business activities. The Group counters these risks through various internal measures such as internal guidelines, processes and control mechanisms as well as through the inclusion of internal and external legal advisors.

3) Data protection (material)
If the increasingly complex and strict regulations on data protection are not observed or the agreed demands from our customers on our products and services in this regard are not adequately met, this could lead to civil liability claims, fines as well as the loss of customers and damage to the reputation of ATOSS. For this reason, the Group has implemented suitable, sector-specific processes and steps to ensure confidential and compliant treatment of customer data as well as trade and business secrets in addition to extensive measures to ensure that statutory requirements on data protection (Data Protection Directive) are observed. In order to safeguard the technical security of ATOSS Cloud Operations, an information security management system (ISMS) has been established based on the model of the international security standard ISO/IEC 27001:2022 which ensures continuous improvement and guarantees the protection of our customer data in accordance with established standards (state of the art).

Corporate Governance and compliance risks:

4) Unauthorized publication of information (monitor)
The regulatory environment for ATOSS Software SE which is listed in the prime standard of the German stock exchange, is one of great complexity. Any breach of the regulations could have a negative impact on the company's net assets, financial position and earnings situation, its share price and its reputation. For this reason, appropriate processes and measures have been implemented in the company to observe statutory duties of transparency.

5) Ethical conduct (observe)
Ethically unjustifiable conduct could inflict considerable damage on the company's business activities, financial position and earnings situation as well as its reputation. For this purpose, the Group has implemented a compliance management system intended to ensure that legal regulations and directives are observed.

Financial risks:
Through its business operations, the company is exposed to various financial risks: credit risk, default risk, liquidity risk and market risk. The company's risk management with regard to financial risks is aimed at recognizing unpredictable developments on the financial markets, and minimizing any potentially negative effects on the company's financial position.

6) Counterparty risk (observe)
In order to manage its credit risks, ATOSS enters into transactions exclusively with creditworthy third parties. All major customers with whom the company wishes to enter into credit-based transactions are subjected to credit checks. Receivables are also monitored on an ongoing basis with the result that default risks are reduced to an acceptably low level. The maximum default risk is limited to the carrying value detailed in the Notes. In the case of the company's other financial assets such as cash and cash equivalents, the maximum credit risk in the event of a counterparty default equates to the carrying value of these instruments.

7) Liquidity risk (observe)
The company monitors the risk of a liquidity bottleneck on an ongoing basis. The company, however, views the risk concentration of its financial assets and trade receivables with regard to the liquidity risk as low. For example, receivables are due from customers in a variety of sectors, operating in independent markets. The company also invests its available liquidity in various forms of investment such as gold, securities held as current assets and fixed-term deposits, thereby ensuring a broad diversification of risk. Taken together with its high level of cash and cash equivalents available at short notice and its consistently positive operating cash flow, the company assesses its overall liquidity risk as medium.

8) Market risk (monitor)
The market risk is namely the risk that the fair value of or cash flows from a financial instrument may fluctuate as a result of variations in market prices. The investments made by the company in physical gold are susceptible to market price risks arising from uncertainties in the future development in the value of these financial instruments. For this reason, the company manages the market price risk through diversification and by limiting its investments in individual forms of investment and investment securities. All investments in financial assets are also subject to review and approval by the management. To monitor the market risk, the financial markets are also kept under constant surveillance and regular reports submitted to the Management and Supervisory Boards on the growth of financial assets and their current yields.

As of 12/31/2024, the risk at Group level associated with financial assets invested in investment funds amounted to EUR 5.2 million at fair value. In the case of financial assets invested in gold, the risk at Group level as of 12/31/2024 amounted to EUR 4.3 million at fair value. The Group holds no derivative financial instruments. In addition, the Group holds investments in US dollars and CHF amounting at fair value to EUR 2.1 million and EUR 5.3 million respectively as of 12/31/2024.

Market risk also includes the risk from a rise in inflation rates. The Group strives to minimize this risk by building long-term relationships with suppliers, agreeing fixed prices, regularly liaising and negotiating with its suppliers and placing orders for large purchasing volumes. To protect its margins, the Group also has price adjustment clauses in customer contracts involving continuous obligations (cloud, maintenance and hotline).

The company's equity serves to guard against economic, sector- and company-specific risks. Consequently, the company's financial strategy is directed towards maintaining a level of equity commensurate with such risks. In order to maintain or modify its capital structure, the company can adjust its dividend payments to shareholders, or make a repayment of capital to the shareholders, or issue new shares. As of 12/31/2024 and 12/31/2023 no changes were made in the Group's objectives, policies or procedures.

The financial risks described do not represent a threat to ATOSS either individually or in their totality.

Personnel risks:

9) Personnel resources (material)
Recruiting highly qualified employees and ensuring that they remain loyal to the company for the long term represent crucial factors for the success of the entire software sector. Consequently, ATOSS Software SE is facing the challenge of retaining its staff and developing their skills. Otherwise, there is a danger of losing the necessary knowledge, skills and relationships for developing, selling and implementing our innovative software solutions.

IT risks:

10) Cloud operation (material)
In the area of cloud solutions, there is a risk that increasing the degree of standardization / automation of cloud service management processes and cloud support for our customers will be unsuccessful. For this purpose, the Group has implemented various measures to expand its cloud product functionalities as well as its cloud service management tools and processes. The Group counters the risk of an insufficient level of cybersecurity in the operation of its cloud solutions by means of extensive quality assurance processes which are continuously refined. The Group manages the risks of a lack of stability in cloud service providers as well as security and availability problems when operating ATOSS cloud solutions by means of constant monitoring and consistently high investment in the cloud product.

11) Cybersecurity and IT security (material)
A cyber attack or any fraudulent internal data loss that puts IT security at risk could entail considerable legal and financial risks and have a negative impact on ATOSS' customers, partners, financial position, business operations, image and business in general. As a response to the growing number of cyber attacks around the world and on the assumption that the methods used by hackers in our complex and threatened cybersecurity landscape will only improve, ATOSS Software SE devotes large resources every year to analyzing, changing and improving its protective measures in the area of cybersecurity as well as to remedying any weaknesses found.

The effectiveness of measures implemented in the areas of cloud operations and cybersecurity was re-confirmed with the successful conclusion of the audit conducted by DEKRA in November 2024 for ISO certification ISO/IEC 27001:2022 of the ISMS of ATOSS Cloud Services for Workforce Management Solutions – the world's leading standard for information security management systems (ISMS) and thus the most important cybersecurity certification. With this certification, ATOSS is laying down an important marker for the documentation of its state-of-the-art processes throughout the Group.

ATOSS could incur additional maintenance costs as a result of customers in the future continuing to run cloud application software versions which are no longer supported. The Group counters this risk with the aid of a comprehensive marketing and enablement strategy. This strategy is intended to enable customers to convert to new apps in good time themselves or to make use of additional service offers from ATOSS.

Operating risks:

12) & 13) Strategic risks (material) and sales risks (material)

a) Risks from a competitive environment
ATOSS operates in an intensely competitive and technologically fast-paced market in which there are few major suppliers. The appearance of new entrants to the market could entail risks. These risks are minimized by diversifying the customer base, setting up sales and distribution by sector, using advanced, pioneering technologies and not least by means of reputable reference customers and a high level of expertise in the implementation of software projects. The company has also taken suitable steps to protect and secure its IP rights. At the same time, these risks are adequately mitigated by maintaining a strong order book position, excellent capital ratios and high liquidity. The company has a competitive cost structure and invests considerable sums in development in order to maintain and expand its technological lead and broaden its customer base.

b) Failure to expand the business model to the cloud or to open up new markets
The Management Board is aware that expanding its business model to include additional services and opening up new (geographical) markets comes with risks. The general risk of these activities failing is minimized by careful planning and close monitoring and management.

c) Rising revenue expectations require the acquisition of major projects.
High growth targets require the winning of major projects and are therefore dependent to a decisive extent on the planning and commitment of qualified specialists and managers. To minimize this risk, particular care is taken to generate appropriate pipeline projects in dedicated sectors such as retail, logistics, medical and cross sales as well as to enter into strategic partnerships. Furthermore, the recruitment process also prioritizes candidates particularly well qualified to develop and win major projects.

d) Lengthy, complicated sales processes in the cloud
Cloud checks and IT security verifications conducted by potential customers can extend the sales cycle. This risk is currently sufficiently met by standardizing systematic cloud security checks, initiating such checks at an early stage and establishing corresponding expertise within teams.

14) Consulting (observe)
One important element of our business is the successful implementation of software and service solutions designed to help our customers reduce complexity and work as efficiently as possible. Through the constant monitoring and supervision of customer projects, the risk of insufficiently satisfying customer requests is adequately minimized in the course of implementation.

15) Partner network (observe)
International direct sale projects and/or sales and distribution partnerships are frequently large-scale operations and challenging with respect to the support from ATOSS required and expected. The risk here consists essentially in the disproportionately high allocation of highly specialized ATOSS resources to a few individual projects / partnerships. The risk is minimized by ensuring that international partnerships are only entered into where there is a contractually agreed balance between software revenues and consulting services (e.g. through contractually fixed minimum revenues) in order to thereby guarantee an economic allocation of resources. Furthermore, in the case of major international projects, customers are informed of the lead times and estimated duration of the project well in advance in order to manage their expectations accordingly.

16) Technology and products (monitor)
There is a basic risk of customers leaving due to poor product quality or late completion of technologies and product developments leading to the loss of long-standing recurring revenues. This risk is sufficiently covered by regularly monitoring the status of various project developments with the inclusion of the Management Board. In addition, monthly evaluations with regard to the loss of cloud and maintenance revenues, i.e. recurring revenues, are built into the monthly management report package.

The risk of security loopholes in the ATOSS solution suites which could damage confidence in and the reputation of ATOSS, is mitigated by security processes clearly defined for this purpose with internal and external tests.

17) Exceptional incidents (monitor)
The Group counters the risk of malfunctions in or interruptions to operational procedures as a result of the general fire risk and resulting damage to property, financial loss and personal injury by strict adherence to all statutory requirements regarding fire safety and health and safety at work. The associated risk of data loss or IT failure is minimized by the implementation of various backup mechanisms.

18) Other risks (monitor)
Besides the material risks and risks to be monitored already described, there are further risks classified by the Group as "to be monitored" due to their low expected loss value.

3.3. Opportunities report

The Management Board sees the main opportunities in the following descending order in terms of their significance: We perceive opportunities to further expand our business model, in particular, in the trend towards the full digitization of HR processes, in the general move towards cloud solutions and in the growing demands on companies to make working time more flexible. Major factors in this regard include: a shortage of skilled staff, demographic considerations, the growing need to boost productivity and the resulting demands of companies for workforce management solutions. As one of the leading workforce management solution providers, we expect to continue profiting from these developments.

The ATOSS Group also perceives high growth potential in the retail, healthcare, manufacturing and logistics sectors in particular.

We see further growth opportunities in specifically targeting new sectors and in the international deployment of our software solutions, for example by accessing new markets through the formation of new partnerships.

3.4. Risk management system and the accounting process

The essential features of the accounting-related internal control and risk management system at ATOSS Software SE may be described as follows:

- The company exhibits a clear management, corporate and control structure.
- The functions of the financial accounting, order processing and controlling departments materially involved in the accounting process are clearly separated and responsibilities are unambiguously assigned
- For the purpose of analyzing and managing risk factors that may impinge on earnings, we have integrated the risk management system previously described and established a coordinated planning and control system.
- In order to continuously monitor the development in our assets, financial position and earnings situation, a report is submitted to the management and to the Supervisory Board on a monthly basis.
- Functions and responsibilities are unambiguously assigned in all areas of the accounting process.
- The departments concerned in the accounting process meet both quantitative and qualitative requirements.
- The IT systems employed in connection with the accounting process are protected by security features against unauthorized access.
- The financial systems employed are based on standard software.
- Matters with a material accounting relevance are discussed and clarified at weekly finance meetings.
- Essential accounting-related processes are subject to regular audit. Where necessary the risk management system is adapted in line with current developments.
- All essential accounting-related processes are consistently subject to the principle of dual control.
- The Supervisory Board concerns itself with matters of material importance pertaining to accounting, risk management and the audit assignment and its areas of emphasis.
- The Management Board bears overall responsibility for the accounting-related internal control and risk management system. All of the companies and departments included in the financial statements are integrated into a clearly defined management and reporting organization.

The accounting-related internal control and risk management system, the essential features of which are described above, ensures that business events are accurately recorded, treated and reflected in the internal accounts and correctly translated into external accounts. The system also guarantees that potential risks are identified at an early stage and appropriate counter-measures initiated where necessary in good time.

The clear management and corporate structure and the appropriate personnel and material resources made available to the accounting departments provide the basis for a correct, uniform and sustainable accounting process. The clear demarcation between areas of responsibility coupled with the various control and monitoring mechanisms ensures that the accounts are prepared coherently and without error.

The company's internal control and risk system further ensures that the accounts are prepared in compliance with legal regulations and statutory requirements as well as internal guidelines and that risks are recognized, assessed and communicated and where necessary counter-measures are taken in good time.

3.5. Overall statement on the risk and opportunity situation

Against the background of the opportunities identified and the overall positive development of the Group and thus of ATOSS Software SE, both the risks and risk potential appear limited and controllable from today's perspective. The systems and processes in the sphere of risk management have proven themselves. New material risks or changes in the evaluation of the expected loss values of existing risks only occurred in the "Legal risks and intellectual property" risk in the 2024 financial year. Climate-related risks were classified as immaterial. On the basis of a review of the risk position at the time when the management report was prepared, the Management Board sees no risks that threaten ATOSS as a going concern or put the future of the company in doubt.

As a general rule, there is also the possibility that as yet unrecognized and unreported risks may arise which might also incur negative effects on business activities. The combination of in principle mutually independent risks may present additional hazards to the company which may amplify one another. ATOSS will therefore continue to constantly monitor its environment and review the effectiveness of measures taken and of the risk management system as a whole. Despite continuous adjustments to the risk management system, it is not possible to quantify either the probability of the described risks occurring or their level of financial impact.

3.6. Description of the main features of the internal control system*

In addition to the internal risk management and control system described in Section 3.1 (with respect to the accounting process), the Group also has a risk management and internal control system extending beyond the accounting process which also includes a compliance management system designed to monitor the Group's risk position.

The internal control system of ATOSS Software SE comprises all the rules in the Group which define the methods to be used to manage operational, financial and compliance-related risks. These rules may result from published statements or may be designed as guidelines, work instructions or process descriptions. The structure, approval, revision and communication of these internal rules follow standardized procedures. Furthermore, all employees of the ATOSS Group are obliged to comply with the ATOSS Code of Conduct in the course of their duties and work. The ATOSS Code of Conduct represents the cornerstone of the compliance management system by providing an overview of the values and principles that shape daily interactions with business partners, shareholders, employees and society. The internal control system also includes sustainability aspects which are constantly refined on the basis of regulatory requirements.

In order to improve scalability, nearly all business processes are supported by IT solutions. As far as is possible and appropriate, the Group uses the control mechanisms built into these applications or services as they offer a higher degree of security and efficiency in implementing the controls than manual checks. Additional manual process checks to prevent or reveal errors round off the internal control system.

The Group also has a clear concept to identify and mitigate information security risks. External audits (ISO/IEC 27001:2022) relating to ATOSS Cloud Services for Workforce Management Solutions, the conclusion of corresponding insurance policies for information security risks and a training and compliance program supplement the protection measures in this area. The Supervisory Board's audit committee is also kept regularly informed of the company's risk position (at least every six months or as part of ad hoc risk reports by the risk management committee). In business processes, the relevant process owners are responsible for the effectiveness of the controls implemented. Overall responsibility lies with the Management Board.

The internal control system and the risk management system are dynamic systems which are continuously adapted to fit changes in the business model, the nature and scope of business transactions or responsibilities. The upshot is that both the reviews carried out by the Financial Compliance Department and the external audits (ISO/IEC 27001: 2022 certification, audit procedures carried out by the auditor of the consolidated financial statements) give rise to potential improvements with regard to suitability (lack of appropriate controls) or the effectiveness of controls (inadequate execution). Potential improvements can also ensue from possible compliance incidents. Based on its current design, the Management Board has no indications that the internal control system system and the risk management system in its entirety have not been appropriately set up or are ineffective.

* Section unaudited

4. Outlook

The global economy currently finds itself facing heightened economic uncertainty at a time when growth is in any case moderate The new US presidency and geopolitical risks, in particular, including tensions between the major powers, continue to represent a substantial risk to the global stability of the economic landscape. According to economic experts, any tightening of protectionist policies, e.g. triggered by a new wave of customs tariffs, could intensify trade tensions, reduce investment, distort the flow of trade and once again disrupt supply chains. For this reason, the IMF continues to expect only moderate growth in the global economy in 2025 of 3.3 percent.

The EU views the future with somewhat greater skepticism, only calling for a noticeable economic recovery from 2026 onwards. For example, according to their forecast published in the fall, the bureaucrats from Brussels are expecting gross domestic product (GDP) to grow by 0.8 percent in 2024 and 1.3 percent in 2025.

The outlook for the German economy which again slipped into recession in 2024, is similarly modest. According to the Federal Statistical Office, gross domestic product (GDP) fell by 0.2 percent in 2024 compared with the previous year. With regard to Germany, economists are not expecting any significant pick-up in economic output in 2025. Besides the outcome of the German elections, one major uncertainty for the German economy is the presidency of Donald Trump who took up office in the White House on January 20, 2025. Should Trump slap tariffs of up to 20 percent on imports from Europe, as he has announced, that would be likely to hit the export-oriented German economy particularly hard. The council of economic experts is expecting the economy to grow by a mere 0.4 percent[1] in 2025, and the Bundesbank sees developments even more modest at 0.2 percent.[2]

Significantly stronger growth forecasts are seen in the software industry, however, driven primarily by business in the cloud. For example, the market forecast for the German ICT market for 2025 published by the industry association BITKOM in December 2024 is predicting growth in the software segment of 9.8 percent to EUR 51.1 billion.[3]

Please refer to the above-mentioned description of opportunities and risks under 3 Report on opportunities and risks. Clearly distinguished as it is at the level of products and technology, financial stability and sustainability and with references in all relevant markets, ATOSS is well positioned to take advantage of the opportunities that present themselves and convert these into business success. What's more, the company sees considerable potential to improve the competitiveness of its target customers and thereby secure sustained sales opportunities in the company's specialist field of solutions designed to enhance workforce management efficiency.

With regard to the 2025 financial year, we are expecting the ATOSS Group to achieve total Group revenue of at least EUR 190 million. At the same time, in financial year 2025, ATOSS intends to increase the level of investment in addressing new markets and associated opportunities for fresh growth in the field of workforce management. Investments are planned in particular in sales and marketing and development. With an essentially stable cost structure overall, the company expects to see an EBIT margin to revenue ratio of at least 31 percent at Group level in fiscal 2025. After the dividend distribution, ATOSS Software SE, with its balance sheet structure largely unchanged, will continue to enjoy a comfortable equity ratio of over 40 percent Furthermore, the Group is expecting operating cash flows of over EUR 50 million.

1 German Council of Economic Experts: 2024/25 Annual Report – Addressing shortfalls, modernizing resolutely
2 German Bundesbank, Press Release 12/13/2024 – Forecast for Germany
2 BITKOM, ICT market figures December 2024

5. Group sustainability report

This sustainability report is prepared on a consolidated basis for the ATOSS Group and simultaneously fulfills all requirements for the sustainability declaration for the ATOSS Group in accordance with the European Sustainability Reporting Standards (ESRS) as well as the requirements for non-financial reporting obligations pursuant to §§ 315b to 315c of the German Commercial Code (HGB). The sustainability statement for the ATOSS Group is prepared in full compliance with the ESRS.

General disclosures

- ESRS 2-BP 1 General basis for the preparation of the sustainability report
- ESRS 2-BP 2 Disclosures in connection with specific circumstances
- ESRS 2-GOV 1 The role of administrative, managerial and supervisory bodies
- ESRS 2-GOV 2 Information and sustainability aspects handled by the company's administrative, managerial and supervisory bodies
- ESRS 2-GOV 3 Inclusion of sustainability-related performance in incentive systems
- ESRS 2-GOV 4 Due diligence statement
- ESRS 2-GOV 5 Risk management and internal checks on sustainability reporting
- ESRS 2-SBM 1 Strategy, business model and value chain
- ESRS 2-SBM 2 Interests and viewpoints of stakeholders
- ESRS 2-SBM 3 Material impacts, risks and opportunities and their interactions with the strategy and business model
- ESRS 2-IRO 1 Description of the procedure for determining and evaluating material impacts, risks and opportunities
- ESRS 2-IRO 2 Disclosure requirements covered by the company's sustainability reporting in ESRS

ESRS E1 Climate change

ESRS S1 The company's workers

ESRS S4 Consumers and end users

ESRS G1 Corporate governance

Disclosures on the basis of the EU Taxonomy Regulation

ESRS 2-BP 1 General basis for the preparation of the sustainability report

The sustainability report relates to the ATOSS Software SE Group (hereinafter referred to as "ATOSS", the "company"). The underlying basis for the data corresponds to the group of consolidated companies included in the financial reporting. In its sustainability activities and in assessing the impact of sustainability, the ATOSS Group focuses on its own operations and the upstream and downstream value chain.

The Group did not avail itself of the opportunity to omit any specific information relating to intellectual property, know-how or the results of innovations. Equally, the Group did not make use of the exemption under Article 19a (3) and Article 29a (3) of the 2013/34/EU Directive governing exemptions to the disclosure of imminent developments or matters under negotiation.

ESRS 2-BP 2 Disclosures in connection with specific circumstances

This sustainability report is compiled for the ATOSS Software SE Group on a consolidated basis, and at the same time it meets all requirements for the sustainability declaration of the ATOSS Software SE Group under the European Sustainability Reporting Standards (ESRS) as well as the demands on non-financial reporting obligations in accordance with Secs. 315B to 315c of the German Commercial Code (HGB) (non-financial Group declaration). The sustainability declaration has been prepared for the ATOSS Software SE Group taking full account of the ESRS.

Declaration on the fulfilment of reporting obligations under commercial law:
The European Sustainability Reporting Standards (ESRS) are used for the first time in their entirety as the framework in accordance with Secs. 315C (3) in conjunction with Sec. 289d HGB due to the importance of the ESRS as the reporting standard for sustainability reporting accepted by the European Commission.

Our business activities, business relationships, products and services do not give rise to any material risks that are very likely to have serious negative impacts on the non-financial aspects in accordance with Sec. 289c HGB.

Disclosures on the basis of the EU Taxonomy Regulation
As part of the environmental information in this sustainability declaration, the disclosures for the ATOSS Group in accordance with Article 8 of Regulation 2020/852 (EU Taxonomy Regulation) are to be found on Page 88 ff.

The Group did not deviate from the medium-term or long-term time horizons defined in ESRS 1 Section 6.4 for the purposes of sustainability reporting.

The disclosures in ATOSS' sustainability declaration include data estimates in some cases, or in other words, the disclosures are subject to measurement uncertainties. Where only some of the data were available, the missing data were extrapolated. Where this is the case, a note was inserted at the relevant point.

All significant Scope 3 emissions in the value chain are subject to estimates or projections (for the assumptions made, the methodology and emission factors used, see table in ESRS E1-6). With regard to the resulting accuracy of the Scope 3 categories reported, see also table in ESRS E1-6.

The estimates reported under Scope 3.11 in the upstream and downstream value chain are subject to a high degree of uncertainty. For the sources of measurement uncertainties and the assumptions made, please refer to the table in ESRS E1-6. In terms of our own operations, no key data or monetary amounts are subject to a high degree of measurement uncertainty.

Inclusion of information by reference

ESRS Disclosure requirement	Information	Reference to sections of the management report
ESRS 2-GOV 5.36	Risk assessment	3.1. Company-wide risk management and control system 3.2 Risk report
ESRS 2-SBM 1.40 a) i) und ii)	Strategy, business model, markets, customer groups	1. 3 Positioning of the ATOSS Group
ESRS G1.3 MDR-A 68 a)	The most important actions taken in the reporting year and the methods employed to implement them	3.1. Company-wide risk management and control system

ESRS 2-GOV 1 The role of administrative, managerial and supervisory bodies

Managerial and non-managerial members of administrative, managerial and supervisory bodies:

	Administrative and managerial bodies	Supervisory bodies
Number of executive members:	3	0
Number of non-executive members:	0	4

Representation of employees and other workers in administrative, management and supervisory bodies
In accordance with Secs. 95 Sentence 2, 96 (1) last instance, 101 (1) of the German Stock Corporation Act (AktG) and Sec. 10 (1) of the company's articles of association, ATOSS Software SE's supervisory board consists of four members, three of whom are elected by the annual general meeting of shareholders. The fourth member of the supervisory board is delegated to the supervisory board by the shareholder entitled to delegate (currently: AOB Invest GmbH headquartered in Grünwald) in accordance with Sec. 101 (2) AktG and Sec. 10 (1) Sentence 3, (3 to 4) of the articles of association Employees are included through SE's Works Council. For example, where warranted, SE's Works Council can approach the Management Board directly at any time and inform it of employees' concerns and needs. The results of employee satisfaction surveys (see Section ESRS S1, Company's workforce) are also included in the Management Board's variable remuneration component.

Experience of administrative, managerial and supervisory bodies of relevance to industry sectors, products and geographic locations
Members of the Management Board possess the necessary knowledge and experience to conduct the business of the ATOSS Group. Members of the Supervisory Board hold the necessary knowledge and experience to perform their monitoring duties. Their relevant fields of expertise include the development and sale of software solutions, designing and implementing strategies, IT, cloud computing and digitalization, risk management and accounting.

Gender diversity in administrative, managerial and supervisory bodies
The Management Board of ATOSS Software SE consisting of three members is composed exclusively of male members as of December 31, 2024. The Supervisory Board of ATOSS Software SE consisting of four members is also exclusively male. The proportion of independent members of the body (independent members of the Supervisory Board) in ATOSS Software SE's dualistic system stands at 75 percent. Employees are included through SE's Works Council.

Names of administrative, managerial and supervisory bodies responsible for monitoring the impacts, risks and opportunities

Members of the Management Board as of 12/31/2024 are the following:

Andreas F.J. Obereder	CEO Sales & Marketing, Human Resources, Process Consulting
Christof Leiber	CFO Finance, Investor Relations, Legal and Administration, M&A
Pritim Kumar Krishnamoorthy	CTO Innovation & Development, Consulting Services & Support

The Management Board contract of Dirk Häußermann who has been responsible for the Globalization and Marketing departments as Co-CEO of ATOSS Software SE, ended on 03/31/2024.

Members of the Supervisory Board as of 12/31/2024 are the following:

Moritz Zimmermann	Chairman, member of the Supervisory Board, Munich General Partner at 42 CAP Manager GmbH, Munich
Rolf Baron Vielhauer von Hohenhau	Deputy Chairman, member of the Supervisory Board President Bund der Steuerzahler in Bayern e.V., Munich
Klaus Bauer	Member of the Supervisory Board and Chairman of the Audit Committee, member of the Advisory Board, Nuremburg
Jörn Nikolay (to 10/22/2024)*	Member of the Supervisory Board, Munich
Christian Osterland (since 10/23/2024)*	Member of the Supervisory Board, Munich

Responsibilities of individual bodies or persons in relation to impacts, risks and opportunities

Organizational incorporation of sustainability and inclusion of management
ATOSS Software SE has established a corresponding organizational structure in order to achieve its sustainability targets and implement the associated measures. The Management Board has enshrined corresponding responsibilities, duties and structures in the ATOSS Group. A cross-departmental core sustainability team, consisting of managers and employees from relevant departments, identifies topics and issues of relevance to the subject of sustainability and controls the implementation of corresponding measures. The core sustainability team maintains a regular dialog. The departments Facility & Office Management, Legal & Data Protection, Compliance & Risk Management, IT, Human Resources, Finance and Fleet Management, are permanent members. It is incumbent on the CFO to coordinate the core teams.

Transfer of the management's role to a specific position or management tier committee
The core duty of ATOSS Software SE's Supervisory Board is to make appointments to the Management Board, to regularly advise the Board as well as to monitor management and attainment of the company's long-term objectives. This monitoring and advisory capacity also encompasses sustainability issues, in particular.

Information on reporting duties towards members of the administrative, managerial and supervisory bodies
The Management Board presents the sustainability report to the Supervisory Board.

Monitoring the setting of targets in relation to material impacts, risks and opportunities, as well as progress made in such targets being met by the administrative, managerial and supervisory bodies
A cross-departmental sustainability team consisting of senior executives and employees from the relevant departments, ensures that sustainability issues, in particular sustainability targets, are tackled and implemented in a coordinated manner. The team provides support both for enhancing ATOSS' ESG performance and for the collection of data and information for sustainability reporting. It also supports for the Management Board in all relevant sustainability issues and in preparing decisions to be taken by the Board in this field.

Sustainability-related technical knowledge of administrative, managerial and supervisory bodies
The necessary technical knowledge is available in the Management Board and Supervisory Board both in terms of the business strategy element and risk-related component of sustainability by means of their access to experts and advisors. In this way, the Management Board and Supervisory Board hold the necessary knowledge to identify material impacts, risks and opportunities in the area of sustainability and derive corresponding measures to be implemented. The executive bodies are supported in managing the sustainability-related impacts, opportunities and risks by the risk and compliance management system.

Role of administrative, managerial and supervisory bodies in relation to company policy
The executive bodies of ATOSS Software SE are the Supervisory Board and the Management Board. The Supervisory Board advises the Management Board in the management of the company and monitors its management of the company. It also appoints the members of the Management Board. The Management Board is responsible for running ATOSS. It represents ATOSS Software SE both in and out of court. Below the Management Board, there is a further tier of management: the Executive Leadership Team.

* Delegated to the Supervisory Board of ATOSS Software SE pursuant to right of delegation set out in the Articles of Association

ESRS 2-GOV 2 Information and sustainability aspects handled by the company's administrative, managerial and supervisory bodies

Information to the administrative, managerial and supervisory bodies on material impacts, risks and opportunities
The Management Board is kept regularly informed by the cross-departmental core sustainability team on the implementation status of sustainable activities (e.g. with respect to meeting the sustainability targets set).

Various Key Performance Indicators (KPIs) of relevance to sustainability form part of the regular, internal reporting both to the Management Board and the Supervisory Board.

Potential risks in connection with sustainability aspects are reported to the Management Board and Supervisory Board as part of the risk and compliance management surveys conducted every six months.

The Supervisory Board also reviews the sustainability report of ATOSS Software SE.

Taking account of impacts, risks and opportunities in monitoring the strategy, taking decisions on important transactions and as part of the risk management procedure implemented by administrative, managerial and supervisory bodies
The involvement of the Management Board as a management body and the Supervisory Board as a supervisory body is based for the Supervisory Board on the articles of association and rules of procedure of ATOSS Software SE.

Management Board
The Management Board is bound by the company's interests as well as the business policies of ATOSS Software SE and the principles of proper corporate governance within the framework of statutory regulations. The objective of its corporate governance is to boost the value of the company on a sustainable basis. In the process, the Management Board takes account of ecological and social objectives besides its long-term economic aims. In consultation with the Supervisory Board, it develops ATOSS' strategic alignment and is responsible for implementing this strategy. It is also responsible for maintaining and refining expedient planning, control and risk management systems.

The remits of individual management board members are defined in such a way that all the material functions, products and markets are represented on the board. Decisions of fundamental importance are taken on the basis of systematic, results-driven preparations, an appropriate analysis of the expected income effects and risks as well as open-ended discussions.

In exercising their management of the company, members of the Management Board may not pursue any interests that conflict with or harm the interests of ATOSS Software SE or accept any gifts or other benefits of this nature. They may not, either directly or indirectly, take advantage for themselves or persons or companies affiliated with them of business opportunities to which ATOSS Software SE is entitled. Members of the Management Board are also subject to a comprehensive non-competition clause as well as statutory regulations governing insider trading. In order to assist them in such matters, they have a Compliance Officer who advises them on insider trading issues, monitors compliance with insider trading guidelines and is responsible for corresponding contact with the responsible authorities. The aforementioned principles also apply to senior executives. Significant transactions require the approval of the Supervisory Board.

Supervisory Board
The core duty of the Supervisory Board is to make appointments to the Management Board, to regularly advise the Board as well as to monitor the management and attainment of the company's long-term objectives. This monitoring and advisory capacity also encompasses sustainability issues, in particular.

To fulfill its monitoring role, the Supervisory Board of ATOSS Software SE has prescribed itself rules of procedure. Under the Management Board's rules of procedure, certain transactions require its approval, in particular strategic realignments, investment projects, loans, setting up or investing in companies as well as other transactions exceeding a certain limit. The Supervisory Board's report forming part of the annual report accounts for the attendance of Supervisory Board members and members of the Audit Committee in meetings of the relevant bodies.

In selecting candidates to be proposed to the annual general meeting of shareholders for election to the Supervisory Board, the Supervisory Board pays attention to ensuring that such persons have the necessary knowledge, skills and professional experience.

With regard to the impacts, risks and opportunities which the administrative, managerial and supervisory bodies attended to in terms of sustainability issues in the 2024 fiscal year, please refer to the comments in sections E1, S1, S4 and G1.

ESRS 2-GOV 3 Inclusion of sustainability-related performance in incentive systems

The remuneration system approved by the annual general meeting of shareholders on April 30, 2021 forms the basis for the remuneration of the Management and Supervisory Boards in the ATOSS Group.

The remuneration system supports the business strategy of ATOSS Software SE to further secure its market position as a leading supplier of working time management and workforce management software systems, and generate high sustainable growth by continuously winning new customers and expanding the systems already installed with existing customers.

The remuneration system sets incentives for promoting this business strategy: The short-term variable remuneration (Short-Term Incentive – STI) is based on the financial performance criteria of revenue and EBIT (subject to any differing agreement), thus supporting the focus on profitable growth. As part of a criteria-based modifier, operational and non-financial performance criteria (including ESG targets from the fields of environmental protection, social issues and good corporate governance) of strategic importance for the growth of the company can also be taken into account when calculating the STI, thereby creating additional incentives for sustainable business practices.

At the end of the year, the Supervisory Board assesses whether members of the Management Board have met their targets. In the process, it also considers whether the performance targets for financial and non-financial criteria, including ESG targets, have been met. With regard to the actual attainment of targets in fiscal 2024, see the 2024 remuneration report at https://www.atoss.com/en/company/investor-relations/corporate-governance

Sustainability-related performance parameters as performance benchmarks or their consideration in the remuneration policy of administrative, managerial and supervisory bodies
The sustainability targets agreed for members of the Management Board for fiscal 2024 relate to employee and customer satisfaction as well as ensuring that the targets for Annual Recurring Revenues and churn as an indicator of long-term customer relationships, are met.

Members of the Supervisory Board receive fixed remuneration that does not include any sustainability or climate-related parameters.

E1-GOV 3 Inclusion of sustainability-related performance in incentive systems

The sustainability-related performance parameters currently take no account of climate-related considerations such as any focus on achieving the CO2e reduction targets as described in E1-4.

Proportion of variable remuneration of administrative, managerial and supervisory bodies that depends on sustainability-related targets and/or their impacts
The short-term variable remuneration of the Management Board contains criteria-based adjustment factors, so-called modifiers with annual targets for company NPS (Net Promoter Score) and employee NPS (Net Promoter Score) with factors between 0.9 and 1.1.

Tier of management responsible for approving and updating the conditions of incentive systems for administrative, managerial and supervisory bodies
Responsibility for designing the remuneration – and thus for the conditions of incentive systems – lies with the annual general meeting of shareholders for the remuneration of Supervisory Board members, with the Supervisory Board for the remuneration of Management Board members and with the Management Board for the remuneration of employees.

Members of the Supervisory Board receive fixed remuneration that does not include any sustainability or climate-related parameters.

ESRS 2-GOV 4 Due diligence statement

Application of the most important aspects and procedural steps to meet the duty of due diligence in the sustainability report

Core element of due diligence	Sections in the sustainability report
a) Inclusion of due diligence in the governance, strategy and business model	ESRS 2-GOV 2, ESRS 2-GOV 3
b) Inclusion of stakeholders affected in all important stages of due diligence	ESRS 2-SBM 2
c) Determination and evaluation of negative impacts	ESRS 2-SBM 3
d) Measures to counteract these negative impacts	ESRS E1 Climate change
e) Tracking the efficacy of these efforts and communication	ESRS E1 Climate change

ESRS 2-GOV 5 Risk management and internal checks on sustainability reporting

Scope, principle features and elements of risk management as well as internal checks with regard to sustainability reporting
Sustainability reporting is made at annual intervals. The effects, risks and opportunities identified on the basis of the double materiality analysis and associated datapoints and key indicators are surveyed, checked, viewed and consolidated in subsidiaries and central departments on each reporting date and subsequently elucidated in the sustainability report.

In the process, ATOSS is exposed to the risk that incorrect disclosures or incomplete data are reported. These risks are equally likely and are therefore assigned equal priority.

ATOSS counters these risks of errors by establishing documentation instructions and internal checks throughout the entire process of sustainability reporting. At the same time, the departments responsible for sustainability reporting (cross-departmental core sustainability team) coordinates with the Management Board as and when required in order to point out changes in statutory requirements and their impact on the company at an early juncture. In particular, the specific effects on data gathering are discussed in detail.

Data collection requires a dual control principle as central departments and subsidiaries submit data and the data are only released after plausibility checks. As part of the evaluation, the sustainability data are compared with data from the previous period, in particular. Implausible data are verified and if necessary corrected, or measures implemented to improve the quality of the data or the process. If necessary, the findings are discussed in detail with the employees involved.

ATOSS Software SE defines sustainability risks as events or conditions from the spheres of the environment, social issues or corporate governance, the occurrence of which might have an actual or potentially negative impact on the Group's financial position and performance as well as its reputation. As for all comments made in Section 3.1 – company-wide risk management and control system – of the combined management report, sustainability risks are included as a standard process in the risk inventory to determine all material risks in the Group.

The risk management committee is responsible for properly integrating sustainability risks into the risk management cycle. This also includes checking to ensure adequate capital and liquidity as well as the development of sensible tools to record these risks.

The risk management and compliance department is involved in the refinement of internal specifications in the defined spheres of action for sustainability, and helps to implement effective procedures for the observance of applicable legal regulations, rules, ordinances and standards. This also includes monitoring new regulatory requirements as well as the identification of and where applicable support for the implementation of material legal regulations and specifications in the sphere of sustainability.

The Management Board is responsible for preparing the sustainability report. The Supervisory Board checks it. ATOSS undertakes to ensure that the sustainability reporting is accurate.

Approach to risk evaluation, including the method for classifying risks
The disclosures (ESRS 2-GOV 5.36) are included in the information provided in Sections 3.1 Company-wide risk management and control system and 3.2 Risk report in the combined management report (p. 12 and 13) and at the same time are an integral part of this Group sustainability report.

The most important risks determined and mitigation strategies as well as associated checks
The following material risks related to sustainability issues were identified by the risk management committee in fiscal 2024 as part of the risk and compliance management surveys conducted every six months:
- Company workforce:
- Lack of healthcare leads to high rates of sickness and disrupts operating processes
- Competition for qualified staff from different groups in a diverse work environment has become one of the greatest challenges for many companies and ATOSS, too, has to face up to this problem.
- Consumers and end users::
  - Data leaks / hacker attacks / leaking of customer data – cyber risks

With respect to the mitigation strategies and controls implemented for this purpose, cf. comments in the sections: Company workforce (ESRS S1) as well as Consumers and end users (ESRS S4).

Regular reporting on the specified results to administrative, managerial and supervisory bodies
After the risk and compliance management surveys conducted every six months by the risk management committee have been completed, the Management Board and the Supervisory Board are informed of their results which form the basis for further action. To this end, the results of the risk and compliance management surveys are first analyzed and, where necessary, corresponding recommendations for action issued to the relevant departments or specific measures defined. The implementation of actions is continuously monitored by the management bodies.

ESRS 2-SBM 1 Strategy, business model and value chain

The disclosures (ESRS 2-SBM 1.40 a) i) and ii) are included in the information provided in section 1.3 Positioning of the ATOSS Group in the combined management report (p. 2) and at the same time are an integral part of this sustainability report. Reference is also made to the section ESRS 2-SBM 3 (Material impacts, risks and opportunities and their interaction with strategy and business model).

As of 12/31/2024, the ATOSS Group employed 820 people. For the number of employees by geographical region, see also the comments in section ESRS S1 Company workforce.

None of ATOSS Software SE's products or services are prohibited.

Sustainability targets
Sustainability is a key pillar of ATOSS' business activities. It represents the company's commitment to reconciling the needs of employees, customers, society and the environment with the achievement of its short and long-term growth targets. For ATOSS, responsible conduct and social acceptance are fundamental to its ability to operate successfully in the market. With regard to contribution to social value, cf. comments in section ESRS G1 Corporate governance.

