Driving Technology

Half-yearly Financial Report
as of June 30, 2024

ALLGEIER

ALLGEIER

Allgeier SE supports the digital transformation with comprehensive software and IT services

Allgeier SE is a technology company specializing in digital transformation. The companies belonging to the Allgeier Group support their customers in Germany and abroad with comprehensive software and IT services to meet the challenges of digital change as well as the digitalization and transformation of business-critical processes. With over 2,000 customers, the broad and stable customer base consists of global corporations, high-performing SMEs and public sector clients at all federal levels. The service portfolio ranges from own software products and platforms to high-end software development, consulting and the design of digitalization solutions to long-term support for software applications in the cloud or other environments.

In the two Group segments Enterprise IT and mgm technology partners, more than 3,500 employees work at a total of 46 locations worldwide in the DACH region, France, Spain, Portugal, Poland and the Czech Republic as well as in India, Vietnam, and the USA. In the 2023 financial year, Allgeier generated sales of just under EUR 500 million. According to the Lünendonk® List 2024, Allgeier is one of the leading IT service companies in Germany. Allgeier SE is listed on the Regulated Market of the Frankfurt Stock Exchange in the General Standard (WKN A2GS63, ISIN DE000A2GS633). Further information can be found at www.allgeier.com

ALLGEIER

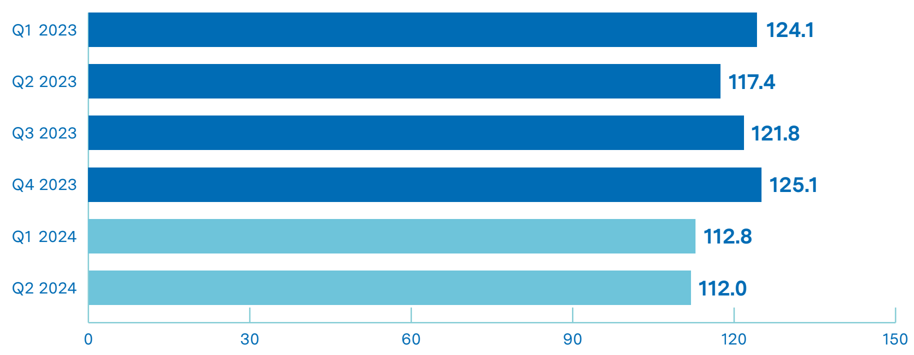
Contents

Company and Key Indicators at a Glance

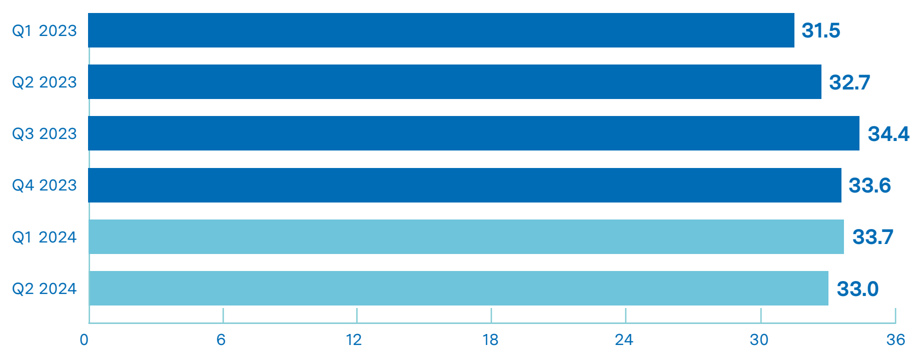
Further information and the company's latest news can be found at www.allgeier.com.

Key Group Indicators[1]	H1 2024	H1 2023	Change in percent[2]
Revenue	224.9	241.5	-6.9%
Gross profit	76.0	78.7	-3.3%
Gross margin[2]	33.3%	32.1%	
EBITDA	21.0	22.1	-5.2%
Adjusted EBITDA[3]	23.2	24.4	-4.7%
Adjusted EBITDA margin[2,3]	10.2%	9.9%	
EBIT	7.6	10.2	-25.9%
Adjusted earnings per share (EPS) in EUR (basic)	0.19	0.43	-55.8%
	30 June 2024	31 December 2023	Change in percent[2]
Total assets	496.8	524.8	-5.3%
Equity	184.0	189.2	-2.8%
Number of permanent employees	3,556	3,554	0.1%

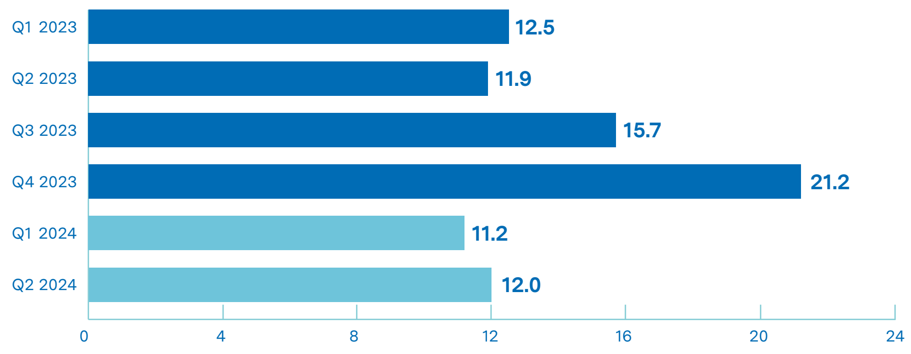
[1]Continuing operations according to IFRS, figures in EUR million (unless stated otherwise)
[2]Percentages calculated with non-rounded values
[3]EBITDA before extraordinary effects or effects relating to prior-periods



Revenue[1]
in EUR million



Gross profit[1,2]
in %



Adjusted EBITDA[1,3]
in EUR million

Letter from the Management Board

Dear shareholders of Allgeier SE,

our business performance in the first half of 2024 was characterised by a number of noteworthy factors. Firstly, we can state that our business model is generally very stable and provides considerable growth opportunities in many areas for the coming years. This applies both to the diverse digitalization issues in the area of private corporate customers as well as the digitalization of the public sector. Our core business, the creation and provision of software solutions for the digitalization of standardized and individual business processes as well as related operating and support services, is in demand, and the relationships with our customers are generally long-term relationships. It is our aim to further increase the gross profit of our services.

In the first half of 2024, we generated around EUR 20 million less sales in the personnel services segment compared to the first half of 2023, in line with our reorganization. There was also an influence that we could not have foreseen: The sales and earnings performance of our companies mgm technology partners and publicplan in the first half of 2024 was influenced by a politically induced special situation in the area of public sector clients. The amendment to the Online Access Act (Onlinezugangsgesetz, OZG), the main legal act for the digitalization of public administrations, was blocked for months and only came into force at the end of the first half of the year. As a result, a large number of digitalization projects at federal and state level that had already been budgeted for and taken into account in personnel planning were delayed in the first half of the year and could not start as planned. We had already won some of the corresponding tenders in 2023 and expected the projects to start in the first quarter of 2024. Due to the postponement and the corresponding temporary lack of capacity utilization of the project teams, we missed out on sales of around EUR 10 million in the first half of 2024, particularly in the second quarter, which had a negative impact on EBITDA in the order of EUR 4-5 million in the first half of the year.

Group sales in the first half of 2024 totalled EUR 225 million (EUR 17 million less than in the previous year). We consider it very positive that the Group's gross profit (total operating performance less direct costs) of EUR 76 million was almost as high as in the first half of 2023 (EUR 79 million). The gross profit margin, which for us is a key indicator of business performance, thus rose from 32.1 per cent to 33.3 per cent. At EUR 23 million, adjusted EBITDA was also not far below the previous year's figure (EUR 24 million). Without the special effect of the delayed entry into force of the OZG Amendment Act, adjusted EBITDA would have totalled over EUR 27 million in the first half of the year.

This means that the Allgeier Group's growth and improvement in operating margins are on track despite the special circumstances described above and the still weak economy. We are optimistic about the second half of the year. We anticipate that the situation with public digitalization projects will gradually improve over the course of the third quarter and enable higher revenue in the already budgeted projects in the second half of the year. In the second half of the year, the negative impact on revenue arising from the special situation will once again be in the range of EUR 10 million. The corresponding impact on earnings will only amount to around EUR 2 million due to the increase in capacity utilization in the second half of the year. In total, this means that business from the projects won in 2024 will be carried forward to 2025. This improves the prospects for 2025 and the following years, in which an enormous backlog in the area of digitalization of public administrations will have to be addressed. For this reason, we did not significantly reduce our capacities in the first half of 2024 despite the temporarily low capacity utilization, and will continue to expand them significantly with immediate effect. We expect demand to grow strongly in areas such as the development of digitalization solutions based on open source software.

Yours faithfully

Dr. Marcus Goedsche
Member of the Management Board

Hubert Rohrer
Member of the Management Board

Moritz Genzel
Member of the Management Board

Interim Management Report on H1 2024

Business performance in the first half of 2024 is subject to special impact from OZG-Amendment Act; noticeable improvement are expected for the second half of the year

Allgeier SE's sales and earnings performance in the first half of 2024 was influenced by a politically induced special situation in the area of public sector clients. The amendment to the Online Access Act (OZG), the main legal act for the digitalization of public administrations, was unexpectedly blocked in the Bundesrat [German Federal Council] after being passed by the Bundestag [German Federal Parliament] in February. As a result, a large number of digitalization projects at federal and state level that had already been budgeted for and taken into account in personnel planning were delayed in the first half of the year and could not start as planned. As a result, our Group companies, in particular mgm technology partners and publicplan, missed out on sales of around EUR 10 million in the first half of 2024, especially in the second quarter, in relation to projects already won. As a result, capacity utilisation in the affected business divisions was temporarily low. This meant a negative impact on EBITDA in the range of EUR 4-5 million in the first half of the year.

Group sales in the first half of 2024 totalled EUR 225 million instead of the originally planned figure of over EUR 240 million. At EUR 23 million, adjusted EBITDA was around EUR 2 million below the planned level. With an additional adjustment related to the special situation due to the delayed entry into force of the OZG Amendment Act, adjusted EBITDA in the first half of the year would have been over EUR 27 million and thus above the planned result. In the first half of 2023, adjusted EBITDA totalled EUR 24 million.

Interim Management Report for the First Half of 2024 ALLGEIER

An agreement was reached between the federal and state (Ländern) governments in June 2024 and the OZG Amendment Act came into force on 24 July 2024. The situation will therefore gradually improve over the course of the third quarter and enable higher revenue in the already budgeted projects for the second half of the year. In the second half of the year, the negative impact on revenue arising from the special situation will once again be in the range of EUR 10 million. The corresponding impact on earnings will only amount to around EUR 2 million due to the increase in capacity utilization in the second half of the year. In total, this means that business from the projects won in 2024 will be carried forward to 2025. This improves the prospects for 2025 and the following years, in which an enormous backlog in the area of digitalization of public administrations will have to be addressed. For this reason, we did not significantly reduce our capacities in the first half of 2024 despite the temporarily low capacity utilization, and will continue to expand them significantly with immediate effect. We expect demand to grow strongly in areas such as the development of digitalization solutions based on open source software.

Business performance in the first half of 2024

In the first half of 2024, the Allgeier Group (1 January 2024 to 30 June 2024) generated sales of EUR 224.9 million (previous year: 241.5 million), corresponding to a decrease of 7 percent.

Allgeier reduced its gross profit (defined as total operating performance less sales and personnel costs directly attributable to revenue) by a disproportionately low 3 percent to EUR 76.0 million compared to the same period of the previous year (previous year: EUR 78.7 million). This increased the gross profit margin to 33.3 percent in the first half of 2024 (previous year: 32.1 percent). Adjusted EBITDA (EBITDA before extraordinary or prior-period effects) fell to EUR 23.2 million (previous year: 24.4 million), corresponding to a decrease of 5 percent compared to the same period of the previous year and an adjusted EBITDA margin of 10.2 percent (previous year: 9.9 percent). EBITDA fell by 5 percent to EUR 21.0 million (previous year: EUR 22.1 million), corresponding to a margin of 9.2 percent (previous year: 9.0 percent). EBIT fell by 26 percent to EUR 7.6 million (previous year: EUR 10.2 million). After the financial result, the Group's EBT totalled EUR 0.9 million (previous year: 6.3 million), which corresponds to a reduction of 86 percent. After deducting income tax expenses of EUR 0.5 million (previous year: EUR 2.2 million), Allgeier achieved a net profit for the period of EUR 0.4 million in the first half of 2024 (previous year: EUR 4.2 million).

The undiluted earnings per share from continuing operations, calculated on the basis of the six-month result less the earnings attributable to non-controlling interests, totalled EUR -0.10 in the first half of 2024 (previous year: EUR 0.12).