Net Zero Target
At the end of 2024, ATOSS undertook to reduce its greenhouse gas emissions across Scopes 1-3 by a total of 90% compared with 2023 by 2045. This target applies regardless of the product groups offered by ATOSS or customer groups targeted.

Recruiting highly qualified, motivated employees and ensuring their loyalty to the company on a lasting basis represent the key to success, and are thus an important input factor for the ATOSS business model. For employees as an input factor, see also ESRS S1 Company workforce.

With regard to the evaluation of the most important products, services, markets and customer groups, suppliers and investors in terms of ATOSS' own sustainability targets and its own social contribution, cf. comments in the sections for ESRS E1, S1, S4 and G1.

ESRS 2-SBM 2 Interests and viewpoints of stakeholders

The ATOSS Group divides its stakeholders into internal and external participants. The internal groupings comprise the company's employees, Management Board, Supervisory Board, Compliance Management Committee and Works Council. The external groupings are made up of customers, suppliers and service providers, the partner network, shareholders and investors, (potential) future employees as well as important multipliers such as analysts and the media.

ATOSS attaches great importance to maintaining a continuous dialog with these stakeholders. This is also reflected in the structure of the departments at ATOSS which focus on dialog with these stakeholder groups. For example, they include the departments of Sales, Customer Services & Support, Human Resources, Marketing and Investor Relations.

In the 2024 financial year, the ATOSS Group maintained a regular dialog with all the relevant stakeholders. Trust is to be established by means of an open, constructive dialog, thus fostering mutual understanding. ATOSS always strives to understand and weigh up stakeholders' potentially differing perspectives and viewpoints, and if applicable to derive measures from them. This exchange allows the company to identify themes and topics that it perceives as significant in terms of its entrepreneurial responsibility. Investors and ATOSS' shareholders make up a key stakeholder group in addition to customers and employees. The ATOSS Group uses various communication channels to engage in dialog with them and it values one-on-one conversations. As well as participating in investor conferences, the company also conducts telephone calls and private conversations with investors on a regular basis. The business performance is communicated via quarterly bilingual press releases, the half-yearly report and the annual report.

Besides holding its regular Annual General Meeting at the end of April, participating in a analysts' conference in November and various investor conferences and roadshows at home and abroad, ATOSS made time for one-on-one discussions with its investors.

In 2024, ATOSS' management once again actively solicited feedback from its employees in surveys (Connect@ATOSS Engagement Survey and Pulse Survey) and annual interviews. Employees were also involved through staff meetings – organized for the German facilities by the Works Council.

Every year, the results of the employee and customer satisfaction surveys are fed into the variable remuneration system for all members of the Management Board via corresponding targets for net promoter scores, thus supporting continuous improvement in the company's sustainability performance. ATOSS maintains continuous dialog with suppliers of importance to the company.

As part of the materiality analysis, no material human rights-related impacts or risks were identified either in relation to workers in the value chain or with respect to communities or indigenous peoples affected. If such groups consider their viewpoints, interests or rights to be impacted by the business activities of ATOSS, those affected can make use of the company's anonymous whistleblower system (see link on ATOSS homepage at www.atoss.com).

The Management Board is kept continuously informed of the results of dialog with the relevant stakeholder groups and any measures required by means of its bilateral exchange with representatives of the top tier of management or their internal proxies (see ESRS 2 IRO-1). The Management Board's working relationship with the company's Supervisory Board is marked by constructive dialog and mutual trust. The Management Board keeps the Supervisory Board regularly informed of any material aspects pertaining to the development of the business, including sustainability issues.

ESRS 2-SBM 3 Material impacts, risks and opportunities and their interactions with the strategy and business model

The list of impacts, risks and opportunities identified by the ATOSS as material is shown in the following tables, broken down by subject area.

The tables also show where these impacts are occurring in the value chain and over what time horizons they are expected.

ESRS E1 Climate change

Sub-Topic	Type	Designation of the IRO (impacts, risks and opportunities)	Description	Value chain: upstream	Value chain: own activities	Value chain: downstream	Time horizons: short-term	Time horizons: medium-term	Time horizons: long-term
Climate protection	Impact, actual, negative	Co2e emissions as the material ecological impact caused internally by ATOSS as a result of energy consumption in buildings, the operation of server rooms and by service providers, mobility	Even if they are relatively low by comparison with other companies and industries, ATOSS causes Co2e emissions as a result of its business activities and its upstream and downstream value chain, thereby contributing to climate change. ATOSS business activities themselves cause relatively low emissions. The largest sources of emissions here are the supply of electricity and heat to rented office space as well as the vehicle fleet. With the development of a climate or net zero strategy in 2024, ATOSS took its first steps towards reducing its impact on the climate.	x	x		x	x	x
Climate protection	Opportunity	Possible net zero strategy as a competitive advantage		x	x		x	x	x

Even if the impacts on the set of issues referred to as climate change are directly linked to ATOSS' business model, they do not give rise to any direct changes to the business model either currently or to be expected in the future. To reduce the impact on the climate caused by its business activities, ATOSS adopted a climate strategy in 2024.

ESRS S1 The company's workers

Sub-Topic	Type	Designation of the IRO (impacts, risks and opportunities)	Description	Value chain: upstream	Value chain: own activities	Value chain: downstream	Time horizons: short-term	Time horizons: medium-term	Time horizons: long-term
Working conditions	Impact, potential, positive	Prevention of sickness and incentives for a healthy lifestyle	Company health management boosts the health of employees, reduces the physical and mental stresses and strains of work, prevents illness and the associated loss of productivity and enhances employees' commitment.		x		x	x	x
Working conditions	Risk	Lack of healthcare leads to high rates of sickness and disrupts operating processes	Various measures for promoting health at ATOSS not only help individual employees but also contribute to the long-term success of the business.		x		x	x	x
Working conditions	Impact, actual, positive	Competitive remuneration and further benefits for employees	In the increasing competition for qualified specialists, attractive remuneration and further employer benefits are decisive factors in recruiting staff and enhancing loyalty. These are the fundamental prerequisites for ATOSS' growth strategy.		x		x	x	x
Working conditions	Opportunity	The reconciliation of family and work is becoming an ever more important factor in the competition for staff.	It is a matter of some concern to ATOSS that employees across all levels of the hierarchy and all divisions of the company take advantage of their parental leave and that they can quickly slot back in after returning from their parental leave. This can have a positive impact on employee satisfaction, leading to lower staff turnover and reducing the associated cost of recruitment.		x		x	x	x
Working conditions	Impact, potential, positive	Fast reboarding after returning from parental leave			x		x	x	x
Working conditions	Impact, actual, positive	Flexible work agreements incl. working from home	Reconciling an employee's work situation with their private circumstances, incl. flexible working arrangements, is an important cornerstone of high employee satisfaction. Besides employee recruitment, employee loyalty is a significant factor in the successful implementation of ATOSS' growth plans.		x		x	x	x
Working conditions	Opportunity	Enhancing employer's attractiveness for applicants	The key to ATOSS' success is to attract highly qualified, motivated employees and ensure their loyalty to the company over the long term.		x		x	x	x

Sub-Topic	Type	Designation of the IRO (impacts, risks and opportunities)	Description	Value chain: upstream	Value chain: own activities	Value chain: downstream	Time horizons: short-term	Time horizons: medium-term	Time horizons: long-term
Equal treatment and equal opportunities for all	Impact, actual, positive	Training and further education for employees	ATOSS offers its employees career prospects. This can have a positive effect on the corporate culture and the level of knowledge in the company.		x		x	x	x
Equal treatment and equal opportunities for all	Opportunity	The professional and personal skills of ATOSS employees are game-changers in persuading customers, investors and business partners to choose the company and thereby play an important part in the success of the business	Seminars and further education courses can not only have a positive effect on staff turnover rates, but also help to meet customer expectations and improve product and service offerings through innovation that can establish a competitive edge.		x		x	x	x
Equal treatment and equal opportunities for all	Impact, actual, positive	Every employee – irrespective of their age, ethnic origin and nationality, gender, physical and mental abilities, religion, ideology or their sexual orientation and identity – can contribute to the success of the company with their individual personalities and strengths, thereby unlocking their full potential.	An open working environment for all employees leads to a positive working atmosphere and has a positive impact on the company's reputation as an attractive employer for specialists. Diverse teams can benefit from different perspectives and expertise. ATOSS is convinced that employee diversity boosts the company's agility and innovative talent as different perspectives are the breeding ground for new ideas. This can have a positive impact on productivity and business growth.		x		x	x	x
Equal treatment and equal opportunities for all	Opportunity	Employee diversity promotes the company's agility and capacity for innovation.			x		x	x	x

Sub-Topic	Type	Designation of the IRO (impacts, risks and opportunities)	Description	Value chain: upstream	Value chain: own activities	Value chain: downstream	Time horizons: short-term	Time horizons: medium-term	Time horizons: long-term
Equal treatment and equal opportunities for all	Risk	Competition for qualified staff from different groups in a diverse work environment has become one of the greatest challenges for many companies and ATOSS, too, has to face up to this problem.	Any worsening in skilled labor shortages poses a risk to ATOSS as vacancies can only be filled at an increasingly high cost, or else they remain unfilled and productivity declines as a result. This in turn can have consequences for profitability and production capacity.		x		x	x	x

The impact on the company's workforce is inseparably linked to ATOSS' business model. Recruiting highly qualified employees and ensuring that they remain loyal to the company over the long term represent crucial success factors for companies in the software sector. The positive effects are actively promoted by the Group in order to achieve a high degree of employee loyalty. Exploiting existing opportunities can also enhance competitiveness and positively affect the recruitment of qualified specialists. Conversely, the impacts and opportunities described also affect the corporate strategy as performance is boosted, enabling growth opportunities to be seized.

ESRS S4 Consumers and end users

Sub-Topic	Type	Designation of the IRO (impacts, risks and opportunities)	Description	Value chain: upstream	Value chain: own activities	Value chain: downstream	Time horizons: short-term	Time horizons: medium-term	Time horizons: long-term
Information-related impacts for consumers and/or end users	Impact, actual, positive	Handling of personal (customer) information in line with statutory requirements incl. the protection of such information from unauthorized access	Information security and the protection of customer data are top of the agenda for ATOSS. For this reason, the company has implemented very extensive measures and checks in the company to guarantee information security. The aim of these measures is to prevent attacks or unwanted activities that violate the confidentiality, integrity or availability of data. Loopholes in information security or the loss of customer data could have negative consequences for ATOSS and its reputation.		x	x	x	x	x
Information-related impacts for consumers and/or end users	Opportunity	A high level of information security leads to a good reputation			x	x	x	x	x
Information-related impacts for consumers and/or end users	Opportunity	A high level of protection for customer data leads to a good reputation			x	x	x	x	x
Information-related impacts for consumers and/or end users	Risk	Data leaks / hacker attacks / leaking of customer data – cyber risks			x	x	x	x	x
Innovation and value added for customers (company-specific disclosure)	Impact, actual, positive	The added value for customers in ATOSS solutions lies in their			x	x	x	x	x

Sub-Topic	Type	Designation of the IRO (impacts, risks and opportunities)	Description	Value chain: upstream	Value chain: own activities	Value chain: downstream	Time horizons: short-term	Time horizons: medium-term	Time horizons: long-term
Innovation and value added for customers	Impact, actual, positive	The added value for customers in ATOSS solutions lies in their demonstrable contribution to greater employee satisfaction for its customers and thus to better retention and motivation.	ATOSS solutions deliver added value for customers by enabling them to make more intelligent use of their available personnel capacity and adapt with speed and agility to changing conditions at any time. The core task of ATOSS software solutions is to synchronize workload and working hours to the best possible effect at all times and generate cost-optimized deployment planning. This creates a sustainably productive, viable working environment which actively involves employees in the organization of their working time and contributes to greater employee satisfaction and productivity through its transparency. Furthermore, this raises productivity, efficacy and the service level and/or product quality. In this way, companies can quickly respond to changes in the market.		x	x	x	x	x
Innovation and value added for customers	Opportunity	High customer satisfaction is the basis for holding onto customers (net retention rate). In this way, market shares can be held or even expanded (customer successively expands portfolio).			x	x	x	x	x
Innovation and value added for customers	Opportunity	To win new customers as a result of high technical expertise in certain sectors (thereby further expanding market share)	ATOSS attaches great importance to long-term customer relationships. These are based on mutual trust and the ability to recognize and understand their customers' requirements and work with them to meet their demands. Innovation represents a core value for ATOSS and is essential for the company's long-term viability and the satisfaction of its customers. Consequently, ATOSS strives continuously to sensibly incorporate constantly shifting customer demands into its products and processes to its best advantage.		x	x	x	x	x

Information security and the protection of customer data represent vital elements of ATOSS' business model that consists in continuously winning new customers and expanding installations with existing customers in the fields of working time management and workforce scheduling. Consequently, this model also constitutes an important element in the company's risk management: potential impacts, risks and opportunities are identified in a structured manner, evaluated and continuously observed. If necessary, corresponding risk mitigation measures are also implemented.

ESRS G1 Corporate governance

Sub-Topic	Type	Designation of the IRO (impacts, risks and opportunities)	Description	Value chain: upstream	Value chain: own activities	Value chain: downstream	Time horizons: short-term	Time horizons: medium-term	Time horizons: long-term
Corporate culture	Impact, actual, positive	Flat hierarchies	ATOSS attaches great importance to a transparent, appreciative and trusting corporate culture. Its employees are the key factor in successfully achieving the company's targets. The corporate culture at ATOSS is distinguished by flat organizational structures, co-determination and an open relationship between the company management and employee representatives. The success of the company depends more than ever on its ability to attract highly qualified, motivated staff who fit in with the ATOSS corporate culture, develop their skills and keep them in the company.		x		x	x	x
Corporate culture	Impact, actual, positive	Open working environment that encourages all employees to contribute their differing perspectives			x		x	x	x
Corporate culture	Opportunity	A positive working environment leads to lower staff turnover and greater employee loyalty (measurable strategic effects result primarily in reducing personnel costs, sickness and staff turnover rates as well as over- and understaffing).			x		x	x	x
Corruption and bribery	Impact, potential, negative	Compliance breaches	Actual or suspected infringements of current legal provisions, internal rules or ethical standards might have negative financial consequences for ATOSS and its reputation. For this reason, the avoidance of critical compliance incidents is given top priority.	x	x	x	x	x	x
Social value added (company-specific disclosure)	Impact, actual, positive	Social value added (optimal deployment of personnel resources in times of skills shortages)	The efficient deployment of personnel resources is an important factor for the financial success of ATOSS customers. The shortage of skilled labor requires strategic, optimized use of the available skilled workers to support productivity and growth.		x	x	x	x	x

The company's management lays the foundation for ATOSS' business model and strategy. The impacts, risks and opportunities analyzed as part of the double materiality analysis in the area of corporate governance were already covered by risk management and HR management over and above the sustainability context and addressed with corresponding measures and guidelines. For this reason, no adaptation was required in the current reporting year.

The sustainability risks identified as material were compared with the existing risk portfolio from the risk and compliance management system.

The risks already contained in the risk and compliance management system were evaluated with respect to their financial impact on ATOSS' financial position and performance. In the process, no additional sustainability risks with a material financial impact on ATOSS' financial position and performance were identified either with respect to the current fiscal year or for the next fiscal year and beyond.

ATOSS' business model and strategy are very resilient to external physical effects such as the consequences of climate change. Equally, the effects of the transformation process are of no direct relevance to ATOSS. Qualitative considerations regarding various climate change scenarios (such as the hot house world and a best case scenario) and their short-term, medium-term and long-term impacts did not lead to any different result here. Thanks to ATOSS' broad customer base which is highly diversified, the risk would be spread should individual customers or industries be directly affected by physical or transitory effects of climate change.

The greatest sustainability-related risks or challenges for ATOSS are the issues of skills shortages and data protection. However, as these factors extend far beyond the mere context of sustainability, they were already a fixed component of the company's risk and compliance management system including the underlying evaluations of potential impacts before the double materiality analysis was conducted. No further, purely sustainability-related resilience analysis was therefore carried out.

More detailed, issue-related disclosure requirements on the material impacts, risks and opportunities and their interactions with the strategy and business model can be found in the relevant topic-specific sections.

ESRS 2-IRO 1: Description of the procedure for determining and evaluating material impacts, risks and opportunities

Procedure

This sustainability report is based on an extensive materiality analysis to identify significant sustainability aspects for the company. The materiality analysis for ATOSS' CSRD reporting builds on the materiality analysis carried out in the context of the EU NFRD and updated in line with ESRS 1.

The first step consisted in outlining ATOSS' business model and the company's value chain as part of a context analysis. Subsequently, a long list of potentially material sustainability issues was prepared for ATOSS. The long list derives both from ATOSS' previously material issues from past sustainability reports and analyses and also from the reporting of relevant competitors, international frameworks (mainly ESRS 1 AR 16), current global trends and developments.

This list of issues was discussed in the course of workshops with the participation of internal technical experts and the top tier of management. The aspects were compared with the value chain previously defined and points of contact identified. All issues with points of contact with the value chain form the short list of potential sustainability issues. All assumptions made in the materiality process and input parameters, e.g. on the size and scope of impacts or the financial effect of risks, are based on the technical knowledge and practical experience of persons and experts involved in the process as well as of the representatives of the top tier of management included.

The step in the analysis from the long list to the short list takes into account the entire sub-topic / sub-sub-topic list from ESRS 1 AR 16. The following ESRS were excluded in this step due to the business model as no points of contact whatever with ATOSS' value chain were identified and there were consequently no potential impacts, risks or opportunities: ESRS E4 Biological diversity and ecosystems and ESRS S3 Affected communities. After identifying the potentially material short list issues for ATOSS, the positive and negative impacts of ATOSS on people and the environment (impacts; actual and potential) as well as the risks and opportunities potentially associated with these issues for ATOSS were identified and described in an impact screening along the entire value chain in order to define the size and type of impact to be evaluated in each case (similar to the descriptions in SBM-3).

The impact screening was also conducted in the first step as part of the materiality workshop described. The IRO list (impacts, risks and opportunities) was subsequently partially added to or adjusted in the course of individual discussions with various internal experts. The question of whether impacts lead to financial effects (risks and opportunities) which were included in the evaluation accordingly and conversely whether financial effects cause impacts was also examined. ATOSS' risk management was also included at this juncture. Aspects with a heightened risk of negative impacts were treated together with all other aspects and evaluated in accordance with the formula described below in the sustainability context, and thus checked for their significance for the reporting. Opportunities were derived from the consideration and discussion of impacts during the materiality analysis and evaluated in a similar manner to the risks.

Transfer to double materiality in accordance with CSRD

The IROs (impacts, risks and opportunities) identified as part of the impact screening were evaluated with internal experts (topic owners) in individual workshops in accordance with the double materiality principle.

All impacts, risks and opportunities were collected in an assessment matrix and assessed in accordance with the procedure described below. The impacts, risks and opportunities were also described in the assessment matrix in order to define the size and type of impact to be assessed in each case (similar to the descriptions in SBM-3).

The assessment of the IROs was conducted on the basis of a company-specific guide containing detailed information and definitions for every step, especially regarding classification values. The results of these workshops were documented in detail.

This documentation enables the impacts, risks and opportunities to be monitored when the process is tested annually to ensure it is up to date. An internal check was also conducted with consideration of the overall results of the double materiality assessment by the Chief Financial Officer.

Impact materiality

In order to assess the impacts, the following specified criteria were rated by means of points from 1 (low) to 4 (very high) and weighted by means of equally documented weighting factors:

- Size
- Scope
- Immutability (only for negative impacts)
- Probability (only for potential impacts)

Assessment of the impacts on the basis of the specified items enabled the impacts to be classified, thereby identifying important impacts and those of material significance for the reporting.

Financial materiality

A points system with points from 1 (low) to 4 (very high) was used for assessing and classifying the risks and opportunities. As the size of the financial impact is not clearly defined in the ESRS, the following criteria were defined:

- Financial effect
- Possibilities to use resources
- Cost of resources
- Dependency of business relationships
- Probability

This somewhat qualitative procedure was chosen as there were no figures for financial materiality at the time. As soon as quantitative figures are available in the future, they can be compared with a financial materiality threshold to be defined which in this case will replace evaluation of the criteria.

Only sustainability-related risks were assessed in the materiality analysis provided they were clearly distinguishable from other types of risk.

The material sustainability risks were compared with the risks recorded as part of the existing central risk management. The impacts were included indirectly: a review was conducted as part of the impact screening to establish whether impacts lead to financial effects in the form of risks and opportunities and vice versa. As responsibility for identifying the risks in the sphere of risk management lies with the same people as those entrusted with preparing the sustainability report, continuous bilateral exchange is guaranteed, also with a view to future validations and updates to materiality analyses.

Time horizons and appearance in the value chain

In the assessment process, a record was kept for all impacts, opportunities and risks as to whether they occurred in the reporting year (short-term) or may occur in the next five years (medium-term) or in time horizons greater than 5 years (long-term). The records also showed where in the value chain the impacts, opportunities or risks may occur. With respect to risks and opportunities, the question of whether they may occur within the operational control of ATOSS or outside its own sphere of activities (e.g. regulatory matters), was also documented.

Threshold

The results of the impacts, opportunities and risks assessed lie between 1 and 4. IROs which exceed a certain threshold defined for ATOSS on a company-specific basis, are deemed to be material and thus have to be reported. The threshold defined for ATOSS stands at >=2.5. In this way, all topics lying in the liberally interpreted upper third of the materiality spectrum, become reportable. The threshold was defined in joint discussion with the project group and is appropriate in the management's view.

Both the result of the materiality of the impact and of the financial materiality are compared with this threshold. As soon as one of the two results lies above the threshold, the IRO and thus the associated (sub)-topic are deemed to be material and must be applied.

Materiality of information

Following the double materiality assessment, the IROs assessed as material were mapped to the ESRS / Topics / Sub-topics / Sub-sub-topics from ESRS 1 AR 16. Subsequently, the EFRAG datapoint list was used to identify the datapoints that can be excluded from the reporting as non-material due to a lack of touchpoints with the material IROs and/or the sub-topics / sub-sub-topics.

Stakeholders

An analysis of the stakeholder groups of relevance to ATOSS was conducted as part of the materiality workshop and again based on the sustainability reporting from previous years. The external stakeholders were represented throughout the entire process by internal proxies who were able to adopt the perspectives and concerns of such external groups through their specific links to them. This ensured that the identification and assessment of the IROs were not only conducted from an internal viewpoint but the external stakeholder perspective and their concerns in relation to the materiality topics were also incorporated into the process.

Outlook

The materiality analysis is checked to ensure it is up to date as part of the annual reporting, and if necessary updated. This annual procedure ensures that impacts, risks and opportunities are monitored and classified. The materiality threshold itself will also be verified in future assessments to ensure it is appropriate, but should be retained in the coming years to maintain continuity of reporting – unless there is evidence to the contrary.

Result of the materiality analysis and topic-related disclosure requirements

The material impacts, risks and opportunities determined as part of this year's double materiality analysis and associated ESRS match the material topics of the 2023 non-financial reporting.

As a result of the double materiality analysis, impacts, risks and opportunities from the following topics were deemed to be material for ATOSS:

- E1 – Climate change
- S1 – Own workforce
- S4 – Consumers and end users
- G1 – Corporate governance

E1-ESRS 2-IRO 1: Description of the procedure for determining and evaluating material, climate-related impacts, risks and opportunities

In order to assess the impact on climate change, ATOSS accounts for the greenhouse gas emissions arising directly and indirectly from the provision of its products and services, in line with the GHG Protocol.

Cumulative Co2e emissions along ATOSS' entire value chain are very low. Neither its own business activities nor upstream or downstream processes are emission-intensive. Nevertheless, any emission of greenhouse gases – albeit on a very small scale – contributes to climate change. For this reason, ATOSS adopted a climate strategy in 2024, setting itself a net zero target to be met by 2045. This comprises both its own business areas (Scope 1 and 2) and the upstream and downstream value chain (Scope 3).

Impacts, risks and opportunities were collected and supplemented in the context of climate change, climate change adaptation and energy on the basis of the materiality analyses in the NFRD reporting (further information on the process is described in ESRS 2 IRO-1). Transition to the principle of double materiality pursuant to ESRS and projecting it to the upstream and downstream value chain are also described in detail in ESRS 2 IRO-1. The entire greenhouse gas emissions (Scopes 1, 2 and 3) were taken into account in the analysis.

Risk management was also included in this process. A comparison was made to establish whether physical or transition risks caused by climate change had already been incorporated in the risk portfolio, and an analysis conducted as to whether ATOSS had been affected by the physical impacts of climate change or transition risks in the past. In the course of these analyses, no assets were identified that had been affected by risks caused by climate change in the past or might be in the future.

Qualitative considerations regarding various climate change scenarios, including those that limit global warming to 1,5°C, and their short-term, medium-term and long-term impacts did not lead to any different result here.

E2-ESRS 2-IRO 1: Description of the procedure for determining and evaluating material impacts, risks and opportunities in relation to pollution

Besides its contribution to climate change, the ATOSS business model was reviewed in particular to establish whether it generates any further negative impacts on the environment. To do so, the double materiality analysis incorporating internal experts evaluated whether actual and potential impacts, risks and opportunities arise in connection with environmental pollution at the company's facilities as a result of its business activities. No material impacts, risks and opportunities were identified either at the facilities themselves or in the upstream and downstream value chain. The activities of ATOSS (programing and operating software incl. functional improvements and adaptations to technical circumstances, as well as implementation on customer premises and/or support and advice) do not lead to relevant impacts on air, water or soil, nor are any harmful or very harmful substances deployed. Consequently, no consultations were held, e.g. with communities.

E3-ESRS 2-IRO 1: Description of the process to identify and assess material impacts, risks and opportunities in relation to water and marine resources

Water is consumed at ATOSS facilities through the use of kitchens and sanitary facilities. Beyond that, no relevant water consumption is required in ATOSS' own business activities or upstream or downstream for the provision of its services, nor are any assets affected by water-related aspects. This was evaluated as part of the double materiality analysis with the inclusion of internal experts. For example, the operation of ATOSS' facilities does not depend on special approval procedures under water regulations. This topic is consequently not material for ATOSS. Accordingly, no consultation was held, e.g. with communities. However, by raising employees' awareness of the issue, the aim is to further reduce water consumption per employee.

E4-ESRS 2-IRO 1: Description of the process to identify and assess material impacts, risks and opportunities in relation to biological diversity and ecosystems

ATOSS' office facilities are in urban locations in Berlin, Cham, Düsseldorf, Frankfurt, Hamburg, Munich, Osnabrück and Stuttgart in Germany as well as in other European countries in Brussels, Paris, Sibiu, Stockholm, Timisoara, Utrecht, Vienna and Zurich, and they are not located in areas of biodiversity in need of protection such as nature conservation areas which might lead to negative impacts on species or biotopes. This was verified on the basis of publicly accessible and recognized databases, such as UNESCO biosphere reserves or Natura2000. On the other hand, the business model does not give rise to any biodiversity-induced dependencies on corresponding ecosystem services and associated risks for ATOSS, either in the company's own business operations or in the upstream or downstream value chain. Due to this situation, no scenario analysis was conducted.

E5-ESRS 2-IRO 1: Description of the process to identify and assess material impacts, risks and opportunities in relation to biological diversity and ecosystems

As part of the materiality analysis, the use of resources and/or contributions to the circular economy at ATOSS facilities were also assessed and identified as not material. No relevant volumes of resources were used for the business activities of ATOSS themselves, nor can ATOSS' products be recycled or have to be disposed of. The same applies to the upstream value chain (essentially data hosting). The company's facilities only generate low volumes of office waste (e.g. waste paper), but no relevant volumes of waste or hazardous waste. Consequently, neither material impacts nor associated risks or opportunities were identified. As a result of awareness-raising measures, employees are tasked with avoiding and separating waste. No further consultations were held, e.g. with affected communities.

G1-ESRS 2-IRO 1: Description of the procedure for determining and evaluating material impacts, risks and opportunities

Prudent management and good corporate governance also factors in the company's responsible treatment of risks including those that may arise from the corporate governance or culture. For this purpose, ATOSS has an internal control and risk management system which is used to analyze and control the Group's risk position. The risk management system serves to identify and assess developments that may trigger substantial disadvantages and identify risks that could jeopardize the Group as a going concern (risk early warning system). This also comprises risks that may result from impacts due to ATOSS' business model.

As a general rule, the impacts, risks and opportunities arising from ATOSS corporate culture can be derived from its business model (continuously winning new customers and expansion of installations with existing customers in the fields of software-supported working time management and workforce scheduling), ATOSS' core values (credibility, revolutionizing, reliability, fairness, enjoyment of success) and a responsible management culture. Furthermore, the respectful treatment of employees and managers within the ATOSS Group as well as interactions with the various stakeholders were examined in the materiality analysis and when deriving the impacts, risks and opportunities.

ESRS 2-IRO 2: Material impacts, risks and opportunities and their interactions with the strategy and business model

ATOSS Software SE is a provider of technology and consulting solutions for workforce management and demand optimized personnel deployment. From time recording to strategic capacity planning, ATOSS offers customers extensive functionality, scalability and high end technology with its product suites. The value chain is very compact: ATOSS own business activities comprise the programing of software incl. functional improvements and adaptations to technical circumstances as well as implementation on customers' premises and/or support and advice. This value creation takes place in Germany and further European countries. By far the most important service purchased in the upstream value chain is data hosting. Downstream, the use of software products on customers' premises should be mentioned.

One table describing the material impacts, risks and opportunities has been prepared for each subject area. The tables also show where these impacts are occurring in the value chain and over what time horizons they are expected.

ESRS 2-IRO 2: Disclosure requirements covered by the company's sustainability report contained in ESRS

ESRS	Topic	Disclosure requirement	Reference (page number) in sustainability declaration
ESRS E1	Climate change	E1-1 Transition plan for climate protection	133
		E1-SBM-3 Material impacts, risks and opportunities and their interactions with the strategy and business model	104
		E1-2 Policies related to climate change mitigation and adaptation	133
		E1-3 Actions and resources in relation to climate change policies	134 f.
		E1-4 Targets related to climate change mitigation and adaptation	134 f.
		E1-5 Energy consumption and mix	136
		E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions	135
		E1-7 GHG removals and GHG mitigation projects financed through carbon credits	144
		E1-8 Internal carbon pricing	144
		E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	144

ESRS	Topic	Disclosure requirement	Reference (page number) in sustainability declaration
ESRS S1	Own workforce	S1-SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	145 f.
		S1-1 Policies related to own workforce	145 f.
		S1-2 Processes for engaging with own workers and workers' representatives about impacts	145 f.
		S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns	145 f.
		S1-4 Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	146 f.
		S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	146
		S1-6 Characteristics of the undertaking's employees	149 f.
		S1-9 – Diversity indicators	149 f.
		S1-10 – Adequate wages	153 f.
		S1-13 – Training and skills development indicators	155 f.
		S1-14 – Health and safety indicators	152 f.
		S1-15 – Work-life balance indicators	153 f.
		S1-16 – Compensation indicators (pay gap and total compensation)	154
ESRS S4	Consumers and end-users	S4-SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	108
		S4-1 Policies related to consumers and end-users	157
		S4-2 Processes for engaging with consumers and end-users about impacts	157 f.
		S4-3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	157 f.
		S4-4 – Taking action on material impacts on consumers and end-users, and approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	157 f.
		S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	157 f.
		S4-6 Innovation and added value for customers (company-specific)	157

ESRS	Topic	Disclosure requirement	Reference (page number) in sustainability declaration
ESRS G1	Governance	G1-1 Corporate culture and business conduct policies	161 f.
		G1-3- Prevention and detection of corruption or bribery	162 f.
		G1-6 Social value added (company-specific)	164

List of datapoints in general and topic-related standards arising from other EU regulations

Disclosure requirement	Datapoint		SFDR reference	Pillar 3 reference	Benchmark Regulation Reference	EU Climate law reference	Page	Use phase in
ESRS 2 GOV-1	Gender diversity in management and supervisory bodies	21 (d)	X		X		150	
ESRS 2 GOV-1	Percentage of members of management bodies who are independent	21 (e)			X		97	
ESRS 2 GOV-4	Due diligence declaration	30	X				101	
ESRS 2 SBM-1	Participation in activities in relation to fossil fuels	40 (d) i	X	X	X		n/a	
ESRS 2 SBM-1	Participation in activities in relation to the manufacture of chemicals	40 (d) ii	X		X		n/a	
ESRS 2 SBM-1	Participation in activities in relation to controversial weapons	40 (d) iii	X		X		n/a	
ESRS 2 SBM-1	Participation in activities in relation to the cultivation and production of tobacco	40 (d) iv			X		n/a	
ESRS E1-1	Transition plan to realize climate neutrality by 2050 Section 14	14				X	n/a	
ESRS E1-1	Companies excluded from the reference values agreed in Paris	16 (g)		X	X		n/a	
ESRS E1-4	GHG emissions reduction targets	34	X	X	X		135 f.	
ESRS E1-5	Energy consumption from fossil fuels broken down by source (only high impact climate sectors)	38	X				n/a	
ESRS E1-5	Energy consumption and mix	37	X				136	
ESRS E1-5	Energy intensity in relation to activities in high impact climate sectors	40-43	X				n/a	
ESRS E1-6	Gross GHG emissions in Scope 1, 2 and 3 as well as total GHG emissions	44	X	X	X		142	
ESRS E1-6	Intensity of gross GHG emissions	53-55	X	X	X		143	
ESRS E1-7	Extraction of greenhouse gases and CO2 certificates	56				X	n/a	
ESRS E1-9	Risk position of the reference value portfolio versus climate-related physical risks	66			X		n/a	

Disclosure requirement	Datapoint		SFDR reference	Pillar 3 reference	Benchmark Regulation Reference	EU Climate law reference	Page	Use phase in
ESRS E1-9	Breakdown of monetary amounts by acute and chronic physical risk Location of considerable assets with a material physical risk	66(a); 66(c)		X			n/a	
ESRS E1-9	Breakdowns of the carrying amount of its properties by energy efficiency classes	67(c)		X			n/a	E1-9 AR 73b
ESRS E1-9	Degree of exposure of the portfolio to climate-related opportunities	69			X		n/a	
ESRS E2-4	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted in the air, water and soil	28	X				n/a	
ESRS E3-1	Water and marine resources	9	X				n/a	
ESRS E3-1	Special concept	13	X				n/a	
ESRS E3-1	Sustainable oceans and seas	14	X				n/a	
ESRS E3-4	Total volume of water recycled and reused	28 (c)	X				n/a	
ESRS E3-4	Total water consumption in m3 per net revenue from its own activities	29	X				n/a	
ESRS 2 – SBM-3 – E4		16 (a) i	X				n/a	
ESRS 2 – SBM-3 – E4		16 (b)	X				n/a	
ESRS 2 – SBM-3 – E4		16 (c)	X				n/a	
ESRS E4-2	Sustainable procedures or concepts in the area of land use and agriculture	24 (b)	X				n/a	
ESRS E4-2	Sustainable procedures or concepts in the area of oceans/seas	24 (c)	X				n/a	
ESRS E4-2	Concepts for combating deforestation	24 (d)	X				n/a	
ESRS E5-5	Non-recyclable waste	37 (d)	X				n/a	
ESRS E5-5	Hazardous and radioactive waste	39	X				n/a	

Disclosure requirement	Datapoint		SFDR reference	Pillar 3 reference	Benchmark Regulation Reference	EU Climate law reference	Page	Use phase in
ESRS 2 SBM3 – S1	Risk of forced labor	14 (f)	X				n/a	
ESRS 2 SBM3 – S1	Risk of child labor	14 (g)	X				n/a	
ESRS S1-1	Obligations in the field of human rights policy	20	X				n/a	
ESRS S1-1	Due diligence regulations with respect to questions handled in fundamental conventions 1 to 8 of the International Labor Organization	21			X		n/a	
ESRS S1-1	Procedures and measures for combating human trafficking	22	X				n/a	
ESRS S1-1	Concept or management system to prevent accidents at work	23	X				n/a	
ESRS S1-3	Complaints handling	32 (c)	X				n/a	
ESRS S1-14	Number of fatalities and number and rate of accidents at work	88 (b), (c)	X		X		153	
ESRS S1-14	Number of days lost to injuries, accidents, fatalities or sickness	88 (e)	X				153	
ESRS S1-16	Unadjusted gender pay gap	97 (a)	X		X		n/a	
ESRS S1-16	Excessive remuneration of members of management bodies	97 (b)	X				n/a	
ESRS S1-17	Cases of discrimination	103 (a)	X				n/a	
ESRS S1-17	Non-compliance with the guiding principles of the United Nations for Business and Human Rights and of the OECD guidelines	104 (a)	X		X		n/a	
ESRS 2 SBM3 – S2	Substantial risk of child labor or forced labor in the value chain	11 (b)	X				n/a	
ESRS S2-1	Obligations in the field of human rights policy	17	X				n/a	
ESRS S2-1	Concepts in relation to workers in the value chain	18	X				n/a	
ESRS S2-1	Non-compliance with the guiding principles of the United Nations for Business and Human Rights and of the OECD guidelines	19	X		X		n/a	

Disclosure requirement	Datapoint		SFDR reference	Pillar 3 reference	Benchmark Regulation Reference	EU Climate law reference	Page	Use phase in
ESRS S2-1	Due diligence regulations with respect to questions handled in fundamental conventions 1 to 8 of the International Labor Organization	19			X		n/a	
ESRS S2-4	Problems and incidents in connection with human rights within the upstream and downstream value chain	36	X				n/a	
ESRS S3-1	Obligations in the field of human rights	16	X				n/a	
ESRS S3-1	Non-compliance with the guiding principles of the United Nations for Business and Human Rights, the IAO principles or the OECD guidelines	17	X		X		n/a	
ESRS S3-4	Problems and incidents in relation to human rights	36	X				n/a	
ESRS S4-1	Policies in relation to consumers and end-users	16	X				157	
ESRS S4-1	Non-compliance with the guiding principles of the United Nations for Business and Human Rights and the OECD guidelines	17	X		X		n/a	
ESRS S4-4	Problems and incidents in relation to human rights	35	X				n/a	
ESRS G1-1	United Nations Convention against corruption	10(b)	X				n/a	
ESRS G1-1	Protection of whistleblowers	10 (b)	X				161 f.	
ESRS G1-4	Fines for breaches of corruption and bribery regulations	24 (a)	X		X		n/a	
ESRS G1-4	Standards for combating corruption and bribery	24(b)	X				161 f.	

Information on the EU Taxonomy Regulation

ATOSS Software SE is not affected by nuclear energy and gas activities (see Annex III of the additional delegated act on gas and nuclear activities (supplemented by Annex XII to the act on reporting obligations (on Article 8 of the Taxonomy Regulation)) (see also reporting forms page 92 ff.).

Our economic activities
ATOSS Software SE has made a detailed analysis of its economic activities pursuant to the delegated legal act for the climate targets in the EU Taxonomy Regulation. However, according to current definitions in the EU Taxonomy Regulation, the company's activities are not to be classified as an ecologically sustainable economic activity as they cannot make a material contribution to the realization of the environmental and climate targets as defined by the EU (climate protection, climate change adaptation, water and marine resources, circular economy, environmental pollution, biodiversity and ecosystems). As a provider of on-premise and cloud software solutions, as well as services for professional workforce management and demand-optimized personnel deployment, the company's business activities do not fall under the economic activities listed in Annexes I and II of the delegated climate act or Annexes I to IV of the delegated environmental act on the six environmental objectives of the Taxonomy Regulation. The Capex and Opex KPIs report on investments related to the activities of the delegated legal act on the two climate goals.

ATOSS KPIs
The relevant key performance indicators ("KPIs") comprise the sales KPI, Capex KPI and Opex KPI. With regard to the 2024 reporting period, the KPIs relating to taxonomy-eligible or taxonomy-compliant economic activities and non-eligible and non-compliant economic activities must be disclosed. As the economic activities of ATOSS as a software company are not subject to the delegated legal act for the climate goals and the legal act for environmental goals, ATOSS Software SE cannot show any proportion of its sales revenues that are taxonomy-eligible or taxonomy-compliant. Consequently, the following reporting therefore focuses on the proportion of sustainable investments (Capex) and operating expenses (Opex) within the meaning of the EU taxonomy that can be allocated to the first environmental goal of climate protection. There are no existing investment or operating expenses that potentially make a significant contribution to climate change transition or to the environmental objectives 3-6 (sustainable use and protection of water and marine resources, transition to a circular economy, prevention and reduction of pollution, protection and restoration of biodiversity and ecosystems). The eligible investments and operating expenditures relate exclusively to purchased goods and services.