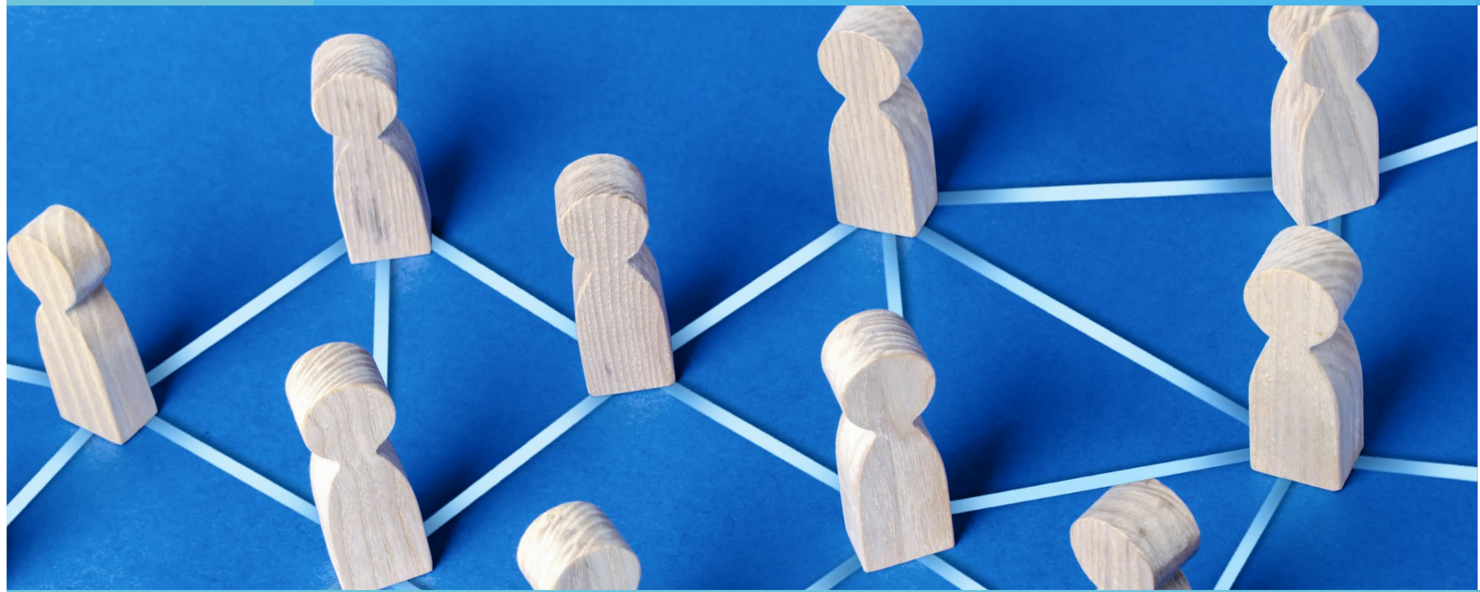
Consolidated earnings per share adjusted for writ-offs from acquisition activities and calculated using a normalized tax rate of 30% amounted to EUR 0.19 for the half-year under review (previous year: EUR 0.43).

To present adjusted earnings per share, the Allgeier Group corrects the reported operation result from continuing operations (EBIT) for the amortization of intangible assets capitalized in connection with company acquisitions (effects of purchase price allocations), income and expenses from purchase price adjustments recognised in profit or loss and other one-time and prior-period effects. Taking into account the adjustments and assuming a uniform tax rate of 30 percent, the Group achieved earnings per share of EUR 0.19 in the 2024 financial year (first half of 2023: EUR 0.43).

Figures in EUR million (unless stated otherwise)	H1 2024	H1 2023
Profit from operating activities (EBIT as reported)	**7.6**	**10.2**
Amortization of intangible assets from acquisitions	2.1	2.3
Other non-recurring and prior-period effects	2.3	2.3
Financial result	-6.7	-3.9
Adjusted earnings before taxes	**5.3**	**10.9**
Tax rate	30%	30%
Taxes	-1.6	-3.3
Adjusted profit or loss for the period	**3.7**	**7.6**
Non-controlling shareholders' interests	-1.5	-2.7
Earnings for calculation of adjusted earnings per share	**2.2**	**4.9**
Number of shares outstanding	11,451,544	11,428,627
Adjusted earnings per share in EUR (basic)	0.19	0.43

Business performance in the second quarter of 2024

In the second quarter of 2024 (1 April 2024 to 30 June 2024), the Allgeier Group's sales from continuing operations amounted to EUR 112.0 million (previous year: EUR 117.4 million). Gross profit fell by 4 percent to EUR 37.4 million in the second quarter of 2024 (previous year: EUR 39.1 million). Accordingly, the gross profit margin was 33.0 percent (previous year: 32.7 percent). Adjusted EBITDA was EUR 12.0 million (previous year: 11.9 million) slightly above the previous year's level, corresponding to an adjusted EBITDA margin of 10.6 percent (previous year: 10.1 percent). EBITDA for the second quarter totalled EUR 10.2 million (previous year: 10.1 million), which corresponds to a margin of 9.0 percent (previous year: 8.6 percent). EBIT amounted to EUR 3.5 million (previous year: EUR 4.0 million).



Cash flow development in the first half of 2024

In the first six months of 2024, Allgeier generated positive cash flow from operating activities before changes in working capital of EUR 14.7 million (previous year: EUR 11.6 million). The cash flow from changes in working capital totalled EUR -11.3 million in the first half of 2024 (previous year: EUR -25.3 million). Including the cash flow from changes in working capital, this resulted in a total cash flow from operating activities of EUR 3.5 million (previous year: EUR -13.7 million). Cash flow from investment activities for the period amounted to EUR -15.4 million (previous year: EUR -12.5 million). This includes payments for investments in fixed assets, including payments for leases agreements totalling EUR 14.4 million (previous year: EUR 12.2 million) and payments from acquisition activitiesamounting to EUR 1.7 million (previous year: EUR 3.3 million). The Allgeier Group received a cash inflow of EUR 0.6 million from sale and leaseback transactions (previous year: EUR 2.9 million). Net cash from financing activities recorded a net outflow of EUR 20.4 million in the first six months of 2024 (previous year: net outflow of EUR 1.9 million). Net interest payments amounted to EUR 4.8 million net (previous year: EUR 3.9 million net) and bank loans of EUR 6.4 million net (previous year: EUR 6.0 million) were received. The payment balance from the factoring of customer receivables resulted in a outflow of EUR 16.1 million (previous year: inflow of EUR 3.8 million). In the first half of 2024, gains totalling EUR 0.4 million were distributed to non-controlling shareholder (previous year: EUR 2.0 million).

As a result of cash flows from operating, investment and financing activities, cash and cash equivalents changed from EUR 68.4 million on 31 December 2023 to EUR 36.0 million on 30 June 2024.

Acquisition

Acquisition of Ability GmbH

Allgeier Inovar GmbH, Bremen, acquired all shares in Ability GmbH, based in Ravensburg, by purchase and transfer agreement dated 30 January 2024. The company, in turn, holds all shares in Ability GmbH, based in Rankweil (Austria) (collectively referred to as "Ability"). Ability is a Microsoft Partner, an IT solutions developer and consulting company with around 200 customers from the retail, manufacturing and real estate industries. In addition to Microsoft Dynamics 365 Expertise, particularly in ERP Business Central, Ability has an integrated software ecosystem for document management and digital workflows. The portfolio also includes solutions for the evaluation, analysis and visualization of data as well as portals and apps for cross-system processes. With this acquisition, Allgeier strengthens its market position as one of the leadingcompanies for Microsoft ERP software and consulting and expands its comprehensive service portfolio with additional teams of experts, particularly in southern Germany, Austria and Switzerland. Ability generated revenue of EUR 5.0 million in the 2023 financial year. The company was consolidated for the first time as of 31 January 2024.

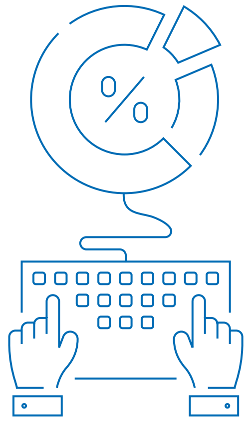
General Economic and Industry Conditions

General Economic and Industry Conditions

General economic conditions: first signs of an end to the downturn

In 2023, the German economy was affected by the after-effects of the energy crisis and the central banks' tight monetary policy. The still elevated inflation reduced purchasing power in many sales markets and increased financing costs, which weakened demand. According to the Institute for the World Economy (IfW), special effects such as high sickness rates and declining government consumption also dampened economic output. There was largely no recovery in the second half of 2023 and various sectors suffered from a weak economy. According to calculations by the German Federal Office of Statistics and the German government's Annual Economic Report 2024, Germany's gross domestic product (GDP) declined by 0.3 percent in 2023.

Sentiment and economic indicators also paint a subdued picture for the first half of 2024. Following the economic upturn at the beginning of the year, which is attributed to weather and catch-up-related special effects, the second quarter showed a mixed picture for further economic development. Continued weak foreign demand was only partially offset by a domestic economic upturn. According to preliminary data from the Federal Statistical Office, German GDP, adjusted for price, seasonal and calendar effects, fell by 0.1 percent in the second quarter compared to the first quarter of 2024, after having risen slightly at the start of 2024 (growth of 0.2 percent in the first quarter of 2024 compared to the fourth quarter of 2023). The prospects for an upturn in Germany in the second half of the year are currently rather cloudy. The Ifo business climate index, which is regarded as the most important leading indicator, fell again in July. The Ifo Institute expects little improvement in the third quarter of 2024. In contrast, consumer sentiment has recently improved noticeably. In its spring projection for the current year, the German government expects German GDP to grow by 0.3 percent overall. Investments in digitalization and innovative technologies are seen as key factors for



sustainable growth. The labour market is likely to remain stable, with the IT industry and other innovative sectors continuing to show growth potential.

The IT sector in Germany continued its growth trajectory in the first half of 2024, driven by stable demand for digitalization and automation solutions, cloud services and IT security. For details on the development of the sector please refer to the section below.

At European level, the economic recovery is expected to continue, supported by fiscal measures and the ECB's monetary policy. In June, the Central Bank lowered the key interest rate for the first time in five years, but is still keeping a low profile regarding further possible interest rate moves. Specifically, the EU economy is expected to grow by 1.0 percent in 2024 according to the European Commission's economic forecast.

The OECD expects global growth of 3.1 percent this year.

To summarise, the overall economic outlook remains cloudy for the time being, despite hopes of a slight recovery in the second half of 2024 and further growth in the following year.

Forecasts for the IT industry: Stable growth in a difficult market environment and optimistic outlook

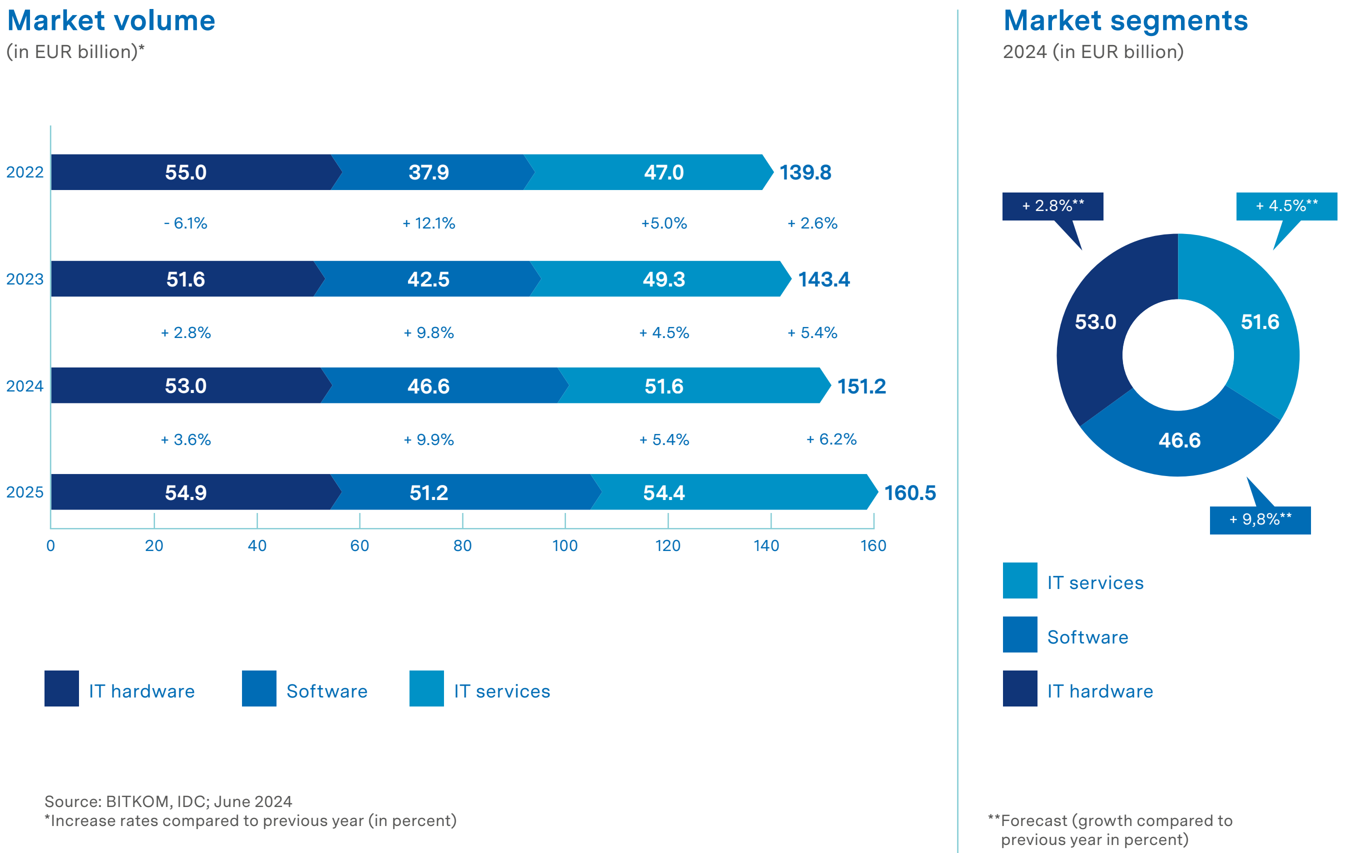
The ITC sector as a whole (information technology, telecommunications and consumer electronics) is proving to be immune to the crisis. In contrast to other industries, the German digital economy continued to grow in the recession year of 2023. Growth was again driven by the software and IT services business. In its June-updated forecast for 2024, the industry association BITKOM (German Association for Information Technology, Telecommunications and Consumer Electronics) predicts more than a doubling of growth, from 2.4 percent to 4.3 percent, and domestic sales of EUR 224.8 billion for the industry as a whole. According to BITKOM, German digital companies are standing firm in a difficult environment and are optimistic about the future. The association is calling on politicians to strengthen the positive momentum and give ICT companies greater freedom for innovation and more planning security. This requires a massive increase in investment in digital technologies across all sectors and in public administration, as well as greater protection in cyberspace.

The information technology segment, which is of relevance to Allgeier, remains the main pillar of growth within the German technology industry in the first half of 2024. According to the latest BITKOM forecast, IT turnover in 2023 was EUR 143.4 billion. Despite the challenging economic environment, BITKOM expects the information technology market to continue to grow at an above-average rate in 2024. According to current forecasts, revenue from software, IT services and IT hardware are expected to reach EUR 151.2 billion across Germany in 2024, which corresponds to an increase of 6.1 percent. The software segment, which is particularly relevant for Allgeier, is expected to grow at an above-average rate of 9.8 percent to EUR 46.6 billion.

The business climate in the German digital sector remains robust. The relevant BITKOM-Ifo digital index continued to be significantly higher than the business climate for the economy as a whole in the first months of 2024. In June, the business climate in the digital sector recorded a slight increase compared to the previous month. The digital index continues to outperform the Ifo business climate index for the overall economy.

The global trend of digitalization is ensuring that virtually all business models are changing and are being significantly influenced by IT and software. This will tend to increase spending and investment in IT and software solutions. In recent years, investment in IT and software has been largely unaffected by fluctuations in the economy as a whole. The drivers are key market trends and technologies such as cyber/information security, cloud transformation, data analytics, IoT (Internet of Things) and edge computing as well as digital platforms and mobile applications, and, to an ever-increasing extent, artificial intelligence and machine learning, low-code software development, blockchain and augmented/virtual reality.

Growth on the German information technology market



Source: BITKOM, IDC; June 2024
*Increase rates compared to previous year (in percent)

**Forecast (growth compared to previous year in percent)

Segment Performance

The disclosures and information below include sales and earnings from business operations performed between the segments.

Enterprise IT segment

The Enterprise IT segment is a full-range provider of IT solutions and services for critical business processes with broad and in-depth expertise. The Enterprise IT segment supports global corporations, SMEs and public-sector clients in their digital transformation and the optimization of their digital business processes along the entire value chain. The segment offers its clients a full portfolio of IT services for major software projects and long-term managed services and maintenance agreements. The companies of the Enterprise IT segment design, create and operate end-to-end IT solutions for implementing and supporting clients' critical business processes on the basis of business software products. They do this using their own IP-based software architecture and solutions plus market-leading software products and platforms for the digitalization of business processes in cooperation with providers such as Microsoft, SAP, IBM and Oracle. One key area is the development of software solutions on the basis of open source components. The segment is benefiting equally from Allgeier Group's good positioning as a long-term digitalization partner for the public sector on the one hand, on the basis of its wealth of experience, specific expertise and outstanding references, and – on the other – high requirements for further and more rapid digitalization in the public sector and what it offers for private citizens and companies. The Enterprise IT segment has a large pool of resources with highly qualified software and IT experts, which enables it to guarantee a high level of scalability and flexibility in project implementation and support. The employees combine in-depth technical expertise with comprehensive process and industry know-how and consulting expertise in the areas of open-source software development, business efficiency solutions, cyber and IT security, business process management, enterprise content management and cloud/containerization. With their consulting, development, project planning, implementation and support services, the segment's companies create IT solutions in the core areas for business software, such as:

- Open-source software development, in particular for public sector clients: Due to political requirements and initiatives, such as the pursuit of digital sovereignty, European data protection or the "Public Money, Public Code" campaign, open-source solutions are becoming increasingly relevant, especially in the public sector. Starting with consulting for all facets of this issue, through open source-compliant software development and the development of industry solutions as open-source software to long-term support for such solutions and entire communities, a completely new market is emerging in Germany and Europe. The Enterprise IT segment is positioning itself as an innovation leader for public administration in the growth market of open-source software development.
- BDP – Business Digitalization Platform: The original roots of the Allgeier Group lie in this area. Business efficiency solutions for business process digitalization are implemented for SME and enterprise clients with the in-house development syntona logic® and leading standard software solutions from international manufacturers, such as Microsoft and SAP, plus itrade series add-ons for specific industries.
- Document Management (DMS)/Enterprise Content Management (ECM): Document-intensive business processes are supported and executed for clients with high efficiency using the company's proprietary digital information management with integrated DMS and ECM functions – metasonic® Doc Suite. The entire value chain of the editing process is supported – from the detection, read-out and editing of content in professional workflow sequences through to tamper-proof archiving. On request, the solutions are integrated into the client's IT infrastructure or are offered as complete cloud solutions with hosting in separate German data centers. Companies that use an ECM solution such as the metasonic® Doc Suite benefit from cost and time savings thanks to more efficient processes. In addition, office work, which in many cases continues to be done in analogue form, is automated to a high degree and the workload of employees is reduced.
- Cybersecurity: Data security is becoming ever more critical for organizations of all sectors and sizes. The segment combines experienced IT security, cybersecurity and IT forensics experts and offers a comprehensive portfolio of IT and cyber-security consulting, operations and (incident) response & emergency that fully meets the growing demands of the IT security market. The segment also offers its own software solutions, including for the encryption of SharePoint platforms or e-mail traffic. The company's own IT securitysoftware solution julia mailoffice is already in use at numerous ministries, authorities and large companies. EMILY and EMILY SP (SharePoint) ensure secure collaboration.
- SAP: The Enterprise IT segment offers its customers Full-Stack SAP Services, ranging from project consulting to managed services for the high-end midmarket.
- Business Process Management (BPM): Business software solutions are used for the IT-supported implementation and optimization of business processes. In conjunction with a large number of software products and in view of the constantly accelerating change cycles for software and business processes, process tools must be particularly flexible. With its metasonic® Process Suite, which comprises the latest generation BPM software and a platform for dynamic process applications, Allgeier supports clients in producing bespoke software solutions in significantly shorter cycles. Interactive touchscreens simplify this process considerably: Teams can use them to playfully put together their business processes and build functional applications in a simple and intuitive way – without any programming effort.
- Cloud solutions: The Enterprise IT segment builds and operates a variety of cloud solutions for its clients in the areas cited above. Software solutions can be operated in private cloud environments (an enterprise cloud) as well as in Allgeier data centres or public cloud environments (public cloud). Top priority is given to maximum data security and failure safety as well as reliability and resilience to high data volumes. In addition to many medium-sized companies, the segment's offerings are also used by large multinationals and the public sector.
- Mobile: For access to the processed data, user interfaces for a variety of different mobile devices are becoming the standard for modern business software. The Enterprise IT segment implements individual solutions for a large number of clients in the mobile applications area.

The companies in the Enterprise IT segment served more than 2,000 clients in Germany and internationally in the past financial year 2023. This includes, for example, 19 of the 40 DAX companies as well as a variety of public sector contractors at various federal levels and a large number of SMEs. The clients are broadly distributed across a variety of different industries. The companies in this segment possess special expertise in the areas of the public sector and insurance, chemicals/pharmaceuticals and industrial sector.

As of 30 December 2024, the companies in the Enterprise IT segment had more than 34 locations, of which 23 are located in Germany, seven throughout Europe and three in Asia.

Business performance in the first half of 2024

In the reporting period, the Enterprise IT segment contributed 73 percent (previous year: 75 percent) of the Allgeier Group's continuing operations in terms of external revenue.

In the first half of 2024, the Enterprise IT segment recorded a 10 percent reduction in sales to EUR 163.1 million (previous year: EUR 181.9 million) with a significant increase in the gross profit margin. The reduction in sales is primarily attributable to the EUR 20 million year-on-year decline in sales in the personnel services segment. In addition, the sales were negatively impacted by the aforementioned special effects in the area of publicdigitalization projects. The segment's gross profit (total operating performance less sales and personnel costs directly attributable to revenue) was almost on a par with the previous year at EUR 52.1 million (previous year: EUR 52.6 million). The segment's gross profit margin increased to 31.8 percent (previous year: 28.7 percent).

Adjusted EBITDA (EBITDA before extraordinary or prior-period effects) increased by 4 percent to EUR 15.2 million compared to the previous year (previous year: EUR 14.6 million). The adjusted EBITDA margin grew accordingly to 9.3 percent (previous year: 8.0 percent). The Enterprise IT segment's EBITDA amounted to EUR 13.7 million in the reporting year (previous year: 14.0 million), corresponding to a decrease of 2 percent. The segment's EBIT decreased from EUR 6.1 million in the first half of 2023 to EUR 5.4 million in the first half of 2024. The profit for the period in the Enterprise IT segment before taxes amounted to EUR 0.8 million (previous year: 3.7 million), which corresponds to a decrease of 79 percent.

Earnings figures for the Enterprise IT segment (in EUR million)*

Enterprise IT	H1 2024	H1 2023	H1 2024 vs. H1 2023
Revenue*	163.1	181.9	-10.3%
Gross profit*	52.1	52.6	-0.9%
Gross margin	31.8%	28.7%	
Adjusted EBITDA*	15.2	14.6	4.4%
Adjusted EBITDA margin**	9.3%	8.0%	
EBITDA*	13.7	14.0	-2.4%
EBITDA margin**	8.3%	7.6%	
EBIT*	5.4	6.1	-12.4%
EBIT margin**	3.3%	3.3%	

* incl. revenue with other segments
** in % of sales

mgm technology partners segment

Business operations of the segments

The mgm technology partners ("mgm") segment is an international software provider that is one of the leading providers of e-government and commerce solutions in Germany. mgm is an integrated service offering aimed at achieving highly efficient software development. This is achieved through the A12 Enterprise Low Code Platform, model-driven software engineering and decades of experience in implementing enterprise projects. mgm is also working with several universities (RWTH Aachen, University of Bern, LMU Munich, University of Bamberg) to continuously improve this concept and expand its leading position.

In particular, mgm is commissioned for large, complex and long-term software projects where scalability, security and reliability are the focus – for example, with ELSTER and clients such as Lidl or Allianz. This makes mgm a strong partner for commerce, insurance companies and the public sector – which are all expected to experience strong momentum in digitalization in the coming years.

mgm has systematically improved its in-house software production processes in recent years for the purpose of cross-project optimization. The result is an in-house product development on the basis of the proprietary A12 Enterprise Low Code Platform. Building on this, software products such as mgm Cosmo (industry solution for industrial insurance) and TMT (test management for software development) are made available. As such, mgm brings the process models and tools that have been tried and tested in its own company to the market, thus becoming a valuable partner for all companies that, for strategic reasons, are building up increasing software expertise in their value chain instead of outsourcing development jobs. The more applications are implemented using this industrial manufacturing approach, the more mgm and its customers will benefit from this scalable approach. mgm follows the digital sovereignty approach, whereby every company retains sovereignty and control over its own IT systems and data.

Together with the dedicated service portfolio of the subsidiaries mgm consulting partners (management consulting), mgm security partners (security), mgm integration partners (SAP process optimization) and QFS Quality First Software (test automation), mgm covers the full range for digitalization projects: From digitalconsulting and software development to integration, SAP, S/4HANA, infrastructure, managed services and cloud.

The core target sectors at a glance:

Public sector

- mgm is the technology partner and developer behind the ELSTER project, the procedure for electronic tax returns in Germany. Currently, more than 30 million citizens submit income tax returns to the tax authorities. Full data validation, data encryption and transmission are carried out either through “My ELSTER,” the tax administration’s platform with numerous electronic services at elster.de, or by means of the ERiC (ELSTER Rich Client) component, which is also managed by mgm and is integrated into all tax programs. In total, the systems processed more than 60 million income tax, corporation tax, VAT and land tax returns in the past year 2023 – plus surplus revenue statements, declarative statements and other procedures. Over 60 million VAT and payroll tax returns were received from companies and organizations. Modular parts from the ELSTER ecosystem now also play a major role in other e-government solutions, such as the infrastructure of the standardized company account in Germany, which offers entrepreneurs a digital identity in the form of a user account with an integrated mailbox for messages and official notifications.
- In the public sector, the mgm A12 platform is a tried and tested solution for the legally required implementation of the German Online Access Act and other digitalization and infrastructure projects in public authorities and public sector companies at the federal and state level.
- In the public sector in particular, the number and scope of projects in which developers and architects, quality assurance experts and security specialists from the entire segment work together with consultants for customers has increased in recent years.

Retail/commerce

- mgm sees commerce as an individual high-speed business. The company supports the full commerce value chain from purchasing to goods flows and front office with individual solutions that maximise clients’ optimization potential and thus make a significant contribution to business success.
- mgm’s e-grocery software based on SAP Commerce Cloud provides a proven solution for modern online shops specifically for food retail, including a connected picking app for click & collect services.
- The subsidiary mgm integration partners specializes in SAP process optimization for supply chains. The combination of this special expertise with the experience of other mgm areas, in consulting on ERP migration projects (S/4HANA) and implementation using SAP Commerce Cloud, adds up to a multi-faceted SAP solution offering.

This has been implemented very successfully in the recent past, particularly by international fashion manufacturers.