With regard to the 2024 financial year, we have defined the activity 1.2 „Manufacture of electrical and electronic equipment" pursuant to the Environmental Legislation Act and identified the activity 6.5 „Production of electrical and electronic equipment" pursuant to the Climate Legislation Act. „Transportation by motorcycles, passenger cars and light commercial vehicles" as taxonomy-compliant. This includes investment expenditure for IT equipment (IT end devices and servers) in accordance with the additions to Group property, plant and equipment (EUR 816,359) and the Group's vehicle fleet (combustion, hybrid and electric engines - additions to right-of-use assets in accordance with IFRS 16): EUR 719,446), which were recognized as right-of-use assets in accordance with IFRS 16. With regard to the review of the taxonomy conformity of the economic activity „Manufacture of electrical and electronic equipment", the simplification provision for 2024 was applied and only the taxonomy compliance was reported. A review of the taxonomy conformity of these investments was not possible as the necessary information, documentation and evidence must be provided by the relevant suppliers. We do not have this information at present. No taxonomy-eligible operating expenses were identified for the reporting year.

This results in the following key indicators in terms of taxonomy eligibility:

	Proportion of taxonomy-eligible economic activities	Proportion of non-classifiable economic activities
Sales revenues	0 %	100 %
Capex	63 %	37 %
Opex	0 %	100 %

Furthermore, we refer to the registration and reporting forms on pages 126 f.

Accounting principles
The KPIs are determined in compliance with Annex I of the delegated legal act pursuant to Article 8 of the EU Taxonomy Regulation. Any duplicate counting of individual items is excluded by way of the accounting data opted for. ATOSS Software determines the eligible KPIs in compliance with the legal requirements and describes its accounting policy in this respect with a focus on taxonomy eligibility as follows:

Sales KPI

Definition
The proportion of classifiable economic activities in total sales is calculated as that part of net sales stemming from products and services in connection with classifiable economic activities (numerator) divided by net sales (denominator). The denominator of the sales KPI is based on the consolidated net sales in compliance with IAS 1.82(a). Further details on ATOSS' accounting principles for consolidated net sales can be found in the Notes to the Consolidated Financial Statements in Section II of our Annual Report, Accounting principles.

Reconciliation
Our consolidated net revenues can be reconciled to our consolidated financial statements, see profit and loss statement in our 2024 Annual Report (Item "Sales Revenues" in the P&L).

With regard to the numerator, ATOSS has not identified any classifiable economic activities, as explained above.

Capex KPI

Definition
The Capex KPI is defined as taxonomy-eligible Capex (numerator), divided by total Capex (denominator).

The total Capex comprises additions to property, plant and equipment and intangible assets during the financial year before depreciation and remeasurements, including those resulting from remeasurements and impairments for the 2024 financial year and excluding changes in fair value. It comprises additions to fixed assets (IAS 16), intangible assets (IAS 38) and rights of use assets (IFRS 16). Further details on our accounting principles with regard to our investments can be found in the Notes to the consolidated financial statements in Section II of our Annual Report, Accounting principles.

Reconciliation
The total Capex can be taken from the statement of changes in fixed assets shown in the Notes to the consolidated financial statements in our annual report (Section III. 27) (Sum of additions (at cost)) and rights of use (Section III. 28).

Opex KPI

Definition
The Opex KPI is defined as classifiable operating expenditure (numerator), divided by total operating expenditure (denominator).

Total Opex consists of direct, non-capitalized costs that relate to research and development, building renovation measures, short-term rental contracts, maintenance and servicing. This comprises:
- Research and development expenses recognized in the reporting period as expenses in the consolidated statement of profit and loss. In agreement with the consolidated financial statements (IAS 38.126), it includes all non-capitalized expenses directly attributable to research and development activity.
- ervicing and repair costs were determined based on the servicing and repair costs assigned to internal cost centers. The corresponding cost items can be found in the divisional costs of the profit and loss statement.

Information based on the EU Taxonomy Regulation

Reporting forms:

Standard disclosure template for the disclosure pursuant to Article 8 (6), (7) and (8) of the delegated act on Article 8 of the EU Taxonomy Regulation

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce 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.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO

	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Template: Proportion of turnover from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2024

Financial year 2024	**Year 2024**			**Substantial Contribution Criteria**						**DNSH criteria ('Does Not Significantly Harm')**									
Economic activities (1)	Code (2)	Turnover (3)	Proportion of turnover, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity and ecosystems (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		EUR	%	J;N;N/EL	J;N;N/EL	J;N;N/EL	J;N;N/EL	J;N;N/EL	J;N;N/EL	J/N	J/N	J/N	J/N	J/N	J/N	J/N	%	E	T
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%								0%		
Of which Enabling		0	0%	0%	0%	0%	0%	0%	0%								0%		
Of which Transitional		0	0%	0%	0%	0%	0%	0%	0%								0%		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%	0%	0%	0%	0%	0%	0%								0%		
A. Turnover of Taxonomy eligible activities (A1 + A2)		**0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**0%**		
B. Taxonomy-non-eligible activities																			
Turnover of Taxonomy-non-eligible activities		170,625,446	100%																
Total		**170,625,446**	**100%**																

Template: Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2024

Financial year 2024	Year 2024			Substantial Contribution Criteria						DNSH criteria (‚Does Not Significantly Harm')									
Economic activities (1)	Code (2)	CapEx (3)	Proportion of CapEx, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity and ecosystems (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		EUR	%	J;N;N/EL	J;N;N/EL	J;N;N/EL	J;N;N/EL	J;N;N/EL	J;N;N/EL	J/N	J/N	J/N	J/N	J/N	J/N	J/N	%	E	T
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL: N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacturer of electrical and electronic equipment	CE 1.2	816,359	34%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								46%		
Carriage by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	719,446	30%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								37%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1,535,805	63%																
A. CapEx of Taxonomy eligible activities (A1 + A2)		**1,535,805**	**63%**														**83%**		
B. Taxonomy-non-eligible activities																	**83%**		
CapEx of Taxonomy-non-eligible activities (B)		889,369	37%																
Total		**2,425,174**	**100%**																

Template: Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2024

Financial year 2024	Year 2024			Substantial Contribution Criteria						DNSH criteria (‚Does Not Significantly Harm')									
Economic activities (1)	Code (2)	OpEx (3)	Proportion of OpEx, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity and ecosystems (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		EUR	%	J;N;N/EL	J;N;N/EL	J;N;N/EL	J;N;N/EL	J;N;N/EL	J;N;N/EL	J/N	J/N	J/N	J/N	J/N	J/N	J/N	%	E	T
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%								0%		
Of which Enabling		0	0%	0%	0%	0%	0%	0%	0%								0%		
Of which Transitional		0	0%	0%	0%	0%	0%	0%	0%								0%		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%	0%	0%	0%	0%	0%	0%								0%		
A. OpEx of Taxonomy eligible activities (A1 + A2)		**0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**0%**		
B. Taxonomy-non-eligible activities																			
OpEx of Taxonomy-non-eligible activities		25,691,781	100%																
Total		**25,691,781**	**100%**																

Proportion of turnover/total turnover

	Taxonomy aligned per target	Taxonomy-eligible per target
Climate change mitigation	0%	0%
Climate change adaption	0%	0%
Water	0%	0%
Circula Economy	0%	0%
Pollution	0%	0%
Biodiversity and ecosystems	0%	0%

Proportion of CapEx/total Cap-Ex

	Taxonomy aligned per target	Taxonomy-eligible per target
Climate change mitigation	0%	30%
Climate change adaption	0%	0%
Water	0%	0%
Circula Economy	0%	34%
Pollution	0%	0%
Biodiversity and ecosystems	0%	0%

Proportion of OpEx/total OpEx

	Taxonomy aligned per target	Taxonomy-eligible per target
Climate change mitigation	0%	0%
Climate change adaption	0%	0%
Water	0%	0%
Circula Economy	0%	0%
Pollution	0%	0%
Biodiversity and ecosystems	0%	0%

ESRS E1 Climate change

Our material impacts and opportunities

Negative impacts
(1) Co2e emissions as the material ecological impact caused internally by ATOSS as a result of energy consumption in buildings, the operation of server rooms and by service providers, mobility

Opportunities
(1) Possible net zero strategy as a competitive advantage

Transition plan for climate protection (E1-1)
The Paris Agreement represents a global framework to limit global warming to significantly below 2 °C with a target of max. 1.5 °C. This target is crucial for protecting our planet and it requires a comprehensive reduction in greenhouse gas emissions. In this context, the ATOSS Group has formulated clear and ambitious targets which dovetail seamlessly with the specifications of the Paris Agreement. For example, ATOSS has set itself the explicit goal of reducing greenhouse gas emissions across Scope 1-3 by 90 percent overall compared with 2023 by 2045. This science-led target is based among other things on the targets of the corporate net zero standard of the Science Based Target Initiative (SBTi).

The planned investments and funds to support the implementation of the transition plan cannot currently be quantified as yet in monetary terms as ATOSS is still in the evaluation phase in this respect. With regard to the measures planned for greenhouse emissions, see comments on the climate strategy and potential for reductions from 2023 to 2045 in Section E1-4.

The transition plan for ATOSS' future climate protection was approved by the Management Board. To ensure a consistent, streamlined development and implementation of the decarbonization strategy in the individual divisions of the ATOSS Group, the decarbonization target set consisting of a reduction in Scope 1-3 greenhouse gas emissions of 90 percent overall by 2045 will be enshrined in the business strategy of ATOSS Software SE in 2025. This will ensure that the transition plan is included in the Group's future finance planning besides integrating the ATOSS climate strategy into the business strategy.

It is not necessary to adapt the business model and business strategy to fit the transition plan as they do not conflict with the transition plan or its implementation. In addition, no material, climate-related risks to ATOSS' business activities themselves or the upstream and downstream value chain were identified as part of the double materiality analysis which would require a change to the business model. Rather the existing model and strategy support the implementation of the transition plan through well established, efficient, digital processes.

ATOSS is not exempted from the EU reference values agreed in Paris.

Objectives or plans to adapt the business activities (turnover net, capex, opex) to the criteria defined in the Commission's Delegated Regulation (EU) 2021/2139, are not currently part of the climate strategy. ATOSS does not have any taxonomy eligible revenues as the corresponding activities conducted by ATOSS are not defined in the EU taxonomy.

The measures and decarbonization levers defined for the implementation of the transition plan, are described in Section E1-3.

Policies related to climate change mitigation and adaptation (E1-2)
With the launch of its climate strategy in 2024, ATOSS has posted an important milestone on its way to the net zero target. Currently, this target is not yet enshrined in a concept due to the first-time preparation of a climate strategy. A corresponding guideline will be drawn up in the coming years and if applicable, implemented.

Measures and funds in connection with the climate concepts (E1-3), as well as targets in connection with climate protection and adaptation to climate change (E1-4)

ATOSS' aim is to align its operations more closely with sustainability. To achieve this target, the following measures were already actioned in the company's own activities in previous years and again in similar fashion in the reporting year, and will be maintained in the future.

Measures to reduce the CO_2e footprint in our own sphere of business (Scopes 1 and 2)

- Reduction in building energy consumption by:
  - Paying attention to the highest level of energy efficiency when renting new office space in the Group
  - Continuous, Group-wide conversion to green electricity by 2030. In 2024, 61 percent of rented office space in the company was already sourcing green electricity.
- Taking account of energy efficiency for new and replacement investments in technical office equipment for all ATOSS facilities
- Reducing the CO_2 footprint by:
  - Taking account of the infrastructure connections for all ATOSS facilities to enable their employees to arrive and depart by public transport
  - Option to participate in a bicycle or e-bike lease program at all German facilities
  - Operating charging stations for electric and hybrid cars at the two largest German facilities (since 2022); some of the electricity provided originates from renewable sources
  - For employees entitled to a company car: Providing an option to use electric or hybrid vehicles as well as making further mobility offerings available (e.g. Rail Card 100)

Measures to reduce the CO_2e footprint in the upstream value chain (Scopes 3)

- Reducing Scope 3 emissions from the purchase of raw materials and supplies:
  - Group-wide use of recycled, certified or verified sustainable paper with low product carbon footprint as an alternative from 100% virgin fiber
  - Digital invoice dispatch and sustainable print management (centralized printers, double-sided printing, grayscale printing as the default setting) to reduce paper consumption and associated emissions
  - Group-wide rollout in 2024 of software for electronic signatures, thereby reducing paper consumption
- Washable, reusable dishes, cutlery and cups at all facilities to avoid disposable plastic and associated product emissions
- Use of water fountains instead of logistically expensive reusable beverage containers in the Group
- Sustainable, efficient recycling of IT hardware observing data protection and data security factors in the Group, thereby feeding secondary raw materials back into circulation and avoiding the CO_2e-intensive mining/extraction of primary material.

Further measures and their time horizons for implementation and decarbonization levers, cf. comments on climate strategy and potential for reductions from 2023 to 2045 in Section E1-4.

No substantial investment expenditure or operating expenses are required in order to implement the planned measures as the relevant decarbonization levers planned are of little relevance in terms of costs and do not require any major investments (e.g. conversion to green electricity, expansion of the vehicle fleet to include alternative drives). Accordingly, the implementation of these measures is also not dependent on the availability of funds.

In 2024, ATOSS set itself a net zero target for 2045. This primarily addresses investors' and employees' increased need for information. In doing so, the company is aligning itself with the net zero target of the Federal Republic of Germany. Submission of the targets to the SBTi (Science Based Targets Initiative) is also currently under examination. The Group has set itself intermediate targets on the way to net zero for 2025, 2030, 2035 and 2040. 2023 has been selected as the reference year with a reference figure of 2,333 t CO_2e (of which Scope 1 with 711 t CO_2e, Scope 2 with 208 t CO_2e and Scope 3 with 1,414 t CO_2e). Any other year further in the past would not have been representative due to the special situation caused by the coronavirus pandemic and the significant growth of ATOSS in recent years. With regard to the overall GHG emissions reduction targets planned for Scope 1, 2 and 3, see table in Section E1-6. The GHG reduction targets specified comprise all emissions categories and levels reported in Section E1-6.

With respect to GHG emissions, ATOSS follows the trinity of "avoid, reduce, offset". The focus is initially on reducing Scope 1 + 2 emissions and in the medium term reducing Scope 3 categories viewed as relevant.

The offsetting of emissions that cannot be reduced is only envisioned for the target year of 2045. This is to be accomplished by means of so-called removals. The specific definition of certain removal projects will be made at a later point in time as developments in this area cannot be foreseen as yet.

Identification of decarbonization levers and calculation of potential reductions were based on various environmental, social, technological, market and political developments. For example, the general development of the electricity mix in Germany and the changeover to renewable heat generation was taken into account as were the advancing transport turnaround, increased use of sustainable aviation fuels (SAFs) in aviation and further expansion of electrification in rail transport.

Scope	Decarbonization lever	Action	Figure in the reference year 2023 [t CO_2e]	Target for 2025	Target for 2030	Target for 2035	Target for 2040	Target by 2045
1	Change of fuel	Modernization of gas heating and conversion to heat pumps	71	0%	0%	-42%	-100%	-100%
1	Change of fuel	Making the vehicle fleet more sustainable (e.g. switching to e-mobility)	640	0%	-20%	-50%	-100%	-100%
2	Using renewable energy	Converting to green electricity at all facilities	173	-90%	-100%	-100%	-100%	-100%
2	Using renewable energy	Converting to climate-neutral district heat	31	-12%	-41%	-71%	-100%	-100%
2	Using renewable energy	Procuring green electricity for the company's own fleet	3	0%	-50%	-100%	-100%	-100%
3	Decarbonizing the supply chain and downstream emissions	Converting to green electricity in the hosting center	192	-10%	-28%	-49%	-78%	-93%
3	Using renewable energy	More sustainable upstream chain from the procurement of green electricity	67	-9%	-15%	-20%	-25%	-30%
3	Using renewable energy	More sustainable upstream chain, Procuring green electricity for vehicle fleet	159	0%	-16%	-40%	-83%	-85%
3	Using renewable energy	More sustainable upstream chain, Procuring green electricity for energy	12	0%	0%	-42%	-100%	-100%
3	Decarbonizing the supply chain and downstream emissions	Adapting company travel rules; changing company travel habits, assumed expansion of Sustainable Aviation Fuels	387	-2%	-20%	-44%	-65%	-77%
3	Decarbonizing the supply chain and downstream emissions	Further expansion of electrification of rail transport	2	0%	0%	-50%	-100%	-100%
3	Using alternative means of transport	Increasing employees' use of public transport for their commute	396	-4%	-22%	-50%	-85%	-95%
3	Decarbonizing the supply chain and downstream emissions	End-users converting to green electricity	192	-20%	-65%	-74%	-82%	-88%

Note on Scope 2: to calculate the Scope 2 greenhouse gas emissions included in the target, the ATOSS Group applies the market-based method.

Overview of decarbonization levers

	Figure in the reference year 2023 [t CO_2e]	Contribution for 2025	Contribution for 2030	Contribution for 2035	Contribution for 2040	Contribution by 2045
Change of fuel	711	0%	-18%	-49%	-100%	-100%
Using renewable energy	445	-37%	-50%	-63%	-83%	-84%
Decarbonizing the supply chain and downstream emissions	773	-8%	-33%	-53%	-73%	-84%
Using alternative means of transport	396	-4%	-22%	-50%	-85%	-95%

Energy consumption and mix (E1-5)

	2024
(1) Total consumption of fossil fuels (MWh) Gesamtverbrauch fossiler Energie (MWh)	**2,667**
Proportion of fossil sources in total energy consumption (in %)	**78**
(2) Consumption from nuclear power sources (MWh)	**0**
Proportion of consumption from nuclear sources in total energy consumption (in %)	**0**
(3) Fuel consumption for renewable sources, including biomass (incl. industrial and residential waste of biological origin, biogas, hydrogen from renewable sources, etc.) (MWh).	0
(4) Consumption of electricity, heat, steam and cooling purchased or received and from renewable sources (MWh)	745
(5) Consumption of self-generated renewable energy not constituting fuel (MWh)	0
(6) Total consumption of renewable energy (MWh) (sum of lines 3 to 5)	**745**
Proportion of renewable sources in total energy consumption (in %)	**22**
Total energy consumption (MWh) (sum of lines 1, 2 and 6)	**3,412**

The energy indicators disclosed were verified and validated exclusively in house. They were not validated by external bodies or third parties.

Gross GHG emissions in Scope 1, 2 and 3 as well as total GHG emissions (E1-6)

Accounting standard

The accounting procedure is based – wherever possible – on the reporting specifications of the Greenhouse Gas Protocol (GHG Protocols). This standard is recognized internationally as the decisive reference for greenhouse gas accounting (GHG accounting). The GHG Protocol provides for the principles of relevance, completeness, continuity, transparency and accuracy for emissions accounting. These serve as the basis for consistent, comprehensible GHG accounting.

Emissions factors

The emissions factors used were assessed and selected taking account of recency, applicability (e.g. regionality), technological representivity and completeness (e.g. system limits, greenhouse gases included).

Calculation of the GHG footprint across Scopes 1, 2 and 3 is based on specific emissions factors that quantify GHG emissions per unit of a resource or activity used. For example, the emissions factors for fuels comprise not only direct emissions from combustion (Scope 1) but also the emissions from upstream processes, the so-called upstream chain. These upstream chains include the emissions from the extraction, processing, refining and transport of the fuel. Taking account of these upstream chains in the emissions factors enables a more comprehensive, realistic accounting of the climate effect to be achieved.

In order to ensure that all the relevant greenhouse gases are included, the GHG footprint is calculated via CO_2 equivalents (CO_2e). This unit of measure makes the climate impact of different greenhouse gases comparable. For example, besides CO_2, CH_4, N_2O, HFKW, PFC, SF_6 and NF_3 are also included in the calculation at the relevant points. These greenhouse gases are converted to CO_2 equivalents via their corresponding Global Warming Potential (GWP). The values used are based on the current global warming potential with reference to a time horizon of 100 years. This method of calculation ensures that appropriate account is taken of the emissions of all important greenhouse gases in their contribution to global warning.

Organizational system boundary

No further breakdown of Scope 1 and Scope 2 emissions in accordance with ESRS E1-6 50 is required.

Emissions calculation

The emissions are calculated by multiplying the activity data by the emission factors. The traditional recording of emissions is based on capturing the physical-technical activity data (e.g. volume, weight, number of units of raw materials and semi-finished products purchased) and the subsequent multiplication by emission factors (tCO_2e per unit).

tCO_2e = physical-technical activity data (unit) x emission factor (tCO_2e per unit)

Activity data

Various methods for capturing activity data are available of differing quality. The most precise and therefore the preferred method is direct measurement of the emissions. Alternatively, activity data can be determined via process data (physical measurements, e.g. natural gas consumption in kWh/m³ or kilometers driven) or financial data (monetary measurements, e.g. fuel bills with quantities) – i.e. primary data (see also: Energy consumption and energy mix (E1-5)). Primary data also deliver the highest accuracy with respect to the origin of the data as they relate specifically and directly to the GHG footprint to be assessed. Secondary data based on flat rates or data from similar processes are used when primary data are not available.

In the present GHG footprint, the share of primary data in Scope 3 is a mere 1.9% which equates to an emission level of 27.05 t CO_2e. The data quality was assessed by means of the following parameters in order to reflect uncertainties and assumptions in this context. Accuracy (primary vs. secondary data), completeness (e.g. survey period), recency and the geographical reference of the data. Based on the above, corresponding uncertainty factors were determined on the activity data level and used to offset the uncertainties in the calculation.

ATOSS discloses its total GHG emissions broken down by Scope 1, Scope 2 and significant Scope 3 emissions with all Scope 3 categories of relevance to ATOSS included in the calculation.

The data quality within individual scope categories is examined below.

Scope 1 greenhouse gas emissions
The Scope 1 emissions relate to ATOSS' direct greenhouse gas emissions. These emissions arise directly on site, i.e. from sources under the control of the company. They include ATOSS' fuel consumption for generating heat (natural gas) and for its own vehicle fleet (diesel and petrol). The emission factors for Scope 1 originate from the DEFRA database (Department for Environment, Food & Rural Affairs). The activity data for Scope 1 are based on suppliers' direct measurements.

Gas consumption was determined as a function of the data available at individual Group facilities on the basis of various defined methods of calculation: average of actual gas consumption on the basis of the last 1-3 available statements or consumption estimates based on reference values

Determination of the consumption figures resulting from use of the leased vehicle fleet is based on the annual mileages reported by employees (broken down by type of fuel).

Scope 2 greenhouse gas emissions
Scope 2 emissions comprise ATOSS' indirect greenhouse gas emissions arising from the generation of electricity and heat procured by ATOSS. In order to calculate Scope 2 emissions, the electricity purchased is multiplied by country-specific emission factors (location-based). In order to identify the potential savings to be achieved by procuring renewable energies, Scope 2 emissions are additionally calculated via the specific emission factor of the explicit electricity provider (market-based). The procurement of green electricity as well as gray electricity and district heat are relevant for ATOSS in this context. The emission factors for Scope 2 originate from the DEFRA database and the German Federal Environment Agency (UBA). The activity data for Scope 2 are based on suppliers' direct measurements.

Electricity consumption was determined as a function of the data available at individual Group facilities on the basis of various defined methods of calculation: actual consumption on the basis of the last available statements (plus any consumption surcharges) or consumption estimated on the basis of reference values. Hyperscalers' electricity consumption is based on the electricity consumption reported by data centers.

District heat consumption was determined as a function of the data available at individual Group facilities on the basis of various defined methods of calculation: average of actual district heat consumption on the basis of the last 1-3 available statements (plus any consumption surcharges) or consumption estimates based on reference values.

Scope 3 greenhouse gas emissions
Scope 3 emissions are divided into 15 categories covering various aspects of the value chain. Not all Scope 3 emission categories are relevant for ATOSS and its operations. All relevant Scope 3 categories were included in the calculation.

Category	Included / excluded	Justification for non-consideration	Methodological notes on estimates / uncertainties / bills	Category precision
Cat. 1 – Purchased goods and services	included	n.a.	A) ATOSS has no direct control over hyperscalers' electricity consumption. Instead, data center operators are responsible for their operation and energy supply. Nevertheless, the indirect emissions from the electricity consumption of these data centers must be recorded in ATOSS' Scope 3 accounting as they are required for hosting and running the software – i.e. are linked to ATOSS business activities. These emissions are therefore taken into account under Scope 3.1. These emissions were projected using the operator's direct disclosures (activity data and emission factors). B) Inclusion of purchased Notebooks. As part of the assessment of the data quality, an uncertainty factor of 11% in each case was applied. Sources used for EF: information from the operator (hyperscale) and PCF of a Notebook direct from the manufacturer (HP)	average
Cat. 2 – capital goods	excluded	Negligible due to low purchase volumes	n.a.	n.a.
Cat. 3 – Activities in connection with fuels and energy (not included in Scope 1 or Scope 2)	included	n.a.	Data collection based on actual consumption figures	average
Cat. 4 – Upstream transport and distribution	excluded	As ATOSS supplies digital products and specializes in software-based solutions, the emissions normally associated with the upstream transport of physical goods do not apply to ATOSS.	n.a.	n.a.
Cat. 5 – Waste incurred in operations	excluded	Negligible due to low volumes	n.a.	n.a.

Category	Included / excluded	Justification for non-consideration	Methodological notes on estimates / uncertainties / bills	Category precision
Cat. 6 – Business travel	included	n.a.	Emissions from air and rail travel were included. The data originate from ATOSS' travel management system and the quality of the data is therefore high (primary data). Sources used for EF: DEFRA 2023 or DEFRA 2024	average
Cat. 7 – Commuting employees	included	n.a.	The average distance assumed is based on a mean figure for average commutes. Source: Agora Pendlerverkehr in Deutschland 2017 [Agora Commuter Traffic in Germany 2017]. Emissions associated with working from home are also accounted for in Category 3.7 Commuter traffic. As the accounting here rests on assumptions, uncertainty factors were applied in the course of assessing the data quality. An uncertainty factor of 18% was applied in each case to address the uncertainties. Sources used for EF: DEFRA 2023 or DEFRA 2024	average
Cat. 8 – Leased systems upstream	excluded	The use of rented or leased systems upstream is not significant for ATOSS' business as ATOSS primarily uses cloud-based services and already records all relevant emissions under its direct operational control (Scopes 1 and 2).	n.a.	n.a.
Cat. 9 – Downstream transport	excluded	Similar to upstream transport, emissions from downstream transport and distribution are insignificant for ATOSS as ATOSS' products are mainly distributed digitally.	n.a.	n.a.
Cat. 10 – Processing products purchased	excluded	There is no physical processing of products sold after their sale for a software company such as ATOSS that provides its products digitally. For this reason, this category does not apply.	n.a.	n.a.
Cat. 11 – Use of products sold	included	n.a.	Emissions occur on the customer's premises from using the software until the end of its expected use (emissions from using software for on-premises or cloud licenses). A simplified model was used to estimate the emissions based on the current number of users, the average daily duration of use of ATOSS software solutions over their expected useful life. The emissions factor relates to greenhouse gas emissions for home office data transmission.	low
Cat. 12 – Treatment of products at the end of their service life	excluded	ATOSS' business model is focused on the sale of intangible products. As ATOSS' software products are digital and have no physical life cycle, they do not incur any emissions associated with the disposal or recycling of physical goods. The proportion of hardware sold is very low and the resulting emissions are therefore non-material. This category is therefore not relevant for ATOSS' business.	n.a.	n.a.
Cat. 13 – Leased systems downstream	excluded	Emissions arising from the use of downstream rented or leased systems are typically not relevant for ATOSS' business model as ATOSS relies on cloud-based infrastructures already recorded in the calculation of direct emissions.	n.a.	n.a.
Cat. 14 – Franchises	excluded	As the ATOSS business model does not include a franchise system, emissions from this category do not apply.	n.a.	n.a.
Cat. 15 – Investments	excluded	Investments in other companies or projects are usually not significant for the primarily digital alignment of ATOSS' business as ATOSS capital flows are mainly directed at the development and enhancement of software solutions, but not at physical systems or external companies.	n.a.	n.a.

ATOSS reports its total GHG emissions broken down by Scope 1, Scope 2 and significant Scope 3 emissions, in accordance with the table below:

	Retrospective				Intermediate targets and target years				
	Reference year (2023)	2023	2024	% (2024/2023)	2025	2030	2045	(2050)	Annual % of the target year / reference year
Scope 1 greenhouse gas emissions									
Scope 1 gross GHG emissions ($t\ CO_2e$)	711	711	679	95%	0%	-18%	-100%	n/a	n/a
Percentage of Scope 1 greenhouse gas emissions from regulated emissions trading systems (in %)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Scope 2 greenhouse gas emissions									
Location-related Scope 2 gross GHG emissions ($t\ CO_2e$)	646	646	457	71%	n/a	n/a	n/a	n/a	n/a
Market-related Scope 2 gross GHG emissions ($t\ CO_2e$)	208	208	127	61%	-77%	-90%	-100%	n/a	n/a
Significant Scope 3 greenhouse gas emissions									
Total indirect (Scope 3) gross GHG emissions ($t\ CO_2e$)	1.414	1.414	1.439	102%	-6%	-27%	-84%	n/a	n/a
1 Purchased goods and services	192	192	187	97%	n/a	n/a	n/a	n/a	n/a
Of which cloud computing and data center services	*50*	*50*	*27*	*54%*	n/a	n/a	n/a	n/a	n/a
2 Capital goods					n/a	n/a	n/a	n/a	n/a
3 Activities in connection with fuels and energy (not included in Scope 1 or Scope 2)	245	245	230	94%	n/a	n/a	n/a	n/a	n/a
4 Upstream transport and distribution					n/a	n/a	n/a	n/a	n/a
5 Waste generated in operations					n/a	n/a	n/a	n/a	n/a
6 Business travel	389	389	398	102%	n/a	n/a	n/a	n/a	n/a
Cat. 7 – Commuting employees	396	396	432	109%	n/a	n/a	n/a	n/a	n/a
8 Upstream leased assets					n/a	n/a	n/a	n/a	n/a
9 Downstream transport					n/a	n/a	n/a	n/a	n/a
10 Processing sold products					n/a	n/a	n/a	n/a	n/a
11 Use of sold products	192	192	192	100%	n/a	n/a	n/a	n/a	n/a

	Retrospective				Intermediate targets and target years				
	Reference year (2023)	2023	2024	% (2024/2023)	2025	2030	2045	(2050)	Annual % of the target year / reference year
Significant Scope 3 greenhouse gas emissions									
12 Treatment of products at the end of their service life					n/a	n/a	n/a	n/a	n/a
13 Downstream leased assets					n/a	n/a	n/a	n/a	n/a
14 Franchises					n/a	n/a	n/a	n/a	n/a
15 Investments					n/a	n/a	n/a	n/a	n/a
Total GHG emissions									
Total GHG emissions (location-based) ($t\ CO_2e$)	2,771	2,771	2,575	93%	n/a	n/a	n/a	n/a	n/a
Total GHG emissions (market-based) ($t\ CO_2e$)	2,333	2,333	2,245	96%	-11%	-30%	-90%	n/a	n/a

Intensity of gross GHG emissions on the basis of net revenues

GHG intensity per net receipt	**2024**
Total GHG emissions (location-based) per net receipt ($t\ CO_2e$/EUR)	0.00
Total GHG emissions (market-based) per net receipt ($t\ CO_2e$/EURt)	0.00
Net revenues used to calculate greenhouse gas intensity	170,625,446
Net revenues (other)	0
Total net revenues (in financial statements)	170,625,446

In calculating the key emissions indicators reported here, ATOSS was supported by external consultants who validated the figures.

Reducing greenhouse gases and projects to lower greenhouse gases, funded via carbon credits (E1-7)

No decision has been taken as yet on the future treatment of remaining or unavoidable residual emissions. ATOSS' focus is currently on avoiding and reducing greenhouse gases.

Internal carbon pricing (E1-8)

No internal carbon price has been defined as yet.

Expected financial impact of material physical risks and transition risks as well as potential climate-related opportunities (E1-9)

ATOSS' business model is neither affected by physical risks nor is there any material transition risk. At the same time, it is completely free of physical and transitory climate change risks. For this reason, no cost savings are expected as a result of climate protection measures. Instead, the Group is expecting increased expenditure caused by investments. As a general rule, climate change adaptation is not material for ATOSS.

ESRS S1 - Company workforce

Our material impacts, risks and opportunities

Positive impacts*
(1) Prevention of sickness and incentives for a healthy lifestyle
(2) Competitive remuneration and further benefits for employees
(3) Training and further education for employees
(4) Fast reboarding after returning from parental leave
(5) Flexible work agreements incl. working from home
(6) Every employee – irrespective of their age, ethnic origin and nationality, gender, physical and mental abilities, religion, ideology or their sexual orientation and identity – can contribute to the success of the company with their individual personalities and strengths, thereby unlocking their full potential

Risks
(1) Lack of healthcare leads to high rates of sickness and disrupts operating processes
(2) Competition for qualified staff has become one of the greatest challenges for many companies and ATOSS, too, has to face up to this problem.

Opportunities
(1) The reconciliation of family and work is becoming an ever more important factor in the competition for staff.
(2) Enhancing employer's attractiveness for applicants
(3) Employee diversity promotes the company's agility and capacity for innovation.
(4) The professional and personal skills of ATOSS employees are game-changers in persuading customers, investors and business partners to choose the company and thereby play an important part in the success of the business

*The positive impacts relate to all employees of the ATOSS Group as a matter of principle

Transparent and trusting corporate culture and/or employee satisfaction

Concepts, due diligence processes and targets
ATOSS attaches great importance to a transparent, appreciative and trusting corporate culture. Its employees are the key factor in successfully achieving the company's targets. The Employees sphere that falls within the scope of ESRS S1 – Company workforce – is the responsibility of the Chief People Officer who manages the Human Resources Department in the ATOSS Group and reports to the CEO. This ensures that the perspectives and interests of the employees are incorporated into the strategies, decisions and actions of management.

Annual Group-wide employee surveys that form part of the ATOSS Listening Strategy (Connect@ATOSS Engagement Survey and Pulse Survey) support the focus of ATOSS human resource management, driving its development by targeting the issues that reflect priorities and strategies. A fixed set of questions helps to determine annually updated metrics (on subjects such as commitment, communication, cooperation, corporate culture, diversity & inclusion, innovation, professional development, purpose, security, team, work-life balance and the workplace). The results of the survey are analyzed, communicated internally and serve as a foundation for the introduction of company-wide activities in the area of People & Culture in order to implement the ATOSS core values described in the Code of Conduct.

In order to address negative impacts on its employees, ATOSS has set up various anonymous complaints mechanisms for reporting and remedying complaints in the company and in the process always seeks to achieve dialog with and between the parties involved. ATOSS strives to create a culture in which everyone has the confidence to address matters of importance to them. This includes encouraging them to express their opinions freely, including towards colleagues situated higher up the hierarchy. This is aided among other things by the annual survey on the Leadership Index which measures expectations of the role of employees with managerial responsibility. Furthermore, there are further channels for freely voicing opinions, the availability of which is communicated to employees as part of the onboarding process: HR business partners, whistleblower hotline, Works Council, person of trust, diversity and inclusion team as well as dialog as part of the annual employee growth interviews with the manager. ATOSS endeavors to ensure that its employees not only have access to these channels but also have the knowledge, trust and security to use them where needed free of reprisals in accordance with specifications defined in the Code of Conduct. In the course of info campaigns and regular mailshots, employees are actively encouraged and reminded to participate in the various forms of the employee survey and use the communication channels offered. As a general rule, the measures described are open to employees of the ATOSS Group and will also be retained in this form going forward.

For further information on the ATOSS whistleblower hotline and protection for those that use it from reprisals, see the Section on Corporate governance (ESRS G1).

The HR Talent Management department run by the Chief People Officer takes care of strategic and operational HR concerns across the Group at ATOSS, refining measures with a positive impact on employees and steering clear of potentially negative effects on them.

Targets
In the area of transparent and trusting corporate culture or employee satisfaction, ATOSS has also established further company-specific indicators not defined in ESRS 1. The following targets were agreed for 2024 and 2025:

- Employee Engagement Index of > 80%
- Employee Net Promoter Score (eNPS) with a target of ≥ 25
- Leadership Index of 3.7
- Working Flexibility Satisfaction Index of ≥ 75%

Progress and measures
Maintaining a continuous dialog with its employees is an important issue for ATOSS management. The aim of this dialog is to involve employees in the further growth of the company. As part of the quarterly Group-wide online event, ATOSS Fireside Chat, the CFO informs the workforce of the latest economic developments in the Group and gives its outlook for the coming months. The so-called "All Hands" online events led by the CEO give an insight into current developments in the company, offering employees the chance to converse directly with the Management Board.

In order to measure employee satisfaction, a Group-wide Engagement Survey was carried out in 2024 on the basis of 3 survey elements ("I am proud of what we are achieving here together", "My work has a special significance for me and is not 'just a job'", ATOSS is for me a secure, reliable employer") in which 68 percent of all Group employees participated. The result was that an Employee Engagement Index of 83 percent was achieved. The target for the 2024 financial year was over 80 percent. In addition, the following HR indices were surveyed in 2024 in order to identify actual and potentially positive and negative impacts on employees, measure the success of the actions taken and in the event of negative impacts, arrange for remedial action. To this end, targets were defined and communicated in advance with the aim of achieving high rates of participation. The efficacy of the measures and initiatives is tracked and evaluated by the Human Resources department.

HR indices for measuring employee satisfaction

Key indicator	Units	2024 Target	2024 Actual
Employee Engagement Index	%	> 80	83
Employee Net Promoter Score (eNPS)	Points	≥ 25	33
Leadership Index	Points	3.7	3.7
Working Flexibility Satisfaction Index	%	≥ 75	75

§ Accounting policies

Employee Engagement Index: measures employee satisfaction on the basis of 3 survey elements

Employee Net Promoter Score (eNPS): measures the probability that employees would recommend ATOSS as an employer.

Leadership Index: measures the expectations of the roles of employees with managerial responsibility (rating scale of 1-5 points; 1 = expectations of the role not yet met; 3 = expectations of the role met; 5 = expectations of the role far exceeded across the board).

Working Flexibility Satisfaction Index: measures employees' satisfaction with regard to their work / life balance.

An external analysis and assessment of employer attractiveness was also carried out again in 2024 by the Top Employers Institute. The Institute awarded ATOSS Software SE the accolade of "Top Employer" for the fifth time in succession. This puts the company among the best employers in Germany according to the Top Employers Institute. The certification program analyses the personnel strategy in practical employee offerings such as the talent strategy, personnel planning, onboarding, training and manager development as well as career and succession planning and the corporate culture.

The insights gained from the evaluation of internal surveys and external assessments offer important pointers for the Management Board and the Human Resources department for their personnel work going forward. Thanks to the fixed cycle of dialog and survey formats, measures implemented to improve employee concerns are monitored, taking account of employee interests. The Human Resources department is also responsible for monitoring measures in the human resources sphere.

ATOSS' objective is to keep employee engagement and satisfaction at what the Management Board considers to be a high level in the future and to grow these indicators further still. To this end, the Group has also set appropriate targets for the 2025 financial year.

Diversity, inclusion, non-discrimination as well as human rights and labor rights

Concepts, due diligence processes and targets
The Management Board regards diversity, equal rights and inclusion as elemental components of open, innovative corporate culture, and it is determined to maintain a working environment that encourages employees to contribute their differing perspectives. Every employee – irrespective of their age, ethnic origin and nationality, gender, physical and mental abilities, religion, ideology or their sexual orientation and identity – should be able to contribute to the success of the company with their individual personalities and strengths, thereby unlocking their full potential. ATOSS has defined this approach to diversity, equality & inclusion in its Diversity Policy, which applies to all employees and at the same time forms the basis for dealing with diversity within the company. The policy defines what ATOSS understands by diversity, equality and inclusion, which third-party initiatives it refers to and how diversity is embraced in everyday life.

ATOSS is convinced that employee diversity boosts the company's agility and innovative talent as different perspectives are the breeding ground for new ideas. By signing the Diversity Charter every year, ATOSS is demonstrably advocating for a respectful working environment free of prejudice.

In addition, it defines what ATOSS regards as ethically correct conduct in everyday working life. Among other things, it also covers the subjects of equal rights and non-discrimination. For example, ATOSS is guided by the principle of equal opportunities as well as qualification-led and performance-related criteria in its personnel decisions such as the selection, appointment, promotion, remuneration and training of staff as well as when switching jobs. Gender-specific and ethnic differences play no part. Besides the ATOSS core values, further contents of the Code of Conduct include: fair competition and antitrust law, compliance and anti-corruption, occupational health and safety, protection of the environment, data protection and confidentiality. When the Code of Conduct was prepared, the interests of stakeholders were taken into account, particularly by including the HR and Compliance & Data Protection departments. The Code of Conduct is available on the company's homepage on the following link: https://www.atoss.com/de/unternehmen/verhaltenskodex.