Insurance

- Since 2006, mgm has focused on digitalization in the industrial insurance business. “mgm Cosmo”, which is based on the A12 Enterprise Low Code Platform, is a digital platform offering integrated product configuration, underwriting, digital collaboration and cover, loss and process modeling in the highly complex and individual industrial insurance business and – in the final phase of development – the end-to-end digitalization of business and customer processes.
- Part of the platform strategy is the establishment of long-term partnerships with insurers and brokers, through which mgm aims to directly participate in the success of digitalization initiatives.
- In consulting for the insurance industry, the focus is on business intelligence and data warehouse projects, including in the context of Solvency II.

Another key industry focus in management consulting (mgm consulting partners) are energy providers, especially for CIO advisory and sourcing services.

The mgm technology partners segment worked for more than 500 clients in financial year 2023, including 16 of the 40 DAX companies as well as numerous clients from the public sector and institutions at federal, state and municipal level.

As of 30 June 2024, the segment’s companies were located at 19 sites, 12 of which in Germany, one site each in France, Austria, Portugal, the Czech Republic and the US plus two development sites in Vietnam.

Business performance in the first half of 2024

The mgm technology partners segment achieved slight revenue growth in the reporting period. However, the sales trend was negatively impacted by the special effect described above in the area of public digitalization projects due to the delayed entry into force of the new OZG Act. The segment accounted for 27 percent of the external revenue of the Allgeier Group’s continuing operations in the first half of 2024 (previous year: 25 percent).

In the first six months of 2024, the mgm technology partners segment recorded a slight growth in revenue to EUR 62.3 million (previous year: EUR 62.1 million). The segment’s gross profit fell by 9 percent to EUR 24.0 million (previous year: EUR 26.2 million). The segment thus achieved a gross profit margin of 37.1 percent (previous year: 40.7 per cent). Adjusted EBITDA (EBITDA before extraordinary or prior-period effects) amounted to EUR 11.1 million in the reporting period respectively (previous year: 13.7 million), which corresponds to a decrease of 19 percent and an adjusted EBITDA margin of 17.1 percent (previous year: 21.3 percent). The main reason for this was the temporarily lower capacity utilization due to the special effect of the delayed entry into force of the new OZG Act.

The segment’s EBITDA fell by 18 per cent to EUR 10.6 million in the reporting period(previous year: EUR 12.8 million). As a result, the segment achieved EBIT of EUR 6.3 million in the first six months of 2024 (previous year: EUR 9.6 million) with an EBIT margin of 9.7 percent (previous year: 14.9 percent). The segment’s profit for the period before income taxes totalled EUR 6.2 million (previous year: EUR 9.6 million).

Earnings figures for the mgm technology partners segment (in EUR million)

mgm technology partners	H1 2024	H1 2023	H1 2024 vs. H1 2023
Revenue*	62.3	62.1	0.4%
Gross profit*	24.0	26.2	-8.5%
Gross margin*	37.1%	40.7%	
Adjusted EBITDA*	11.1	13.7	-19.3%
Adjusted EBITDA margin**	17.1%	21.3%	
EBITDA*	10.6	12.8	-17.5%
EBITDA margin**	16.4%	19.9%	
EBIT*	6.3	9.6	-34.7%
EBIT margin**	9.7%	14.9%	

* incl. revenue with other segments
** in % of sales

Report on Financial Position and Net Assets

As at the reporting date of 30 June 2024, total assets amounted to EUR 496.8 million (31 December 2023: EUR 524.8 million).

On the assets side, the Group's non-current assets decreased slightly to EUR 355.8 million as at the balance sheet date (31 December 2023: EUR 358.0 million). Within non-current assets, intangible assets increased slightly to EUR 292.4 million (31 December 2023: EUR 290.4 million). Right-of-use assets from leases fell slightly, to EUR 40.7 million (31 December 2023: EUR 44.0 million). Property, plant and equipment increased to EUR 10.0 million (31 December 2023: EUR 9.8 million). The other non-current financial assets decreased to EUR 7.7 million (31 December 2023: EUR 8.2 million). Current assets declined to EUR 141.0 million as of the reporting date of 30 June 2024 (31 December 2023: EUR 166.7 million). Trade receivables together with contract assets amounted to EUR 83.9 million (31 December 2023: EUR 69.9 million). Cash and cashequivalents decreased to EUR 40.9 million as of the balance sheet date (31 December 2023: EUR 83.0 million).

On the liabilities side, Group equity fell slightly to EUR 184.0 million (31 December 2023: EUR 189.2 million). External capital declined to EUR 312.8 million (31 December 2023: EUR 335.6 million). The equity ratio rose to 37.0 percent as of the reporting date of 30 June 2024 (31 December 2023: 36.1 percent).

Non-current liabilities increased slightly by EUR 3.9 million to EUR 205.2 million at the end of the first half of 2024 (31 December 2023: EUR 201.3 million). Within non-current liabilities, non-current financial liabilities increased to EUR 147.4 million (31 December 2023: EUR 139.6 million). Non-current lease liabilities fell to EUR 31.2 million (December 31, 2023: EUR 34.5 million). Other non-current liabilities decreased by EUR 0.6 million to EUR 26.6 million in the first half of 2024 (31 December 2023: EUR 27.2 million).

Current liabilities declined to EUR 107.6 million at the end of the reporting period (31 December 2023: EUR 134.3 million). Within these current liabilities, financial liabilities fell by EUR 9.8 million to EUR 4.7 million as of the reporting date of 30 June 2024 (December 31, 2023: EUR 14.5 million). Trade payables decreased by EUR 7.2 million to EUR 19.7 million (31 December 2023: EUR 26.9 million). Income tax liabilities decreased by EUR 7.1 million to EUR 7.8 million (31 December 2023: EUR 14.9 million). Other current liabilities decreased by EUR 2.6 million to EUR 75.4 million (31 December 2023: EUR 78.0 million). Due to the disproportionate decrease in debt in relation to the reduction in total assets, the Group's gearing ratio as a ratio of liabilities to total assets decreased to 63.0 percent as of the balance sheet date of 30 June 2024 (31 December 2023: 63.9 percent).

As of 30 June 2024, the Group's net financial liabilities amounted to EUR 153.6 million, of which EUR 42.5 million were liabilities from lease agreements (31 December 2023: net financial liabilities totalling EUR 116.8 million, of which EUR 45.8 million were liabilities from lease agreements).

Opportunities and Risks of Future Business Development

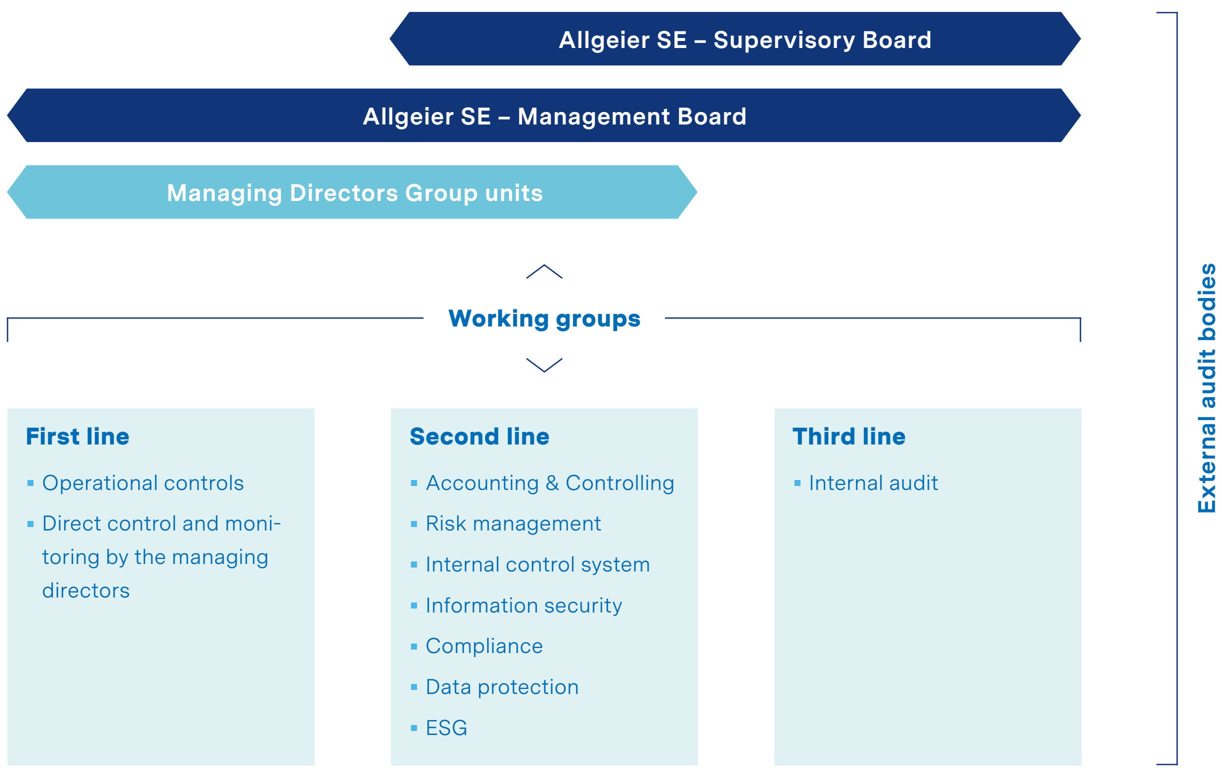
1 Risks and Opportunities report

The Allgeier Group is exposed to various external and internal influences. The Group's business activities are associated with risks that cannot be ruled out from the outset. Risk management focuses on recognizing the relevant business risks and dealing with them systematically. The following sections explain the Group-wide governance system, the risk management system, the internal control system and the compliance management system.

1.1 Key features of the governance system

Allgeier SE pursues a holistic approach to the implementation and management of governance issues. The following overview provides a summary of the basic structure and the interaction of the functions involved in the Allgeier Group:

Key features of the governance system



The aim of the integrated approach pursued is to actively establish a consistent and recurring governance system (“GRC - Governance Risk & Compliance”) across the entire organization for the individual topics and to continuously improve it through a systematic process. The prerequisites and responsibilities were drawn up at an early stage in order to meet the regulatory requirements for sustainability reporting (CSRD/ESRS) for the financial year 2024. Ongoing communication and reporting between the Supervisory Board, the Management Board and those responsible is ensured.

1.2 Key features of the risk management system

The aim of the Allgeier Group’s risk management system is to identify potential risks that could jeopardise the success of the Group at an early stage and to actively address them through appropriate measures. The risk culture in the Allgeier Group plays a decisive role in achieving this goal. It is therefore necessary to ensure that all employees, and decision-makers in particular, are aware of the risks that exist within the Company. Consistent communication within the Group and the systematic process contribute to this. Allgeier SE considers risks on the basis of four risk categories:

- Strategic risks
- Operational risks
- Financial risks
- Compliance risks

Our risk management process follows a standardized approach and is continuously improved. In the previous reporting year 2023, we optimized the presentation of the risk report. This process is explained in more detail below.

1. Risk identification

At holding level, a systematic risk survey is carried out at least once a year within the Allgeier Group, which results in a risk matrix. This process is based on a uniform guideline and ensures that the risks that arise are transparent and controllable. In addition, a business review of the main Group companies is carried out at least quarterly, the results of which are reported to the Management Board.

2. Risk assessment and risk aggregation

Allgeier Group assesses and classifies risks in terms of their probability of occurrence and qualitative significance. The risk-bearing capacity is assessed more precisely by means of a quantitative assessment. Risks are systematically assessed on the basis of the extent of damage and probability of occurrence and classified in a risk matrix. Classification into the respective risk categories high, medium and low helps to prioritize the identified risks and counter them with appropriate measures.

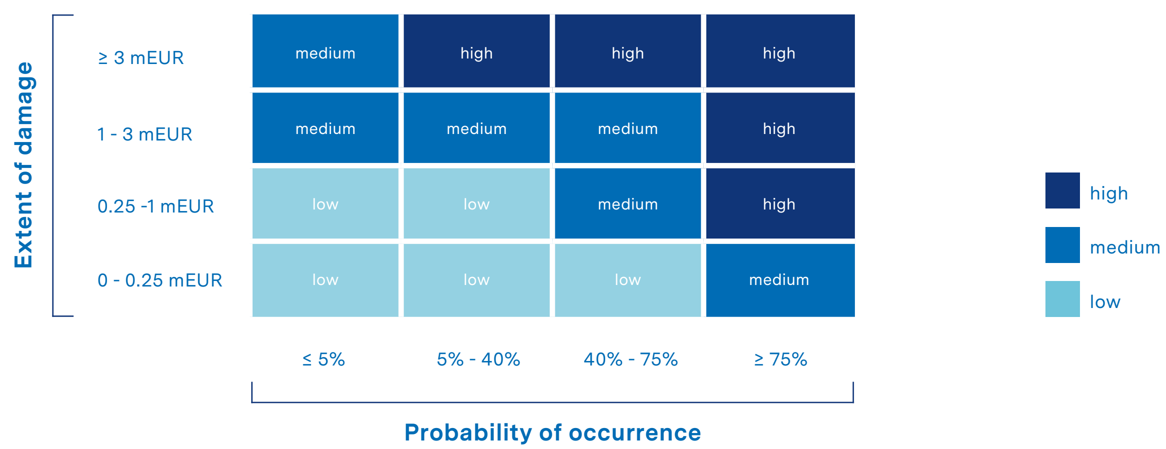
3. Risk control and risk monitoring

The Allgeier Groupmanages risks based on the risk assessment. Risk measures are derived, controlled and monitored in accordance with the risk assessment of the Group companies. Those responsible at holding company level check that the risk management guidelines are being implemented appropriately and effectively in the various Group companies. The aim of the risk management system is to reduce existing risks to an acceptable level.