The aim of the guidelines described that apply to all employees in the Group is to reduce the risk of discriminatory behavior and at the same time promote employee behaviors that can have a positive impact on customer satisfaction and consequently on ATOSS business success. Compliance with these behavioral principles is monitored particularly by managers and the Compliance department in the course of standard processes. The Management Board is responsible for implementing the guidelines.

In addition, ATOSS has committed to respecting and promoting social values such as internationally recognized human rights. The respect of human rights, children's rights and labor rights is non-negotiable and unconditional, encompassing observance of the United Nations' charter on human rights and children's rights, the recognized standards of the International Labor Organization (ILO) as well as European legislation. The principles of the UN Global Compact and the rules of the UN Conventions on the Rights of the Child also guide ATOSS' actions. In this context, ATOSS explicitly rejects all forms of forced labor or child labor. In cases where the company identifies potentially detrimental effects on human rights, it undertakes to take immediate, effective action to remedy the situation. ATOSS' approach to complaints and remedial measures consists in removing all negative impacts on the human rights of individuals, workers and communities which ATOSS has caused or contributed to. The efficacy of the measures and initiatives implemented as well as consideration of the interests involved are tracked and evaluated by the Human Resources department as part of regular processes (e.g. employee surveys, Pulse Surveys). With regard to further information on the subject of compliance and ethical conduct, see the Corporate governance section (ESRS G1).

Targets
In order to address the subject of diversity in the coming years with even greater intensity, and to further boost its attractiveness as an employer, ATOSS set itself the following targets for the first time in 2022, to be met by 2027, and the achievement of which it will also retain as targets in the 2025 financial year:

- Group-wide gender distribution: 50 percent female / 50 percent male
- Gender distribution among senior executives: 40 percent female / 60 percent male
- Gender distribution in management: 30 percent female / 70 percent male

In order to track its progress in achieving the defined targets, ATOSS evaluates employee percentages by gender and position.

§ Accounting policies

Senior executives: Employees with responsibility for teams

Management: Executive Leadership Team incl. authorized signatories excl. the Management Board

Progress and measures
Various measures for promoting employee diversity will also be implemented across the Group for all employees of the company in the 2024 financial year. For example, a Diversity Day was once again staged on which employees were able to learn more on the subject of multigenerational collaboration. Diversity newsletters also kept employees regularly up to date on all the measures implemented and scheduled in this area such as the format of the "Culture Talks" in which employees were able to learn more about the country, culture and customs of their foreign colleagues. There is also a mandatory e-learning format in place that focuses on the ATOSS Code of Conduct, thereby providing an important boost to the subjects of diversity and inclusion to ensure that our dealings with each other in the Group are open and free of prejudice. Potential infringements against diversity, equal rights and inclusion can be reported by any employees through the whistleblower hotline without fear of reprisals and will be subsequently investigated by the Compliance committee as well as being reported to the Management Board and Supervisory Board.

In ATOSS' view, the measures described succeeded in creating an inclusive working environment for implementing the Diversity Policy adopted by the Group. This is also evidenced by the results of this year's Engagement Survey with an approval rating of 87 percent in the area of diversity and inclusion. At the same time, the diversity measures actioned further innovation while boosting employee satisfaction and loyalty. When the Diversity Policy was prepared in 2022, the interests of stakeholders were taken into account, particularly by including the HR department. The Diversity Policy is available to all employees on the Intranet.

In the next financial year, ATOSS is planning to continue with the measures implemented in the reporting year in the area of diversity.

The following key indicators are published in order to show the diversity and characteristics of employees in the company:

As of 12/31/2024, ATOSS employed 820 staff across the Group (previous year: 775) from 49 countries (12/31/2023: 49).

Total number of employees by age (number of persons)

	12/31/2024	12/31/2023
<30	274	275
30–50	468	423
>50	78	77
Total number of employees	**820**	**775**

Total number of employees by gender (number of persons)

Gender	12/31/2024	12/31/2023
Male	489	458
Female	331	317
Diverse	0	0
not provided	0	0
Total number of employees	**820**	**775**

Total number of employees by country (number of persons)

Country	12/31/2024	2024 (ø)	12/31/2023	2023 (ø)
Germany	558	553	528	504
Romania	207	205	194	187
Austria	17	16	17	19
Switzerland	15	13	13	13
Netherlands	14	13	13	13
Sweden	4	4	5	6
Belgium	2	2	3	4
France	3	2	2	1
Total	**820**	**808**	**775**	**747**

Total number of employees by tier of management and gender (number of persons)

	Target (%)	12/31/2024	Proportion (%)	12/31/2023	Proportion (%)
Senior executives	**100**	**116**	**100**	**113**	**100**
Male	60	76	66	78	69
Female	40	40	34	35	31
Management	**100**	**12**	**100**	**9**	**100**
Male	70	9	75	7	78
Female	30	3	25	2	22
Group-wide	**100**	**820**	**100**	**775**	**100**
Male	50	489	60	458	59
Female	50	331	40	317	41

Gender and age group distribution of the Supervisory Board (number of persons)

	12/31/2024	12/31/2023
Male	**4**	**4**
<30	0	0
30-50	2	2
>50	2	2
Female	**0**	**0**
<30	0	0
30-50	0	0
>50	0	0

Gender and age group distribution of the Management Board (number of persons)

	12/31/2024	12/31/2023
Male	**3**	**4**
<30	0	0
30-50	1	1
>50	2	3
Female	**0**	**0**
<30	0	0
30-50	0	0
>50	0	0

Total number of employees by type of contract, broken down by gender* (number of persons)

12/31/2024				
Female	Male	Other	not provided	Total
Number of employees (number of persons)				
331	489	0	0	820
Number of employees with permanent employment contracts (number of persons)				
315	458	0	0	773
Number of employees with fixed-term employment contracts (number of persons)				
16	31	0	0	47
Number of workers on call (number of persons)				
0	0	0	0	0
Number of full-time employees (number of persons)				
249	439	0	0	688
Number of part-time employees (number of persons)				
82	50	0	0	132

*Gender as stated by the employee

Total number of employees by type of contract, broken down by region (number of persons)

12/31/2024								
Germany	Romania	Austria	Switzerland	Netherlands	Sweden	Belgium	France	Total
Number of employees (number of persons)								
558	207	17	15	14	4	2	3	820
Number of employees with permanent employment contracts (number of persons)								
532	189	16	13	14	4	2	3	773
Number of employees with fixed-term employment contracts (number of persons)								
26	18	1	2	0	0	0	0	47
Number of workers on call (number of persons)								
0	0	0	0	0	0	0	0	0
Number of full-time employees (number of persons)								
457	183	13	13	13	4	2	3	688
Number of part-time employees (number of persons)								
101	24	4	2	1	0	0	0	132

With regard to the average number of people employed in the 2024 financial year, please also refer to the comments in the Economic and Business Report in the Management Report under 2.2 Results of operations, financial position and net assets of the ATOSS Group (IFRS).

§ **Accounting policies**

Total number of employees: The number of employees is determined on the basis of the number of persons centrally recorded in the Group's personnel management and HR software (headcount) at the end of the reporting period (including those absent on maternal leave and persons on fixed-term or part-time contracts – even if their work is only marginal (e.g. students)). Dismissed employees are recorded until their notice period has elapsed regardless of whether they were wholly or partially released from their assignments until the end of their notice period. Members of the Management Board, freelance staff, trainees and inactive employment relationships (e.g. parental leave) are not taken into account when determining the number of employees.

Average number of employees: one quarter of the sum of the number of employees at the end of each quarter

Gender: Information on the gender characteristics of male, female, diverse incl. any changes to them is recorded in the Group's personnel information system and is thus available for evaluations and calculations of key indicators.

Senior executives: Employees with responsibility for teams

Management: Executive Leadership Team (one level below the Management Board) incl. authorized signatories excl. the Management Board

Health, well-being and occupational safety

Concepts, due diligence processes and targets

The health of its employees is a top priority for the Management Board. Measures to promote good health in companies not only help individual employees and secure the long-term success of the business but also have a positive effect on society beyond the confines of the company. Successful company health management boosts the health of employees, reduces the physical and mental stresses and strains of work, prevents illness and enhances employees' commitment. Not least, the attractiveness of the employer for employees and applicants also gains a welcome boost. The company is therefore implementing various company health promotion measures at its facilities aimed at motivating employees to adopt a healthy lifestyle and strengthen their sense of personal responsibility in matters of health.

Progress and measures

ATOSS has a management system for occupational health and safety based on statutory requirements and recognized standards, and which covers all employees at facilities in Germany, Austria, Switzerland, Netherlands and Romania. The occupational safety committee meets every quarter. The occupational safety officer is the point of contact for employees in all questions of occupational health and safety and they advise the departments accordingly. Risk assessments are carried out on an annual basis. All employees also receive training once a year on the subject of occupational health and safety in the form of an online event. This ensures that all employees across the Group are incorporated into the management system for occupational health and safety. The indicators for accidents at work and work-related sickness (see below) gathered by the Group demonstrate the efficacy of the measures implemented.

One special concern of ATOSS is to preserve the health and work-life balance of its employees and to make work in the offices or home offices as pleasant as possible. To this end, the following measures were offered in the 2024 financial year through the ATOSS health management system: membership of Gympass with diverse sporting and health offers, various sporting offerings (yoga, football, running), regular check-ups by the works doctor (eye tests, flu vaccinations), consultation offers and information events on the subject of health (Virtual Health Week). This health offer is to be continued in the coming years. As a general rule, the health measures described are available to all employees of the ATOSS Group (depending on local offers) and contribute not only towards bolstering employees' health but also boosting the company's attractiveness as an employer.

The success of the health measures implemented is shown in the high Health Culture Index for measuring the health of employees. The company publishes the following key indicators in the area of occupational health and safety:

	2024
Sickness rate (%)	3
Health Culture Index (%)	97
Accidents at work (number)	8
Rate of work-related accidents (%)	0
Work-related sickness (number)	0
Fatalities as a result of accidents at work or work-related sickness (number)	0
Days lost due to accidents at work and damage to health (number)	3

§ **Accounting policies**

Sickness rate: Sick days of all employees employed in the company divided by the target working days (incl. scheduled days of absence)

Health Culture Index: 100% minus the sickness rate

Work-related accidents: Accident suffered by an employee during an activity directly related to their work, e.g. during working hours, a business trip or on their commute

Work-related sickness: all illnesses the occurrence of which is related to the employee's work and of which the employee notifies the employer.

Rate of work-related accidents: Number of accidents at work divided by aggregate standard working hours

Staff recruitment and retention

Concepts, due diligence processes and targets

The professional and personal skills of ATOSS employees are game-changers in persuading customers, investors and business partners to choose the company and thereby play an important part in the success of the business. ATOSS therefore always aims to recruit and retain the best talents. Competition for qualified staff has become one of the greatest challenges for many companies and ATOSS, too, has to face up to this problem.

To this end, the Talent Acquisition Department has been pursuing an Active Sourcing approach for several years in order to identify qualified external candidates across the Group and proactively make them aware of vacant positions. The measures implemented by the HR department are designed for the long term and are reviewed and if necessary adjusted.

Besides recruitment, employee loyalty is a significant factor in the successful implementation of ATOSS' growth plans. To this end, ATOSS offers its employees appropriate remuneration meeting the benchmarks in all countries in which the company operates, further perks, flexible work agreements, a positive, dynamic working atmosphere and opportunities for personal growth and development.

ATOSS measures employee recruitment and retention on the basis of different internal indicators and external assessments. The staff turnover rate is an important metric for determining employee satisfaction and the attractiveness of ATOSS for talented individuals and skilled workers.

The reconciliation of family and work is an important factor in the competition for staff. All employees have a statutory right to leave for family reasons. It is also a matter of some concern to ATOSS that employees across all levels of the hierarchy and all divisions of the company take advantage of their parental leave and that they can quickly slot back in after returning from their parental leave.

Digitalization has fundamentally changed the world of work. The hybrid working time model “New Work” introduced in 2021 enables nearly all employees at ATOSS to take advantage of working up to 50 percent from home thereby giving them greater flexibility to take account of their personal needs. Since 2023, the “work from home” option has been extended in most Group companies to include a “work from home” option from other EU countries for a fixed number of days. The working models described are designed for the long term and defined in a corresponding works agreement in the company. The success of the action taken is measured by the HR department on the basis of an annual Engagement Survey which questions employees about their work-life balance. See also comments on the Working Flexibility Satisfaction Index.

In the view of ATOSS, the measures described to promote the reconciliation of family and work as well as flexibility at the workplace make a successful contribution towards boosting the company’s attractiveness as an employer and increasing the proportion of women in senior positions in line with the ATOSS diversity guideline.

Progress and measures

ATOSS succeeded in maintaining staff growth in the 2024 financial year thanks to the successful recruitment of employees in many departments of the company. In total, ATOSS took on 222 new employees in 2024. The proportion of women among the new recruits stood at 39%.

The staff turnover rate in the 2024 financial year came to 20.9% in total (staff turnover excluding students: 16.7%) and primarily reflected tougher international competition for the best talents. Here ATOSS implemented numerous measures – mainly in the areas of health, well-being and occupational health and safety as well as staff training and development – in order to strengthen employee loyalty to the company and to keep the loss of talented staff to a minimum.

In order to measure the measures implemented in employee recruitment and retention, the Group also collects the following key indicators:

	2024
Number of employees who left the company (number of persons)	169
Staff turnover rate (%)	20.9%
Number of employees who left the company excluding students (number of persons)*	129
Staff turnover rate (%)	16.7%
Employees who have a right to leave for family reasons (%)	100%
Employees who took advantage of their right to leave for family reasons (%)	11%
of whom male	4%
of whom female	7%
Average remuneration of ATOSS employees on a full-time equivalent basis in Germany (gross in EUR)**	86,102
CEO remuneration (EUR)	1,106,469
CEO pay ratio (ratio of CEO remuneration to the average remuneration of ATOSS employees on a full-time equivalent basis in Germany)	1:13
Ratio of the total annual remuneration of the highest paid individual (CEO) to the median of the total annual remuneration of all employees on a full-time equivalent basis (excl. the highest paid individual) - across the Group	1:17

* For the calculation, see also the definition of the staff turnover rate under Accounting policies

** excl. special payments

§ Accounting policies

Staff turnover rate

The staff turnover rate is calculated as the ratio of the number of employees (see definition of “number of employees” in Accounting policies) (excl. members of the Management Board, freelance staff, trainees and inactive employment relationships (e.g. parental leave)) who left the company in the financial year (voluntarily, due to dismissal, (i.e. termination, severance), retirement or employees whose fixed-term contracts expired) to the average number of employees (excl. members of the Management Board, freelance staff, trainees and inactive employment relationships (e.g. parental leave)) in the financial year.

Leave for family reasons

Leave for family reasons includes the following categories: maternal, paternal and parental leave as well as leave to care for dependents (incl. children). As a general rule, all facilities in the ATOSS Group offer different forms of the statutory right to leave for family reasons although they are not uniform.

Staff training and development

Concepts, due diligence processes and targets

Training sessions and further education can play a role in achieving the budgeted sales growth, expanding the ATOSS product range and continuing to meet customers’ expectations. For this reason, regular interviews focusing on performance and career development represent a vital tool for ATOSS in helping employees to grow (e.g. in the form of annual reviews). In these interviews, employees, together with their supervisor, explore how they can achieve professional and personal growth, and what opportunities for doing so are on offer at ATOSS. In this context, the ATOSS Career Development Charter supports the professional and personal growth of employees and managers on an ongoing basis across the Group by means of numerous online and face-to-face offers in the areas of soft skills, leadership and technical product expertise as part of the ATOSS Learning Compass. New staff joining ATOSS also undergo a training program in the first few weeks consisting of a mixture of webcasts, self-learning and e-learning, offering them further training in professional skills, methodological approaches and personal growth. The training and further education offerings are available to all employees of the ATOSS Group and are regularly analyzed, reviewed and if necessary adjusted by the HR department.

Progress and measures

In the view of the ATOSS, the training measures offered by the Group in the reporting year have enabled the company to successfully implement the requirements of the ATOSS Career Development Charter. The average number of hours spent on training and further education broken down by employee category and department was as follows:

Category	**2024**
Employee category Managers	35
Employee category Staff	34
Sales	30
Customer Services & Support (CSS)	59
Finance, People & Organization (FPO)	18
Marketing	20
Innovation & Development (I&D)	28

The average number of training hours (compulsory and voluntary training) per employee in the ATOSS Group stood at 34 h in the 2024 financial year. With regard to the further training options on offer, ATOSS as a general rule makes no distinction between the genders of its employees.

The average number of training hours (compulsory and voluntary training) per employee in the Group, broken down by gender, is as follows:

	2024
Male	34
Female	34
Diverse	n/a

The proportion of employees in the Group who received an assessment of their performance and professional development documented in the Group's Human Capital Management system as part of their annual review with their line manager, was as follows:

	2024
Male	73%
Female	75%
Diverse	n/a

§ Accounting policies

Average number of training hours per employee: Total number of training hours completed divided by the average number of employees in the financial year (one quarter of the sum of employee numbers at the end of each quarter). For the definition of employees, cf. Accounting Policies in the section on diversity, inclusion, non-discrimination as well as human rights and labor rights.

Compulsory training: Compliance training on the code of conduct, general data protection regulation (GDPR), occupational health and safety, basics of data protection, basics of information security. All training is designed for a standard learning time of 60 minutes.

ESRS S4 Consumers and end-users

Our material impacts, risks and opportunities

Positive impacts
(1) Handling of personal (customer) information in line with statutory requirements incl. the protection of such information from unauthorized access
(2) The added value for customers in ATOSS solutions lies in their
demonstrable contribution to greater value creation and competitiveness for its customers (cost optimization as a result of optimal deployment of available human resources).
(3) The added value for customers in ATOSS solutions lies in their contribution to greater employee satisfaction for its customers and thus to better retention and motivation.

Risks
(1) Data leaks / hacker attacks / leaking of customer data – cyber risks

Opportunities
(1) A high level of information security leads to a good reputation
(2) A high level of protection for customer data leads to a good reputation
(3) High customer satisfaction is the basis for holding onto customers (net retention rate). In this way, market shares can be held or even expanded (customer successively expands portfolio).
(4) To win new customers as a result of high technical expertise in certain sectors (thereby further expanding market share)

ATOSS' business model consists in the development and sale of workforce management solutions for companies (business-to-business). Due to the importance and added value of ATOSS software solutions for companies which acquire the ATOSS workforce management solutions to optimize their personnel planning, working time management and personnel deployment, the impacts, risks and opportunities for corporate customers and their end users resulting from the use of ATOSS solutions are described below. ATOSS addresses companies of every size and sector with its three digital workforce suites, "ATOSS Staff Efficiency Suite", "ATOSS Time Control" and "Crewmeister".

ATOSS attaches great importance to long-term customer relationships. These are based on mutual trust and the ability to recognize and understand their customers' requirements and work with them to meet their demands. The themes and topics of innovation and added value for customers, information security and the security of customer data are the responsibility of all members of the ATOSS Management Board and the departments entrusted with their implementation and observance, namely Sales, Marketing, Product Management, Research & Development, Cloud Solutions, Customer Services & Support and Finance. ATOSS has been using the Net Promoter Score (NPS) to measure customer satisfaction. In this way, the perspectives of corporate customers and their end users feed into the strategies, decisions and actions of ATOSS. At the same time, it serves to refine the solutions on offer and the development of measures to avoid actually or potentially negative impacts on customers.

The ATOSS values, enshrined in the Group-wide ATOSS Code of Conduct, underpin the respectful, responsible and sustainable interactions of the company's employees with their customers and their data.

Innovation and value added for customers

Concepts, due diligence processes and targets
ATOSS solutions add significant value for their customers by allowing them to deploy their existing personnel capacity more efficiently and adapt it quickly and agilely to meet changing underlying conditions. Fluctuations in demand, for example, can occur in companies at short notice due to volatile order books in industry, changing footfall in the retail trade, call volumes in call centers, fluctuating patient admissions in the health sector or seasonal peaks in logistics. To enable them to enjoy the benefits of the software, customers are trained in the use of workforce management solutions. In addition, there is a customer support hotline in place in case queries crop up during operation. There is no guideline to the themes and topics of innovation and value added for customers. The ATOSS core values form the foundation for the successful refinement of ATOSS software solutions and day-to-day interactions with customers.

The core task of ATOSS software solutions is to synchronize workload and working hours and generate cost-optimized deployment planning. This creates a productive, viable working environment which involves employees in the organization of their working time and contributes to greater employee satisfaction and productivity through its transparency. Furthermore, ATOSS Workforce Management Solutions can contribute toward raising productivity, efficacy and the service level and/or product quality.

Innovative working time concepts also create the platform for a better work-life balance and support effective employer branding — subjects and issues that are gaining in importance in times of skills shortages. Intelligent Working time management, demand-optimized Workforce scheduling and Workforce demand forecasting also prevent overtime or unoccupied time. Integrated workforce management thereby creates the foundation for a living and breathing organization that can respond to fluctuating requirements, while optimizing costs and demands. In this way, ATOSS makes an important contribution to its customers' innovations, digital transformation and their ability to stand out from their competitors.

Technological advances in ATOSS solutions are driven by the three departments, Product Management, Technology & Development and Cloud Operations which fall within the remit of the CTO. To this end, the Management Board defines and adopts product roadmaps with short and long-term action plans and targets at the beginning of the year, and reviews the progress made on an ongoing basis.

Targets

Sustainable economic growth will continue to form the basis of ATOSS' ability to innovate. ATOSS has therefore set itself the following targets for 2025:

- proportion of recurring revenue at around 70 percent
- average revenue growth of 19 percent from 2023 to 2025
- customers to grow to 20,000+

In addition, ATOSS pursues the ambition of further expanding its international customer base. In order to measure progress in reaching these targets, revenues incl. the share of recurring orders and the number of customers are regularly surveyed.

In the area of innovation and value added for customers, ATOSS set itself the following targets for the 2024 financial year:

- Long-term customer relationships: Cloud churn* under 2 percent per year and Net Retention Rate (NRR) of at least 110 percent
- R&D investments of over 17 percent of total revenue
- Net Promoter Score (NPS) ≥ 10

The targets for innovation and value added were modified slightly for the 2025 financial year and defined as follows:

- Long-term customer relationships: Cloud churn* under 2 percent per year and Net Retention Rate (NRR) of more than 110 percent
- R&D investments of around 16 percent of total revenue
- Net Promoter Score (NPS) ≥ 10

With regard to the Net Promoter Score (NPS), a long-term target (i.e. >5 years) of ≥ 35 was also set in 2022.

*excl. the Crewmeister product

Progress and measures

ATOSS evaluates the success of its innovations on the basis of the number of customers won in the financial year and the level of R&D spending. Today, around 18,300 customers plan and manage their employees with software solutions from ATOSS. With a figure of EUR 25.6 million, around 15 percent of consolidated revenue was committed to the further development of ATOSS products and solutions in 2024, slightly below the target of over 17 percent. A total of 1 major release and 2 minor releases were rolled out for the ATOSS Staff Efficiency Suite (ASES) and ATOSS Startup Edition (ASE) products and 1 major release and 4 minor releases for the ATOSS Time Control product. Annual releases are a relevant cornerstone for maintaining customer satisfaction at a high level. With the level of its development expenditure, ATOSS is positioned among the top 100 European software manufacturers with the highest R&D expenditures in 2024 according to the study, "The 2024 EU Industrial R&D Investment Scoreboard"; this ranking puts the company in first place among Europe's workforce management software suppliers.

The value added provided by ATOSS solutions for customers and society was recognized in November 2023 with an award for personnel management in German-speaking territories – the HR Excellence Award. The HR Excellence Awards (HREA) jury crowned ATOSS victorious in the "Analytics & Technology, AI in HR & Software" category. The criteria for the assessment by HR experts comprised innovation, creativity, results and efficiency as well as the effectiveness of the project. The prize was awarded for the "AI-based personnel requirements forecast with the integration of PPR 2.0" which was developed together with Universitätsmedizin Mainz, Fraunhofer IKS, Flying Health and the ver.di Regional Office for Rhineland Palatinate/Saarland. The additional benefit in ATOSS solutions for customers lies in their demonstrable contribution towards greater value added and competitiveness. This was also underlined by a study commissioned by ATOSS in 2022 involving existing customers and companies not yet won over as customers by the Group on the subject of "The Future of Workforce Management". Measurable strategic effects result primarily in reducing personnel costs, sickness and staff turnover rates as well as over- and understaffing. In 2024, ATOSS was once again named by the international market research company Gartner as a representative provider in the European market for workforce management. The added value of ATOSS workforce management solutions and the level of customer satisfaction they engender can also be measured on the basis of the following key indicators monitored by the Group:

	2024 Target	2024 Actual
Churn rate Maintenance (%)	-	2.1
Churn rate Cloud (%)	<2	2.9
Share of R&D spending in total revenue (%)	>17	15
Net Retention Rate (NRR)	≥110	116
Net Promoter Score (NPS)	≥10	14

*excl. the Crewmeister product

Accounting Principles

Churn rate Maintenance: Monthly Recurring Revenue (MRR Maintenance) of customers lost in the last 12 months divided by Monthly Recurring Revenue (MRR) in December of the reporting year.

Churn rate Cloud: Monthly Recurring Revenue (MRR Cloud & Subscriptions) of customers lost in the last 12 months divided by Monthly Recurring Revenue (Cloud & Subscriptions) in December of the reporting year.

Net Retention Rate (NRR): This indicator shows whether the sum of annual recurring revenue (ARR) in a certain twelve-month period has grown or contracted in the same customer group (all customers excl. the Crewmeister product).

Net Promoter Score (NPS): This indicator measures to what extent customers would recommend the ATOSS solutions sold. The NPS has been determined by means of regular in-house customer surveys (by mail and on the phone) since 2023, and it is calculated as the difference between the proportion of satisfied customers who would recommend ATOSS to others and the proportion of customers who judge the product or the services offered by ATOSS to be inadequate. Customers have the option to rate their recommendation on a scale of 0 (highly unlikely) to 10 (extremely likely). Depending on their rating, respondents can then be divided into one of the following three groups: promoters - score between 9 and 10; indifferent - score between 7 and 8; detractors - score between 0 and 6.

Information security

Concepts, due diligence processes and targets

ATOSS has implemented various measures and checks to ensure information security. The aim of these measures is to prevent attacks or unwanted activities that violate the confidentiality, integrity or availability of data, thereby interfering with the basic rights and freedoms of natural persons (e.g. through data protection breaches). Attacks and unintended activities include both the theft and manipulation or sabotaging of data.

The key measures implemented in 2024 by the IT Department in close cooperation with the responsible divisional management board and the CFO include both preventive and responsive, mitigating measures as well as control actions for all ATOSS facilities.

- Preventive controls, for example, involve the secure configuration of hardware and software, controlled access to devices and identities on a need-to-know basis, software updates, vulnerability management, defense against malware as well as educational inputs for users and obligatory annual online training for all ATOSS employees on the subject of information security.
- Detective controls, for example, include the analysis of data, monitoring and processing alerts, measuring external risk potential but also site inspections, service audits and penetration tests.
- Responsive controls cover incident handling, protective system changes and emergency management.

An Information Security Management System (ISMS) based on the model of the international security standard ISO/IEC 27001:2022 is in place for the technical security of ATOSS Cloud Operations. By implementing these measures, ATOSS once again achieved its declared goal of obtaining recertification for the ISMS in the reporting year. The Group has a backup data center in place, further boosting fail safety in the event of disruptions to the existing data center (power cuts, cyber attacks, acts of sabotage, natural disasters).

Targets

In 2023, ATOSS also set itself the following targets for 2024 in the area of information security:

- to maintain and refine the existing management system for information security incl. recertification to the new international security standard ISO/IEC 27001:2022 in the area of cloud services for workforce management solutions.
- availability rate for cloud services > 99.5 percent

For 2025, ATOSS is also retaining unchanged its target of maintaining and refining the existing management system for information security in accordance with the international security standard ISO/IEC 27001:2022 in the area of cloud services for workforce management solutions.

In the cloud, the Group will in future measure availability rates for its services on the basis of the percentage variance from Service Level Agreements, and for this purpose, it is setting itself a target of ≤ 15% for 2025 (SLA breaches as a percentage of total customer installations).

Progress and measures

For ATOSS, the realization of a security strategy means guaranteeing the security of data critical to the business and important information resources. For this reason, various information security measures were implemented throughout the whole company in the 2024 financial year. Since 2022, there has also been an Information Security Management System (ISMS) in place that was extended in 2024 to include the new requirements of the new international security standard ISO/IEC27001:2022 and again passed its audit. Besides the regular, structured survey of relevant processes, the Information Security Management System (ISMS) includes procedures for observing statutory requirements on information security, the systematic registration of risks and for deriving and monitoring associated mitigation measures for the ATOSS Cloud Operation Services (COS) Department.

The availability target for cloud services in 2024 of > 99.5 percent was achieved or exceeded with an overall score of 99.9957 percent.

Protection of customer data

Concepts, due diligence processes and targets

The protection of personal data is defined as a fundamental right in Article 8 of the European Union's Charter of Fundamental Rights; according to the EU General Data Protection Regulation (GDPR), it also forms part of EU data protection laws. ATOSS pays attention to the protection of personal data and implements measures for this purpose. In the area of data protection, customers' perspectives are given corresponding weight and woven into the measures implemented by means of various established dialog formats such as customer satisfaction surveys, customer days or hotline conversations.

This includes handling personal information in accordance with statutory regulations, protecting such information against unauthorized access and giving data subjects the opportunity to take advantage of their rights prescribed in law. Potential data protection breaches are investigated immediately by the Data Protection department which sets a defined emergency plan in train in accordance with current regulatory requirements including a report sent to the supervisory authorities, communication with the persons affected, measures to limit the damage and documentation of the incident. Data subjects have various options for establishing contact with ATOSS, including via the email mailboxes set up for this purpose which are publicly accessible on the homepage. Breaches of data protection requirements can also be reported by employees anonymously and with no fear of reprisals via the ATOSS whistleblower hotline.

In addition to the ATOSS Code of Conduct, the protection of all customer data in the company is also governed by a data protection guideline. In drawing up this guideline, the concerns of our customers as a direct stakeholder group were prioritized. The guideline defines the underlying conditions at ATOSS from the perspective of data protection legislation on the basis of the General Data Protection Regulation (GDPR) in force in the EU, thereby creating an orientation framework for compliant conduct. Among other things, it covers the following aspects: principles and procedures governing data processing, defining the purpose of collecting, processing and using personal data, the use of remote maintenance systems, procedure for communicating test data on the secure handling of personal customer data, company data protection officers and information on enforcing the data protection guideline. The Management Board is responsible for implementing the data protection guideline which applies to all employees in the ATOSS Group. The guideline is monitored, in particular by managers and the Compliance and Data Protection departments, in the course of standard processes. Customer data protection is backed up by a Group-wide data protection management IT system that in particular addresses the implementation of documentation and accountability obligations under the GDPR. A data protection officer who undergoes regular training in the latest legislation, case law and customary implementation of data protection, advises every division in the Group on these matters. All employees are instructed to report any breaches of data protection regulations or internal company guidelines. Every tip-off alleging a potential breach of data protection regulations is taken seriously and investigated in accordance with internal guidelines.

Progress and measures

In 2024, ATOSS once again conducted measures to ensure the protection of personal data. By prioritizing this subject, the Group is able to guarantee a high level of data protection at all times.

ESRS G1 Corporate governance

Our material impacts and opportunities

Positive impacts

(1) Flat hierarchies
(2) Open working environment that encourages all employees to contribute their differing perspectives
(3) Social value added (optimal deployment of personnel resources in times of skills shortages)

Negative impacts

(1) Compliance breaches

Opportunities

(1) A positive working environment leads to lower staff turnover and greater employee loyalty (measurable strategic effects result primarily in reducing personnel costs, sickness and staff turnover rates as well as over- and understaffing)

Roles and responsibilities
The Management Board is bound by the company's interests as well as the business policies of ATOSS and the principles of proper corporate governance within the framework of statutory regulations. The objective of its corporate governance is to boost the value of the company on a sustainable basis. In the process, the Management Board takes account of ecological and social objectives besides its long-term economic aims. In consultation with the Supervisory Board, it develops the company's strategic alignment and is responsible for implementing this strategy.

The core duty of the Supervisory Board is to make appointments to the Management Board, to regularly advise the Board as well as to monitor the management and attainment of the company's long-term objectives. This monitoring and advisory capacity also encompasses sustainability issues.

Members of the Management Board possess the necessary knowledge and experience to properly conduct the business of the ATOSS Group. Members of the Supervisory Board have the necessary knowledge and experience to properly perform their monitoring duties.

Corporate culture and compliance

Concepts, due diligence processes and targets
The decisions and activities of ATOSS are marked by a culture of values defined by the Management Board and the systematic observance of statutory regulations and internal guidelines. ATOSS aspires to be a role model on the basis of honest, upright conduct, respectful collaboration and credibility in its relationships with employees, business partners and shareholders. This aspiration is built on the standards of behavior that apply throughout the Group, are defined by the Group in its Code of Conduct and which the Management Board is responsible for implementing. The Code of Conduct offers binding orientation for all employees, senior executives and management bodies. See Section S1 for further information in respect of the ATOSS Code of Conduct.

The ATOSS Code of Conduct is currently available in two languages and it covers the following subject areas, among others:
- **ATOSS core values:**
  - **Credibility:** The Group discharges its assignments with authenticity, a sense of responsibility and commitment.
  - Revolutionizing: ATOSS acts flexibly, constantly generating new opportunities for the working environment of tomorrow.
  - **Reliability:** Stakeholders can rely on the expertise, continuity and quality of ATOSS' services.
  - **Fairness:** ATOSS plays by the principle of win-win. Clarity and mutual respect are the cornerstones of the ATOSS value culture.
  - **Pleasure in success:** ATOSS employees are part of a team, achieve their targets with enthusiasm and take pleasure in their joint success

- **Fair competition and antitrust law:** ATOSS subscribes unreservedly to competition by fair means and strict observance of antitrust law.
- **Compliance and anti-corruption:** All ATOSS employees must respect all the laws and regulations relevant to their working environment as well as internal instructions and guidelines. ATOSS will not tolerate any form of corruption, bribery, venality or other unlawful inducements. Respect for human rights, children's rights and labor rights is non-negotiable and unconditional, encompassing observance of the United Nations' charter on human rights and children's rights as well as the recognized standardsof the International Labor Organization (ILO).

With regard to further subject areas covered by the ATOSS Code of Conduct such as occupational health and safety, equal treatment and non-discrimination, protection of the environment, data protection and trade secrets, please refer to the comments in Sections S1, S4 and E1.

In 2024, ATOSS again implemented various mechanisms to help its employees meet the requirements of the ATOSS Code of Conduct. They include online training sessions on the Group's learning management system which all employees including members of the Management Board must take every year. These sessions focus on the subjects of occupational health and safety, data protection and information security. This training has been supplemented by obligatory, annual participation in an e-learning seminar on the ATOSS Code of Conduct. All seminars form an integral part of the onboarding process and they impart an understanding of the ATOSS value culture as well as the guidelines and work instructions in place which are also easily accessible to all employees online.

ATOSS has a compliance management system in place to ensure that conduct throughout the Group is characterized by integrity and compliance with the law. This system represents an integrated approach to reducing risks and ensuring that rules are complied with in the company. In this process, responsibility for implementing and monitoring the compliance program lies with the Compliance Committee. This committee tests and evaluates compliance issues and concerns, ensuring that employees comply with the law, internal rules and procedures are followed and conduct lives up to the ATOSS Code of Conduct.

The main duties and tasks of the Compliance Committee comprise the following:
1. making all ATOSS employees aware of the subject of compliance and providing them with training
2. implementing compliance regulations
3. informing the Management Board and the Supervisory Board on compliance issues
4. advising managers and employees on questions regarding the Code of Conduct
5. regularly updating the Code of Conduct and all further compliance rules to adapt them to the current legal position
6. reporting regularly to the Management Board and Supervisory Board as part of the half-yearly risk and compliance management surveys.

As part of its compliance management system, ATOSS offers all employees across the Group the chance to report breaches of the Code of Conduct and/or guidelines implemented in the company anonymously and without fear of repercussions via the whistleblower hotline. Employees are informed accordingly as part of the annual, mandatory Code of Conduct training. Thanks to ATOSS' target of achieving a 100% penetration rate with respect to the training, all employees are informed of this option. The Code of Conduct itself guarantees them anonymity when reporting incidents. All reports received via the whistleblower hotline are investigated promptly, independently and objectively by members of the Compliance Committee which responds appropriately to justified concerns. In the process, ATOSS aligns its approach strictly with the requirements of the EU Whistleblower Directive and the German Whistleblower Act. All reports also form part of the half-yearly reporting to the Management Board and Supervisory Board as part of the risk and compliance management surveys.

Besides internal guidelines such as the Code of Conduct, external guidelines also govern the company's actions. For example, ATOSS uses the recommendations of the German Corporate Governance Code for good, responsible corporate governance as a guide. The code aims to make the German corporate governance system transparent and clear in order to thereby boost the confidence of investors, customers, employees and the public in the management and supervision of listed companies. Deviations from the recommendations and specifications of the German Corporate Governance Code are communicated in the declaration of conformity submitted annually by the Management Board and Supervisory Board; this declaration is available on the company's homepage.

A responsible approach to risks within the company also forms part of prudent management and good corporate governance. For this purpose, ATOSS has an internal control and risk management system in place which is used to analyze and control the Group's risk position. The risk management system serves the permanent identification and assessment of developments that may entail considerable disadvantages and helps to avoid risks that may jeopardize the future of the Group as a going concern (early warning system for risks). The Group uses risk principles defined in a risk manual together with a fixed risk management process as the basis for handling risks in an expedient and sensible manner. The disclosures (ESRS G1.3 MDR-A 68 a) are included in the information provided in Section 3.1 Risk management and control system across the Group in the combined management report (p. 12 and 13) and at the same time are an integral part of this Group sustainability report.

Targets
In the area of Compliance, ethical conduct and competitive behavior, ATOSS set itself targets for the first time in 2022 and it will keep to these targets unchanged in 2025. The relevant targets are as follows:
- to complete compliance training with a 100% participation rate

Progress and measures
Compulsory online compliance training on the subjects of occupational health and safety, health protection, data protection, information security and the Code of Conduct was carried out in the 2024 financial year, which can further reinforce awareness of compliance and security among employees in the Group. Above all, the introduction of the new online training on the subject of the Code of Conduct represents a further important tool for raising awareness among employees of the need to systematically observe statutory regulations and internal company guidelines. All employees are obligated to attend this training once a year. In particular, it includes the subjects of equal rights, inclusion and non-discrimination. The training measures implemented will also be continued in this form going forward.

In the area of the value culture and compliance, the ATOSS Group publishes the following key indicators:

	2024
Whistleblower reports (number)	0
Proportion of employees taking part in the compliance training (%)	97%
of whom male	99%
of whom female	94%

§ Accounting policies

Whistleblower reports: The only cases to be reported are ones completed in the course of the financial year and which were reported to the Compliance Committee as partially or fully justified. All reports are processed in line with the specifications agreed with the Management Board and Supervisory Board for the processing of whistleblower reports. The chair of the Supervisory Board is informed immediately of any reports concerning members of the Management Board.

Compliance Training: compliance training on the code of conduct covers the following areas: corporate culture, occupational health and safety, data protection, information security, insider trading, company property, conflicts of interest, anti-corruption, antitrust law, prevention of money-laundering and terrorism, export controls, human rights, environmental protection, response to a serious incident. The minimum learning period is 5 minutes.

Social value added

Concepts, due diligence processes and targets
ATOSS offers workforce management solutions that help companies to make their working processes more efficient. In times of economic uncertainty and skills shortages, digital solutions for optimal workforce scheduling are growing in importance. ATOSS permits companies to make their workforce deployment more transparent and efficient, thereby boosting innovative energy and employee satisfaction. ATOSS Software SE is convinced that technological innovations will play a crucial role in developing modern ways of working.

On a regional level, ATOSS contributes to the economy by creating jobs. As of 12/31/2024, the company employs a total of 820 staff, 558 of them in Germany.

The ATOSS Impact Day was launched to encourage employees to volunteer. Employees and ATOSS also take part in the Christmas campaign "I Make Children's Eyes Shine" for sick children and adolescents. In 2024, ATOSS supported the "Wings for Life World Run" in which the proceeds were donated to spinal chord research, and it also contributes culturally as a member of the Board of Trustees of Freunde der Pinakothek der Moderne e.V (Friends of the Pinakotheque of Modern Art).

To date, ATOSS has not defined any specific guidelines or targets for its social and community commitments and refrains from specifying the exact amount of its donations here.

6. Other disclosures

6.1. Explanatory report of the Management Board on the disclosures pursuant to Section 289a and Section 315a HGB

(1) Composition of subscribed capital
The company's capital is divided into 15,906,272 bearer shares each with a nominal value of 1 euro which carry full voting and dividend rights.