4. Risk reporting

Continuous risk reporting, particularly by the Group companies and the persons responsible at holding company level, ensures that the Management Board regularly receives an overall picture of the AllgeierGroup’s risk situation. The Management Board is responsible for the risk management system and the Supervisory Board monitors this system.

Risk matrix by measure (net presentation)



1.3 Key features of the internal control system

Allgeier Groupregards the internal control system as a fundamental building block for corporate management. The main objective is to implement the strategic and operational guidelines of the Allgeier Group's Management Board and the managing directors of the business units while ensuring efficiency and compliance.

There are two main control levels: the company level and the operational process level. At the segment and company level, management is carried out using various vehicles, including rules of procedure, budget/forecast targets and quarterly business reviews. The operational process level is subject to Group-wide guidelines that cover essential and business-critical processes. These include, among others:

- Four-eyes principle
- Separation of functions
- Need-to-know / access authorizations
- Documentation & transparency

1.4 Key features of the accounting-related internal control system

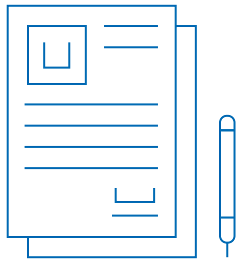
The internal control system for accounting-related issues – in particular, financial reporting – aims to provide reasonable assurance that financial reporting is reliable and complies with generally accepted accounting standards. This includes the recording, processing and evaluation of relevant facts and forms the basis for reliable internal and external reporting by Allgeier Group. Various processes and regular analytical audit procedures are carried out for this purpose, including work instructions, evaluations, variance analyses, order backlogs, margin developments, receivables statistics and employee statistics. Clearly defined roles and responsibilities are an integral part of this framework. Standardized, Group-wide IT-supported internal reporting is firmly integrated into the overall corporate management structure. The key features of the internal control system are of particular relevance.

1.5 Key features of the compliance management system

Trust and integrity are fundamental values in the Allgeier Group's corporate culture and form the foundation for entrepreneurial success. The compliance management system aims to ensure responsible and ethically correct conduct within the Group. This goal is actively supported by Supervisory Board, Management Board, managers and employees. Binding regulations apply to all employees throughout the Group, which ensure that employees treat each other fairly and respectfully. The compliance organization has established binding regulations for issues such as corruption, money laundering, insider trading, data protection and employee leasing throughout the Group. The Whistleblower Protection Act enables employees to report suspicious circumstances ("whistleblowing"). Thecomplianceorganization is responsible for ensuring compliance and implementation. Reports are evaluated according to a systematic process and, depending on the individual case, can lead to far-reaching consequences.

1.6 Risk report of Allgeier SE

The assessments of the risk categories under consideration and the risk catalog are presented below. The relevant risks are explained for the high and medium risk classes. The list is not exhaustive. In addition to the risks listed, there may be other risks to which Allgeier Groupis exposed but which have not been identified as being significant. All of the risks listed, as well as the risks identified as immaterial, can have a negative impact on the business, net assets, financial position and results of operations.



I. Strategic risks

Economic factors are of key importance to Allgeier Group. Allgeier Group is influenced in particular by the economic situation, the economic environment and the budget plans of the federal, state and local governments. Macroeconomic factors are considered challenging, as the armed conflicts (in particular Russia/Ukraine, Middle East) could have at least an indirect impact on Allgeier Group's industry framework conditions. This means that any budget cuts or reallocations of expenditure at the federal level, for example in the promotion of digitalization due to rising defense spending, are possible. Furthermore, our customers themselves are largely dependent on the economic development of the individual markets. An ongoing cautious, volatile or recessionary development on the markets can result in individual clients reducing (at least partially) their budgets for software and IT services.

High inflation rates generally lead to cost increases due to rising salary levels and higher ancillary costs. This can have a negative impact on operating margins. However, inflation is affecting the entire industry and leading to corresponding price increases. This applies to the prices of software products as well as hourly or daily rates in the service sector. At the time of reporting, inflation appears to be returning to a more or less lower level, which may mitigate the effects.

Dynamic technological development represents a strategic risk for Allgeier SE. It requires continuous adjustment and updating of in-house software while ensuring that capabilities are guaranteed in line with the latest developments, such as cloud and open source.

II. Operational risks

Information security: All companies, including Allgeier Group, are exposed to various threats from cyberspace. A failure of business-criticalsystems due to cyber attacks or hacker attacks canlead to a disruption of business operations. This applies equally to Allgeier Groupand to its customers. This would lead to costly and time-consuming data recovery processes. This can lead to operational downtime. To actively counter these risks, the Allgeier Group has established and expanded various measures in recent years to maintain and further increase the level of protection. A Group-wide information security management system (ISMS) has been established in accordance with the ISO 2700x series, and an information security organization has been established within the Allgeier Group with a direct reporting line to the Management Board. The effectiveness of information security measures is constantly monitored and new threats are analyzed. Due to the decentralized structure of the Allgeier Group with its largely independently operating companies, the IT systems and their infrastructure are, for the most part, operated independently of each other. This affords natural risk diversification. For further protection, there is a Group-wide cybersecurity insurance policy that covers all Group companies and mitigates the financial impact of a potential cyber attack.

Acquisitions: In addition to organic development, Allgeier Group's strategic orientation includes targeted acquisitions. These transactions, combined with corresponding investments, entail risks such as potential write-offs on assets and goodwill in the event of unforeseen negative developments. Financing risks may arise, particularly if parts of the transaction are financed with borrowed funds. Decisions on the sale of business units are made with due care in order to optimize strategic orientation. Integration into existing Group companies can also entail risks. The Management Board makes decisions with the involvement of external experts and conducts due diligence reviews prior to transactions. The transactions require the approval of the Supervisory Board.

Employees: In what is a dynamic environment characterized by innovation, the IT sector is facing increased demand for qualified specialists. Our employees' commitment and expertise play a central role in the success of Allgeier Group. Qualified and conscientious employees are a key success factor for Allgeier Group. This includes the members of the Management Board and other managers, as well as all employees. If qualified specialists or managers leave Allgeier Group and no suitable replacement can be found, there may be negative consequences. To counteract this, further development and increasing employee satisfaction are of great importance. In addition, competitive pay and flexible working models, as well as further training, are essential factors in retaining employees within Allgeier Group over the long term.

Key accounts and customers: Allgeier Group counts companies and public institutions of all sizes among its customers. There is a risk that Allgeier Group may lose key customers in individual cases or that projects may be continued on a smaller scale. Systematic and regular analyses of individual projects are carried out to counter this risk at an early stage (early risk detection). In addition, a business review is conducted at least quarterly with the individual Group companies. This reports in detail on the development of key customers and key accounts (top-10 customers). In addition, a short, medium and long-term projection of the main revenues is carried out. In addition, parts of Allgeier Groupare covered by bad debt insurance, which reduces the risk of bad debt losses.

Products and technology: Timely recognition and application of new product trends and technologies strengthens the competitiveness of Allgeier Group. However, the speed of developments and constant innovation also represent a risk for Allgeier Group – particularly in terms of acquired licenses and internally developed software solutions. Liability and warranty risks may arise if the products are not used or developed properly or in accordance with the contract. Allgeier Group counters this risk through ongoing training and further education programs. This is because employee expertise is an important component in the (further) development of products. In addition, Allgeier Group has established a large number of quality management modules. Pertinent standards, such as ISO 9001, 27001, 14001 and other certifications in relevant Group companies (BSI basic protection), contribute to a high level of quality. This is also taken into account when commissioning partner companies or subcontractors and is continuously monitored and audited internally and externally. The use of third-party companies can entail a certain dependency, but is sometimes indispensable due to a lack of resources. This may result in a risk of reduced performance at individual Group companies.

Contracts and projects: In the operating business, the Group companies sometimes assume contractual liabilities and warranties, particularly in fixed-price projects. Under certain conditions, variances in the projects can lead to increased expenses. Allgeier Group has implemented systematic processes and an early risk detection system that continuously pinpoints and analyzes budget deviations. Ongoing project control is ensured by recording the time spent on the respective projects. In addition, insurance policies arein place for significant business risks, including a Group-wide compulsory business liability insurance policy.

III. Financial risks

Liquidity, credit and interest rate risks: As of 30 June 2024, Allgeier Grouphad cash and cash equivalents of EUR 41 million (31 December 2023: EUR 83 million). This is offset by liabilities to banks (including factoring) in the amount of EUR 152 million as of the balance sheet date (31 December 2023: EUR 154 million). In the first half of 2024, Allgeier Group generated a positive cash flow from operating activities, which creates the basis for continuous organic growth and investments through acquisitions.

Allgeier Group's financial liabilities involve interest rate risks and contractual risks that could trigger early repayments. These risks result from compliance with balance sheet and income statement key figures as well as other requirements. Non-compliance could lead to the termination of loans and immediate maturity. Future cash flows and Allgeier Group's liquidity situation can also be negatively influenced by changes in customers' payment behavior, e.g. longer payment terms or default. Systematic processes and systems, such as liquidity planning, receivables management and cash management, have been established in order to recognize liquidity bottlenecks and interest rate changes in good time.

In addition, the Group makes targeted use of internal distribution and financing opportunities. Furthermore, the topics of banking, liquidity and risk management, as well as the expansion of governance structures and the revision of processes and systems, are being continuously refined at holding company level.

As of the reporting date of 30 June 2024, the syndicated loan has tranches of EUR 87 million (31 December 2023: EUR 80 million) and is subject to a variable interest rate. The promissory note loan in the amount of EUR 60 million (31 December 2023: 60 million) has variable interest rates for a portion of EUR 29 million (31 December 2023: 29 million). Fixed interest rates were agreed for the remaining portion of the promissory note loan. An interest rate swap with a nominal value of EUR 50 million is used to hedge the interest rate risk. The remaining portion of the variable interest-bearing financing in the total amount of EUR 67 million is therefore subject to interest rate risk. Further details can be found in the notes to the consolidated financial statements in the 2023 Annual Report (19. Financial liabilities).

We conduct talks and negotiations on an ongoing basis to evaluate and assess financing for acquisitions and the Group's growth. If new debt or equity financing is needed for our future growth, we are dependent on the developments of the financial and capital markets and on our ability to access new debt or equity financing.

IV. Compliance risks

Legal requirements: Changes in legislation or interpretation can affect the sales and profitability of Group companies. Changes in the legal requirements, particularly in the areas of taxes, social security contributions, labor law and service or work contract law in Germany, can lead to higher costs or liability risks. Compliance aspects, influenced by new court rulings, can change the risk situation, especially if new requirements are recognized and integrated into internal processes too late. During subsequent tax audits, infringements could be discovered that lead to subsequent liabilities and additional payments. Close monitoring of project activities involving freelance experts or subcontractors in the customer environment is essential for ensuring that all compliance requirements are met. Detailed regulatory requirements also apply to the temporary employment of workers. Expansion of business activities into other countries increases the relevance of regulatory risks. Allgeier Group meets these challenges with a Group-wide compliance management system that implements risk analyses and measures at an early stage. External consultants are consulted as required.

Regulatory environment: Regulatory requirements, such as CSRD/ESRS, the Supply Chain Due Diligence Act and EU taxonomy, characterize the environment for listed companies. They bear risks of breaches and financial sanctions due to complex implementation, even if they are only partially relevant to the Allgeier Group. Allgeier Group responds proactively with Group-wide ESG structures, including a materiality analysis.

Overall statement on the risk situation of Allgeier SE

The risk-bearing capacity of the Allgeier Group has been determined and compared with the aggregated risks. Based on this analysis, from a present-day perspective there are no risks to the future development of Allgeier SE that could have a material adverse effect on the net assets, financial position and results of operations. The Management Board assumes that the identified risks are limited and manageable. No risks have been identified that could jeopardize the continued existence of the company, either individually or as a whole.

1.7 Opportunities report of Allgeier SE

In addition to the risks described above, the business activities of the Allgeier Group involve corresponding opportunities, which are taken into account in the specific plans by way of the business development already determined. These opportunities are analyzed continuously and documented on an annual basis. The regular business reviews enable an ongoing assessment and evaluation of developments. On this basis, new market opportunities are identified and pursued in a targeted manner in line with the strategic direction.

General market and industry opportunities

Allgeier Group operates an attractive business model in a sustainably growing market that is driven by digitalization as a key trend. According to the industry association BITKOM, the digital economy is considered immune to crises and has a positive business climate compared to the economy as a whole. The disproportionately high level of growth in the IT sector offers opportunities for Allgeier Group. The fundamentally positive mood in this popular market environment can be beneficial for the AllgeierGroup with regard to the development of new ideas and business models.

Business process optimization and demographic change as drivers of digitalization

Cyber security / information security: In view of the growing threats posed by cyber attacks, Allgeier Group has a promising opportunity to further develop its expertise in the area of cyber security. The increasing demand for reliable security solutions offers the opportunity to develop innovative protection mechanisms and effectively safeguard customers against digital threats. The Group can therefore actively help to strengthen the digital resilience of its customers and establish itself as a reliable cyber security partner.

Flexible working and remote solutions: In view of the trend towards flexible working models and a greater degree of remote working, Allgeier Group can offer solutions that promote the mobility of the workforce and meet the need for efficient virtual working environments.

Special software and individual solutions: By developing customized software for the complex business processes of various customers, the Allgeier Group is positioning itself as a solution provider and can thus meet the growing demand for individual IT solutions.