(2) Restrictions regarding voting rights or the transfer of shares
A four-year vesting period exists between AOB Invest GmbH and General Atlantic Chronos GmbH which prohibits either party from selling the majority of its shares without the consent of the other party. The company is not aware of any further restrictions regarding voting rights or the transfer of shares, even and including any such restrictions as may arise from agreements between shareholders.

(3) Share capital holdings exceeding 10% of the voting rights
AOB Invest GmbH which is controlled by founder and CEO of ATOSS Software SE, Andreas F.J. Obereder of Grünwald, holds a 21.59467 percent (previous year: 30.000028 percent) stake in ATOSS Software SE as of 12/31/2024. General Atlantic Chronos GmbH holds a 21.59462 percent (previous year: 19.99 percent) stake in ATOSS Software SE as of 12/31/2024.

Apart from Mr. Andreas F.J. Obereder, AOB Invest GmbH and General Atlantic Chronos GmbH, the company is not aware of any other shareholders with reportable holdings of more than 10 percent of voting rights.

(4) Shares with special rights conveying controlling powers
No special rights exist that convey powers of control.

(5) Type of voting rights control, when employees hold an interest in share capital and do not make direct use of their control rights
Insofar as employees have a participating interest in the company's capital, their rights of control are not restricted.

(6) Statutory regulations and provisions included in the Articles of Association concerning the appointment and dismissal of members of the Management Board and changes to the Articles of Association
Members of the Management Board are appointed and dismissed in accordance with Art. 9 (1), Art. 39 (2) and Art. 46 of the SE Regulation in conjunction with Sections 84 and 85 of the German Stock Corporation Act and Article 6 of the company's Articles of Association.

Changes to the Articles of Association follow the regulations contained in Art. 59 of the SE Regulation, Sec. 51 of the SE Implementation Act and Secs. 179 ff. of the Stock Corporation Act.

(7) Powers of the Management Board to issue or buy back sharesn
At the Annual General Meeting held on 04/29/2022, the company was authorized to acquire treasury shares until 04/28/2027 up to a total of 10 percent of the company's share capital at the time of the resolution or at the time when the authorization is exercised – whichever is lower. The shares acquired together with other treasury shares held by the company or attributable to the company in accordance with Secs. 71a ff. of the Stock Corporation Act (AktG) must at no time account for more than 10 percent of the share capital. The authorization must not be exercised for the purpose of trading treasury shares.

The authorization can be exercised by the company or a company dependent upon it or in which the company has a majority interest or by third parties acting for their account or for the company's account in whole or in partial amounts, once or several times, in pursuit of one or more purposes.

Details of the authorized capital can be taken from the notes to the annual financial statements or the notes to the consolidated annual financial statements.

The company's share capital has been conditionally increased by up to EUR 3,181,254.00 by issuing up to 3,181,254 new, no-par value bearer shares (Conditional Capital). The conditional capital increase serves to grant or impose option and/or conversion rights or obligations to/on the holders or creditors of bonds with warrants and/or convertible bonds (collectively "bonds") that are issued or guaranteed by the company or a Group company as defined by Sec. 18 AktG in which the company holds a direct or indirect majority interest by April 29, 2026 on the basis of the authorization resolved upon by the Annual General Meeting on April 30, 2021 under Item 10 of the agenda.

(8) Material agreements contingent upon a change of control resulting from a takeover offer
No material agreements exist which are contingent upon a change of control resulting from a takeover offer. Nor have any agreements been entered into with members of the Management Board or employees regarding compensation in the event that a takeover offer is made.

Besides its subsidiaries ATOSS Software Ges. m.b.H., Vienna, ATOSS Software AG, Zurich, ATOSS CSD Software GmbH, Cham, ATOSS Software SRL, Timisoara, ATOSS Aloud GmbH, Munich, as well as ATOSS North America Inc., West Hollywood (not operational), ATOSS Software SE also has facilities in Berlin, Frankfurt, Hamburg, Meerbusch, Mettingen, Brussels (Belgium), Paris (France), Sibiu (Romania), Stockholm (Sweden) and Utrecht (Netherlands).

6.2. Corporate governance declaration

Corporate governance
Since its flotation, ATOSS Software SE has concerned itself intensively with the subject of corporate governance and the associated statutory regulations. The company has reported regularly since 2001 on its activities in this regard. The company's boards examine developments and changes in the German Corporate Governance Code in particular detail. In contrast to the provisions of the law, however, the Code is not binding in its standardizing effect and in fact allows deviations from its recommendations.

Combined corporate governance declaration
The combined corporate governance declaration was submitted by the Management Board pursuant to Sec. 289f and Sec. 315d of the German Commercial Code (HGB) and is permanently accessible on the company website on the following link: https://www.atoss.com/en/company/investor-relations/corporate-governance

6.3. Ownership of and trading in shares and financial instruments

Board members' shareholdings insofar as these relate to shares in the company are reported in Note 39 of the notes to the consolidated financial statements or in Note 25 of the notes to the annual financial statements.

6.4. Reportable securities transactions

The company publishes details of all reportable securities transactions by board members on its website and this information remains available for at least 12 months following publication.

AOB Invest GmbH which is controlled by the founder and CEO of ATOSS Software SE, Andreas F. J. Obereder, Grünwald, sold 3.41 percent of its shares (541,667 shares) in ATOSS Software SE to institutional investors for a price of EUR 65,000,040 as part of a private placement by way of an accelerated bookbuild procedure as of September 10, 2024. A further 5.00 percent of its shares (795,312 shares) in ATOSS Software SE were sold to the financial investor General Atlantic Chronos GmbH for a price of EUR 56,376,508 as part of the existing settlement agreement subject to a simultaneous waiver of the existing call and put options as of September 11, 2024. Following the sale, AOB Invest GmbH holds a 21.59467 percent stake in ATOSS Software SE (previous year: 30.000028 percent).

The company is not aware of any further reportable transactions by Board members in the 2024 financial year.

6.5. Distribution

In proposing a dividend, the Management and Supervisory Boards take due account of the need to safeguard the company's financial resources as well as the principle of dividend continuity which requires that the dividend should not be lower than that paid in the previous year and should be increased if it is possible to do so at a distribution ratio of up to 75 percent of consolidated earnings per share.

The Management Board proposes that the surplus net income reported for the past financial year 2024 in the amount of EUR 49,785,357 should be used to pay a dividend of EUR 2.13 per dividend-bearing share and to carry the remaining net income forward to new account. If this dividend proposal for surplus net income is accepted by the Annual General Meeting, this will result in a dividend payment of EUR 33,880,359 on the share capital entitled to a dividend as of 12/31/2024 amounting to EUR 15,906,272 and profit carried forward of EUR 15,904,998.

Munich, 02/25/2025

The Management Board

Andreas F.J. Obereder	**Pritim Kumar Krishnamoorthy**	**Christof Leiber**
CEO	CTO	CFO

Consolidated Balance Sheet as of 12/31/2024

Assets (EUR)	Note	12/31/2024	12/31/2023
Non-current assets			
Intangible assets	15, 27	168,193	232,498
Property, plant and equipment	15, 27	4,098,974	4,326,009
Rights of use	23, 28	6,105,054	7,790,583
Capitalized contract costs	29	7,284,919	5,338,811
Other non-current financial assets and precious metals	12, 25, 60	1,656,575	1,336,366
Total non-current assets		**19,313,715**	**19,024,267**
Current assets			
Trade receivables	12, 25, 60	9,312,814	10,430,392
Other current financial assets and precious metals	25, 60	28,413,164	17,536,179
Other current non-financial assets	26	3,458,310	3,206,790
Cash and cash equivalents	12, 24, 60	82,666,868	64,201,070
Total current assets		**123,851,156**	**95,374,431**
Total assets		**143,164,872**	**114,398,698**

Equity and liabilities (EUR)	Note	12/31/2024	12/31/2023
Equity			
Subscribed capital	39	15,906,272	7,953,136
Capital reserve	39, 54	-1,579	572,282
Equity deriving from unrealized profits/losses	37, 39	749,376	610,195
Unappropriated net income	39, 64	63,425,314	52,729,823
Equity attributable to the equity holders of the parent company		**80,079,383**	**61,865,436**
Non-controlling interests		-109,013	-109,013
Total Equity		**79,970,370**	**61,756,423**
Non-current liabilities			
Pension provisions	19, 37	1,816,596	1,826,236
Other non-current provisions	19, 38	2,658,090	2,335,325
Non-current lease liabilities*	23, 28, 32, 59	3,609,342	5,611,380
Deferred tax liabilities	16, 30	2,907,113	2,024,656
Total non-current liabilities		**10,991,141**	**11,797,597**
Current liabilities			
Trade accounts payable	17, 32, 60	1,959,285	2,378,886
Contractual liabilities	20, 35	3,181,854	3,732,287
Current lease liabilities*	23, 28, 32, 59	2,980,028	2,813,003
Other current financial liabilities	33, 60	7,364,678	5,855,921
Other current non-financial liabilities	34	17,650,761	18,171,514
Tax liabilities		18,914,414	7,672,130
Other provisions	18, 36	152,341	220,937
Total current liabilities		**52,203,361**	**40,844,678**
Total equity and liabilities		**143,164,872**	**114,398,698**

* Adjustment of previous year's figures Note 25,59

Consolidated Income Statement from 01/01/2024 to 12/31/2024

EUR	Note	01/01/2024 -12/31/2024	01/01/2023 -12/31/2023
Sales revenues	20, 40	**170,625,447**	**151,197,606**
Cost of sales	41	-39,000,503	-34,616,617
Gross profit on sales		**131,624,944**	**116,580,989**
Distribution costs	42	-28,574,959	-27,105,408
Administration costs	43	-13,983,161	-13,044,804
Research and development costs	22, 44	-25,636,725	-23,628,105
Other operating income	21, 46	788,400	415,151
Other operating expenses	46	-496,279	-475,620
Net impairment on financial assets	46	-295,530	-923,422
Operating profit (EBIT)		**63,426,690**	**51,818,781**
Financial income	47	3,895,443	1,818,973
Financial expenses	47	-340,180	-312,134
Earnings before taxes		**66,981,953**	**53,325,620**
Taxes on income and earnings	16, 30, 48	-21,531,258	-17,552,944
Net income for the year		**45,450,695**	**35,772,676**
Attributable:			
Equity holders of the parent		45,450,695	35,772,676
Non-controlling interests:		0	0
Earnings per share (undiluted)*		2.86	2.25
Earnings per share (diluted)*		2.86	2.25
Average number of shares in circulation (undiluted)*		15,906,272	15,906,272
Average number of shares in circulation (diluted)*		15,906,272	15,906,272

*In accordance with IAS 33.64, earnings per share and number of shares were retrospectively adjusted as a result of the capital increase from company funds and the issuance of new shares carried out in 2024

Consolidated Statement of Comprehensice Income from 01/01/2024 to 12/31/2024

EUR	Note	01/01/2024 -12/31/2024	01/01/2023 -12/31/2023
Net income		**45.450.695**	**35.772.676**
Components not reallocated in profit and loss			
Profits/losses recognized in equity on the valuation of plan assets	37	202,603	-227,605
Tax effects of profits/losses recognized in equity on the valuation of plan assets	37	-65,603	73,903
Profits/losses recognized in equity on the revaluation of defined benefit pension plans	37	3,225	1,014,617
Tax effects of profits/losses recognized in equity on the revaluation of defined benefit pension plans	37	-1,044	-329,446
Other comprehensive income		**139,181**	**531,469**
Comprehensive income after taxes		**45,589,876**	**36,304,145**

Consolidated Cash Flow Statement from 01/01/2024 to 12/31/2024

EUR	Note	01/01/2024 -12/31/2024	01/01/2023 -12/31/2023
Earnings before taxes		**66,981,953**	**53,325,620**
Depreciation	27, 28	4,401,934	4,046,406
Financial income	47	-3,895,443	-1,818,973
Financial expenses	47	340,180	312,134
Income from the disposal of fixed assets		109	1,499
Non-cash personnel expenses		-573,861	370,076
Change in net current assets			
Trade receivable	25, 60	1,117,578	-300,836
Inventories and other non-financial assets	26	-622,347	-15,646
Capitalized contract costs	29	-1,946,107	-480,748
Other assets		95,536	86,956
Trade accounts payable	17, 32, 60	-419,601	635,501
Other current financial and non-financial liabilities	33,34,60	775,846	3,501,043
Other current and non-current provisions	36, 38	254,169	1,300,872
Contractual liabilities		-550,433	-423,797
Interest received	19, 47	2,338,830	880,018
Interest paid		-5,119	0
Income taxes received	30, 48	998,111	1,594,965
Income taxes paid	30, 48	-9,819,535	-10,361,431
Cash flow generated from operating activities (1)	**49**	**59,471,801**	**52,653,659**
Cash flow from investment activities			
Expenditure for the purchase of tangible and intangible assets	27	-925,008	-1,871,626
Expenditure for the purchase of financial assets		-20,000,000	0
Proceeds from the disposal of financial assets		10,000,000	11,942,312
Cash flow generated from investment activities (2)	**50**	**-10,925,008**	**10,070,686**
Cash flow from financing activities			
Redemption element leasing liabilities IFRS 16	23, 28, 59	-3,181,978	-2,838,302
Interest element leasing liabilities IFRS 16	23, 28, 59	-121,486	-158,947
Dividends paid		-26,802,068	-22,507,375
Cash flow generated from financing activities (3)	**51**	**-30,105,532**	**-25,504,624**
Changes in cash and cash equivalents - total (1) to (3)		**18,441,261**	**37,219,721**
Cash and cash equivalents at the beginning of the period		64,201,070	26,757,678
Effects of exchange rate changes on cash and cash equivalents		24,537	223,671
Cash and cash equivalents at the end of the period		**82,666,868**	**64,201,070**

Statement of Changes in Consolidated Equity as of 12/31/2024

	Equity attributable to the properties of the parent company						
EUR	Subscribed capital	Capital reserve	Equity deriving from unrealized profits/ losses	Retained earnings	Unappro-priated net income	Non-controlling interests	Total
Note	39	39, 54	39	39	39		
01/01/2023	**7,953,136**	**202,206**	**78,726**	**0**	**39,464,522**	**-109,013**	**47,589,577**
Net income					35,772,676		35,772,676
Other comprehensive income			531,469				531,469
Comprehensive income after taxes			**531,469**		**35,772,676**		**36,304,145**
Share based remuneration		370,076					370,076
Dividend					-22,507,375		-22,507,375
12/31/2023	**7,953,136**	**572,282**	**610,195**	**0**	**52,729,823**	**-109,013**	**61,756,423**
01/01/2024	**7,953,136**	**572,282**	**610,195**	**0**	**52,729,823**	**-109,013**	**61,756,423**
Net income					45,450,695		45,450,695
Other comprehensive income			139,181				139,181
Comprehensive income after taxes			**139,181**		**45,450,695**		**45,589,876**
Share based remuneration		-573,861					-573,861
Allocation to retained earnings				7,953,136	-7,953,136		0
Capital increase company funds	7,953,136			-7,953,136			0
Dividend					-26,802,068		-26,802,068
12/31/2024	**15,906,272**	**-1,579**	**749,376**	**0**	**63,425,314**	**-109,013**	**79,970,370**

One share represents 1 euro of subscribed capital

Notes to the Consolidated Financial Statement

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I. Company information

ATOSS Software SE (formerly: ATOSS Software AG, Rosenheimerstraße 141 h, 81671 Munich, hereinafter also referred to as "ATOSS" or "the company", is a European Company (SE) established in Munich, Germany, with limited liability. The company was converted from a stock corporation to a Societas Europaea (SE) in 2024 and has been trading as ATOSS Software SE since May 22, 2024 under the Commercial Register Number HRB 293304 filed with the District Court of Munich.

The Annual General Meeting of shareholders had approved the conversion to an SE on April 30, 2024. On the same day, the newly constituted Supervisory Board of ATOSS Software SE appointed the members of ATOSS Software SE's Management Board. The company has retained its headquarters in Munich, Germany. The dual system consisting of a management board and a supervisory board has been maintained. The Supervisory Board of ATOSS Software SE continues to be made up of four members, three of whom were elected by the Annual General Meeting on April 30, 2024 with one member delegated by the eligible voters defined in the articles of association.

Fundamentally, the legal status of ATOSS Software SE shareholders is unaffected by the conversion to an SE. The company's listings (since March 21, 2000) on the regulated market (Prime Standard) of the Frankfurt Stock Exchange and on the SDAX and TecDAX are also unaffected by the change in legal form.

ATOSS Software SE is a provider of technology and consulting solutions for professional workforce management and demand optimized personnel deployment. From conventional working time management to mobile apps, detailed workforce forecasting, sophisticated workforce scheduling or strategic capacity and demand scheduling, ATOSS has the right solution – in-the-cloud or on-premises.

II. Accounting policies

1. International Financial Reporting Standards (IFRS)

As in the year before, the present consolidated financial statements were prepared for both the parent company and subsidiaries in accordance with the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB), as applicable in the EU and with the supplementary provisions of German commercial law applicable pursuant to Sec. 315e (1) of the German Commercial Code (HGB).

In the 2024 financial year, ATOSS Software SE applied the following amendments to existing standards for the first time which had no material effect on the Group accounting and no material impact on the presentation of the consolidated financial statements or the Group's net assets, financial position and results of operations.

Standard or Interpretation	Description	For financial years with effect from
Amendments to IFRS 16	Postponement of the mandatory date of first-time application	01/01/2024
Amendments to IAS 1	• Classification of liabilities as current or non-current (January 2020) • Classification of liabilities as current or non-current – postponement of mandatory date of initial application (July 2020) • Non-current liabilities with covenants (October 2022)	01/01/2024
Amendments to IAS 7 and IFRS 7	Supplier finance agreements	01/01/2024

Accounting standards issued but not yet to be applied in 2024
The IASB has issued the following standards or amendments to standards, application of which is not yet obligatory at the present time and which in some cases still require to be adopted in EU law in order to become applicable (endorsement). The Group currently assumes that the application of these standards and amendments to standards will have no significant impact on the presentation of the financial statements:

Standard or Interpretation	Description	For financial years with effect from
Amendments to IFRS 9 and IFRS 7	Contracts for weather-dependent electricity supplies	01/01/2026 (not yet endorsed)
IFRS 19	Subsidiaries with no public accountability Details	01/01/2027 (not yet endorsed)
IFRS 18	Presentation and disclosures in financial statements	01/01/2027 (not yet endorsed)
Amendments to IAS 21	Lack of convertibility	01/01/2025

2. Bases for the preparation of the financial statements

The present consolidated financial statements were prepared to 12/31/2024 for the reporting period from 01/01/2024 to 12/31/2024. The fiscal year for all Group companies corresponds to the calendar year. As a general rule, the consolidated financial statements were prepared using the historical cost principle. Exceptions to this rule are current and non-current financial assets as well as precious metals which are measured at their fair value.

3. Reporting currency

The present consolidated financial statements were prepared in euros. Amounts are rounded up to whole euro units.

4. Consolidated group

The parent company with registered office and stock exchange listing in Germany is ATOSS Software SE, Munich. All subsidiaries are fully consolidated in the consolidated financial statements for ATOSS Software SE. Subsidiary companies are fully consolidated from the time of acquisition, that is to say, from the time at which the group acquires control. The parent company is deemed to control a subsidiary when the parent is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. As a matter of principle, control is exercised through voting rights. Companies cease to be consolidated when the parent company no longer has control. The consolidated financial statements for the smallest and largest group of companies are prepared by ATOSS Software SE, Munich, and published in the company register.

A change in the level of participation in a subsidiary that does not result in a loss of control is accounted for as an equity transaction.

Their annual financial statements have been prepared in accordance with national regulations and reconciled in accordance with IFRS. The latest published figures according to national law are presented below:

Company	Proportion of subscribed capital	Equity 12/31/2023 in EUR	Result for the year 2023 in EUR
ATOSS Aloud GmbH, Munich, Germany*	93%	-1,557,329	0
ATOSS CSD Software GmbH, Cham, Germany	100%	959,157	859,456
ATOSS Software AG, Zurich, Switzerland**	100%	644,986	479,408
ATOSS Software Gesellschaft m.b.H., Vienna, Austria	100%	760,800	724,464
ATOSS Software S.R.L., Timisoara, Romania**	100%	2,700,298	656,797
ATOSS North America Inc., West Hollywood, USA**	100%	-1,860	-2,638

* A profit and loss transfer agreement has been concluded between ATOSS Software SE and ATOSS Aloud GmbH.
** Their annual financial statements have been prepared in accordance with national regulations and converted to EUR.

Use of exemptions
The subsidiary ATOSS CSD Software GmbH, Cham, which is included in the consolidated financial statements of ATOSS Software SE, Munich, makes use of the exemptions in Sec. 264 (3) of the German Commercial Code (HGB) for the 2024 financial year. The consolidated financial statements of ATOSS Software SE are the exempting consolidated financial statements for this company.

5. Consolidation principles

The financial statements for subsidiaries are prepared in application of uniform accounting methods for the same reporting period as the financial statements for the parent company. All Group-internal balances, business events, unrealized profits and losses on internal transactions and dividends are eliminated in full.

Capital consolidation of fully consolidated companies was undertaken in accordance with the acquisition method. The recognized values of assets assigned and liabilities accepted representing the acquisition cost of the interest in each relevant company were offset against the equity capital reported by the subsidiary at the time of acquisition.

Should the Group acquire a business, it must assess the appropriate classification and designation of financial assets and assumed debts in compliance with the terms of contract, business circumstances and conditions prevailing at the time of acquisition. This includes the separation of embedded derivatives in underlying contracts.

6. Discretionary decisions, estimates and assumptions of material importance

In preparing the consolidated financial statements, discretionary decisions, estimates and assumptions are made by management which affect the level of income, expenses, assets and debts reported as well as the associated disclosures and the disclosure of contingent liabilities. As a result of the uncertainty associated with these assumptions and estimates, actual events in future periods may lead to substantial adjustments in the carrying value of the assets and debts concerned.

The Group has made the following discretionary decisions which materially affect the determination of the level and timing of income from contracts with customers:

Determination of contractual obligations where software licenses, maintenance and hardware are sold together
The Group offers maintenance services which may be sold either individually in contracts with customers or as a package together with software licenses. These are separate contractual obligations. The fact that the Group regularly sells both software licenses and maintenance services independently of one another shows that customers can benefit from both individually.

In addition, the Group also sells hardware which may be offered to customers either individually or as part of a package together with the sale of software licenses and/or the performance of maintenance services. Here too, these are separate contractual obligations, since they are neither heavily dependent on one another nor connected with one another. The customer also has the option of purchasing hardware directly from other suppliers or using the hardware with different software.

Where a contract with a customer contains several contractual obligations, pursuant to IFRS 15 the transaction price is apportioned between the individual obligations based on their relative individual selling prices.

Estimates are also made in determining sales revenues for long-term production orders. The amount here is dependent upon the anticipated duration of implementation and the resulting proportionate progress of the project. These components are based on information which at the time the financial statements are prepared is in the possession of the consultants deployed and of the management in respect of the services to be provided and the required use of resources. It is therefore to some extent more difficult and more complex to make an estimate in the early stages of a project. Revenues deriving from production orders in work at the end of the reporting period amounted in financial year 2024 to EUR 394,773 (previous year: EUR 3,548,569).

Principal vs. agent
The Group generates sales revenues through the sale of hardware. The contractual obligation lies in the provision of the agreed hardware. The Group has determined that it has the power to dispose over the hardware prior to transferring this to the customer and is therefore to be regarded as the principal. The following indicators support this estimation:

- The company is primarily responsible for fulfilling the commitment to supply the hardware.
- The Group has a margin of discretion in setting the price for the hardware.
- The risk of accidental loss is borne by the company.

Share-based remuneration
Some employees and two members of the Group's Management Board received share-based remuneration in the form of cash for work performed. This share-based remuneration is reported as share-based remuneration with cash settlement in accordance with IFRS 2. For transactions with cash settlement, the resulting liability of the Group is expensed at fair value at the time the beneficiary performs the work. Until it is settled, the fair value of the liability is remeasured on each reporting date and any changes in the fair value recognized in profit or loss. The fair value is determined by applying an appropriate option pricing model (Black-Scholes formula).

In addition, the former member of the ATOSS Software SE Management Board, Dirk Häußermann, received share-based payment in the form of cash via AOB Invest GmbH. As ATOSS Software SE does not have any obligation arising from this share-based remuneration, this plan is reported in accordance with the rules for share-based remuneration with settlement by means of equity instruments under IFRS 2. The expenses were measured at fair value at the time they were granted and recognized over the period in which the performance or vesting conditions were met with a corresponding increase in equity (capital reserves). The fair value was determined by applying an appropriate option pricing model (Monte Carlo simulation).

Further estimations
Estimates have to be made of the probability of future events occurring and their magnitude in order to determine the recoverability of financial assets. These estimations are derived as far as possible from current market data, rating categories and empirical values. Please refer in particular to the comments in Sections 12. Financial assets and precious metals and 13. Measurement of fair value.

The value of pension provisions is also subject to estimates in respect of the parameters listed in Note 37. The book value of the provision as of 12/31/2024 stood at EUR 1,816,596 (previous year: EUR 1,826,236).

Actual figures may deviate from estimates made.

In application of the Group accounting methods, the company has made the following discretionary decisions that materially affect the consolidated financial statements:

Development costs are recognized as expenses in profit and loss. The criteria contained in IAS 38.57 for development costs to be carried as assets are not fulfilled, since the original development of today's products to some extent took place through the medium of customer projects and it is not possible to reliably measure the income achievable in future from the development of individual functions and releases.

Impact of macroeconomic and climate-related risks
Like many companies, ATOSS Software SE is exposed to an increasingly complex and uncertain macroeconomic and geopolitical environment. Operations of ATOSS were not significantly affected by the negative macroeconomic and geopolitical risks in financial year 2024, however. Consequently, there was no significant, negative impact on the fair values or carrying amounts of assets and liabilities resulting from operations or on the amount and timing of earnings realization or cash inflows and outflows. With regard to future risks resulting from the macroeconomic and geopolitical environment, please refer to our comments in the combined Group management report under Section 3.2.

The ATOSS Group is not currently exposed to any material climate-related risks in terms of its business model that would affect the company's financial reporting. In particular, there are at the moment no direct risks from growing regulatory requirements or liability risks from committing to sustainability and climate protection targets.

7. Distinction between current and non-current classification

The Group draws a distinction in the balance sheet between current and non-current assets and liabilities. An asset must be classified as current if:

- the asset is expected to be realized within the normal business cycle or is held for sale or use within this period,
- the asset is held primarily for trading,
- the asset is expected to be realized within twelve months following the closing date for the financial statements, or
- the asset comprises cash or cash equivalents, unless the exchange or use of the asset for the purpose of fulfilling an obligation is restricted for a period of at least twelve months following the closing date for the accounts.

All other assets are classified as non-current.

A liability must be classified as current if:

- the liability is expected to be fulfilled within the normal business cycle,
- the liability is held primarily for trading,
- the liability is expected to be fulfilled within twelve months following the closing date for the accounts, or
- the company has no unrestricted right to postpone fulfillment of the liability for at least twelve months following the closing date for the accounts.

All other liabilities are classified as non-current.

Deferred tax claims and liabilities are classified as non-current assets or liabilities.

8. Currency translation

The functional currency for all Group companies is the euro.

Foreign currency transactions are initially translated by Group companies into the functional currency at the spot rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currency are converted into the functional currency at the exchange rate on the qualifying date.

Non-monetary items measured in foreign currency at historic cost of acquisition or manufacture are converted at the exchange rate applying on the date of the transaction. Non-monetary items measured in foreign currency at fair value are converted at the exchange rate applying on the date on which fair value is ascertained.

Corresponding foreign currency profits and losses are recognized in the consolidated income statement.

9. Segment reporting

The identification of operating segments presupposes that a senior decision-maker monitors and assesses the profitability of significant components of the company as the basis for resource allocation and profitability measurement, that the components of the company generate income and incur expenses as part of their business activities, and that financial information is available for these components of the company. Several segments can be aggregated into one segment if the type of products and services, production processes and customers for which the products and services are intended are similar, as well as the sales methods applied, and where they exhibit a significant shortfall relative to the quantitative thresholds for segment formation.

The company has only one uniform business segment within the meaning of IFRS 8, which comprises the creation, sale and implementation of software solutions directed towards the efficient deployment of personnel and workforce management. In accordance with the company's strategy as a provider of end-to-end solutions to issues of time and attendance management and workforce scheduling, these software solutions comprising software licenses, maintenance services, consulting services and the supply of hardware for time recording and access control purposes (merchandise for resale) are offered to customers as integrated packages and exhibit a comparable risk structure. These software solutions are employed both by small and medium-sized customers comprising the SME market and by high-end small businesses and major, large scale customers that comprise the premium market. The choice of software solution is essentially dependent on the specific technical and functional requirements of the individual customer. The company's endeavors in addressing the SME and premium markets differ only in terms of the marketing approach. For this reason, the Management Board manages the company on the basis of key figures for business as a whole. Business activities are not divided into segments, therefore the Group does not prepare segment reports.

10. Cash and cash equivalents

The balance sheet item "Cash and cash equivalents" comprises cash on hand and at banks as well as short-term deposits with an original term of less than three months and a non-material risk of fluctuations in value. This item also includes fixed-term deposits which may be used by the company at any time as a means of covering its short-term liquidity requirements since they may be liquidated at short notice and do not entail any expected material loss even if terminated prematurely.

11. Capitalized contract costs

Contract costs comprise the cost of initiating the contract (essentially sales commissions to staff and third party vendors in direct and indirect sales channels) as well as contract fulfillment costs. These must be capitalized if it is to be assumed that the costs will be compensated by future revenues from the contract. The costs for initiating the contract are additional costs that would not have been incurred if the contract had not been concluded. Contract fulfillment costs are directly attributable costs incurred after the start of the contract that serve to fulfill the contract but precede such fulfillment in time and cannot be capitalized using a different standard. As a general rule, capitalized contract costs are expensed in a straight line over the estimated term of the customer contract. The expenses are reported under sales costs in the Group's profit and loss statement.

12. Financial assets and precious metals

A financial instrument is a contract that results in the origination of a financial asset in one company, and at the same time in the origination of a financial liability or an equity instrument in another company.

The financial assets comprise essentially cash and cash equivalents, trade receivables and other financial assets with a term of more than three months. The financial assets held by the company serve to guarantee liquidity as part of its investment strategy.

Initial recognition and measurement of financial assets
Purchases and sales of financial assets which foresee delivery of the asset within a period determined by the regulations or conventions of the market in question (regular way purchases) are recognized on the trade date, that is to say, on the date on which the Group entered into a commitment to buy or sell the asset.

Financial assets (debt instruments) as defined by IFRS 9 are classified as "at amortized cost" (AC), "at fair value through other comprehensive income" (FVthOCI) or "at fair value through P/L" (FVthP/L). They are categorized at initial recognition on the basis of the company's business model for controlling its financial assets as well as the characteristics of the contractual payment flows for the financial asset and measured at their fair value. In the case of financial assets measured at their fair value through other comprehensive income for subsequent measurements, the initial measurement includes transaction costs directly attributable to the acquisition of the asset. Trade receivables which are initially measured at the transaction price in accordance with IFRS 15 form an exception. Financial assets that do not meet the criteria for the categories at amortized cost (AC) or at fair value through other comprehensive income (FVOCI), are classified in the category at fair value through profit or loss (FVPL).

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in two categories:
- financial assets measured at amortized cost (debt instruments)
- financial assets measured at fair value through profit and loss

Financial assets measured at amortized cost (debt instruments)
This category is of greatest importance for the consolidated financial statements. The Group measures financial assets at amortized cost if the following conditions are met:
- The financial asset is held within the framework of a business model, the object of which is to hold financial assets for the purpose of receiving the contractual cash flow,

and
- The terms of contract underlying the financial asset lead at fixed points in time to cash flows which comprise solely payments of principal and interest.

The Group's financial assets measured at amortized cost comprise cash and cash equivalents with a term of more than three months, trade receivables as well as non-current financial assets and fixed-term deposits.

Such financial assets are measured after initial recognition at amortized cost using the effective interest method. Interest income from such financial assets or interest expenses from such financial liabilities are reported in financial income or financial expenses using the effective interest method. Gains or losses from derecognition are recognized directly in profit or loss and – together with foreign exchange gains and losses – reported under other operating income or expenses. Impairment losses are shown as a separate item in profit or loss.

Impairment of financial assets
The Group is obliged to apply the impairment rules contained in IFRS 9 to financial assets in the category at amortized cost. Profits and losses are recognized in the income statement as and when the asset is derecognized, modified or impaired.

The Group assesses the expected credit losses on a forward-looking basis. The impairment method depends on whether there is a significant increase in the credit risk.

With trade receivables, the Group applies the simplified approach permitted under IFRS 9 which requires the credit losses expected over the term to be recognized from initial recognition of the receivable.

Necessary adjustments are made in consideration of historical losses and objective indications of impairment derived from them and – where relevant – on the basis of current market developments. Objective indications of impairment include the initiation of legal steps, amounts overdue by more than 120 days as well as information on the customer's credit rating. In the event of a customer becoming insolvent, the full value of the receivable is reported as a loss. Only at this point is the asset derecognized.

As a matter of principle, changes in the carrying value of trade receivables are reduced with the aid of a value adjustment account and the impairment recognized in profit and loss. Should the estimated impairment increase or decrease in subsequent reporting periods as the result of an event which occurs after the impairment has been recognized, the increase or decrease in the previously recognized impairment cost is recognized in profit or loss by adjusting the impairment account. If a derecognized receivable is subsequently considered to be collectable as the result of an event which takes place after derecognition, the corresponding amount is set off directly against the net impairment on financial assets.

In the case of cash and cash equivalents, an assessment is made on each closing date as to whether objective indications of impairment apply. The Group applies the general approach to cash and cash equivalents and fixed-term deposits. Due to the high credit rating of the financial institutes, there are usually no significant impairment losses with these financial assets.

Precious metals
Precious metals do not meet the definition criteria of a financial instrument, and consequently they do not fall under IFRS 9. In the present case, neither IAS 2 nor IAS 16 is relevant. In accordance with IAS 8.10, in the absence of an IFRS that applies explicitly to a transaction or other events or conditions, management must develop and apply a suitable accounting method.

The Group invests in precious metals as part of its short-term and long-term financial management. Management therefore decided to apply an accounting method similar to that used for financial instruments. For this reason, precious metals are measured at fair value through profit or loss.

Precious metals measured at fair value through profit or loss are recognized on balance sheet at fair value, whereby the balance of changes in fair value is recognized in profit or loss as financial income or expenses.

Financial assets measured at fair value through profit and loss
The category of financial assets at fair value through profit and loss includes financial assets held for trading and financial assets that are designated on first recognition as assets measured at fair value through profit and loss, or financial assets which must compulsorily be so measured. Financial assets are classified as held for trading if they are acquired for the purpose of sale or repurchase in the short term.

Financial assets measured at fair value through profit or loss are recognized on balance sheet at fair value, whereby the balance of changes in fair value is recognized in profit or loss as financial income or expenses.

Derecognition
A financial asset is derecognized (i.e. removed from the consolidated balance sheet) primarily if contractual rights to draw cash flows from the financial asset have expired or opportunities and risks resulting from the financial assets have essentially been transferred and the Group has not retained any power of disposal.

13. Measurement of fair value

Fair value is the price that would have been received in an orderly transaction between market participants on the date of measurement for the sale of an asset or paid for the transfer of a liability. In measuring fair value, it is assumed that the business transaction in the course of which the sale of the asset or transfer of the liability occurs, is entered into

- either on the principal market for the asset or liability
- or, where no principal market is available, on the most advantageous market for the asset or liability.

The Group must have access to the principal market or most advantageous market.

The fair value of an asset or liability is measured on the basis of the assumptions which market participants would use as a basis for setting the price of the asset or liability. In this context, it is presumed that the market participants would act in their own best financial interests.

When measuring the fair value of a non-financial asset, consideration is given to the ability of the market participant to achieve economic benefit, whether by making the most meaningful and best use of the asset or by selling the same to another market participant who can find the most meaningful and best use.

The Group applies valuation techniques that are appropriate under the respective circumstances and for which sufficient data are available to measure the fair value. In doing so, the use of essentially observable input factors should be maximized as far as possible and any use of non-observable input factors minimized.

All assets and liabilities for which the fair value is determined or shown in the financial statements,
are classified in the measurement hierarchy described below, based on the lowest level input factor of overall definitive importance in measuring the fair value.

- Level 1: The fair value results from prices quoted on active markets for identical assets or liabilities.
- Level 2: The fair value is determined by means of inputs other than quoted prices contained in Level 1 which are either directly or indirectly observable for the asset or liability.
- Level 3: The fair value is determined on the basis of unobservable inputs for the asset or liability.

In the case of assets and liabilities which are repeatedly recognized at fair value in the statements, the Group determines whether there have been any reclassifications between the levels in the hierarchy. It does so by verifying the classification at the end of each reporting period (based on the input factor at the lowest level of overall material importance for the measurement of fair value). In order to fulfill the disclosure requirements for fair value, the Group has defined classes of assets and liabilities based on their nature, features and risks as well as the levels in the measurement hierarchy described above.

14. Impairment of non-current non-financial assets

At the end of every reporting period the group investigates whether there are grounds to believe that the value of an asset is impaired. If such grounds exist or if an annual review of the sustained value of an asset is required, the group makes an estimate of the amount that may be achieved for the asset in question. The achievable amount is the higher of either the fair value of an asset or cash-generating entity less disposal costs or its utility value. The achievable amount must be determined for each individual asset, unless an asset generates no cash flow which is essentially independent of those generated by other assets or groups of assets. If the carrying value of an asset exceeds its achievable value, the asset is impaired and is written down to its achievable value.

In order to determine the utility value, the expected future cash flows are discounted to their cash value at a pre-tax discount rate which reflects current market expectations regarding the interest effect and the risks specific to the asset. An appropriate valuation model is applied to determine the fair value less sales costs. This model is based on valuation multipliers or other available indicators of fair value.

Impairment costs at going-concern business units are recognized in the income statements under cost headings which correspond to the function of the impaired asset.

An investigation is similarly made at the end of every reporting period to determine whether there are grounds to believe that a previously recognized impairment no longer exists or is reduced. If such grounds exist, the group makes an estimate of the achievable amount. A previously recognized impairment will only be reversed if the estimated amount that may be achieved has changed since the last occasion on which an impairment was recognized. Should this be the case, the carrying value of the asset is increased to its achievable value. This amount must not however exceed the carrying value that would apply after scheduled depreciation if no impairment of the asset were to have been recognized in preceding years. A write-up is recognized in the result for the period.

In the financial year under review, as in the previous year, there were no impairments of non-current non-financial assets pursuant to IAS 36.

15. Tangible and intangible assets

Tangible fixed assets and intangibles are valued at cost less cumulative scheduled linear depreciation. Assets are depreciated over periods of between 1 and 5 years. By way of exception to the above, leasehold fixtures are depreciated over the term of the lease or over their estimated service life if this is shorter. The business premises acquired in Meerbusch are depreciated over a service life of 33 years. The cost of acquisition is deemed to be the amount paid in cash or cash equivalents to purchase the asset. At the end of the reporting period the company had no intangible assets with an indefinite service life.

Write-downs on tangible fixed assets and intangibles with limited service life are recognized in the income statement under the expense heading which corresponds to the function of the asset in the company.

A tangible fixed asset or intangible is derecognized either when it is disposed of or when there is no economic benefit to be expected from the continuing use or sale of the asset. The profits or losses resulting from the derecognition of the asset are calculated as the difference between the net sale proceeds and the carrying value of the asset and recognized in the income statement in the period in which the asset is derecognized.

Residual values, service lives and methods of depreciation are reviewed at least at the end of each financial year and adjusted as required. Alterations to the method or period of depreciation necessitated by changes in the expected service life or expected consumption of the future economic benefit of the asset are treated as changes in estimates.

16. Taxes

Actual taxes on income
The actual tax refund claims and tax liabilities for current and previous periods are measured at the amount in which a refund is expected from or payment expected to the tax authorities. This amount is in turn calculated on the basis of the tax rates and tax regulations applying on the balance sheet closing date.

ATOSS Software SE does not fall within the scope of application of the Minimum Taxation Act as the consolidated revenue in the 2024 financial year of EUR 171 million is below the threshold of EUR 750 million.

Deferred taxes
Tax deferrals are determined in application of the liability method, based on temporary differences existing at the end of the reporting period between the value at which an asset or liability is reported on the balance sheet and its value for tax purposes.

Deferred tax claims are recognized for all tax-deductible temporary differences, unused tax loss carryforwards and unused tax credits in the amount in which taxable income against which tax-deductible temporary differences and unused tax loss carryforwards and tax credits can be offset is likely to be available.

The carrying value of deferred tax claims is reviewed on each balance sheet closing date and reduced accordingly if it is no longer likely that adequate taxable income will be available against which the deferred tax claim might at least in part be offset. Deferred tax claims not carried on balance sheet are reviewed at the end of each reporting period and taken on balance sheet in the amount in which it is now likely that future taxable income will allow the deferred tax claim to be realized.

Deferred tax claims and liabilities are calculated at the tax rates likely to apply in the period in which an asset is realized or a liability satisfied. The tax rates and tax regulations applying on the balance sheet closing date are taken as a basis. Future changes in tax rates must be taken into account on the balance sheet closing date provided that the necessary material conditions for these changes to become effective are fulfilled in the form of legislation.

Deferred taxes relating to items recognized in equity are similarly recognized. Dependent on the underlying business event, these deferred taxes may be recognized either in other income or directly in equity.

Deferred tax claims and deferred tax liabilities are offset against one another provided that the Group has an enforceable claim to set off actual tax refund claims against actual tax liabilities and these relate to income taxes on the same taxable entity, levied by the same tax authority.

Turnover tax
Expenses and assets are generally recognized after deduction of turnover tax. Exceptions apply in the following cases:

- If the turnover tax incurred when assets or services are purchased cannot be reclaimed from the tax authority, the tax paid is recognized as a part of the manufacturing cost of the asset or as part of the expense.
- Receivables and liabilities are reported at an amount including the turnover tax.

The amount of turnover tax refunded by or remitted to the tax authority is recognized in the consolidated balance sheet under other non-financial assets - or other non-financial liabilities.

17. Financial liabilities

As a general rule, when financial liabilities are recognized for the first time, they are shown at their fair value and in subsequent measurements at their amortized cost by applying the effective interest method. Financial liabilities measured at their amortized cost comprise trade payables and other liabilities. In the case of financial liabilities measured at their fair value through other comprehensive income in subsequent measurements, the initial measurement is conducted after deducting transaction costs. The Group does not make use of the option to classify financial liabilities at fair value through profit or loss on their initial recognition (FVPL option).

A financial liability is derecognized when the underlying obligation is satisfied, terminated or expired.

18. Provisions

A provision is reported if the Group is under a present statutory or actual obligation resulting from a past event, if it is likely that resources having an economic value will be expended to satisfy the obligation and a reliable estimate can be made of the extent of the obligation. Insofar as the Group expects an accrual carried as a liability to be at least in part reimbursed as, for example, under an insurance contract, provided that it is as good as certain that it will be received, the reimbursement is carried as a separate asset. The cost of forming the provision is reported in the income statement after deduction of the reimbursement.

The company anticipates that the remaining time to maturity of current provisions will be less than one year.

19. Pension provisions and other personnel-related benefits

A pension commitment exists in favor of the CEO of ATOSS Software SE, Munich, which is classified as a defined benefits plan. Pursuant to this plan, pension payments will commence when the recipient reaches the age of 65. Due to the extension of the CEO's contract until 12/31/2026, his pension has been postponed until 01/01/2027 and will be paid for life. In order to cover this pension commitment the company has arranged pension liability insurance cover with insurers who enjoy positive ratings and assigned the entitlements arising therefrom with the result that the attributable fair value of the assets of the plan deriving from the pension liability insurance policies are netted against the benefit obligation.

For measurement purposes, the projected unit credit method is applied. In accordance with this method, the pension units accrued in individual years are regarded as building blocks which collectively form the pension obligation. The cost of the pension is a product of the cost of interest on accrued pension rights already reported at cash value, the current service cost, the past service cost resulting from the changes in the pension commitment and the expected income from the plan assets. The defined benefit obligation is the dynamic cash value of the pro rata accrued pension units, taking into account the fact that future pension rights have already been proportionately accrued.

The pension provision was calculated on the basis of an assumed interest rate of 3.17 percent (previous year: 3.15 percent) and a contractually defined pension trend of 3.0 percent (previous year: 3.0 percent) and a salary trend of 0.0 percent (previous year: 0.0 percent). As in the previous year, the biometric tables prepared by Prof. Dr. Klaus Heubeck [Richttafeln 2018 G] were applied.

Indirect commitments are reported as a defined contribution plan or defined benefit plan, depending on how they are structured.

For two members of the Management Board (previous year: three) and employees with 15 or more years of service, there are commitments through a reinsured benevolent fund. The company pays contributions for the latter into a private retirement pension scheme in the form of a benevolent fund for the duration of their employment. For one member of the Management Board, there is also a commitment through a pension fund and direct insurance policy. These plans are reported as defined contribution plans. These contributions in financial year 2024 for the benevolent fund, pension fund and direct insurance policy amounted to EUR 287,247 (previous year: EUR 317,406).

The Group also maintains contributory pension plans into which the Group pays defined contributions. The Group's legal or constructive liability for the plans is limited to these contributions. The expense recognized in the current reporting period for pension insurance contributions amounts to EUR 3,942,467 (previous year: EUR 3,537,130).

Please refer to Notes 53, 54 and 56 for the measurement methods used for the Restricted Stock Units and Phantom Stock Options.

20. Revenue from contracts with customers

ATOSS Software SE generates sales revenues from licensing software products to end users or to resellers, from cloud subscriptions, from maintenance contracts, consulting services, the sale of hardware as well as from providing other goods and services. Sales revenues are recognized at the level of the consideration which the Group is likely to receive in exchange for these goods or services.

(a) Sale of goods
For the sale of software licenses, hardware or IDs for time recording and access modules, sales are realized at the time when control of the asset is transferred to the customer.

(b) Provision of services
The Group provides consulting and implementation services. These services are sold either individually in contracts with customers or as a package together with software licenses. However, the company does not in principle offer consulting and implementation services in an overall package together with software licenses at an overall price. Service revenues are measured in consideration of the degree of completion. Where a contract with a customer contains several contractual obligations, pursuant to IFRS 15 the transaction price is apportioned between the individual obligations. This apportionment is based on the ratio of the individual selling prices for goods or services at the time of entry into contract. The individual selling price is the price at which a company would sell goods or services to a customer. In the case of ATOSS this price fundamentally equates to the transaction price, that is to say, the price is in no way influenced by whether the goods or services in question are sold together or individually.

Where the customer places a long-term production order, the revenues are recognized over a specific period of time on the basis of milestones, provided that at least one of the three following conditions as per IFRS 15.35 is met:

1. The customer receives and utilizes the benefit in parallel with the performance (e.g. service or maintenance contract),
2. The performance by the company creates or improves an asset which is controlled by the customer during performance, or
3. The company's performance leads to an asset with no alternative use and the company has an enforceable right to payment for the performance carried out to date; this criterion is thus subject to the following cumulative preconditions:
   - No alternative use is possible due to contractual or practical restrictions;
   - The right to payment includes not only reimbursement of expenses but also a customary profit margin.

In the case of long-term production contracts entered into by ATOSS, the third condition for the application of the percentage of completion method is regularly fulfilled. Individual sales components are thus in principle realized continuously in the ratio of the progress of the project services thus far rendered to the anticipated overall volume of services to be provided. The progress of the project is in turn measured on the basis of documentation maintained by the project managers and the overall assessment of the management based on the output-oriented method as per IFRS 15.B14 (a).

The amounts invoiced in advance for long-term production orders which are only performed in later periods when they are recognized in P&L, are shown as contractual liabilities.

(c) Maintenance and hotline services
Maintenance and hotline revenues are generally recognized in accordance with the time elapsed and thus in installments over the term of the support contract in compliance with the output method described in IFRS 15.B14 (a). Amounts for maintenance services which are only provided in later periods, thus only affecting the P&L at the same time, are normally invoiced six months or a year in advance, and are shown as contractual liabilities.

(d) Revenues from cloud subscriptions
Sales revenues from cloud subscriptions and support represent revenues from the granting of a right to use software functions in a cloud-based infrastructure hosted by third-party providers commissioned by ATOSS. The customer has no right to terminate the hosting contract and take possession of the software either to run it in its own IT infrastructure or to commission a third hosting provider, not associated with the Group, to host and manage the software. The revenues from cloud subscriptions are usually recognized in accordance with the time elapsed, in installments over the term of the cloud contract in compliance with the output method described in IFRS 15.B14 (a).

Invoices are issued in accordance with the contractual conditions; payment terms normally provide for payment within 10 days of the invoice date.

Contract assets
A contract asset is a right to receive consideration in exchange for goods or services supplied to a customer. If the Group meets its contractual obligations in supplying goods or services to a customer before the customer gives consideration or before payment is due, an asset is recognized for a conditional claim to consideration. As of 12/31/2024, there were no contract assets, as for the previous year.

Trade receivables
A receivable is the Group's unconditional claim to consideration (i.e. it falls due automatically through the lapse of time). The accounting methods applied for financial assets are explained in Section II.12.

Contractual liabilities
A contractual liability is an obligation upon the Group to transfer goods or services to a customer from whom the Group has received (or has yet to receive) a consideration. Where a customer pays a consideration before the Group has transferred the goods or services, a contractual liability is recognized when the payment is made or becomes due (whichever occurs first). Contractual liabilities are recognized as income as soon as the Group has fulfilled its contractual obligations. As of 12/31/2024 these liabilities amount to EUR 3,181,854 (previous year: EUR 3,732,287).

Orders received
The value of orders received corresponds in principle with the estimated revenues deriving from accepted orders in respect of which enforceable rights and obligations exist. Declarations of intent are not included within orders received.

The entire transaction price allocated as of 12/31/2024 to unfulfilled or partially unfulfilled service obligations with an original term of more than 12 months, amounted to EUR 189,873,953 (previous year: EUR 154,511,362). The expected timing of corresponding sales revenue recognition is as follows:

EUR	12/31/2024
2025	87,192,892
2026-2029	101,803,654
post 2029	877,407
Total future revenue from contracts with customers	**189,873,953**

EUR	12/31/2023
2024	70,832,492
2025-2028	82,963,647
post 2028	715,223
Total future revenue from contracts with customers	**154,511,362**

21. Other operating income and interest earnings

Other operating income is recognized provided that it is probable that the economic benefit will accrue to the Group and the amount of income can be reliably determined, irrespective of the time payment is made.

Interest earnings are recognized when the interest arises, or in the case of all financial instruments valued at amortized cost, at the effective interest rate. They are reported in profit and loss as a component of financial income.

22. Research and development costs

Development costs are generally recognized as expenses in profit and loss. The criteria of IAS 38.57 are usually not met as employees only introduce minor updates or improvements to individual areas of the programs distributed by the company on an ongoing basis. Insofar as these adjustments relate only to the requirements of one individual customer, the corresponding expense is attributed to the relevant customer project. With regard to performance, the improvement of the existing product architecture forms one of the main areas on which the company's development work is focused. Given that this work serves to support the continuing development of existing software versions, and insofar as the independent use or sale thereof would not be possible without the historical underlying basic product, it is not possible for us to identify independent future economic benefits.

23. Leasing

The Group rents various offices and vehicles. Rental contracts are usually concluded for fixed terms of 6 months to 10 years, but may have extension options as described below.

Contracts can contain both lease and non-lease components. The Group allocates the transaction price to these components on the basis of their relative individual prices. Lease contracts for land which the Group leases as the lessee form an exception to this rule. In such cases, the Group makes use of its option of not making any split between lease and non-lease components and instead reports the contract as a whole as a lease contract.

Rental conditions are individually negotiated and contain numerous different terms. Lease contracts do not contain any loan terms unless the leased properties serve as collateral for the lessee. It is thus not possible for leased assets to be used as collateral for taking out a loan. Leases have been accounted for as a right of use and corresponding lease liability at the time when the leased property is available to the Group for use.

Assets and liabilities from leases are recognized at their present values at initial recognition. Lease liabilities contain the present values of the following lease payments:

- fixed payments (including in-substance fixed payments less any lease incentives to be received)
- variable lease payments linked to an index or (interest) rate, initially measured using the index or interest (rate) on the date of provision
- amounts that the lessee will probably have to pay as part of residual value guarantees
- the exercise price of a purchase option if the lessee is sufficiently certain to exercise it
- penalties for terminating the lease if the term takes account of the fact that the lessee will exercise a termination option.

In addition, lease payments made on the basis that it is reasonably certain that options to extend will be taken up, are also included when measuring the lease liability.

Lease payments are calculated using the lessee's incremental borrowing interest rate, i.e. the rate of interest that the lessee in question would have to pay if the lessee had to borrow funds in order to acquire a comparable asset of comparable value for a comparable term with comparable collateral under comparable conditions in a comparable economic environment. To determine the incremental borrowing interest rate, the Group takes as its starting point a risk-free interest rate and adapts it to fit the lessee's credit risk (so-called build-up approach). Further adjustments relate to term of the lease, the economic environment, the currency of the lease contract and collateralization.

The Group is exposed to possible future increases in variable lease payments arising from a change to an index or interest (rate). Any such potential changes in the lease payments are not reflected in the lease liability until they take effect. As soon as changes to an index or interest (rate) affect the lease payments, the lease liability is adjusted to fit the right of use. Lease payments are divided into principal and interest. The interest portion is recognized in profit or loss over the term of the lease resulting in each period in a steady interest rate for the period on the residual amount of the liability.

Rights of use are measured at the cost of acquisition which is made up as follows:

- the initial measurement of the lease liability
- all lease payments made on or before the date of provision less any lease incentives received
- all direct initial costs incurred by the lessee, and
- estimated costs incurred by the lessee in dismantling or removing the underlying asset, restoring the site where it is located or in returning the underlying asset to the condition required in the lease agreement.

Rights of use are amortized on a straight-line basis over the service life or term of the underlying lease contract, whichever is the shorter. If it is reasonably certain from the perspective of the Group that an option to extend will be exercised, amortization will be based on the service life of the underlying asset.

Payments for short-term leases of vehicles and leases for assets of low value are recorded as expenses in profit and loss on a straight line basis. Lease contracts with a term of up to 12 months are regarded as short-term leases. Assets of low value comprise IT equipment, in particular.

Many of the Group's lease contracts for real estate and systems contain options for extension and termination. Such contractual terms are used in order to preserve maximum operational flexibility for the Group with regard to the assets it uses. They are taken into account provided existing extension and termination options can be exercised by the Group and not directly by the relevant lessor.

In determining the term of leases, the company takes account of all facts and circumstances which offer a financial incentive to exercise extension options or not to exercise termination options. Changes to terms resulting from the exercising of options to extend or terminate are only included in the contractual term if it is reasonably certain that an extension will be concluded or that an option to terminate will not be exercised.

With regard to the leasing of office space, the following considerations apply when determining the term of leases:

- If the Group is faced with significant fines if it exercises an option to terminate or refrains from exercising an option to extend, it can be regarded as reasonably certain that the Group will not terminate the contract or that it will extend.
- In addition, other factors are taken into account such as historical lease terms as well as costs and downtime which will confront the Group if a leased asset has to be replaced.

Most options to extend in connection with the leasing of office buildings and vehicles have not been included in determining the term of the lease and thus the lease liability as the Group could replace such assets without any substantial costs or downtime.

III. Notes to the Consolidated Balance Sheet

24. Cash and cash equivalents

EUR	12/31/2024	12/31/2023
Fixed-term deposits (in EUR + CHF + USD)	58,069,453	38,352,534
Cash at banks	24,597,415	25,848,536
Total of cash and cash equivalents	**82,666,868**	**64,201,070**

Fixed-term deposits are invested at interest rates of up to 4.18 percent for the agreed term. With original terms of up to three months, these deposits serve the company as a means of covering its short-term liquidity requirements, since no significant economic loss can be expected even if these investments are terminated prematurely. Other bank balances bore interest at a rate of up to 1.61 percent in 2024.

Cash and cash equivalents increased by EUR 18,465,798 to EUR 82,666,868 despite the negative cash flow from investing activities (EUR 10,925,008) and financing activities (EUR 30,105,532). The increase in cash and cash equivalents is due to the positive cash flow from operating activities (EUR 59,471,801). The negative cash flow from investing activities results from the acquisition of fixed assets (EUR 925,008) and the net purchase of short-term financial assets in the form of fixed-term deposits (EUR 10,000,000). The negative cash flow from financing activities is due to the dividend distribution of EUR 26,802,068 carried out at the beginning of May 2024 and the settlement of lease liabilities and related interest in an amount of EUR 3,303,464 in accordance with IFRS 16.

Fixed-term deposits and other cash sums are invested with prestigious financial institutions (banks and insurance companies) with positive ratings.

The fair value of the company's cash and cash equivalents equates to the book value and accordingly stands at EUR 82,666,868 (previous year: EUR 64,201,070).

25. Other financial assets and trade receivables

Other financial assets and trade receivables were composed as follows:

Trade receivables
The reported trade accounts receivable were composed as follows:

EUR	12/31/2024	12/31/2023
Gross receivables	10,872,016	11,708,481
Less impairments	-1,559,202	-1,278,089
Net receivables (carrying value)	**9,312,814**	**10,430,392**

These receivables include those relating to long-term production orders in a net amount of EUR 12,546 (previous year: EUR 28,570). On 12/31/2024 there were no receivables with due dates which had been extended (previous year: EUR 0). As in the preceding year there were no receivables with a remaining time to maturity of more than one year.

In general, trade accounts receivable are due for payment within 10 days. As of 12/31/2024 writedowns in the amount of EUR 1,559,202 (previous year: EUR 1,278,089) were recorded. The writedowns on trade receivables are calculated on the basis of the simplified approach taking account of expected future credit losses.

The value adjustment account developed as follows:

EUR	2024	2023
Status 01/01	1,278,089	353,437
Expense allocations	442,914	1,026,194
Usage	-71,386	-10,597
Liquidations	-90,415	-90,945
Status 12/31	**1,559,202**	**1,278,089**

The company demands no securities from its customers.

The aging report for trade receivables shows the following:

12/31/2024	not due	overdue (to 30 days)	overdue (31-60 days)	overdue (61- 90 days)	overdue (91- 120 days)	overdue (from 121 days)	Total 12/31/2024
Gross receivables in EUR	6,067,370	2,729,145	427,078	230,758	110,937	1,306,728	10,872,016
Adjustment in EUR	-62,642	-102,735	-66,041	-92,138	-87,930	-1,147,716	-1,559,202
Net receivables* in EUR	**6,004,728**	**2,626,410**	**361,037**	**138,621**	**23,006**	**159,012**	**9,312,814**
Expected loss rate**	1.0%	4.5%	18.0%	44.8%	100%	100%	

* remaining share includes turnover tax
** loss rate excluding turnover tax

12/31/2023	not due	overdue (to 30 days)	overdue (31-60 days)	overdue (61- 90 days)	overdue (91- 120 days)	overdue (from 121 days)	Total 12/31/2023
Gross receivables in EUR	7,833,639	2,391,287	503,133	44,529	120,814	815,079	11,708,481
Adjustment in EUR	-106,665	-127,800	-85,029	-23,974	-119,541	-815,079	-1,278,089
Net receivables (carrying value) in EUR	**7,726,974**	**2,263,487**	**418,104**	**20,555**	**1,273**	**0**	**10,430,392**
Expected loss rate	1.4%	5.3%	16.9%	53.8%	98.9%	100%	

Other financial assets and trade receivables were composed as follows:

Other current financial assets and precious metals

EUR	12/31/2024	12/31/2023
Investment funds	5,220,541	5,171,729
Gold	3,151,040	2,346,280
Fixed-term deposits (EUR)	20,021,556	10,000,000
Silver	16,300	13,400
Dividend-bearing securities	3,727	4,770
Total of other (current) financial assets and precious metals	**28,413,164**	**17,536,179**

Other non-current financial assets and precious metals

EUR	12/31/2024	12/31/2023
Gold	1,139,435	851,765
Security deposits	517,140	484,601
Total of other (non-current) financial assets and precious metals	**1,656,575**	**1,336,366**

Valuation of current and non-current gold holdings at fair value results in finance income of EUR 1,092,430 (previous year: EUR 241,225). In addition, income from the revaluation of short-term investment funds amounting to EUR 48,812 (previous year: EUR 121,740) respectively. Distributions from the investment of liquid assets in an investment fund serving as an alternative short-term investment, resulted in financial income of EUR 88,913 (previous year: EUR 88,914).

The fair value of financial assets in the case of dividend-bearing securities, precious metals, fixed-term deposits and fund investments is measured on the basis of stock market prices on active markets (Level 1). In order to calculate the fair value of claims on endowment insurance policies, the Group applies the asset value (Level 3) as reported annually by the other contracting party. As of 12/31/2024, the maximum default risk equates to the fair value.

26. Other current, non-financial assets

Other current non-financial assets in the amount of EUR 3,458,310 (previous year: EUR 3,206,790) essentially include deferrals of EUR 2,682,584 (previous year: EUR 2,003,850) as well as receivables from the Tax office relating to advance tax payments in an amount of EUR 317,422 (previous year: 939,293).

27. Fixed assets

The development in fixed assets in the financial year was as follows:

	Acquisition and manufacturing costs					**Cumulative depreciation**				**Net carrying values**	
EUR	01/01/2023	Additions	Transfers	Disposals	12/31/2023	01/01/2023	Additions	Disposals	12/31/2023	12/31/2023	12/31/2022
I. Intangible assets											
Software	779,165	150,071	0	-49,773	879,463	618,863	77,863	-49,761	646,965	232,498	160,302
	779,165	**150,071**	**0**	**-49,773**	**879,463**	**618,863**	**77,863**	**-49,761**	**646,965**	**232,498**	**160,302**
II. Property, plant and equipment											
Land and buildings	2,138,011	0	0	0	2,138,011	747,938	62,630	0	810,568	1,327,443	1,390,073
Technical equipment	79,223	0	0	-13,207	66,016	50,295	2,211	-11,365	41,141	24,875	28,928
Office and business equipment	5,923,378	1,673,301	0	-556,167	7,040,512	3,756,861	987,782	-556,522	4,188,121	2,852,391	2,166,517
Advance payments and assets under construction	0	121,300	0	0	121,300	0	0	0	0	121,300	0
	8,140,612	**1,794,601**	**0**	**-569,374**	**9,365,838**	**4,555,094**	**1,052,623**	**-567,888**	**5,039,829**	**4,326,009**	**3,585,518**
Total	**8,919,776**	**1,944,672**	**0**	**-619,147**	**10,245,301**	**5,173,957**	**1,130,486**	**-617,649**	**5,686,794**	**4,558,507**	**3,745,820**

EUR	01/01/2024	Additions	Transfers	Disposals	12/31/2024	01/01/2024	Additions	Disposals	12/31/2024	12/31/2024	12/31/2023
I. Intangible assets											
Software	879,463	0	0	0	879,463	646,965	64,305	0	711,270	168,193	232,498
	879,463	**0**	**0**	**0**	**879,463**	**646,965**	**64,305**	**0**	**711,270**	**168,193**	**232,498**
II. Property, plant and equipment											
Land and buildings	2,138,011	0	0	0	2,138,011	810,568	57,949	0	868,517	1,269,494	1,327,443
Technical equipment	66,016	0	0	0	66,016	41,141	5,341	0	46,482	19,534	24,875
Office and business equipment	7,040,512	925,008	121,300	-3,250	8,083,570	4,188,121	1,088,643	-3,140	5,273,624	2,809,946	2,852,391
Advance payments and assets under construction	121,300	0	-121,300	0	0	0	0	0	0	0	121,300
	9,365,838	**925,008**	**0**	**-3,250**	**10,287,597**	**5,039,829**	**1,151,933**	**-3,140**	**6,188,623**	**4,098,974**	**4,326,009**
Total	**10,245,301**	**925,008**	**0**	**-3,250**	**11,167,060**	**5,686,794**	**1,216,238**	**-3,140**	**6,899,983**	**4,267,167**	**4,558,507**

All non-current assets are located in the countries of origin of the respective software companies (Germany, Austria, Switzerland, Romania), the majority being in Germany.

28. Leases

The following items are shown in the balance sheet in connection with leases:

EUR	12/31/2024	12/31/2023
Rights of use		
Buildings	4,700,694	6,161,088
Vehicles	1,404,360	1,629,495
Total	**6,105,054**	**7,790,583**

EUR	12/31/2024	12/31/2023
Lease liabilities		
Short-term	2,980,028	2,813,003*
Long-term	3,609,342	5,611,380*
Total	**6,589,370**	**8,424,383**

*Figures for the previous year were adjusted with respect to maturities and an amount of EUR 2,485,968 was reclassified from long-term lease liabilities to short-term lease liabilities.

Allocations to rights of use in the 2024 financial year amounted to EUR 1,500,166 (previous year: EUR 1,484,057). Disposals amount to EUR 0 (previous year: EUR 49,438).

The income statement shows the following amounts in connection with leases:

EUR	2024	2023
Depreciation of usage rights		
Buildings	2,260,236	2,031,096
Vehicles	925,459	884,823
	3,185,695	**2,915,919**
Interest expense (recognized under finance costs)	**121,441**	**158,947**
Expenses for short-term leases	**376,114**	**381,870**

Total cash outflows for leases in accordance with IFRS 16 in 2024 amounted to EUR 3,303,464 (previous year: EUR 2,997,250).

29. Capitalized contract costs

EUR	12/31/2024	12/31/2023
Capitalized contract costs	7,284,919	5,338,811
Total capitalized contract costs	**7,284,919**	**5,338,811**

As of 12/31/2024, the carrying amount of the capitalized contract costs was EUR 7,284,919 (previous year: EUR 5,338,811). Contract initiation costs include sales commissions paid to employees in an amount of EUR 1,760,541 (previous year: EUR 1,846,826) and to third-party brokers/partners in an amount of EUR 5,524,378 (previous year: EUR 3,491,985) in direct and indirect sales channels as part of the cloud subscriptions business. Overall contract costs in an amount of EUR 5,053,486 (previous year: EUR 2,417,712) were capitalized in financial year 2024 and capitalized contract costs in an amount of EUR 3,107,379 (previous year: EUR 1,936,965) were expensed on a straight-line basis over the estimated duration of the customer relationship.

30. Income taxes

The tax provisions in each case comprise the taxes on income for the past financial year and also preceding years if appropriate. For details of tax charges and refunds, please refer to Note 48.

The deferred taxes reported in the accounts were composed as follows:

EUR	Deferred tax assets		Deferred tax liabilities	
	2024	2023	2024	2023
Assets				
Long-term production orders	0	0	1,158,756	1,046,771
Non-current financial assets	0	0	194,073	127,909
Current financial assets	0	0	498,384	222,614
Rights of use	0	0	2,048,441	2,597,580
Capitalized contract costs	0	0	2,345,107	1,715,638
Pension provisions (plan assets)	0	17,265	48,338	0
Liabilities				
Pension provisions	743,842	777,684	0	0
Liabilities for AGM expenses	23,636	50,005	0	0
Lease liabilities	2,119,408	2,709,692	0	0
Adjustments	100,939	131,210	0	0
Fixed assets	26,764	0	0	0
Personnel provisions	364,466	0	0	0
Current financial assets	3,566	0	0	0
Unrealized exchange rate differences	3,366	0	0	0
	3,385,987	**3,685,856**	**6,293,100**	**5,710,512**
of which long-term	2,763,790	3,399,451	4,841,010	3,589,251
of which short-term	622,197	286,405	1,452,090	2,121,261
	3,385,987	**3,685,856**	**6,293,100**	**5,710,512**

Deferred tax assets in an amount of EUR 3,385,987 were netted against deferred tax liabilities in an amount of EUR 6,293,100.

Since the 2019 assessment period, there has been a fiscal union for income tax purposes between ATOSS Software SE as the controlling company and its subsidiary ATOSS Aloud GmbH as the controlled company. The Group has taxable loss carry-forwards in the amount of EUR 1,582,328 (previous year: EUR 1,582,328) for which no deferred taxes have been capitalized. The unit concerned has a history of losses and it is accordingly not currently possible to project when these will be utilized. The losses can be carried forward indefinitely and do not expire.

The Group management has decided to retain the profits at subsidiaries which have not so far been distributed in 2024. It is agreed between Group management and the subsidiaries that distributions will be made only with the consent of Group management. In respect of the subsidiaries, no tax deferrals were formed in the reporting period on temporary differences. Temporary differences in 2024 amount to EUR 2,898,556 (previous year: EUR 2,232,651).

The tax rate applicable to ATOSS Software SE, Munich, is composed as follows:

EUR	2024	2023
Earnings before taxes	100%	100%
Trade tax	-16.55%	-16.64%
Corporation tax at 15.00 % on taxable profits	-15.00%	-15.00%
Solidarity surcharge of 5.50 % on corporation tax	-0.83%	-0.83%
Nominal proportion of untaxed earnings	67.62%	67.53%
Computed tax rate	**32.38%**	**32.47%**

The tax rate for subsidiaries in Austria stood at 23 percent, in Switzerland 25 percent and in Romania 16 percent. The tax rate for the Dutch facility is 19 percent, for the Belgian facility 25 percent, for the Swedish facility 21 percent and for the French facility 25 percent. The US subsidiary is not yet operational. The reconciliation of the expected group tax charge to the actual tax charge as per IAS 12.81 is illustrated as follows:

EUR	2024	2023
Earnings before taxes pursuant to IFRS	**66,981,953**	**53,325,620**
Expected tax charge (2024: 32.38%; 2023: 32.47%)	-21,688,756	-17,314,829
Non-deductible operating expenses	-46,528	-52,593
Payment of tax arrears for previous years	-108,140	-94,736
Lower tax rates at Group companies and branches	202,451	307,646
Trade tax add-backs	-73,157	-64,054
Interests as per Sec. 8b KStG	-35,133	-83,057
Tax effect of an employee option plan that is not deductible (taxable) in the calculation of taxable income	185,816	-120,164
Other	32,189	-131,157
Actual Group tax charge	**-21,531,258**	**-17,552,944**

The company anticipates that in future financial years the tax rate applicable to the parent company will stand at 32.38 percent. As a result - on the one hand - of non-deductible operating expenses and interests as per § 8b KStG and on the other of lower tax rates at group companies and branches, the actual tax charge may be somewhat higher or lower than this figure.

31. Credit lines

An unsecured credit line in the amount of EUR 975,000 (previous year: EUR 975,000) is in place with the principal bank of the integrated companies which may optionally be used for guarantee purposes or as an overdraft facility. In financial year 2024, an amount of EUR 286,577 was used for guarantees (previous year: EUR 535,577). As in the previous year, there were no liabilities to banks.

32. Financial liabilities

As of 12/31/2024, the contractual maturities of non-derivative financial liabilities were as follows:

Contractual maturities of financial liabilities in EUR	Up to 3 months	3 months to 1 year	> 1 year	Total contrac-tual cash flows	Carrying amounts of liabilities
As of 12/31/2024					
Trade accounts payable	1,959,285	0	0	1,959,285	1,959,285
Lease liabilities	828,723	2,151,305	3,676,003	6,656,031	6,589,370
Total	**2,788,008**	**2,151,305**	**3,676,003**	**8,615,316**	**8,548,655**

Contractual maturities of financial liabilities in EUR	Up to 3 months	3 months to 1 year	> 1 year	Total contrac-tual cash flows	Carrying amounts of liabilities
As of 12/31/2023					
Trade accounts payable	2,378,886	0	0	2,378,886	2,378,886
Lease liabilities	1,004,201	2,179,272	5,669,717	8,853,190	8,424,383
Total	**3,383,087**	**2,179,272**	**5,669,717**	**11,232,076**	**10,803,269**

33. Other current financial liabilities

Other current financial liabilities essentially comprise the following amounts:

EUR	12/31/2024	12/31/2023
Anticipated charges	7,364,678	5,855,921
Total	**7,364,678**	**5,855,921**

The anticipated charges relate to performances received but not yet billed prior to the qualifying date.

34. Other current non-financial liabilities

EUR	12/31/2024	12/31/2023
Liabilities for salaries and commissions	16,876,832	15,999,910
Other liabilities	773,929	2,171,604
Total	**17,650,761**	**18,171,514**

The liabilities for salaries and commissions include claims deriving from variable salary components arising in the reporting period but not disbursed until the following year, Management Board bonuses, wage tax liabilities and provisions for vacation commitments. Other liabilities essentially include liabilities for auditing the financial statements and for and creditors with debit balances.

35. Contractual liabilities

Revenues recognized in connection with contractual liabilities
The following table shows revenues recognized in the reporting period that were included in the balance of contractual liabilities at the beginning of the period.

EUR	2024	2023
Recognized revenues included in the balance of contractual liabilities at the beginning of the period were as follows:		
Maintenance services	25,069	216,190
Long-term production orders	301,358	809,653
Cloud	1,975,063	1,704,215
Other	616,475	764,779
Total	**2,917,965**	**3,494,837**

The contractual liabilities were composed as follows:

EUR	12/31/2024	12/31/2023
Amounts invoiced in advance for maintenance works	65,478	25,069
Amounts invoiced in advance for long-term production orders	749,373	1,115,680
Amounts invoiced in advance for cloud orders	2,352,731	1,975,063
Other	14,273	616,475
Total	**3,181,854**	**3,732,287**

The miscellaneous contractual liabilities stated here include sums invoiced in advance for hotline services as well as for software, hardware and services yet to be supplied. The company assumes that of the contractual liabilities amounting to EUR 3,181,854 as of 12/31/2024, the entire balance will be recognized as sales revenue in fiscal 2025.

36. Other current provisions

Other current provisions comprise the following amounts:

EUR	01/01/2024	Drawn down	Liquidations	Allocations	12/31/2024
Other current provisions	220,937	118,596	0	50,000	152,341
Total	**220,937**	**118,596**	**0**	**50,000**	**152,341**

Other current provisions essentially include the provisions for warranties.

37. Pension provisions

Pension costs were comprised as follows:

EUR	2024	2023
Current service cost	0	169,239
Net interest cost	54,158	82,424
Pension expenses	**54,158**	**251,663**

Current and past service costs are reported in the income statement under sales and marketing costs, while the cost of interest and income from plan assets are reflected in net interest. Actuarial profits and losses are recognized in equity as other income and expenses.

With regard to the year 2025 the company expects pension expenses to amount to EUR 56,268.

The obligation translates to the balance sheet as follows:

EUR	12/31/2024	12/31/2023
Defined benefits obligation	6,695,567	6,494,242
Fair value of plan assets	-4,878,971	-4,668,006
Pension provision	**1,816,596**	**1,826,236**

The company assigned its claims arising from the pension liability insurance arranged to cover the pension commitment in 2005 and 2010.

The changes in the cash value of the defined benefits obligation are illustrated as follows:

EUR	2024	2023
Defined benefits obligation as of 01/01	6,494,242	7,084,599
Cost of interest	204,550	255,021
Current service cost	0	169,239
Actuarial gains	-3,225	-1,014,617
Defined benefits obligation as of 12/31	**6,695,567**	**6,494,242**

The adjustments to be allowed for in other income are attributable to actuarial gains and losses:

EUR	2024	2023
Experience-based adjustment	-17,556	1,472,200
Changes in financial assumptions	20,781	-457,583
Changes in demographic assumptions	0	0
Deviation in actual income from plan assets relative to income calculated at the discount rate	202,603	-227,605
Actuarial gains and losses	**205,828**	**787,012**

In respect of gains recognized both in equity and through profit or loss from temporary differences between the carrying value of the pension provision on the balance sheet and the value for tax purposes, tax deferrals as well as other income tax effects were formed in the amount of EUR -1,044 (previous year: EUR -329,446). Income tax effects totaling EUR -65,603 (previous year: EUR 73,903) were formed on the gains (previous year: losses) resulting from the measurement of plan assets recognized in other comprehensive income.

The changes in the fair value of plan assets are illustrated as follows:

EUR	12/31/2024	12/31/2023
Fair value of plan assets effective 01/01	4,668,006	4,674,842
Returns on plan assets calculated at the discount rate	150,391	172,597
Employer's contributions	82,030	212,594
Payments from backing assets	-224,059	-164,422
Actuarial gains and losses	202,603	-227,605
Fair value of plan assets effective 12/31	**4,878,971**	**4,668,006**

The actual return on plan assets in 2024 amounted to EUR 352,994 (previous year: EUR -55,008). Employer contributions and payments from backing assets are reported in operating cash flow.

Contributions to the pension plan as from financial year 2025 are expected to total EUR 82,029.

Sensitivity analyses
A rise or fall in essential actuarial assumptions would have affected the cash value of the pension liabilities as of December 31, 2024 as follows:

EUR	Development in pension commitment	
	0.25%	**-0.25%**
Discount interest rate (initially 3.17%)	-252,300	266,399
	0.50%	**-0.50%**
Discount interest rate (initially 3.17%)	-491,397	547,862

The above sensitivity analyses of the essential valuation parameters were prepared by a method which extrapolates the effect of realistic changes in the principal assumptions as of the end of the year on the defined benefit obligation.

The mean duration of the defined benefit obligation as of the end of the reporting period was 15.98 years (previous year: 16.97 years). This pension commitment relates to a single person and includes payment of fixed monthly sums with an agreed annual built-in dynamic which are independent of any change in salary.

38. Other non-current provisions

Other non-current provisions include provisions for share-based remuneration to employees and the two members of the Management Board, Pritim Kumar Krishnamoorthy and Christof Leiber, amounting to EUR 2,658,090 (previous year: EUR 1,803,276). Provisions for multi-year bonuses amounting to EUR 532,049 were reclassified to other current non-financial liabilities due to a change in maturities.

EUR	01/01/2024	Drawn down	Liquidations	Transfers	Allocations	12/31/2024
Other provisions	2,335,325	11,154	100,374	532,049	966,342	2,658,090
Total	**2,335,325**	**11,154**	**100,374**	**532,049**	**966,342**	**2,658,090**

39. Equity

Issued shares in circulation
As of 12/31/2024, the subscribed capital of EUR 15,906,272 had been fully paid in and the company has unfettered access to this capital. It is divided into 15,906,272 bearer shares. Each share confers one vote and has a notional value of EUR 1 in the subscribed capital.

The Annual General Meeting on 04/30/2024 resolved to increase the company's share capital by EUR 7,953,136.00 from EUR 7,953,136.00 to EUR 15,906,272.00 in accordance with the provisions of the Stock Corporation Act governing capital increases from company funds (Secs. 207 ff. AktG). The capital increase was carried out by issuing 7,953,136 new no-par value bearer shares each with a notional value of EUR 1.00. The new shares were issued to the company's shareholders at a ratio of 1:1, meaning that each old share was matched by a new share to be issued. The new shares have been eligible for dividend since 1/1/2024. The capital increase was effected by converting the other retained earnings amounting to EUR 7,953,136.00 into share capital.

Resolution to cancel the existing authorized capital and create a new authorized capital with the option to exclude subscription rights at the Annual General Meeting on 04/30/2024

a) The authorization of the Management Board issued by the Annual General Meeting on April 30, 2021 with the consent of the Supervisory Board to increase the share capital by April 29, 2026 by issuing new, no-par value bearer shares against cash and/or contributions in kind once or several times by up to a total of EUR 1,590,627.00 (Authorized Capital) was canceled with effect from the time when the new Authorized Capital and the corresponding amendment to the articles of association were entered in the Commercial Register.

b) The Management Board was authorized with the approval of the Supervisory Board to increase the share capital once or several times by up to a total of EUR 3,181,254.00 (Authorized Capital) by issuing new no-par value bearer shares against cash payments and/or contributions in kind by April 29, 2029. As a general rule, shareholders must be granted subscription rights. Shareholders can also be granted subscription rights in such a way that the new shares are assumed by one or more banks or companies determined by the Management Board as defined by Sec. 186 (5) Sentence 1 AktG with the obligation to offer them for subscription to the shareholders (indirect subscription rights). However, the Management Board was authorized to exclude shareholders' subscription rights with the approval of the Supervisory Board,

i) in order to exclude fractional amounts from shareholders' subscription rights;

ii) if the new shares are issued against in-kind capital contributions as part of business combinations or for the purpose of acquiring companies, parts of companies, participations in companies or other assets or claims to the acquisition of other assets including claims against the company;

iii) if the new shares are issued against cash contributions and the issue price per new share is not substantially below the share price of the company's already listed shares of the same class and rights at the time, the issue price is finally defined. The number of shares issued in this way with the exclusion of subscription rights may not exceed a total of 20% of the share capital either when this authorization becomes effective or at the time it is implemented. Other shares issued or sold during the term of this authorization with the exclusion of subscription rights in direct or analogous application of Sec. 186 (3) Sentence 4 AktG must be counted towards the share capital threshold of 20%. Shares to be issued to service option and/or conversion rights or obligations under warrant-linked bonds and/or convertible bonds and/or profit participation rights are also to be counted provided such bonds or profit participation rights are issued during the term of this authorization with the exclusion of subscription rights in analogous application of Sec. 186 (3) Sentence 4 AktG;

iv) to the extent required to grant holders or creditors of warrant-linked bonds and/or convertible bonds with option and/or conversion rights or obligations which have been or will be issued by the company or Group company as defined by Sec. 18 AktG in which the company has a direct or indirect majority holding, the level of subscription rights to new shares to which they would be entitled after exercising option or conversion rights or meeting option exercise or conversion obligations;

v) if the new shares are to be issued to employees of the company or employees of a company affiliated with the company or members of the management of a company affiliated with the company as part of share participation or other share-based programs with the proviso that the employment relationship with the company or the board membership or employment relationship with a company affiliated to it must exist at the time of the commitment to issue shares; within the framework permitted by Sec. 204 (3) Sentence 1 AktG, the contribution to be paid towards the new shares can be covered by the part of net income for the year which the Management Board and Supervisory Board are entitled to allocate to other revenue reserves pursuant to Sec. 58 (2) AktG.. The number of shares issued in this way with the exclusion of subscription rights may not exceed a total of 5% of the share capital either when this authorization becomes effective or at the time it is implemented;

and only insofar as the shares issued during the term of this authorization on the basis of this authorization or another authorized capital excluding shareholders' subscription rights against cash contributions and/or contributions in kind do not exceed a total of 20% of the share capital, either when this authorization becomes effective or at the time it is implemented. The following shares are to be counted towards this 20% threshold:

- treasury shares sold during the term of this authorization excluding subscription rights, as well as
- new shares to be issued on the basis of warrant-linked bonds and/or convertible bonds and/or warrant-linked participatory certificates or convertible participatory certificates issued during the term of this authorization excluding subscription rights.