In summary, it is clear that Allgeier Group can benefit from strong growth in the area of IT solutions, services and information security. By focusing on the provision of software for system infrastructure and security solutions, Allgeier Group can benefit from this trend. Continuous innovation in the IT sector offers additional opportunities, particularly in light of the age structure in society and the growing need for digitalization. According to a 2021 study by Capgemini, there is untapped potential for technology in the public sector. Due to the demographic structure of Germany, there is a need for action for both public and private-sector clients. Allgeier Group is already supporting customers in the public and private sectors by modernizing their IT systems to achieve efficiency gains and sustainable management and to enable new business models.

Transitioning towards a sustainable economy

Digitalization opens up new opportunities for sustainability, climate protection and improving competitiveness. According to the current study by the industry association BITKOM "Climate effects of digitalization 2.0" from spring 2024, digital solutions can make an important contribution to achieving Germany's climate targets and, at the same time, strengthen the competitiveness of Germany as a business location. Allgeier Group can benefit from this change by offering relevant technologies such as information security, artificial intelligence and IT services. By supporting its customers in their digital transitioning, Allgeier Group can make a significant impact on their transformation processes. This helps to strengthen resilience, makes the business model more crisis proof and promotes innovation. In addition, the focus on sustainable management and the link to technological developments could appeal to young talent and make Allgeier Group and its subsidiaries more attractive to potential employees.

Acquisitions as a value-creating and central strategic element

Allgeier Group attaches great importance to acquisitions as an essential aspect of its corporate philosophy. Growth is promoted by making complementary and value-generating additions to our portfolio. Gaining highly qualified personnel, increasing the scalability of existing offers and ensuring efficiency play a central role in this respect. Acquisitions also offer the opportunity to tap into new markets and segments and further expand existing expertise. This approach of inorganic growth acts as a key value driver for Allgeier Group. Targeted investments in future technologies at various levels can sustainably increase the value of the company. Allgeier Group is constantly on the lookout for value-adding companies and entrepreneurs to strengthen its portfolio.

Overall statement on the opportunity situation of Allgeier SE

Thanks to its decentralized structure, the Allgeier Group can respond with flexibility to the numerous areas of opportunity and exploit them. This agile development is part of the corporate strategy. By identifying, evaluating and making targeted use of these opportunities, the Group aims to benefit from the resulting possibilities and potential. The overarching goal is to further expand the market position in the coming years.

Research and development

The Allgeier Group continues to refine its existing products (e.g. the ERP solutions syntona logic, Aurelo Energiepark Manager and Allgeier itrade, the metasonic digitalization platform, the e-commerce solution MySign, the compliance management software DocSetMinder ONE, the security solution julia mailoffice, the A12 enterprise low-code platform and the EvoSuite product family for business process optimization) on an ongoing basis and in cooperation between the different units of the segments. Further development of the Enterprise IT segment's software products takes place at the German and Swiss locations as well as at the Evora unit's site in Bangalore (India). With the exception of the development and refinement of its own products, the Allgeier Group does not usually pay large amounts for conventional research. Development work is also often performed and billed in connection with client projects. In the first six months of 2024, we continued to invest in the further development of our own software solutions. These included the A12 Enterprise Low Code Platform and the e-commerce solutions from MySign. The Group's research and development activities are explained and documented in detail in the Allgeier SE Annual Report 2023.

Human Resources

Allgeier counts on dedicated and loyal employees

Highly qualified and motivated employees are a key success factor for the development of our Group. Every company in the Allgeier Group is crucially dependent on its employees' technical knowledge, abilities and dedication. Our employees are in constant contact with clients, providing the agreed consulting and IT services, and developing innovative solutions for complex challenges. In the future as well, the strategy of our Group will depend on the commitment of our employees on the one hand and, on the other, our capacity to recruit new and high-performing employees, and to ensure their long-term loyalty to the Group in the competitive market.

Continuously fostering and developing the motivation and skills of our employees is therefore a central objective of our human resources policy. Allgeier has made good progress in the reporting period by further intensifying its employee recruitment and retention activities within the operating segments. We have expanded our international presence significantly in recent years – in Germany, in particular – and also at our sites in Czechia, Vietnam and India. In our core DACH market, we continue to see considerable shortages of highly qualified experts at our key sites. For this reason as well, we are continuously investing in our employees to ensure the sustained growth of our Group and to keep valuable knowledge within the company. Moving ahead, this will entail a further rise in investment in ongoing employee training and continuing professional development. Lately, we have also opened new locations in Spain, Portugal and Poland and significantly expanded international locations, such as in India and Vietnam, in order to tap into additional specialist resources.

The company's appeal – to both its existing workforce and to good applicants – is becoming an increasingly important competitive factor. Given the fast-moving nature of the IT sector, ongoing technical training and continuing professional development for employees is a key success factor in competing for the best employees. Staying on the ball technically is also crucial to satisfying rising client requirements and being able to help shape key innovations within the industry. In turn, the employees of the individual Group companies benefit from the steady expansion of our portfolio and the Group's continuous growth, size and stability. The existing jobs within the Group are therefore becoming more secure while new jobs are being created at the same time. New challenging assignments with interesting customers who are at the heart of digitalization in our economy and society are creating attractive and inspiring professional prospects while at the same time providing good opportunities for individual development.

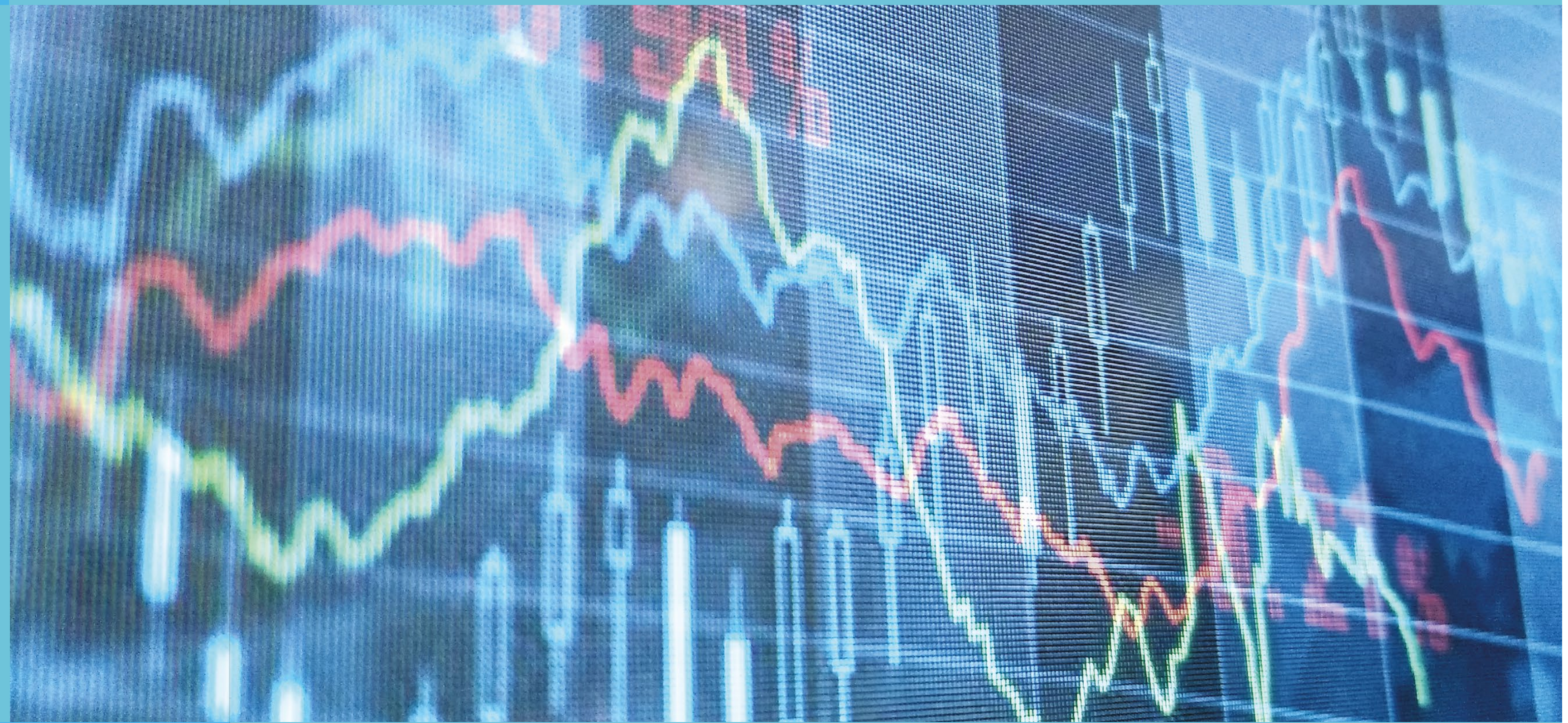
Employee figures: Broad base of highly qualified IT and software experts – strong employee base in Germany and at the international locations

At the end of the first half of 2024, Allgeier Group had a total of 3,556 salaried employees in continuing operations (31 December 2023: 3,554 salaried employees). In Germany, Allgeier had 2,907 employees at the end of the first half of 2024 (31 December 2023: 2,910), abroad there were 649 employees at the end of June 2024 (31 December 2023: 644). At the end of the first half of 2024, 81.7 percent of all salaried employees worked within Germany (31 December 2023: 81.9 percent).

The number of salaried employees increased by a net of two employees in the first six months of 2024 (previous year: increase of 181 employees). The Enterprise IT segment increased the number of salaried employees by a net of 14, while the mgm technology partners segment reduced the number of its employees by a net of 11. The number of employees in the Other segment decreased by one. The acquisition made in the first half of 2024 resulted in 44 employees joining the Group (previous year: addition of nine employees). As of the end of June 2024, we employed staff from more than 20 different nations at our locations at home and abroad. In recent years, we have steadily strengthened the international presence of Allgeier Group, and we have hired numerous highly qualified specialists at our locations in Austria, Switzerland, France, Spain, Portugal, Poland, the Czech Republic, India, Vietnam and the US. We would like to continue this development in the coming years in order to gain further access to IT and software specialists on international markets. In the first half of 2024, we were able to additionally recruit highly qualified employees through the continued expansion of our international locations and thus continue the internationalization of our Group.

In the first half of 2024, the proportion of female employees in our Group remained almost constant at 28 percent (31 December 2023: 29 percent). Depending on the survey, Eurostat and BITKOM assume that the share of female employees across all companies in the German IT sector is, on average, between just 15 and 17 percent . We have been able to continuously increase the proportion of female employees within Allgeier Group in recent years and are constantly working to increase this further. We also have a high share of employees with university degrees, which continued to increase slightly in the first half of the year: the share of academics rose to 62.4 percent as at the reporting date (31 December 2023: 61.6 percent). In total, 92.7 percent of our employees hold a bachelor's/master's/doctoral degree, state-certified technician / master trades certificate, or have other qualified professional training (31 December 2023: 92.2 percent). In addition to continuous further training and professional development, it is our hope to offer our employees long-term prospects and an attractive individual future within the Group by enabling a healthy and appealing work-life balance. The high proportion of female employees and highly qualified staff compared to the rest of the industry encourages us in this endeavor.

The Allgeier Share

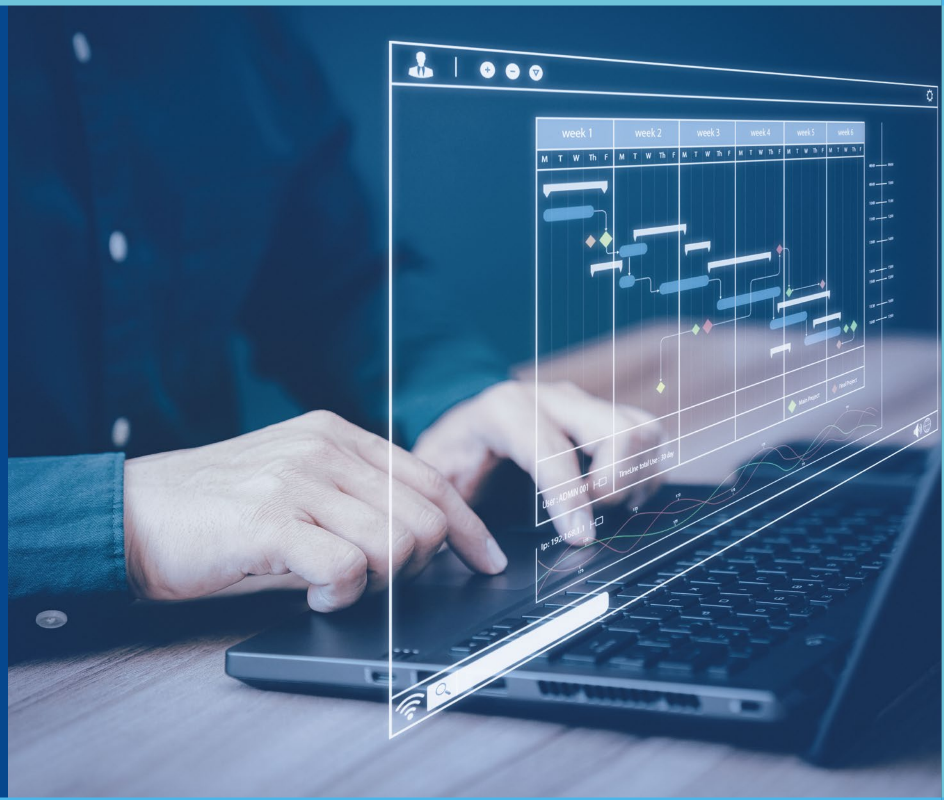


The stock market year 2024 got off to a generally positive start. Once again, investors were particularly enthusiastic about the major technology stocks, but also Japanese shares. The stock markets closed the first six months with considerable price gains. The Nasdaq 100 has risen by 18 percent since the beginning of the year, driven in particular by the US tech giants, the so-called “Magnificent Seven”, which (with the exception of Tesla) have benefited greatly from the AI boom. Japan’s leading index, the Nikkei, rose by 19 percent and the US index S&P 500 is 16 percent higher. In the first six months of the year, the DAX still achieved growth of 9 percent.