The Management Board was authorized with the approval of the Supervisory Board to define the content of the share rights, further details of the capital increase as well as the terms of the share issue and in particular the issue price. In the process, the profit entitlement of the new shares can be structured differently to Sec. 60 (2) AktG; in particular, if permissible in law, the new shares can be endowed with profit entitlement from the beginning of the financial year preceding their issue if at the time the new shares are issued, the Annual General Meeting has not yet adopted any profit appropriation resolution on the profit for that financial year.

The Supervisory Board was authorized to amend the wording of the Articles of Association accordingly after the Authorized Capital has been exhausted or the deadline for using the Authorized Capital has expired.

Resolution authorizing the acquisition and utilization of treasury shares including authorization to retire treasury shares acquired and to exclude subscription rights in their use and right to sell on acquisition
At the Annual General Meeting held on 04/29/2022, the company was authorized to acquire treasury shares until 04/28/2027 up to a total of 10 percent of the company's share capital at the time of the resolution or at the time when the authorization is exercised – whichever is lower. At no time may the shares acquired together with other treasury shares in the company's possession or to be attributed to the company under Secs. 71a ff. AktG represent more than 10 percent of the share capital. The authorization must not be exercised for the purpose of trading treasury shares.

The authorization can be exercised by the company or companies dependent upon it or in which the company has a majority interest or by third parties acting for their account or for the company's account in whole or in partial amounts, once or several times, in pursuit of one or more purposes.

(Types of acquisition)
The shares may be acquired at the Management Board's discretion with the prior approval of the Supervisory Board (1) via the stock market or (2) on the basis of a public purchase offer addressed to all shareholders or a public invitation to all shareholders to submit offers of sale.

(1) If the shares are acquired through the stock market, the purchase price per share paid by the company (excl. ancillary acquisition costs) must not exceed the price determined by the opening auction in Xetra trading (or a comparable successor system) on the Frankfurt Stock Exchange on the trading day by more than 10 percent and must not fall below it by more than 20 percent.

(2) If the shares are acquired by means of a public purchase offer addressed to all shareholders or on the basis of a public invitation to all shareholders to submit offers of sale,

- in the event of a public purchase offer addressed to all shareholders, the purchase price per share offered (excl. ancillary acquisition costs) or
- in the event of a public invitation addressed to all shareholders to submit offers of sale, the limits of the purchase price range defined by the company (excl. ancillary acquisition costs)

these shares must not exceed the average closing price of the company's shares in the Xetra trading system (or a comparable successor system) on the Frankfurt Stock Exchange during the last five trading days preceding the date of the public announcement of the public purchase offer or public invitation to submit offers of sale by more than 10 percent and must not fall below it by more than 20 percent.

If the definitive price fluctuates substantially after publication of a purchase offer addressed to all shareholders or an invitation to all shareholders to submit offers of sale, the purchase offer or the invitation to submit offers of sale may be adjusted accordingly. In this case, the average closing price of the company's shares in the Xetra trading system (or a comparable successor system) on the Frankfurt Stock Exchange during the last five trading days before the public announcement of the adjustment will be used as the basis.

The volume of the public purchase offer addressed to all shareholders or the public invitation sent to all shareholders to submit offers of sale can be limited. If in the case of a public purchase offer or public invitation to submit offers of sale, the volume of shares tendered exceeds the buyback volume envisaged, the acquisition can be made in proportion to the shares subscribed or offered in each case; shareholders' right to tender their shares in proportion to their share of equity is excluded to this extent. Preferential acceptance of small quantities of up to 100 tendered shares per shareholder and commercial rounding to avoid notional fractions of shares can be arranged. Shareholders will have no further rights of tender in this regard. The public purchase offer addressed to all shareholders or the public invitation addressed to all shareholders to submit offers of sale can include further conditions.

(Use of treasury shares)
The Management Board is authorized with the prior approval of the Supervisory Board to use the treasury shares acquired on the basis of the authorization for all legally permitted purposes, in particular for the following purposes:

(i) The shares may be retired without the retirement or its execution requiring any further resolution by the Annual General Meeting. They can also be retired in a simplified procedure without reducing the capital by adjusting the pro-rated notional amount of the remaining no par value shares in the company's share capital. If retirement is made by the simplified procedure, the Management Board is authorized to adjust the number of no par value shares in the Articles of Association.

(ii) The shares may be issued to third parties in return for contributions in cash, in order to place the shares of the company on a foreign stock exchange where the company's shares are not yet admitted to trading.

(iii) The shares may also be sold in ways other than through the stock exchange or on the basis of an offer to all shareholders if the purchase to be paid in cash is not substantially lower than the market price of the company's already listed shares of essentially the same class. The number of shares sold in this way with the exclusion of subscription rights may not exceed a total of 10 percent of the share capital either when this authorization becomes effective or at the time it is implemented. Other shares issued or sold during the term of this authorization with the exclusion of subscription rights in direct or analogous application of Sec. 186 (3) Sentence 4 AktG must be counted towards the share capital threshold of 10 percent. Shares to be issued to service option and/or conversion rights or obligations under warrant-linked bonds and/or convertible bonds and/or profit participation rights are also to be counted provided such bonds or profit participation rights are issued during the term of this authorization with the exclusion of subscription rights in analogous application of Sec. 186 (3) Sentence 4 AktG.

(iv) The shares may be sold against a contribution in kind, in particular as part of business combinations, for the purpose of acquiring companies, parts of companies, participating interests in companies or other assets or claims to the acquisition of other assets including receivables from the company.

(v) The shares may be used to meet subscription and conversion rights arising due to the exercising of conversion and/or option rights or to meet obligations from convertible bonds and/or warrant-linked bonds issued by the company or a Group company as defined by Sec. 18 AktG in which the company has a direct or indirect majority interest.

(vi) The shares may be used to be issued as part of share participation or other share-based programs to employees of the company or employees of an affiliated company or members of the management of an affiliated company with the proviso that the employment relationship with the company or the board membership or employment relationship with a company affiliated to it must exist at the time of the commitment to issue the shares. The number of shares issued in this way with the exclusion of subscription rights may not exceed a total of 5 percent of the share capital either when this authorization becomes effective or at the time it is implemented.

The aforementioned authorizations may be exercised once or several times, in whole or in part, individually or jointly. The authorizations under (ii), (iii), (iv), (v) and (vi) may also be exercised by dependent companies or companies in which the company holds a majority interest or by third parties acting for their account or for the company's account.

Shareholders' subscription rights to the treasury shares acquired on the basis of these authorizations are excluded insofar as they are used in accordance with the above authorizations under (ii), (iii), (iv), (v) and (vi) in ways other than by selling them on the stock exchange or through a sales offer to all shareholders. In addition, in the event that the treasury shares are sold by means of an offer of sale to all shareholders, the subscription rights of shareholders to fractional amounts may be excluded. However, the authorization to use treasury share with the exclusion of shareholders' subscription rights is limited insofar as after the authorization has been exercised, the total treasury shares used with the exclusion of shareholders' subscription rights together with the number of other shares issued or sold from authorized capital during the term of this authorization with the exclusion of subscription rights or to be issued on the basis of convertible and/or warrant-linked bonds and/or profit participation rights during the term of this authorization with the exclusion of subscription rights, may not exceed 20 percent of the share capital; either the share capital at the time the authorization becomes effective or the share capital at the time this authorization is exercised will be definitive depending on which figure is lower.

Resolution on the creation of an authorization to issue warrant-linked bonds and/or convertible bonds with the option to exclude subscription rights at the Annual General Meeting on 04/30/2021

(Authorization period, nominal amount, term, number of shares) The Management Board was further authorized with the approval of the Supervisory Board to issue registered and/or bearer warrant-linked bonds and/or convertible bonds (collectively referred to as "bonds") once or several times with a total nominal value of up to EUR 450,000,000.00 with or without maturity limits by April 29, 2026, and to grant the holders or creditors of warrant-linked bonds option rights (if applicable also with an obligation to exercise them) or the owners or creditors of convertible bonds conversion rights (if applicable also with a conversion obligation) to shares in the company, together representing up to EUR 1,590,627.00 of the share capital in accordance with the detailed terms and conditions for warrant-linked or convertible bonds (collectively referred to as "bond conditions").

The bonds can be issued against cash payments but also contributions in kind. Apart from euros, the bonds can also be issued in the legal currency of any OECD country – limited to the corresponding equivalent value in euros. They can also be issued by a Group company based in Germany or abroad as defined by Sec. 18 AktG in which the company has a direct or indirect majority holding; in this case, the Management Board is authorized with the approval of the Supervisory Board to assume the guarantee for the bonds on behalf of the company and to grant to or impose on the holders or creditors of the bonds option or conversion rights (if applicable with an obligation to exercise the option or to convert) to the company's shares.

The individual issues can be divided into fractional bonds with equal rights.

(Subscription rights and exclusion of subscription rights) The shareholders have a basic right of subscription to the bonds. They can also be granted subscription rights in such a way that the bonds are assumed by one or more banks or companies determined by the Management Board as defined by Sec. 186 (5) Sentence 1 AktG with the obligation to offer them for subscription to the shareholders (indirect subscription rights). If the bonds are issued by a Group company as defined by Sec. 18 AktG in which the company has a direct or indirect majority holding, the company must ensure that the shareholders of the company are granted their direct or indirect statutory subscription rights.

However, the Management Board was authorized to exclude shareholders' subscription rights with the approval of the Supervisory Board

- in order to exclude fractional amounts from shareholders' subscription rights;
- if the bonds are issued against a contribution in kind for the purpose of acquiring companies, parts of companies, participations in companies or other assets or claims to acquire other assets including claims against the company and provided the value of the contribution in kind is commensurate with the value of the bonds; here the theoretical market value of the bonds determined by recognized actuarial methods is definitive;
- if the bonds are issued against cash contributions and the Management Board after due consideration reaches the view that the issue price of the bond is not substantially lower than the theoretical market value determined by recognized actuarial methods. However, this authorization only applies with the proviso that the total number of shares that can be created by exercising bonds issued in accordance with this authorization excluding subscription rights in accordance with Sec. 186 (3) Sentence 4 AktG, does not exceed 10 percent of the share capital either when this authorization becomes effective or at the time it is implemented. Shares issued or sold during the term of this authorization excluding subscription rights in direct or analogous application of Sec. 186 (3) Sentence 4 AktG must be counted towards the share capital threshold of 10 percent. Shares to be issued to service option and/or conversion rights or obligations from warrant-linked and/or convertible bonds and/or participatory certificates are also to be counted provided such bonds or profit participatory certificates are issued during the term of this authorization excluding subscription rights in accordance with Sec. 186 (3) Sentence 4 AktG;
- insofar as this is required to grant the holders or creditors of warrant-linked bonds and/or convertible bonds issued or still to be issued by the company or Group company as defined by Sec. 18 AktG in which the company has a direct or indirect majority interest, subscription rights to the bonds to the extent to which they would be entitled after exercising the option or conversion rights or meeting their obligations to exercise options or convert; and only if the total of new shares to be issued by the company on the basis of such bonds and on the basis of warrant-linked bonds and/or convertible bonds and/or warrant-linked participatory certificates or convertible participatory certificates issued on the basis of another authorization during the term of this authorization excluding subscription rights, does not account for more than 20 percent of the share capital, either when this authorization becomes effective or at the time it is implemented. The following shares are to be counted towards this 20 percent threshold:
- treasury shares sold during the term of this authorization excluding subscription rights, as well as
- shares issued during the term of this authorization from authorized capital excluding subscription rights.

(Option rights and conversion rights) In the event that warrant-linked bonds are issued, one or more warrants are enclosed with each fractional bond entitling the holder or creditor to subscribe to no-par value bearer shares in the company in accordance with the detailed terms and conditions of the warrant to be defined by the Management Board. The warrant terms may stipulate that the option price can be partially or wholly settled by transferring fractional bonds with a cash top-up payment, if applicable. The proportion of the share capital attributable to the shares to be subscribed for each fractional bond must not exceed the nominal amount of the fractional bond. Sec. 9 (1) and Sec. 199 (2) AktG remain unaffected. Insofar as this results in subscription rights to fractional shares, it may be stipulated that such fractional shares can be added up in order to subscribe to whole shares in accordance with the terms of the warrant, if necessary, against a top-up payment.

In the event that convertible bonds are issued, the holders or creditors have the right to convert their fractional bonds to no-par value bearer shares in the company in accordance with the detailed terms and conditions for convertible bonds to be defined by the Management Board. The conversion ratio is calculated by dividing the nominal amount or the issue price of a fractional bond, if lower, by the defined conversion price for one share in the company. The conversion ratio can be designed to be variable. The conversion ratio can be rounded up or down to a whole number; a top-up cash payment can also be defined. Otherwise, allowance can be made for combining fractions and/or compensating them in cash. The proportion of the share capital attributable to the shares to be subscribed for each convertible bond must not exceed the nominal amount of the convertible bond. Sec. 9 (1) and Sec. 199 (2) AktG remain unaffected.

The terms and conditions of the bonds can give the company or Group company issuing the bond the right not to grant new bearer shares in the company in the event that the option is exercised or conversion performed but to pay a monetary amount (incl. a partial amount) for the number of shares otherwise to be supplied to be determined in accordance with (v) below.

The terms of the bond can also provide the company or the Group company issuing the bond with the option to service the warrant-linked bonds or convertible bonds with its own bearer shares – already in existence or to be acquired – in the company or another listed company instead of new bearer shares from conditional capital.

(Exercisable options and conversion rights) The terms and conditions of the bonds can also establish an obligation to exercise options or convert at the end of the term (or at a different point in time) or give the company the right on final maturity of the bonds (this also includes maturity due to termination) to grant the holders or creditors of the bonds in part or in whole shares in the company or another listed company instead of payment of the monetary consideration due. In this case, too, the proportion of the share capital represented by the shares in the company to be issued for each fractional bond must not exceed the nominal amount of the fractional bond. Sec. 9 (1) and Sec. 199 (2) AktG remain unaffected.

(Option price and conversion price) The option price or conversion price for a share must – even in the event of a variable option price or conversion price and subject to the following rule for bonds carrying an obligation to exercise the option or convert the bond, a right of substitution or put option on the part of the issuer of the bonds to supply shares – represent at least 80 percent of the volume-weighted, average share price for the company's stock in the XETRA closing auction (or comparable successor system) on the Frankfurt Securities Exchange, namely

- on the last ten trading days before the day on which the Management Board adopts its final resolution on the issue of warrant-linked bonds and/or convertible bonds, or
- if subscription rights to the bonds are traded, on the days on which the subscription rights are traded with the exception of the final two subscription rights trading days, or if the Management Board conclusively defines the option price or conversion price before subscription right trading begins, in the period corresponding to the bullet point above.

In the case of bonds carrying an obligation to exercise the option or convert, a right of substitution or put option on the part of the issuer of the bonds to supply shares, the option price or conversion price to be defined must either correspond to the above-mentioned minimum price or the volume-weighted, average share price of the company in the XETRA closing auction (or comparable successor system) on the Frankfurt Securities Exchange on the ten trading days before or after the date of the bonds' final maturity, even if the last mentioned average price is below the minimum price stipulated above. In any event, the proportion of share capital represented by the shares in the company to be issued for each fractional bond must not exceed the nominal amount of the fractional bond. Sec. 9 (1) and Sec. 199 (2) AktG remain unaffected.

(Dilution protection) Notwithstanding Sec. 9 (1) AktG, the option price or conversion price can be reduced due to a dilution protection clause to be defined in more detail in the terms and conditions of the bond if the company increases the share capital against cash contributions and/or contributions in kind or from company funds during the option or conversion period while granting subscription rights to its shareholders or issues or guarantees further warrant-linked bonds and/or convertible bonds or participatory certificates and does not grant the holders or creditors of existing option or conversion rights or obligations the level of subscription rights to which they would be entitled after exercising their option or conversion rights or meeting their exercise or conversion obligations. The reduction can also be achieved through the payment of a corresponding amount in cash when option or conversion rights are exercised or exercise or conversion obligations met or by lowering any top-up payment provided for. The terms and conditions of the bond can also provide for an adjustment to option or conversion rights or obligations in the event of a capital reduction or other extraordinary measures or events (e.g. unusually high dividends, control takeover by third parties). In the event of a control takeover by third parties, provision can be made for an adjustment of the option or conversion price in line with market conditions.

(Further details of the issue and structure) The Management Board was authorized with the approval of the Supervisory Board to determine further details of the issue and structure of the bonds or define them with the agreement of the management bodies of the Group company issuing the bonds. This applies in particular to the volume, timing, interest rate, type of interest, issue price, term and denomination, dilution protection provisions as well as the option or conversion period.

Resolution on the creation of Conditional Capital as part of the Annual General Meeting on 04/30/2021 and subsequent increase pursuant to Sec. 218 Sentence 1 AktG

The share capital is conditionally increased by up to EUR 3,181,254.00 through the issue of up to 3,181,254 new no-par value bearer shares (Conditional Capital). The conditional capital increase serves to grant option and/or conversion rights or impose option and/or conversion obligations to/on the holders or creditors of warrant-linked bonds and/or convertible bonds (collectively "bonds") issued or guaranteed by the company or Group company as defined by Sec. 18 AktG in which the company has a direct or indirect majority holding by April 29, 2026 on the basis of the authorization adopted by the Annual General Meeting on April 30, 2021 in Item 10 of the agenda. The new shares will be issued at the option or conversion price to be defined in accordance with the authorization on a) above. The conditional capital increase will only be carried out insofar as the bearers or creditors of bonds make use of their option and/or conversion rights or bearers of creditors of bonds under an obligation to exercise their option or convert meet their obligation to exercise or convert or insofar as the company or Group company issuing the bond exercises its option in whole or in part to grant no-par value shares in the company instead of paying the monetary amount due and insofar as no cash settlement is granted or treasury shares or shares in another listed company are used for servicing. The new shares will participate in the profit from the start of the financial year in which they are created through the exercise of option or conversion rights or by meeting obligations to exercise or convert.

The Management Board was authorized to define further details for implementing the conditional capital increase with the approval of the Supervisory Board.

The Supervisory Board was authorized to amend the wording of the Articles of Association in accordance with the relevant issue of subscription shares as well as make all other associated amendments to the Articles only relating to the wording. The same applies in the event that no use is made of the authorization to issue bonds after the authorization period has expired and in the event that the Conditional Capital is not used after expiry of the deadlines for exercising conversion or option rights of for meeting conversion or exercise obligations.

As of the reporting date, there are 15,906,272 shares in circulation (previous year: 7,953,136 shares).

ATOSS Software SE shares held by board members

At the end of the reporting period, board members possessed the following holdings of ATOSS Software SE stock:

	12/31/2024	12/31/2023
Moritz Zimmermann (Chairman of the Supervisory Board)	21,856	10,928
Andreas F.J. Obereder (CEO)	3,434,907	2,385,943
Pritim Kumar Krishnamoorthy (CTO)	2,280	1,140
Dirk Häußermann (former Co-CEO; left the company on 03/31/2024)	0	3,400
Total	**3,459,043**	**2,401,411**

As of December 31, 2024, the shareholder, Andreas F.J. Obereder of Grünwald, Germany, holds 3,434,907 shares representing 21.59467 percent of the shares in ATOSS Software SE via AOB Invest GmbH, Grünwald, Germany in which he owns 100 percent of the shares, following his sale of 1,336,979 shares to General Atlantic Chronos GmbH, Munich, on September 10 and September 11, 2024.

Capital reserve

As of 12/31/2024 the capital reserve stood at EUR -1,579 (previous year: EUR 572,282). The reduction in the capital reserve of EUR 573,861 (previous year: increase of EUR 370,076) results from cancellation of some entitlements from the granting of a long-term incentive in the form of phantom stock options to the former CEO Dirk Häußermann who left the company at the end of the first quarter of 2024 before the vesting period of up to 60 months in total agreed with AOB Invest GmbH, Grünwald, had elapsed. As a result of Dirk Häußermann's premature departure, 60 percent of his entitlement (25,200 phantom stock options) lapsed. The carryforward includes the loss of EUR 661,338 generated in 2012 from the use of treasury shares as part of a convertible bond program of ATOSS Software SE as well as the share of expenses for the share-based remuneration of Dirk Häußermann attributable to fiscal 2021, 2022 and 2023 amounting to EUR 370,192, EUR 493,352 and EUR 370,076. The cancellation of some entitlements from the granting of a long-term incentive in 2024 results in a negative capital reserve of EUR 1,579 as of 12/31/2024.

Equity deriving from unrealized profits/losses

Equity deriving from unrealized profits in the amount of EUR 643,519 (previous year: EUR 641,338) was accounted for by gains from the revaluation recognized in equity of defined benefit pension plans and the associated tax effects, and a further amount of EUR 105,857 (previous year: EUR -31,143) by gains (previous year: losses) from the revaluation recognized in equity of the plan assets set up to cover pension commitments.

IV. Notes to the Consolidated Income Statement

40. Sales revenues

The sales revenues were composed as follows:

EUR	2024	2023
Licenses	13,539,889	19,610,104
Maintenance	38,962,882	35,668,548
Cloud	72,352,596	52,917,932
Total software	**124,855,366**	**108,196,584**
Consulting	35,943,425	33,229,001
Hardware	5,800,555	6,084,034
Other	4,026,101	3,687,987
Total sales revenues	**170,625,447**	**151,197,606**

For long-term production orders, the company realizes revenues in accordance with the progress made on the project as per IFRS 15. The revenues are realized in accordance with milestones reached. The value is measured by the ratio of finalized milestones to the remaining contractual works. A project schedule is prepared for each long-term order. Deferrals which include both amounts invoiced in advance for long-term production orders as well as maintenance services are used to demarcate sales under the heading of contractual liabilities that will be implemented in subsequent periods and realized at that time.

Overall in financial year 2024 an amount of EUR 394,773 (previous year: EUR 3,548,569) deriving from long-term production orders was realized as sales revenues. The costs of long-term production orders during the financial year amounted to EUR 248,023 (previous year: EUR 2,342,055).

The company has customers in all branches of industry, as well as in the public sector. In financial years 2024 and 2023 no single customer accounted for a proportion of 10 percent or more of total sales.

The sales revenues were distributed between product groups as follows:

EUR	2024	2023
ATOSS Staff Efficiency Suite (ASES) and ATOSS Startup Edition (ASE)	137,794,235	124,817,328
ATOSS Time Control (ATC)	26,567,328	22,106,479
Crewmeister	6,263,883	4,273,799
Total	**170,625,447**	**151,197,606**

ATOSS Staff Efficiency Suite (ASES) and ATOSS Startup Edition (ASE): ASES and ASE are software solutions for time and attendance management and workforce scheduling for customers of all sizes in all industries. Alongside these software solutions, other services are generally also provided to implement the solutions at the customer's place of business and train the customer's employees. In addition, consulting services are rendered with the object of making meaningful use of the available scope and developing optimum solutions for efficient workforce management under company agreements or collectively agreed regulations. The company also sells hardware components for time recording and access control purposes. ASES/ASE software is used in conjunction with all major standard system platforms and databases. Moreover, thanks to the extensive facility to define customer-specific parameters these solutions are capable of satisfying even the most sophisticated requirements of customers of all sizes in a wide variety of industries.

ATOSS Time Control (ATC): ATC offers a software solution for time and attendance management and workforce scheduling for small and medium-sized customers, as well as large but decentrally organized clients. Likewise in conjunction with ATC, ATOSS offers software implementation and training services as well as consulting services geared to optimizing efficient workforce management. Merchandise including hardware and recording media is also available. ATC software is installed on the Microsoft Windows system platform in association with standard SQL databases and is particularly user-friendly and convenient for small to medium-sized customers as well as large decentralized organizations.

The geographic breakdown of sales revenues was as follows:

EUR	2024	2023
Domestic	142,396,776	127,942,528
Abroad	28,228,671	23,255,078
of which Austria	11,632,241	8,964,874
of which Switzerland	6,778,642	5,890,521
of which other countries	9,817,788	8,399,683
Total	**170,625,447**	**151,197,606**

Sales revenues are attributed to individual countries dependent on the location of the invoice recipient.

Breakdown of revenues from contracts with customers after fulfillment of contractual obligations and recognition of the sales revenues:

EUR	2024	2023
Recognition at a certain time	19,340,444	25,694,138
Recognition over a certain period	151,285,003	125,503,468
Total	**170,625,447**	**151,197,606**

41. Cost of sales

In addition to the material cost of goods bought for resale (hardware and other merchandise), the cost of sales also includes expenditure on external services as well as the personnel costs and overhead incurred in the provision of services by the consulting, services and support departments. Overheads included in the cost of sales essentially comprise rental, infrastructure, travel and motor vehicle costs. Overheads are generally apportioned per capita per department.

EUR	2024	2023
Material costs (goods for resale)	6,264,801	6,272,998
Material costs (external services)	5,356,426	3,122,873
Personnel costs	21,374,811	19,632,234
Depreciation and amortization of property, plant and equipment, intangible assets and rights of use	1,387,932	1,301,317
Overheads	4,616,532	4,287,195
Total	**39,000,503**	**34,616,617**

42. Marketing costs

The marketing costs include personnel costs and overheads attributable to marketing as well as advertising costs recogni-zed as an immediate expense. Overheads included in the cost of marketing essentially comprise rental, infrastructure, travel and motor vehicle costs. Overheads are generally apportioned per capita per department.

EUR	2024	2023
Marketing personnel costs	20,599,611	20,285,280
Depreciation and amortization of property, plant and equipment, intangible assets and rights of use	1,063,662	1,243,281
Marketing overheads	2,401,239	2,197,757
Advertising costs	4,510,447	3,379,090
Total	**28,574,959**	**27,105,408**

43. Administration costs

Overheads included in the cost of administration essentially comprise rental, infrastructure, travel and motor vehicle costs. Overheads are generally apportioned per capita per department. The administrative costs were composed as follows:

EUR	2024	2023
Staff costs Administration	10,791,497	9,825,002
Depreciation and amortization of property, plant and equipment, intangible assets and rights of use	786,829	563,354
Administration overheads	2,404,835	2,656,448
Total	**13,983,161**	**13,044,804**

44. Research and development costs

Overheads included in the cost of research and development essentially comprise rental, infrastructure, travel and motor vehicle costs. Overheads are generally apportioned per capita per department. The expenditure on research and development was composed as follows:

EUR	2024	2023
Research and development personnel costs	20,391,468	18,703,844
Depreciation and amortization of property, plant and equipment, intangible assets and rights of use	1,163,511	1,091,129
Research and development overheads	4,081,746	3,833,132
Total	**25,636,725**	**23,628,105**

45. Personnel expenses

EUR	2024	2023
Wages and salaries	61,546,441	57,997,405
Social security contributions and expenditure on retirement pensions and welfare	11,610,945	10,448,954
of which expenditure on retirement pensions and welfare EUR 842,357 (previous year: EUR 925,145)		
Service costs EUR 0 (previous year: EUR 169,239)		
Total	**73,157,386**	**68,446,359**

46. Other operating income and expenses and net impairments on financial assets

Other operating income in the amount of EUR 788,400 (previous year: EUR 415,151) essentially includes income from the cancellation of partial entitlements in an amount of EUR 573,861 (previous year: EUR 0) from the granting of a long-term incentive in the form of phantom stock options to former CEO Dirk Häußermann after his departure and income from exchange rate differences amounting to EUR 102,331 (previous year: EUR 298,268).

Other operating expenses in an amount of EUR 496,279 (previous year: EUR 475,620) essentially comprise expenses from exchange rate differences in an amount of EUR 295,664 (previous year: EUR 311,436). Net impairments on financial assets relate to trade receivables in the amount of EUR 295,446 (previous year: EUR 923,422).

47. Financial income and expenses

The financial investment income in the amount of EUR 3,895,443 (previous year: EUR 1,818,973) relates essentially to income deriving from fixed-term deposits in the amount of EUR 2,471,415 (previous year: EUR 791,105) as well as income from the write-up of the company's gold holdings in the amount of EUR 1,092,430 (previous year: EUR 241,225), income from the revaluation of a fixed-term deposit in USD dollars in the amount of EUR 123,954 (previous year: devaluation of EUR 67,200), income from distributions from the investment of cash and cash equivalents in an investment fund in the amount of EUR 88,913 (previous year: EUR 88,914) as well as income from the revaluation of investment funds in the amount of EUR 48,812 (previous year: EUR 121,740).

In 2024 the company recorded financial expenses amounting to EUR 340,180 (previous year: EUR 312,134). This essentially concerned finance costs in connection with accounting for lease liabilities under IFRS 16 amounting to EUR 121,441 (previous year: EUR 158,976), expenses from the devaluation of a fixed-term deposit in CHF in the amount of EUR 99,417 (previous year: revaluation of EUR 290,870) and the net interest cost deriving from the valuation of pension provisions amounting to EUR 54,158 (previous year: EUR 82,424).

48. Tax charge

EUR	2024	2023
Current tax charge	20,715,448	16,728,710
Deferred taxes (cf. Note 30)	815,810	824,234
Tax charge	**21,531,258**	**17,552,944**

V. Notes to the Consolidated Statement of Cash Flows

49. Cash flow from operating activities

The positive cash flow from operating activities for the period from 01/01/2024 to 12/31/2024 amounted to EUR 59,471,801 (previous year: EUR 52,653,659) and was thereby EUR 6,818,142 higher than in the year before.

The principal factors which impacted positively on cash flow from operating activities included earnings before taxes, a reduction in trade receivables and an increase in miscellaneous current financial and non-financial liabilities resulting from higher salary and commission liabilities and invoices expected. Interest received from the fixed-term deposit also had a positive impact on the cash flow from operating activities. The main effects reducing cash flow stemmed from an increase in capitalized contract costs.

The impact of exchange rate movements on cash and cash equivalents amounted to EUR 24,537 (previous year: EUR 223,671).

The average time to receipt in financial year 2024 was 21 days (previous year: 23 days).

50. Cash flow from investment activities

The negative cash flow from investment activities for the period from 01/01/2024 to 12/31/2024 amounted to EUR -10,925,008 (previous year: EUR 10,070,686) and was accordingly EUR 20,995,694 lower than in the year before. This was the result of disbursements to cover investments in fixed assets in the amount of EUR 925,008 (previous year: EUR 1,871,626) and payments for the acquisition of financial assets amounting to EUR 20,000,000 (previous year: EUR 0). Payments received from the return on financial assets in an amount of EUR 10,000,000 (previous year: EUR 11,942,312) had a positive effect on the cash flow from investing activities.

51. Cash flow from financing activities

Cash flow from financing activities for the period from 01/01/2024 to 12/31/2024 amounted to EUR -30,105,532 (previous year: EUR -25,504,624) and was accordingly EUR 4,600,908 higher than in the year before. This resulted from the payment of a dividend of EUR 3.37 per share* (previous year: dividend of EUR 1.83 and special distribution of EUR 1.00 per share*) - total distribution of EUR 26,802,068 (previous year: EUR 22,507,375) and the payment of lease liabilities and associated interest in the amount of EUR 3,303,464 (previous year: EUR 2,997,249).

*Dividend before the capital increase from company funds and the issuance of new shares carried out in 2024

VI. Other disclosures

52. Supervisory Board

With effect from October 23, 2024, Christian Osterland, Principal at General Atlantic Chronos GmbH DACH, was delegated to the Supervisory Board in place of the previously delegated Supervisory Board member, Jörn Nikolay, on the instructions of General Atlantic for the period until the end of the Annual General Meeting which resolves on discharging board members from liability for the first full or stub year of ATOSS Software SE.

The members of the Supervisory Board are:

Moritz Zimmermann Master of Science in Business Administration	Chairman, Member of the Supervisory Board, Munich General Partner at 42 CAP Manager GmbH, Munich
Rolf Baron Vielhauer von Hohenhau Degree in Business Administration	Deputy Chairman, Member of the Supervisory Board President of the Bund der Steuerzahler in Bayern e.V., Munich
Klaus Bauer Business graduate	Member of the Supervisory Board and Chairman of the Audit Committee, member of the Advisory Board, Nuremberg
Jörn Nikolay (to 10/22/2024)* Degree in Business Administration	Member of the Supervisory Board, Munich
Christian Osterland (since 10/23/2024)* Bachelor of Science in Management and Mechanical engineering	Member of the Supervisory Board, Munich

*Delegated to the Supervisory Board of ATOSS Software SE pursuant to right of delegation under the articles of association

In financial year 2024, members of the Supervisory Board held further supervisory board briefs with the following companies:

Rolf Baron Vielhauer von Hohenhau	Europäischer Wirtschaftssenat e.V., Munich (Chairman of the Supervisory Board)
Klaus Bauer	Schwanhäußer Industrie Holding GmbH & Co. KG, Heroldsberg (to 06/30/2024) Schwanhäußer Grundbesitz Holding GmbH & Co. KG, Heroldsberg (to 06/30/2024)
Christian Osterland	NCG – NUCOM GROUP SE, Unterföhring (member of the Supervisory Board) Staffbase SE, Chemnitz (member of the Supervisory Board) SMG Swiss Marketplace Group AG, Zurich, Switzerland (member of the Management Board)

Moritz Zimmermann held no other supervisory or similar board positions in the financial year.

Total remuneration paid to the Supervisory Board of ATOSS Software SE pursuant to Sec. 314 (1) no. 6 HGB in the financial year 2024 amounted to EUR 162,500 (previous year: EUR 146,260) and is composed as follows pursuant to IAS 24.17:

EUR	2024	2023
Short-term benefits		
Compensation pursuant to the Articles of Association	140,000	125,260
Attendance allowances	22,500	21,000
Total	**162,500**	**146,260**

No expenses were incurred in financial year 2024 for consultancy work from members of the Supervisory Board beyond the scope of their Supervisory Board duties (previous year: EUR 0.00).

As of 12/31/2024, there were current financial liabilities for Supervisory Board compensation not yet paid to members of the Supervisory Board amounting to EUR 170,760 (previous year: EUR 146,260).

53. Management Board

Members of the Management Board as of December 31, 2024 are:

Andreas F.J. Obereder, Entrepreneur, Grünwald	CEO Sales & Marketing, Human Resources, Process Consulting
Christof Leiber, Solicitor, Munich	CFO Finance, Investor Relations, Legal and Administration, M&A
Pritim Kumar Krishnamoorthy, Executive MBA, Munich	CTO Innovation & Development, Consulting Services & Support

The Management Board contract of Dirk Häußermann who has been responsible for the Globalization and Marketing departments as the Co-CEO of ATOSS Software SE since April 2021, ended on 03/31/2024.

Total remuneration paid to the Management Board of ATOSS Software SE pursuant to Sec. 314 (1) no. 6 HGB in the financial year 2024 amounted to EUR 2,320,035 (previous year: EUR 2,742,568) and comprises all fixed, performance-related and share-based remuneration components.

Total remuneration is composed as follows pursuant to IAS 24.17:

EUR	2024	2023
Short-term benefits	2,056,072	2,205,445
Benefits on termination of the contract of employment	86,376	282,495
Other long-term benefits	1,479,210	2,760,299
Share-based payment	1,251,573	1,279,374
Total	**4,873,231**	**6,527,613**

Besides the expenses recognized in the financial year for fixed salaries, single year bonuses and special bonuses, the short-term benefits include insurance premiums paid by the company and benefits in kind from other fringe benefits such as the provision of company cars.

Service costs as per Note 37 are shown in benefits after termination of the employment relationship. In addition, the expenses for benefits after the end of the employment relationship include contributions to the benevolent fund amounting to EUR 81,000 (previous year: EUR 108,000) contributions to direct insurance of EUR 1,752 (previous year: EUR 1,752) and contributions to the pension fund of EUR 3,624 (previous year: EUR 3,504).

Other long-term benefits comprise the expenses recognized in the financial year resulting from multi-year profit-share payments and a one-off, voluntary special payment to Christof Leiber amounting to EUR 1,210,000 (previous year: EUR 2,220,000) which was granted to him on 09/17/2024 by AOB Invest GmbH which is controlled by the founder and CEO of ATOSS Software SE, Andreas F.J. Obereder, Grünwald. This payment represented a tribute to the substantial contribution that Christof Leiber made to ATOSS over the previous 25 years.

As a result of his Management Board contract concluded for the period from 01/01/2024 to 12/31/2026, the profit-share payment to the Chief Executive Officer, Andreas Obereder, includes entitlements for the achievement of single-year (45 percent) and pro rata multi-year targets (55 percent, three-year target-based profit share payment). Given that these entitlements are confirmed only after the financial year has ended, actual payments may deviate. Given that these entitlements are confirmed only after the financial year has ended, actual payments may deviate.

The profit share presented on the basis of the Management Board contract concluded for a term of three years with effect from 04/01/2021 for the former Co-CEO, Dirk Häußermann, includes the payment made in 2024 in respect of entitlements for the achievement of single-year (40 percent) and pro rata multi-year targets (60 percent, three-year target-based profit share). Given that these entitlements are confirmed only after the financial year has ended, actual payments may deviate.

The profit share presented on the basis of the Management Board contract concluded for a term of five years with effect from 07/01/2021 for the Chief Technology Officer, Pritim Kumar Krishnamoorthy, includes entitlements for the achievement of single-year (40 percent) and pro rata multi-year targets (60 percent, three-year target-based profit share). Given that these entitlements are confirmed only after the financial year has ended, actual payments may deviate.

The profit share presented for Chief Financial Officer, Christof Leiber, includes entitlements for the achievement of single-year (40 percent) and pro rata multi-year targets (60 percent, three-year target-based profit share). The basis for this is given by the Management Board employment contract dated 06/30/2016 / 07/05/2016 that was redrafted with effect from 07/01/2021. This contract begins on 07/01/2021 and ends after 5 years (60 months). Given that these entitlements in respect of single-year targets are confirmed only after the financial year has ended, actual payments may differ from the calculated profit-share payment.

The entitlements calculated for 2024 deriving from multi-year profit-share payments were calculated on the basis of the estimated achievement of 3-year targets. Partial amounts are disbursed by way of advance payments. The actual multi-year profit share payment entitlement may vary dependent on the extent to which targets are achieved over the overall period.

As of 12/31/2024, there were other current non-financial liabilities for as yet unpaid variable remuneration to members of the Management Board amounting to EUR 755,812 (previous year: EUR 270,750). There are no long-term provisions for as yet unpaid multi-year profit share payments as of 12/31/2024 (previous year: EUR 532,049).

Restricted Stock Units
ATOSS Software SE also granted the two members of the Management Board, Pritim Kumar Krishnamoorthy and Christof Leiber, share-based remuneration settled in cash. To this end, at the beginning of the agreement, it granted both members of the Management Board 2021 Restricted Stock Units with an equivalent value of EUR 1,000,000 each based on the average price of a share of ATOSS Software SE at the time of the Xetra closing auction during the three months before the agreement was concluded. Both members of the Management Board therefore received 5,785* Restricted Stock Units each. The Restricted Stock Units are only assigned virtually and they entitle the holder, when exercised, to receive a cash payment reflecting growth in the share price of ATOSS Software SE. No actual transfer takes place.

The entire expense recognition period for Restricted Stock Units comprises a period of 60 months beginning at the time the Restricted Stock Units are granted and divided into three installments. 10 percent after 24 months, 20 percent after 48 months, 70 percent after 60 months from the time the Restricted Stock Units were granted.

Valuation approach: The Restricted Stock Units granted are subject to a cap on payment. The value of the cap is deducted from the current share price when the value of the Restricted Stock Units is determined. The cap is valued as a European short call option using the Black Scholes Merton model and market data on the valuation date.

Valuation and grant date: The Restricted Stock Units were granted on 06/24/2021 and valued on this date.

Baseline price: The XETRA closing price of the ATOSS Software SE stock on the relevant valuation date was used as the definitive price for the baseline value of the Restricted Stock Units. On 06/24/2021, this price stood at EUR 88* and on 12/31/2024 at EUR 114 (previous year: EUR 105*).

Expected term and exercise price: The vesting period for the Restricted Stock Units is five years, corresponding to the earliest exercise date after the Restricted Stock Units have fully vested. The exercise price of the Restricted Stock Units used to value the cap is 300 percent of the original allocation amount per share of EUR 86*.

Expected volatility of the share price: In valuing the Restricted Stock Units, an expected volatility in the ATOSS Software SE share price of 30.7 percent was applied as of 12/31/2024 (previous year: 36.56 percent), calculated as an annualized standard deviation of logarithmic returns from a series of daily closes matching the expected term. As ATOSS Software SE does not have any actively traded options, the expected volatility was based entirely on historical movements in the share price of ATOSS Software SE.

*Number of shares before the capital increase from company funds and the issuance of new shares carried out in 2024
**In accordance with IAS 33.64, the share price was retrospectively adjusted as a result of the capital increase from company funds and the issuance of new shares carried out in 2024.

Interest rates used
With regard to the vesting period of five years from the grant date, a continuously rising, risk-free interest rate of 2.1 percent as of 12/31/2024 was used in the underlying option price model (previous year: 2.19 percent). This risk-free interest rate is derived from the risk-free structure of zero-coupon interest rates determined by the Deutsche Bundesbank on the reference date using the prices of German government bonds in accordance with the Svensson method.

Expected dividend yield
An annual expected dividend yield of 1.5 percent was used to value the Restricted Stock Units granted (previous year: 1.56 percent).

The average weighted residual term of the Restricted Stock Units granted is 14 months as of 12/31/2024 (previous year: 25 months).

No Restricted Stock Units were exercised in the reporting period and none expired. The fair value of the Restricted Stock Units granted to Pritim Kumar Krishnamoorthy and Christof Leiber totaled EUR 1,937,296 on their grant date of 06/24/2021. The carrying amount of other non-current provisions as of 12/31/2024 for both members of the Management Board together amounts to EUR 2,141,462 (previous year: EUR 1,554,166). The total expense from share-based remuneration recognized in 2024 in personnel expenses for Christof Leiber and Pritim Kumar Krishnamoorthy, amounts to EUR 587,296 (previous year: EUR 909,298).

54. Relationships with related parties

Andreas F.J. Obereder
AOB Invest GmbH which is controlled by the founder and CEO of ATOSS Software SE, Andreas F. J. Obereder, Grünwald, sold 3.41 percent of its shares (541,667 shares) in ATOSS Software SE to institutional investors for a price of EUR 65,000,040 as part of a private placement by way of an accelerated bookbuild procedure effective September 10, 2024. A further 5.00 percent of its shares (795,312 shares) in ATOSS Software SE were sold to the financial investor General Atlantic for a price of EUR 56,376,508 as part of the existing settlement agreement subject to a simultaneous waiver of the existing call and put options effective September 11, 2024. Following the sale, AOB Invest GmbH holds a 21.59467 percent stake in ATOSS Software SE (previous year: 30.000028 percent). AOB Invest GmbH and General Atlantic continue to respect the four-year vesting period agreed in June 2023 which forbids either party from selling the majority of its shares without the consent of the other party.

Furthermore, a sublease agreement exists between OF Grundbesitzverwaltungs-GmbH, Grünwald – a company indirectly controlled by the CEO – and ATOSS Software SE. The value of the rental income recognized on standard terms amounts to EUR 47,038 (previous year: EUR 11,759).

With the exception of the Management Board contract existing between the company and Mr. Andreas F.J. Obereder, the sublease agreement concluded between the company and a company indirectly controlled by Andreas F.J. Obereder as well as the contract concluded between AOB Invest GmbH and Dirk Häußermann with regard to the granting of a long-term incentive as part of his work as Co-CEO (until 03/31/2024) for ATOSS Software SE (see below), no reportable transactions took place in the company and/or the company's management bodies with respect to AOB Invest GmbH or Andreas F.J. Obereder, or any company affiliated with AOB Invest GmbH or Andreas F.J. Obereder in the financial year under review. The company is in no way disadvantaged by the Management Board contract.

The wife of the Chief Executive Officer provides services to the company. In 2024, the value of services provided on standard market terms amounted to EUR 4,154 (previous year: EUR 7,378). In addition, the daughter of the Chief Executive Officer is employed on standard market terms. In 2024 the company incurred personnel costs in the amount of EUR 9,074 (previous year: EUR 132,029) for this contract. As of 12/31/2024, there are short-term provisions for outstanding invoices from the wife of the Chief Executive Officer totaling EUR 4,154 (previous year: EUR 0). There are short-term provisions for as yet unpaid variable remuneration to the daughter of the CEO amounting to EUR 550 (previous year: EUR 23,272).

As of 12/31/2024, the close family members of the CEO held the following shares: Ursula Obereder: 55,452 shares (previous year: 27,726 shares); Christopher Obereder: 77,200 shares (previous year: 38,600); Nicola Obereder: 55,344 shares (previous year: 27,672).

Dirk Häußermann
In addition to his agreed Management Board compensation from the company via AOB Invest GmbH, Grünwald (formerly the ultimate parent company of ATOSS Software SE, Munich), the former Management Board member, Dirk Häußermann, who was appointed as the company's Co-CEO on 04/01/2021 and left the company on 03/31/2024, also received a further variable remuneration component with a long-term incentive effect in the form of phantom stock options in ATOSS Software SE for his work as the former Co-CEO of the company. For this purpose, a contract was concluded between AOB Invest GmbH and Dirk Häußermann for the granting of a long-term incentive. This agreement gave Dirk Häußermann a direct entitlement to the profit that he would have realized on selling his shares after exercising his stock options (after deducting the initial value as well as any taxes and/or charges). Under the terms of the agreement, AOB Invest GmbH granted Dirk Häußermann 42,000 phantom stock options at a fixed strike price of EUR 130 per share. The phantom stock options were subject to a 5-year vesting period during which the availability of each payout is staggered over time. Dirk Häußermann would only have been able to freely dispose of the full payment amount after the 5-year vesting period had elapsed.

Due to Dirk Häußermann's premature departure before the vesting period agreed with AOB Invest GmbH, Grünwald, had expired, partial entitlements amounting to 60 percent (25,200 virtual stock options) have lapsed. The 40 percent phantom stock options (16,800 virtual stock options) that vested following the expiry of the first and second vesting periods, were exercised by Dirk Häußermann on 03/31/2024. The cancellation of partial entitlements resulted in other operating income and release of capital reserves in an amount of EUR 573,861 (previous year: EUR 0).

According to the agreement, the first vesting period ended after 24 months with an allocation of 20 percent of the phantom stock options granted, the second vesting period after 36 months with an allocation of a further 20 percent of the phantom stock options granted, the third vesting period after 48 months with an allocation of a further 30 percent of the phantom stock options granted and the fourth vesting period after 60 months with allocation of the last 30 percent of the phantom stock options granted. The phantom options could be exercised in particular on termination of the Management Board contract or after five years of service for ATOSS Software SE as a member of the Management Board. Phantom stock options could have been exercised if an exit event had applied provided the minimum increase in the ATOSS share price on the exercise date would have been at least 30 percent by comparison with the baseline price of EUR 130 (success hurdle). Payment from the share-based remuneration component was determined in accordance with the following formula and limited to a maximum amount of EUR 200 per phantom stock option: number of vested phantom stock options x average value = payout The average value here was defined as the average price per share in the three-month period before the exit event minus EUR 130.

Phantom Stock Options
In accordance with IFRS 2.43B, the phantom stock options granted to Dirk Häußermann are to be classified as share-based remuneration settled by equity instruments, and they were therefore measured at their fair value on the date they were granted and recognized as an increase in capital reserves over the period in which the related service was performed. The entire investment period for the phantom stock options comprised a period of 60 months that began at the time the phantom stock options were granted and divided into four installments: 20 percent after 24 months, 20 percent after 36 months, 30 percent after 48 months and 30 percent after 60 months from the date on which the phantom stock options were granted. This led to a phased investment of the phantom stock options granted. The expenses were recognized for each tranche of options granted over the investment period of that tranche.

Valuation approach
The phantom stock options granted represent American style call options enabling Dirk Häußermann to receive a cash amount on exercising the option until the option expired. In view of the fact that the exercise of the option is subject to a hurdle of EUR 169 per share (30 percent appreciation on the issue price of EUR 130 on the grant date of 04/01/2021) and the payout is limited to a maximum of EUR 200 per share, a Monte Carlo model was used to estimate the indicative value of the phantom stock options granted on the grant date. The fair value of the phantom stock options amounted to EUR 1,636,206 on the grant date.

Christof Leiber
A short-term employment relationship concluded on standard market terms with the son of Management Board member Christof Leiber led to personnel costs in an amount of EUR 1,223 (previous year: EUR 0).

In the 2024 reporting period, as in the preceding year, no further reportable transactions took place with members of the Management or Supervisory Boards or other affiliated persons that go beyond those specified in Note 52 (Supervisory Board) or Note 37 (Pension provisions) or exceed existing terms of employment.

55. Employees

As of 12/31/2024 the company employed 820 persons across the Group (previous year: 775), and there were an average of 808 staff employed (previous year: 747). Excluding trainees and temporary staff, the average number of staff employed stood at 771 (previous year: 709).

The quarterly average number of employees was as follows:

	2024	2023
Sales and marketing	187	177
Consulting	190	175
Development	308	283
Administration	123	112
Total	**808**	**747**
Of which trainees	0	0
Of which temporary staff	37	38
Plus members of the Management Board	3	4

56. Share-based Payment

Besides the two members of the Management Board listed in Note 53, ATOSS Software SE also granted share-based remuneration to further individual employees in 2021, 2023 and 2024 which is settled in cash. To this end, it granted the beneficiary employees Restricted Stock Units with an equivalent value of EUR 8,000,000 at the start of each agreement, based on the average share price of the ATOSS Software SE stock at the time of the Xetra closing auction during the three months before the contractual start of the agreement. A total of 64,658 Restricted Stock Units were thus granted. The Restricted Stock Units are only allocated virtually. No actual transfer takes place.

Restricted Stock Units
The Restricted Stock Units are only allocated virtually and they entitle the holder, when exercised, to receive a cash payment reflecting growth in the share price of ATOSS Software SE which is therefore reported as share-based remuneration with cash settlement in accordance with IFRS 2.30. The Restricted Stock Units are measured at the fair value of the liability on each reporting date and reported in the balance sheet under other provisions. The entire vesting period for Restricted Stock Units comprises a period of 56-60 months beginning at the time the Restricted Stock Units are granted and divided into three or four installments. In the case of contracts with three installments: 10 percent after 20-24 months, 20 percent after 44-48 months, 70 percent after 56-60 months from the start of the contract. In the case of contracts with four installments: 37 percent after 24 months, 18 percent after 36 months, 22.5 percent after 48 months and 22.5 percent after 60 months from the start of the contract.

Valuation approach: The Restricted Stock Units granted are subject to a cap on payment. The value of the cap is deducted from the current share price when the value of the Restricted Stock Units is determined. The cap is valued as a European short call option using the Black Scholes Merton model and market data on the valuation date.

Valuation and grant date: The Restricted Stock Unit agreements were granted and valued between September and November 2021, in November 2023 and between April and December 2024.

Baseline price: The XETRA closing price of the ATOSS Software SE stock on the relevant valuation date was used as the definitive price for the baseline value of the Restricted Stock Units. On 12/31/2024 this price stood at EUR 114.2 (previous year: EUR 105*).

*In accordance with IAS 33.64, the share price was retrospectively adjusted as a result of the capital increase from company funds and the issuance of new shares carried out in 2024

Expected term and exercise price: The vesting period for the Restricted Stock Units on the date they are granted is either five years or 24 months, 36 months, 48 months and 60 months and it corresponds to the earliest exercise date after the Restricted Stock Units have fully vested. The exercise price of the Restricted Stock Units used to value the cap is 300 percent of the original allocation amount per share of EUR 86* for the Restricted Stock Units granted in 2021 and EUR 107* for the Restricted Stock Units granted in 2023. For the Restricted Stock Units granted in 2024, the exercise price lies between EUR 120 and EUR 126. The exercise price for a further Restricted Stock Units agreement granted in 2024 with four installments is 200 percent of the original allocation amount per share of EUR 126.

Expected volatility of the share price: In valuing the Restricted Stock Units, an expected volatility in the ATOSS Software SE share price of 30.7 percent was applied as of 12/31/2024 (previous year: 36.56 percent) for Restricted Stock Units granted in 2021, 36.1 percent (previous year: 41.17 percent) for the Restricted Stock Units granted in 2023 and expected volatility in a range between 37.2 percent and 41.1 percent for the Restricted Stock Units granted in 2024, calculated as an annualized standard deviation of logarithmic returns from a series of daily closes matching the expected term. As ATOSS Software SE does not have any actively traded options, the expected volatility was based entirely on historical movements in the share price of ATOSS Software SE.

Interest rates used

With regard to the vesting period of five years or 24 months, 36 months, 48 months and 60 months from the grant date, a continuously rising, risk-free interest rate of 2.1 percent (previous year: 2.19 percent) as of 12/31/2024 was used in the underlying option price model for the Restricted Stock Units granted in 2021, 2.1 percent (previous year: 1.87 percent) for the Restricted Stock Units granted in 2023 and 2.1 percent for the Restricted Stock Units granted in 2024. This risk-free interest rate is derived from the risk-free structure of zero-coupon interest rates determined by the Deutsche Bundesbank on the reference date using the prices of German government bonds in accordance with the Svensson method.

Expected dividend yield

An annual expected dividend yield of 1.5 percent (previous year: 1.56 percent) was used to value the Restricted Stock Units granted.

The average weighted residual term of the Restricted Stock Units granted is 14 months as of 12/31/2024 (previous year: 25 months) for Restricted Stock Units granted in 2021, 40 months (previous year: 52 months) for Restricted Stock Units granted in 2023 and 48 months for Restricted Stock Units granted in 2024.

Three Restricted Stock Units were exercised in the reporting period. Restricted Stock Units amounting to EUR 100,374 (previous year: EUR 53,234) have lapsed. The carrying amount of the liability for all employees falling under this share-based remuneration as of 12/31/2024 is EUR 516,628 (previous year: EUR 249,109). Total expenses from share-based remuneration recognized in personnel costs in 2024 amounts to EUR 379,046 (previous year: EUR 77,031).

Since November 2020, ATOSS Software SE has been offering its employees the opportunity to acquire company securities in the form of no-par value ordinary shares. In doing so, the company puts up 30 percent of each actual investment amount for its employees in the form of gross salary within certain thresholds based on the level of the particular employee / senior executive. The subsidies granted are recognized under personnel expenses and in 2024 they amount to EUR 268,988 (previous year: EUR 201,050).

*In accordance with IAS 33.64, the share price was retrospectively adjusted as a result of the capital increase from company funds and the issuance of new shares carried out in 2024

57. Auditors' fees

The total fees paid to the auditor under Sec. 314 (1) No. 9 of the German Commercial Code (HGB) for the audit of the financial statements conducted by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, Munich branch office, and companies affiliated to it, were recognized as expenses as follows:

EUR	2024	2023
Auditing services for annual financial statements	263,075	199,983
Other assurance services	158,990	44,805
Total fees	**422,065**	**244,788**

The fee for auditing services related to the auditing of the consolidated financial statements and the individual financial statements of ATOSS Software SE, an audit of the ESEF documents and a formal audit of the remuneration report. Other assurance services relate to the audit of the Group sustainability report and verification of the capital cover with respect to the change in the legal form of ATOSS Software AG to an SE.

No further remuneration was paid to the auditors under Sec. 314 (1) No. 9 HGB

58. Financial obligations

The financial commitments relate to rental and leasing contracts.

The company leases its vehicle fleet as well as copiers and servers from various leasing companies. In individual cases expiring leases may be extended. No provision is made for an option to buy at the end of the term. Lease payments are recorded in accordance with IFRS 16. The lease contracts have an average term of between three and five years.

Office premises at the facilities and locations of the relevant company. In some cases, the contracts include price adjustment clauses on standard market terms.

The financial obligations in respect of rents and lease payments for the coming financial years were composed as follows as of 12/31/2024:

EUR	Rents for premises	Other rents and lease payments
2025	2,193,589	1,283,080
2026 to 2029	3,097,944	1,087,497
post 2029	0	0
Total	**5,291,533**	**2,370,577**

The overall costs of all rental and lease agreements in financial year 2024 amounted to EUR 3,683,250 (previous year: EUR 3,456,765).

59. Objectives and methods of managing financial risk

The Group is exposed to various financial risks: market risk, credit risk and liquidity risk. The Group's risk management is aimed at recognizing unpredictable developments on the financial markets, and minimizing any potentially negative effects on the Group's financial position.

Risk management is conducted in accordance with guidelines adopted by the Management Board. The Group identifies, measures and hedges financial risks in close cooperation with the Group's operating units.

Capital control
The company regards equity as an essential management parameter in guarding against economic, sector- and company-specific risks. Consequently, the company's financial strategy is directed towards maintaining a level of equity commensurate with such risks. The equity ratio as of 12/31/2024 amounts to 56 percent (previous year: 54 percent).

The Group manages its capital structure and makes adjustments in consideration of changes in the economic climate. In order to maintain or modify its capital structure, the Group can adjust its dividend payments to shareholders, or make a repayment of capital to the shareholders, or issue new shares. As of 12/31/2024 and 12/31/2023 no changes were made in the Group's objectives, policies or procedures. Further information on how the capital structure of the Group is managed is contained in the Management Report.

The principle financial liabilities held by the Group are trade accounts payable. The main purpose of these financial liabilities is to finance the business activities of the Group.

The Group has various financial assets at its disposal as well as trade accounts receivable, financial assets and cash and cash equivalents (incl. fixed-term deposits). The essential risks deriving from the financial assets comprise market, liquidity and credit risks.

Market risk
The market risk is deemed to be material with regard to financial assets measured at fair value through profit or loss. The market risk is namely the risk that the fair value or future cash flows from a financial instrument may fluctuate as a result of variations in market prices. The investments made by the Group in physical gold are susceptible to market price risks arising from uncertainties in the future development in the value of these financial instruments.

The Group limits its exposure to market price risk by restricting the volumes allocated to individual forms of investment. Moreover the company does not invest its available liquidity in speculative forms of investment. The Group's investment strategy is oriented towards preserving value and safeguarding against inflation in the long term. The Group's Management and Supervisory Board regularly receive reports on the development in financial assets. All decisions concerning investments in financial assets and precious metals are reviewed and approved by the company management.

As of the balance sheet closing date, the risk associated with financial assets invested in investment funds amounted at fair value to EUR 5.220.541 (previous year: EUR 5,171,729). A fall or rise of 25 percent in the market price of the investment funds as a consequence of changes in market conditions would impact earnings in the amount of EUR +/-1,305,135 (previous year: EUR +/-1,292,933).

In the case gold, the risk on the closing date amounted at fair value to EUR 4,290,475 (previous year: EUR 3,198,045). A fall or rise of 10 percent in the gold price as a consequence of changes in market conditions would impact earnings in the amount of EUR +/-429,048 (previous year: EUR +/-319,805).

The Group has fixed-term deposit accounts denominated in US dollars and CHF. As of the closing date, the fair value of the US dollars reported in cash and cash equivalents was EUR 2,144,800 (previous year: EUR 2,032,933). A fall or rise of 10 percent in the price of the US dollar as a consequence of changes in market conditions would impact earnings in the amount of EUR +/-214,480 (previous year: EUR +/-203,293). As of the closing date, the fair value of the CHF reported in cash and cash equivalents in 2024 was EUR 5,267,703 (previous year: EUR 4,319,600). A fall or rise of 10 percent in the price of the CHF as a consequence of changes in market conditions would impact earnings in the amount of EUR +/-526,770 (previous year: EUR +/-431,960).

These sensitivity analyses each relate to the situation as of 12/31/2024.

The Group holds no derivative financial instruments. In accordance with internal policy, the Group did not engage in any trading in derivatives in financial years 2024 or 2023, nor will it do so in future.

Due to the absence of external funding and the non-material level of transactions outside the Eurozone, interest rate and currency risks have no material significance for the Group and are therefore not further explained.

Credit risk
To manage its credit risks the Group enters into transactions exclusively with creditworthy third parties. In the case of banks, only contracting parties with a good, independent rating are accepted. All customers with whom the Group wishes to enter into credit-based transactions are subjected to credit checks. In addition, trade accounts receivable are permanently monitored with the result that the Group is not exposed to any significant risk of default beyond the impairment already recognized. The maximum default risk is limited to the carrying value detailed in Note 25. In the case of the Group's other financial assets such as cash and cash equivalents, the maximum credit risk in the event of a counterparty default equates to the carrying value of these instruments. There were no significant risk clusters.

All debt instruments in a company measured at amortized cost and at fair value through other comprehensive income, are deemed to be "associated with low default risk"; the default risk is thus assumed to be low.

Liquidity risk
Liquidity risk represents the inability to meet financial obligations such as servicing debt. The only liquidity risk for the Group arises from lease liabilities and trade accounts payable as it has no borrowings. In addition in order to continuously monitor the risk of a liquidity shortage, the Group prepares liquidity forecasts with a fixed planning horizon of one year. The Group assesses the concentration of risk in connection with other financial assets as low. Receivables are due from customers in a variety of sectors, operating in independent markets. The Group also invests its available liquidity in various forms of investment such as gold, investment funds, capital investments with banks and insurance companies and fixed-term deposits.

Changes in liabilities resulting from financing activities are as follows:

	01/01/2024	Changes affecting payments	Non-cash changes due to a change in the residual term of lease agreements	Non-cash changes due to the compounding of lease liabilities	12/31/2024
Long-term lease liabilities	5,611,380*		-2,072,293	70,255	3,609,342
Short-term lease liabilities	2,813,003*	-3,303,464	3,419,303	51,186	2,980,028
Liabilities from financing activities	**8,424,383**	**-3,303,464**	**1,347,010**	**121,441**	**6,589,370**

*Figures for the previous year were adjusted with respect to maturities. An amount of EUR 2,485,968 was reclassified from long-term lease liabilities to short-term lease liabilities.

	01/01/2023	Changes affecting payments	Non-cash changes due to a change in the residual term of lease agreements	Non-cash changes due to the compounding of lease liabilities	12/31/2023
Long-term lease liabilities	7,606,877*		-2,135,377*	139,880	5,611,380*
Short-term lease liabilities	2,643,725*	-2,997,250*	3,147,432*	19,096	2,813,003*
Liabilities from financing activities	**10,250,602**	**-2,997,250**	**1,012,054**	**158,976**	**8,424,383**

60. Financial instruments – additional disclosures

The connections between the classification and valuation of financial instruments can be taken from the following table, based on the relevant items in the balance sheet.

Carrying amounts, recognized values and fair values by measurement category:

	Measurement categories pursuant to IFRS 9	Carrying amount as of 12/31/2024	Recognized value in balance sheet pursuant to IFRS 9		Fair value
			Amortized cost	Fair value through P/L	
Assets					
Cash and cash equivalents	AC*	82,666,868	82,666,868		82,666,868
Trade receivables	AC*	9,312,814	9,312,814		9,312,814
Other non-current financial assets	AC*	517,140	517,140		517,140
Other current financial assets	FV/PL*	3,727		3,727	3,727
Investments in investment funds	FV/PL (FK)* (FV- Level 1)	5,220,541		5,220,541	5,220,541
Fixed-term deposits	AC*	20,021,556	20,021,556		20,021,556
Liabilities					
Trade accounts payable	FLAC*	1,959,285	1,959,285		1,959,285
Other current financial liabilities	FLAC*	7,364,678	7,364,678		7,364,678

	Measurement categories pursuant to IFRS 9	Carrying amount as of 12/31/2023	Recognized value in balance sheet pursuant to IFRS 9		Fair value
			Amortized cost	Fair value through P/L	
Assets					
Cash and cash equivalents	AC*	64,201,070	64,201,070		64,201,070
Trade receivables	AC*	10,430,392	10,430,392		10,430,392
Other non-current financial assets	AC*	484,601	484,601		484,601
Other current financial assets	FV/PL*	4,770		4,770	4,770
Investments in investment funds	FV/PL (FK)*	5,171,729		5,171,729	5,171,729
Fixed-term deposits	AC*	10,000,000	10,000,000		10,000,000
Liabilities					
Trade accounts payable	FLAC*	2,378,886	2,378,886		2,378,886
Other current financial liabilities	FLAC*	5,855,921	5,855,921		5,855,921

*AC: financial assets measured at amortized cost; FLAC: financial liabilities measured at amortized cost; FVthPL: financial assets and liabilities measured at fair value through profit and loss

61. German Corporate Governance Code

The Management and Supervisory Boards of ATOSS Software SE issued a declaration regarding the German Corporate Governance Code on 11/28/2024. The full text of the declaration pursuant to Sec. 161 of the German Stock Corporation Act (AktG) is available on the Internet at https://www.atoss.com/en/company/investor-relations/corporate-governance

The Management and Supervisory Boards make a declaration each year detailing their compliance with the German Corporate Governance Code and the recommendations contained therein and include the contents in the annual report.

62. Notifiable participating interests

In the financial year 2024, the company received the following notifications regarding changes in participating interests pursuant to Secs. 33 ff. of the German Securities Trading Act (WpHG):

On 09/10/2024, the shareholding of AOB Invest GmbH, Munich, fell below the voting rights threshold of 30 percent of the share capital of ATOSS Software SE as a result of the sale of shares, and amounted to 26.59 percent at this time.

On 09/11/2024, the shareholding of AOB Invest GmbH, Munich, fell below the voting rights threshold of 25 percent of the share capital of ATOSS Software SE as a result of the sale of shares, and amounted to 21.59 percent at this time.

On 09/11/2024, the shareholding of General Atlantic Chronos GmbH, Munich, exceeded the voting rights threshold of 20 percent of the share capital of ATOSS Software SE as a result of the purchase of shares, and amounted to 21.59 percent at this time. Further details on this in Note 54 below.

Since 09/11/2024, AOB Invest GmbH, Grünwald, has held a voting rights share of 21.59467 percent of the share capital of the company, and General Atlantic Chronos GmbH, Munich, a voting rights share of 21.59462 percent.

The actual number of voting rights may deviate from the number listed as a result of interim, non-notifiable or unreported trading.

63. Adoption of the consolidated financial statements

The present annual financial statements were passed on 02/25/2025 by the Management Board and submitted to the Supervisory Board, which may make alterations to the said statements up to and including the time of the Supervisory Board meeting to adopt the accounts on 02/27/2025.

64. Appropriation of net income

The Management Board proposes to use a sum of EUR 49,785,357 from the unappropriated profit of ATOSS Software SE under commercial law from the 2024 financial year for a dividend payment of EUR 2.13 per dividend-bearing share and to carry the remaining net income forward to new account. If this dividend proposal for unappropriated profit is accepted by the Annual General Meeting, this will result in a dividend payment of EUR 33,880,359 on the share capital entitled to a dividend as of 12/31/2024 amounting to EUR 15,906,272 and profit carried forward of EUR 15,904,998.

65. Report on events after the balance sheet date

There were no further significant events after the reporting date, that had an impact on the reporting date.

Munich, 02/25/2025

The Management Board

Andreas F.J. Obereder
CEO

Pritim Kumar Krishnamoorthy
CTO

Christof Leiber
CFO

Independent Auditor’s Report

To ATOSS Software SE (former ATOSS Software AG), Munich

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

Audit Opinions
We have audited the consolidated financial statements of ATOSS Software SE (former ATOSS Software AG), Munich, and its subsidiaries (the Group), which comprise the Consolidated Balance Sheet as at 31 December 2024, and the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Cash Flow Statement for the financial year from 1 January to 31 December 2024, and Notes to the Consolidated Financial Statement, including material accounting policy information. In addition, we have audited the Group Management Report of ATOSS Software SE (former ATOSS Software AG), which is combined with the Company’s management report, for the financial year from 1 January to 31 December 2024. In accordance with German legal requirements, we have not audited the content of those parts of the group management report listed in the “Other information” section of our auditor’s report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (the IFRS Accounting Standards) as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. [paragraph] 1 HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2024, and of its financial performance for the financial year from 1 January to 31 December 2024, and
- the accompanying group management report as a whole provides an appropriate view of the Group’s position. In all material respects, this group 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 group management report does not cover the content of those parts of the group management report listed in the “Other information” section of our auditor’s report.

Pursuant to § 322 Abs. 3 Satz [sentence] 1 HGB, we declare that our audit has not led to any reserva-tions relating to the legal compliance of the consolidated financial statements and of the group management report.

Basis for the Audit Opinions
We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as “EU Audit Regulation”) in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). 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 group management report” section of our auditor’s report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (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 ap-propriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In our view, the matter of most significance in our audit was as follows:

1. Revenue recognition

Our presentation of this key audit matter has been structured as follows:

1. Matter and issue
2. Audit approach and findings
3. Reference to further information

Hereinafter we present the key audit matter:

1. Revenue recognition

1. The ATOSS Group generated revenue amounting to EUR 170.625 thousand in total in the financial year from a variety of different services offered. These include in particular software services, the sale of software licences and the provision of services and maintenance as well as the processing of long-term production contracts in the area of workforce management systems. In accordance with IFRS 15 „Revenue from Contracts with Customers“, revenue recognition is dependent on satisfying the performance obligation and must be evaluated on the basis of the underlying contracts. Against the background of the different service offerings and the associated complexity of revenue recognition in relation to the timing and amount of revenue recognized, the recognition of revenue was of particular significance for our audit.

2. As part of our audit, we assessed, among other things, the appropriateness and effectiveness of the established internal control system of the Group with regard to the complete and correct recognition of revenue, including the IT systems used. In this context, we also assessed the consistency of the procedures used to recognize revenue. On that basis, in order to audit revenue, we selected, among other things, individual transactions with customers on a sample basis and inspected and assessed underlying documents (such as orders, delivery documentation, invoices and payment records). Our audit procedures also included inspecting significant contracts and obtaining transaction confirmations for trade receivables and other evidence supporting the respective satisfaction of performance obligations identified in the contract. As part of this process, we assessed whether revenue had been recognized in full, including through the use of analytical audit procedures. We also verified whether revenue had been appropriately allocated to the correct periods or deferred. We were able to satisfy ourselves that the implemented systems, processes, and controls are appropriate overall and that the estimates and assumptions made by the executive directors with respect to revenue recognition are sufficiently documented and substantiated.

3. The Company’s disclosures on revenue are contained in the notes to the consolidated financial statements under II. Accounting policies: 20. Revenue from contracts with customers, and IV. Notes to the consolidated income statement: 40. Revenue.

Other Information
The executive directors are responsible for the other information. The other information comprises the following non-audited parts of the group management report which we obtained prior to the date of our auditor’s report:

- the non-financial group statement to comply with §§ 315b to 315c HGB included in section “5. Group Sustainability Report” of the group management report
- the section „Description of the main features of the internal control system“ of the group management report.

The other information comprises further

- the statement on corporate governance pursuant to § 289f HGB and § 315d HGB, which we obtained prior to the date of our auditor’s report
- all remaining parts of the annual report, which are expected to be made available to us after the date of the auditor’s report – excluding cross-references to external information – with the exception of the audited consolidated financial statements, the audited group management report and our auditor’s report

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

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report disclosures audited in terms of content or with our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

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

The executive directors are 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 § 315e Abs. 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, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the group 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, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group 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 group 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 group management report.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial state-ments as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the internal control and these arrangements and measures (systems), respectively.
- Evaluate the appropriateness of accounting policies used by the executive directors and the rea-sonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' 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 group management report or, if such disclosures are inadequate, to modify our respective audit 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 overall 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 § 315e Abs. 1 HGB.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinions.
- Evaluate the consistency of the group 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 the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors 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 audit 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 control 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, actions taken to eliminate threats or safeguards applied.

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

Other Legal and Regulatory Requirements

Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB

Assurance Opinion
We have performed assurance work in accordance with § 317 Abs. 3a HGB to obtain reasonable assurance as to whether the rendering of the consolidated financial statements and the group management report (hereinafter the "ESEF documents") contained in the electronic file ATOSS Soft-ware_SE_KA+KLB_ESEF-2024-12-31.zip and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the group 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 electronic file identified above.

In our opinion, the rendering of the consolidated financial statements and the group management report contained in the electronic file identified above and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying group management report for the financial year from 1 January to 31 December 2024 contained in the "Report on the Audit of the Consolidated Financial Statements and on the group 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 Assurance Opinion
We conducted our assurance work on the rendering of the consolidated financial statements and the group management report contained in the electronic file identified above in accordance with § 317 Abs. 3a HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports, Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB (IDW AsS 410 (06.2022)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described in the "Group Auditor's Responsibilities for the Assurance Work on the ESEF Documents" section. Our audit firm applies the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)).

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents
The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the group management report in accordance with § 328 Abs. 1 Satz 4 Nr. [number] 1 HGB and for the tagging of the consolidated financial statements in accordance with § 328 Abs. 1 Satz 4 Nr. 2 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of § 328 Abs. 1 HGB for the electronic reporting format, whether due to fraud or error.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Group Auditor's Responsibilities for the Assurance Work on the ESEF Documents
Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error, 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 internal control relevant to the assurance work on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance 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 the Delegated Regulation (EU) 2019/815 in the version in force at the date of the consolidated financial statements on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and to the audited group management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version in force at the date of the consolidated financial statements, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further Information pursuant to Article 10 of the EU Audit Regulation
We were elected as group auditor by the annual general meeting on 30 April 2024. We were engaged by the supervisory board on 30 April 2024. We have been the group auditor of the ATOSS Software SE (former ATOSS Software AG), Munich, without interruption since the financial year 2019.

We declare that the audit 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).

Reference to an other Matter – use of the Auditor's Report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited group management report as well as the assured ESEF documents. The consolidated financial statements and the group management report converted to the ESEF format – including the versions to be filed in the company register – are merely electronic renderings of the audited consoli-dated financial statements and the audited group management report and do not take their place. In particular, the "Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the group management report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB" and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

German Public Auditor responsible for the Engagement
The German Public Auditor responsible for the engagement is Petra Hälsig.

Munich, February 25, 2025

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Holger Graßnick	Petra Hälsig
German public auditor	German public auditor

Assurance Report of the Independent German Public Auditor on a Limited Assurance Engagement in Relation to the Group Sustainability Report

To ATOSS Software SE (former ATOSS Software AG), Munich

Assurance Conclusion

We have conducted a limited assurance engagement on the group sustainability report of ATOSS Software SE (former ATOSS Software AG), Munich, (hereinafter the „Company") included in section „5. Group Sustainability Report" of the group management report, which is combined with the Company's management report, for the financial year from 1 January to 31 December 2024 (hereinafter the „Group Sustainability Report"). The Group Sustainability Report has been prepared to fulfil the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive, CSRD) and Article 8 of Regulation (EU) 2020/852 as well as §§ [Articles] 315b to 315c HGB [Handelsgesetzbuch: German Commercial Code] to prepare a group non-financial statement.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying Group Sustainability Report is not prepared, in all material respects, in accordance with the requirements of the CSRD and Article 8 of Regulation (EU) 2020/852, § 315c in conjunction with §§ 289c to 289e HGB to prepare a group non-financial statement as well as with the supplementary criteria presented by the executive directors of the Company. This assurance conclusion includes that no matters have come to our attention that cause us to believe:

- that the accompanying Group Sustainability Report does not comply, in all material re-spects, with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Company to identify the information to be included in the Group Sustainability Report (hereinafter the "materiality assessment") is not, in all material respects, in accordance with the description set out in section „ESRS 2-IRO 1 De-scription of the procedure for determining and evaluating material impacts, risks and opportunities" of the Group Sustainability Report, or
- that the disclosures set out in section „Information based on EU taxonomy" of the Group Sustainability Report do not comply, in all material respects, with Article 8 of Regulation (EU) 2020/852.

Basis for the Assurance Conclusion

We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in the „German Public Auditor's Responsibilities for the Assurance Engagement on the Group Sustainability Report" section.

We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has complied with the quality management system requirements of the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)) issued by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany; IDW). We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Responsibility of the Executive Directors and the Supervisory Board for the Group Sustainability Report

The executive directors are responsible for the preparation of the Group Sustainability Report in accordance with the requirements of the CSRD and the relevant German legal and other European regulations as well as with the supplementary criteria presented by the executive directors of the Company. They are also responsible for the design, implementation and maintenance of such internal controls that they have considered necessary to enable the preparation of a Group Sustainability Report in accordance with these regulations that is free from material misstatement, whether due to fraud (i.e., manipulation of the Group Sustainability Report) or error.

This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the Group Sustainability Report, as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The supervisory board is responsible for overseeing the process for the preparation of the Group Sustainability Report.

Inherent Limitations in the Preparation of the Group Sustainability Report

The CSRD and the relevant German statutory and other European regulations contain wording and terms that are still subject to considerable interpretation uncertainties and for which no authoritative, comprehensive interpretations have yet been published. As such wording and terms may be interpreted differently by regulators or courts, the legal conformity of measurements or evaluations of sustainability matters based on these interpretations is uncertain.

These inherent limitations also affect the assurance engagement on the Group Sustainability Report.

German Public Auditor's Responsibilities for the Assurance Engagement on the Group Sustainability Report

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the Group Sustainability Report has not been prepared, in all material respects, in accordance with the CSRD and the relevant German legal and other European regulations as well as with the supplementary criteria presented by the executive directors of the Company, and to issue an assurance report that includes our assurance conclusion on the Group Sustainability Report.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism. We also:

- obtain an understanding of the process to prepare the Group Sustainability Report, including the materiality assessment process carried out by the Company to identify the information to be included in the Group Sustainability Report.
- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misleading representations, or the override of internal controls. In addition, the risk of not detecting a material misstatement within value chain information from sources not under the control of the company (value chain information) is generally higher than the risk of not detecting a material misstatement of value chain information from sources under the control of the company, as both the executive directors of the Company and we, as assurance practitioners, are ordinarily subject to limitations on direct access to the sources of value chain information.
- consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the Procedures Performed by the German Public Auditor

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgement.

In conducting our limited assurance engagement, we have, amongst other things:

- evaluated the suitability of the criteria as a whole presented by the executive directors in the Group Sustainability Report.
- inquired of the executive directors and relevant employees involved in the preparation of the Group Sustainability Report about the preparation process, including the materiality assessment process carried out by the company to identify the information to be included in the Group Sustainability Report, and about the internal controls relating to this process.
- evaluated the reporting policies used by the executive directors to prepare the Group Sustainability Report.
- evaluated the reasonableness of the estimates and the related disclosures provided by the executive directors. If, in accordance with the ESRS, the executive directors estimate the value chain information to be reported for a case in which the executive directors are unable to obtain the information from the value chain despite making reasonable efforts, our assurance engagement is limited to evaluating whether the executive directors have undertaken these estimates in accordance with the ESRS and assessing the reasonableness of these estimates, but does not include identifying information in the value chain that the executive directors have been unable to obtain.
- performed analytical procedures and made inquiries in relation to selected information in the Group Sustainability Report.
- performed site visits.
- considered the presentation of the information in the Group Sustainability Report.
- considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Group Sustainability Report.

Restriction of Use

We draw attention to the fact that the assurance engagement was conducted for the Company's pur-poses and that the report is intended solely to inform the Company about the result of the assurance engagement. Accordingly, the report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is solely towards the Company. We do not accept any re-sponsibility, duty of care or liability towards third parties.

Munich, 25 February 2025

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

sgd. Holger Graßnick
Wirtschaftsprüfer
[German public auditor]

sgd. Petra Hälsig
Wirtschaftsprüfer
[German public auditor]

Statement by the Authorized Representative Body

We declare that to the best of our knowledge and in accordance with applicable accounting principles, the annual consolidated financial statements provide a true and fair view of the company's net assets, financial position and results of operations and that the combined management report presents a true and fair view of the development of business, including the operating results and the position of the Group, and also describes the significant opportunities and risks relating to the probable development of the company.

Munich, 02/25/2025

The Management Board

Andreas F.J. Obereder
CEO

Pritim Kumar Krishnamoorthy
CTO

Christof Leiber
CFO

Corporate Calendar

01/31/2025
Press release announcing preliminary results for 2024

03/10/2025
Publication of the annual report for 2024

03/10/2025
Balance sheet press conference

04/25/2025
Publication of the 3-monthly financial statements

04/30/2025
Ordinary annual general meeting 2025

07/24/2025
Press release announcing the 6-monthly financial statements

08/11/2025
Publication of the 6-monthly financial statements

10/23/2025
Publication of the 9-monthly financial statements

11/24/2025
ATOSS at the German Equity Forum

Imprint

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