The situation is considerably different for small and mid-caps. Investors’ reluctance to invest in small stocks is still very much in evidence.

The TecDAX, which ended the first half of the year with a small loss of 0.3 percent compared to the end of the previous year, as well as numerous second-line stocks were unable to benefit from the positive sentiment. Many investors are apparently pinning their hopes on a recovery in the global economy and interest rate cuts by the US Federal Reserve in the second half of the year. Market experts had originally expected an interest rate hike in the spring, but the Fed has pushed back its interest rate turnaround further and further. In contrast, the European Central Bank decided to cut interest rates for the first time since September 2019 at the beginning of June, but is currently keeping a low profile regarding further interest rate moves. According to many stock market experts, a more expansive monetary policy could also lead to a recovery in second-tier stocks.

In line with the development of many of our competitors, the Allgeier share price continued to fall in the first half of the current stock market year. Trading volumes remained at a low level. After the Allgeier share started XETRA trading at a price of EUR 21.30 on 2 January, the share reached its half-year high of EUR 21.85 in XETRA trading on the first day of trading. The negative trend of the previous year continued in the following months. The share fell to its half-year low of EUR 16.00 (XETRA) by 7 March. The share recovered in the following weeks and was back above the EUR 20 markby the end of the first quarter. The share subsequently fluctuated between prices of just over EUR 20 and EUR 18. The Allgeier shareended the first half of the year on 28 June with a XETRA closing price of EUR 18.30, corresponding to a year-end market capitalization of EUR 209.4 million.



Outlook

Expectations of Allgeier Group

In line with the expected development of the IT market both in Germany and in the other relevant markets, the Management Board considers the fundamental prospects for further growth of Allgeier Group's business to be positive.

Allgeier Group companies have long held a strong market position in many important trend and growth areas. In addition to cyber security, open source software development and low-code platforms, the ongoing trend towards moving business software solutions to modern cloud ecosystems such as Microsoft Azure and, last but not least, the many ways in which software solutions with AI applications are beginning to be implemented can act as additional growth drivers.

The trend towards digitalization, which is driving our customers, is also driving our business. We operate in several areas that have enjoyed high growth for years. To name just a few examples:

- mgm technology partners has been a pioneer in digitisation for many years, in particular in the public sector and in creating complex online portals. AI components are also increasingly being used for this purpose. Our own enterprise low-code platform A12 enables extremely fast and reliable development and adjustment of complex, functional and secure applications. mgm expects the demand for industrialized software development to continue to increase significantly in the future.

- Public sector spending on the digitalization of administration at all levels (government, states, municipalities) is immense and still rising. Special conditions play a role in this. One major issue is digital sovereignty, i.e. independence from individual and, in particular, foreign manufacturers. We are serving this requirement with the development of administration software on the basis of open-source products. Our Group company publicplan is one of Germany's leading specialists in this field.
- Classic software products such as ERP systems are gaining new significance in conjunction with ongoing digitalization and the considerable networking with other software products. They are often a central element in the system landscape and, as such, have to satisfy new requirements for connecting with other systems and the cloud. Our Group companies Allgeier inovar and Evora are specialists in this field and also have their own software solutions with a broad, long-standing customer base.
- Goods and services are increasingly being offered on dynamic online portals. Topics such as e-commerce are therefore taking on a new significance. Existing systems have to satisfy a variety of new requirements, which often necessitates their replacement or further development. The software solutions of mgm technology partners and Allgeier inovar are leading in this field.
- Almost all major software applications are increasingly being developed and operated in professional cloud environments. At the same time, the underlying cloud technology is constantly changing. This requires considerable adaptation of existing software solutions and systems. Comprehensive transformation projects are required. This gives rise to new services for operating and maintaining applications in the cloud, known as managed services, for the ongoing support of business-critical and complex systems. In addition to mgm technology partners and publicplan, the Group companies Cloudical and Allgeier IT Services specialize in this area.

- Data security and cybersecurity are becoming increasingly important and are no longer a fringe issue. The specialised products and services offered by our Group company Allgeier CyRis help clients to achieve a requisite level of protection and to protect themselves against specific threats. Allgeier has bundled its business with its own cyber security solutions and corresponding services in a new high-performance unit, which has been operating on the market since 2022 as Allgeier CyRis. With software-based and automated security solutions and comprehensive services in the IT security environment, Allgeier has considerable potential. The service portfolio ranges from vulnerability management, pentesting and the detection of malware to the establishment of secure communication channels, for example with the julia mailoffice solution, as well as ongoing support and consulting services. It also provides consulting services and performs audits and security awareness training.

One challenge for our Group companies is the shortage of qualified IT and software specialists. We are continuously intensifying our recruitment activities and also internal training and professional development in addition to making jobs at our Group's companies more attractive. Further steps include broadening the employee base in countries such as India, Vietnam, Southwest or Eastern Europe and acquisitions of companies with correspondingly qualified employees.

The same applies to the current 2024 financial year: Our primary objective is the sustainable development of our Group, our business areas and our enterprise value, as well as the increase of gross profit and earnings margins. While this is happening, the Group will become more attractive to employees and clients, with improved performance. As a major mid-market player, we see ourselves as an established and reliable partner with close proximity to clients, but also with the potential to offer these qualities in major, long-term projects and at an international level as well. Broad and also steadily increasing international performance and technological equality are assumed, local proximity is desired.

Our specific goals for the current 2024 financial year are to continue focusing within the segments on value-adding business with sustainable growth potential based on current and promising technologies such as platform solutions, open source software and cloud solutions. We want to further expand our expertise in the applications and ecosystems of the major manufacturers as well as further develop our own software solutions. Growth also includes the continued development of the organisation and the management of the operating business units. In the current year, further targeted acquisitions are also explicitly included in the growth strategy. With the Ability company, Allgeier inovar made its acquisition in February to expand its business with Microsoft business software.

Allgeier SE expects a noticeable improvement in the demand situation in the second half of 2024, especially in the area of public sector clients. Sales in the second half of the year are expected to be between EUR 250 and 260 million. Adjusted EBITDA for the second half of the year is expected to be in the region of EUR 40 million due to the significant improvement in capacity utilisation. This includes a burden of around EUR 2 million from the special situation of the OZG projects starting late. Without this special burden, sales would also be around EUR 10 million higher in the second half of the year and the expectation in terms of adjusted EBITDA would be over EUR 41 million. In the second half of 2023, adjusted EBITDA totalled EUR 37 million.

For 2024 as a whole, this means consolidated sales of between EUR 475 million and EUR 480 million and adjusted EBITDA of approximately EUR 63 million, which corresponds to an operating profit margin of just under 13 percent. Without the special burden from the delayed OZG Amendment Act, the expected adjusted EBITDA would be over EUR 69 million.

Half-yearly financial report 2024 (unaudited)

pursuant to Section 115 WpHG of Allgeier SE

Consolidated Statement of Financial Position of Allgeier SE, Munich, as of June 30, 2024 (unaudited)

Consolidated Statement of Financial Position (in EUR thousand)		
Assets	**June 30, 2024**	**December 31, 2023**
Intangible assets	292,386	290,441
Property, plant and equipment	9,971	9,757
Right-of-use assets from leases	40,668	44,044
Non-current contract costs	216	287
Other non-current financial assets	7,720	8,233
Other non-current assets	123	629
Deferred tax assets	4,727	4,623
Non-current assets	**355,812**	**358,015**
Inventories	1,411	1,249
Current contract costs	144	144
Contract assets	10,359	1,671
Trade receivables	73,505	68,180
Other current financial assets	2,366	2,563
Other current financial assets	10,766	6,136
Income tax receivables	1,507	3,757
Cash	40,912	83,041
Current assets	**140,969**	**166,741**
Assets	**496,781**	**524,756**

Consolidated Statement of Financial Position (in EUR thousand)		
Liabilities	**June 30, 2024**	**December 31, 2023**
Authorized capital	11,472	11,444
Capital reserves	71,723	71,509
Retained earnings	102	102
Profit carryforward	45,144	37,788
Profit or loss for the period	-1,172	13,078
Changes in equity not recognized in equity	4,484	4,654
Equity attributable to shareholders of the parent company	131,753	138,576
Equity attributable to non-controlling interests	52,226	50,620
Equity	**183,980**	**189,196**
Non-current financial liabilities	147,398	139,616
Non-current liabilities from leases	31,231	34,457
Non current provisions for post-employment benefit costs	1,182	1,115
Other non current provisions	273	273
Non-current contract liabilities	65	312
Other non-current financial liabilities	16,708	16,304
Deferred tax liabilities	8,346	9,214
Non-current liabilities	**205,203**	**201,291**
Current financial liabilities	4,684	14,460
Current lease liabilities	11,230	11,344
Current provisions for post-employment benefit costs	22	22
Other current provisions	12,748	16,089
Current contract liabilities	8,312	4,970
Trade payables	19,708	26,942
Other current financial liabilities	37,187	37,761
Other current liabilities	5,891	7,810
Income tax liabilities	7,816	14,869
Current liabilities	**107,599**	**134,268**
Liabilities	**496,781**	**524,756**

Consolidated Statement of Comprehensive Income of Allgeier SE, Munich, for the period from April 1, 2024, to June 30, 2024 (unaudited)

Consolidated statement of comprehensive income (in EUR thousand)	Total		Discontinued operations		Continuing operations	
Statement of profit or loss	1 April 2024 - June 30, 2024	April 1, 2023 - June 30, 2023	April 1, 2024 - June 30, 2024	April 1, 2023 - June 30, 2023	April 1, 2024 - June 30, 2024	April 1, 2023 - June 30, 2023
Revenue	112,044	117,635	0	257	112,044	117,378
Other own work capitalized	1,321	2,089	0	0	1,321	2,089
Other operating income	1,278	662	0	0	1,278	662
Cost of materials	27,693	35,215	0	250	27,693	34,966
Staff costs	66,177	64,463	0	0	66,177	64,463
Impairment on trade receivables and contract assets	509	136	0	-1	509	137
Other operating expenses	10,023	10,518	0	22	10,023	10,496
Earnings before interest, taxes, depreciation and amortization	**10,242**	**10,054**	**0**	**-13**	**10,242**	**10,067**
Depreciation, amortization and impairment	6,725	6,101	0	8	6,725	6,093
Earnings from operating activities	**3,517**	**3,953**	**0**	**-21**	**3,517**	**3,974**
Financial income	85	512	0	0	85	512
Financial expenses	3,761	2,088	0	0	3,761	2,088
Earnings before taxes	**-160**	**2,377**	**0**	**-21**	**-160**	**2,398**
Income tax result	-161	-839	0	0	-161	-839
Earnings for the period	**-321**	**1,538**	**0**	**-21**	**-321**	**1,599**
Profit or loss for the period attributable to:						
shareholders of the parent company	-992	-6	0	-32	-992	27
non-controlling shareholder	671	1,544	0	11	671	1,533
Undiluted earnings per share:						
Average number of shares outstanding after pro rata temporis weighting	11,458,775	11,428,627	11,458,775	11,428,627	11,458,775	11,428,627
Earnings per share for the period in EUR	0.06	0.12	0.00	-0.01	0.06	0.12
Diluted earnings per share:						
Average number of shares outstanding after pro rata temporis weighting	11,530,368	11,595,425	11,530,368	11,595,425	11,530,368	11,595,425
Earnings per share for the period in EUR	-0.09	0.12	0.00	-0.01	-0.09	0.12

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Consolidated Statement of Comprehensive Income of Allgeier SE, Munich, for the period from April 1, 2024, to June 30, 2024 (unaudited)

Consolidated statement of comprehensive income (in EUR thousand)	Total		Discontinued operations		Continuing operations	
Other comprehensive income	April 1, 2024 - June 30, 2024	April 1, 2023 - June 30, 2023	April 1, 2024 - June 30, 2024	April 1, 2023 - June 30, 2023	April 1, 2024 - June 30, 2024	April 1, 2023 - June 30, 2023
Items that cannot be reclassified to the income statement:						
Actuarial gains (losses)	0	-8	0	0	0	-8
Tax effects	0	0	0	0	0	0
	0	-7	0	0	0	-7
Items that can be reclassified to the income statement:						
Foreign exchange differences	208	226	0	21	208	205
Change in value of interest rate hedging derivative	87	321	0	0	87	321
Deferred taxes from the remeasurement of the interest rate hedging derivative	-27	-100	0	0	-27	-100
	268	448	0	21	268	427
Other comprehensive income for the period	268	440	0	21	268	420
Comprehensive income for the period	-53	1,978	0	-1	-53	1,979
Total comprehensive income for the period attributable to:						
shareholders of the parent company	-749	438	0	-12	-749	451
non-controlling shareholder	696	1,540	0	11	696	1,528

Consolidated Statement of Comprehensive Income of Allgeier SE, Munich, for the period from January 1, 2024, to June 30, 2024 (unaudited)

Consolidated statement of comprehensive income (in EUR thousand)	Total		Discontinued operations		Continuing operations	
Statement of profit or loss	January 1, 2024 - June 30, 2024	January 1, 2023 - June 30, 2023	January 1, 2024 - June 30, 2024	January 1, 2023 - June 30, 2023	January 1, 2024 - June 30, 2024	January 1, 2023 - June 30, 2023
Revenue	224,870	241,892	0	438	224,870	241,455
Other own work capitalized	3,128	3,598	0	0	3,128	3,598
Other operating income	1,490	1,196	0	10	1,490	1,186
Cost of materials	55,397	76,996	0	461	55,397	76,535
Staff costs	132,895	127,325	0	0	132,895	127,325
Impairment on trade receivables and contract assets	541	138	0	1	541	137
Other operating expenses	19,693	20,186	0	45	19,693	20,141
Earnings before interest, taxes, depreciation and amortization	**20,961**	**22,040**	**0**	**-59**	**20,961**	**22,100**
Depreciation, amortization and impairment	13,385	11,886	0	16	13,385	11,870
Earnings from operating activities	**7,576**	**10,155**	**0**	**-76**	**7,576**	**10,230**
Financial income	233	548	0	0	233	548
Financial expenses	6,905	4,450	0	0	6,905	4,450
Income from investments accounted for using the equity method	0	0	0	0	0	0
Earnings before taxes	**903**	**6,253**	**0**	**-76**	**903**	**6,329**
Income tax result	-535	-2,163	0	-1	-535	-2,162
Earnings for the period	**368**	**4,090**	**0**	**-77**	**368**	**4,167**
Profit or loss for the period attributable to:						
shareholders of the parent company	-1,172	1,341	0	-77	-1,172	1,418
non-controlling shareholder	1,540	2,749	0	0	1,540	2,749
Undiluted earnings per share:						
Average number of shares outstanding after pro rata temporis weighting	11,451,544	11,428,627	11,451,544	11,428,627	11,451,544	11,428,627
Earnings per share for the period in EUR	-0.10	0.12	0.00	-0.01	-0.10	0.12
Diluted earnings per share:						
Average number of shares outstanding after pro rata temporis weighting	11,523,309	11,595,425	11,523,309	11,595,425	11,523,309	11,595,425
Earnings per share for the period in EUR	-0.10	0.12	0.00	-0.01	-0.10	0.12

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Consolidated Statement of Comprehensive Income of Allgeier SE, Munich, for the period from January 1, 2024, to June 30, 2024 (unaudited)

Consolidated statement of comprehensive income (in EUR thousand)	Total		Discontinued operations		Continuing operations	
Other comprehensive income	January 1, 2024 - June 30, 2024	January 1, 2023 - June 30, 2023	January 1, 2024 - June 30, 2024	January 1, 2023 - June 30, 2023	January 1, 2024 - June 30, 2024	January 1, 2023 - June 30, 2023
Items that cannot be reclassified to the income statement:						
Actuarial gains (losses)	16	-8	0	0	16	-8
Tax effects	-4	0	0	0	-4	0
	12	-7	0	0	12	-7
Items that can be reclassified to the income statement:						
Foreign exchange differences	-410	115	0	19	-410	95
Change in value of interest rate hedging derivative	425	104	0	0	425	104
Deferred taxes from the remeasurement of the interest rate hedging derivative	-132	-32	0	0	-132	-32
	-117	186	0	19	-117	167
Other comprehensive income for the period	-105	179	0	19	-105	160
Comprehensive income for the period	263	4,269	0	-57	263	4,327
Total comprehensive income for the period attributable to:						
shareholders of the parent company	-1,343	1,549	0	-57	-1,343	1,606
non-controlling shareholder	1,606	2,720	0	0	1,606	2,720

Consolidated Statement of Cash Flows of Allgeier SE, Munich, for the period from January 1, 2024, to June 30, 2024

Consolidated Statement of Cash Flows (in EUR thousand)	Total		Discontinued operations		Continuing operations	
	January 1, 2024 - June 30, 2024	January 1, 2023 - June 30, 2023	January 1, 2024 - June 30, 2024	January 1, 2023 - June 30, 2023	January 1, 2024 - June 30, 2024	January 1, 2023 - June 30, 2023
Earnings from operating activities	7,576	10,155	0	-76	7,576	10,230
Depreciation and amortization on non-current assets	13,385	11,886	0	16	13,385	11,870
Expenses on the disposal of non-current assets	52	18	0	0	52	18
Change in non-current provisions	81	36	0	0	81	36
Non-cash reversals of provisions	120	0	0	0	120	0
Other non-cash expenses and income	-8	-3,654	0	-1	-8	-3,652
Income taxes paid	-6,456	-6,868	0	1	-6,456	-6,869
Cash flows from operating activities before changes in working capital	**14,749**	**11,572**	**0**	**-60**	**14,749**	**11,632**
Cash flows from changes in working capital	-11,263	-25,290	0	-44	-11,263	-25,246
Cash flows from operating activities	**3,487**	**-13,718**	**0**	**-104**	**3,487**	**-13,614**
Payments for investments in non-current assets	-7,339	-5,999	0	-24	-7,339	-5,974
Payments for lease liabilities	-7,098	-6,181	0	0	-7,098	-6,181
Proceeds from the disposal of non-current assets	95	87	0	0	95	87
Proceeds from sale-leaseback transactions	636	2,948	0	0	636	2,948
Payments for the acquisition of subsidiaries	-1,175	130	0	0	-1,175	130
Payments for purchase price components for companies not acquired in the financial year	-511	-3,456	0	0	-511	-3,456
Cash flows from investing activities	**-15,391**	**-12,471**	**0**	**-24**	**-15,391**	**-12,446**
Proceeds from capital increase	132	79	0	0	132	79
Proceeds from bank loans	16,019	17,000	0	0	16,019	17,000
Repayment of bank loans	-9,619	-11,045	0	0	-9,619	-11,045
Cash flow from factoring	-16,066	3,777	0	0	-16,066	3,777
Interest received	221	48	0	0	221	48
Interest paid	-4,993	-3,996	0	0	-4,993	-3,996
Distributions	-5,722	-5,714	0	0	-5,722	-5,714
Balance of payments with non-controlling shareholders	-410	-2,030	0	0	-410	-2,030
Cash flows from financing activities	**-20,438**	**-1,880**	**0**	**0**	**-20,438**	**-1,880**
Total cash flows	**-32,343**	**-28,069**	**0**	**-128**	**-32,343**	**-27,940**
Changes in cash and cash equivalents due to exchange rate movements	-61	51	0	0	-61	51
Total changes in cash and cash equivalents	**-32,404**	**-28,018**	**0**	**-129**	**-32,404**	**-27,889**
Cash and cash equivalents at the beginning of the period	68,402	67,411	0	250	68,402	67,161
Cash and cash equivalents at the end of the period	35,998	39,394	0	122	35,998	39,272

Consolidated Statement of Changes in Equity ALLGEIER

Consolidated Statement of Changes in Equity of Allgeier SE, Munich, as of June 30, 2024 (unaudited)

Consolidated statement of changes in equity (in EUR thousand)

	Authorized capital	Capital reserves	Retained earnings	Profit carryforward	Profit or loss for the period	Changes in equity in accumulated OCI	Equity share of the Shareholders of the Parent company	Equity share attributable to non-controlling shareholders	Equity
As of January 1, 2023	**11,428**	**71,363**	**102**	**22,508**	**21,618**	**5,146**	**132,165**	**48,651**	**180,816**
Transfer of profit or loss for the previous year to profit carryforward	0	0	0	21,604	-21,604	0	0	0	0
Adjustment of the exercise price of stock options from the 2021 stock option plan	17	97	0	0	0	0	114	0	114
Actuarial gains (losses)	0	0	0	0	0	-7	-7	0	-7
Interest rate hedging derivative	0	0	0	0	0	72	72	0	72
Dividends	0	0	0	-5,714	0	0	-5,714	0	-5,714
Earnings for the period	0	0	0	0	1,341	0	1,341	2,749	4,090
Foreign currency translation differences	0	0	0	0	0	143	143	-29	115
Status as of June 30, 2023	**11,444**	**71,461**	**102**	**38,399**	**1,354**	**5,354**	**128,115**	**51,371**	**179,485**
As of January 1, 2024	**11,444**	**71,509**	**102**	**37,788**	**13,078**	**4,654**	**138,576**	**50,620**	**189,196**
Transfer of profit or loss for the previous year to profit carryforward	0	0	0	13,078	-13,078	0	0	0	0
Exercise of stock options from the 2014 stock option plan	28	104	0	0	0	0	132	0	132
Adjustment of the exercise price of stock options from the 2021 stock option plan	0	110	0	0	0	0	110	0	110
Actuarial gains (losses)	0	0	0	0	0	7	7	5	12
Interest rate hedging derivative	0	0	0	0	0	293	293	0	293
Dividends	0	0	0	-5,722	0	0	-5,722	0	-5,722
Earnings for the period	0	0	0	0	-1,172	0	-1,172	1,540	368
Foreign currency translation differences	0	0	0	0	0	-471	-471	61	-410
Status as of June 30, 2024	**11,472**	**71,723**	**102**	**45,144**	**-1,172**	**4,484**	**131,753**	**52,226**	**183,980**

Segment reporting of Allgeier SE, Munich, according to IFRS, for the period from January 1, 2024, to June 30, 2024 (unaudited)

Segments (in EUR thousand)	Enterprise IT		mgm technology partners		Other		Continuing operations	
	H1 2024	1. HY 2023	H1 2024	H1 2023	H1 2024	H1 2023	H1 2024	1. HY 2023
External revenue	162,952	181,079	61,403	60,278	515	132	224,870	241,488
Revenue with other segments	183	862	915	1,813	-1,097	-2,709	1	-34
Revenue	**163,135**	**181,941**	**62,318**	**62,091**	**-582**	**-2,577**	**224,870**	**241,455**
Overall performance	**163,962**	**183,175**	**64,619**	**64,454**	**-582**	**-2,577**	**227,999**	**245,052**
Gross profit	52,109	52,602	23,992	26,213	-72	-161	76,029	78,654
EBITDA before extraordinary result and result relating to other periods	15,226	14,584	11,052	13,702	-3,058	-3,930	23,220	24,355
Earnings before interest, taxes, depreciation and amortization (EBITDA)	**13,671**	**14,010**	**10,582**	**12,820**	**-3,292**	**-4,729**	**20,961**	**22,100**
Segment earnings from operating activities (EBIT)	5,353	6,111	6,271	9,603	-4,049	-5,484	7,576	10,230
Segment earnings before income taxes	784	3,665	6,193	9,598	-6,074	-6,933	903	6,329
Segment assets	431,960	419,653	80,484	79,717	-15,664	-6,237	496,781	493,133
Gross profit in % of total performance	31.8%	28.7%	37.1%	40.7%	12.4%	6.3%	33.3%	32.1%
Operating EBITDA in % of total performance	9.3%	8.0%	17.1%	21.3%	525.2%	152.5%	10.2%	9.9%
EBITDA in % of total performance	8.3%	7.6%	16.4%	19.9%	565.2%	183.5%	9.2%	9.0%
EBIT in % of total performance	3.3%	3.3%	9.7%	14.9%	695.2%	212.8%	3.3%	4.2%

Other Disclosures

Election of a new Supervisory Board member

In accordance with the Company's Articles of Association, the Supervisory Board of Allgeier SE consists of four Supervisory Board members who are elected by the shareholders. Since the Annual General Meeting on June 13, 2023, the Supervisory Board of Allgeier SE has only had three members. On June 25, 2024, the Annual General Meeting of Allgeier SE resolved to elect Dipl.-Kfm. Prof. Dr. Jörg-Andreas Lohr (auditor/tax consultant) as a member of the Supervisory Board with effect from the end of the Annual General Meeting. The new member was appointed for a term of office until the end of the Annual General Meeting that resolves on the discharge for the fourth financial year after the start of the term of office. The financial year in which the term of office begins is not counted. In addition to the newly elected Supervisory Board member, the other members of the Supervisory Board are Mr Carl Georg Dürschmidt (Chairman), Mr Detlef Dinsel (Deputy Chairman) and Mr Christian Eggenberger.

Accounting policies

The half-yearly financial report of Allgeier SE as of June 30, 2024 was prepared in accordance with the requirements of Section 115 of the German Securities Trading Act (WpHG) and the International Financial Reporting Standards (IFRS) applicable to interim financial reporting. The accounting and valuation methods have not changed compared to the 2023 annual financial statements.

The half-yearly financial report as at June 30, 2024 was neither reviewed in accordance with section 115 of the German Securities Trading Act (WpHG) nor audited in accordance with section 317 of the German Commercial Code (HGB).

Number of shares

In the second quarter of 2024, 28,000 option rights from the 2014 share option programme were exercised. Accordingly, the total number of shares in Allgeier SE increased from 11,444,313 on December 31, 2023 to 11,472,313 on June 30, 2024. Allgeier SE received a cash inflow of EUR 132 thousand from the exercise of these option rights.

Dividends

At the Annual General Meeting held on June 25, 2024, it was resolved that Allgeier SE would pay a dividend of EUR 0.50 per entitled share from its net profit ofEUR 14,162,848.21 as of December 31, 2023. 11,444,313 shares were entitled to dividends. A total dividend ofEUR 5,722,156.50 was distributed, which was paid out to shareholders in June 2024.

Treasury shares

Allgeier SE did not acquire any treasury shares in the first six months of 2024. As of the reporting date June 30, 2024, the number of treasury shares is therefore still zero (December 31, 2023: zero treasury shares).

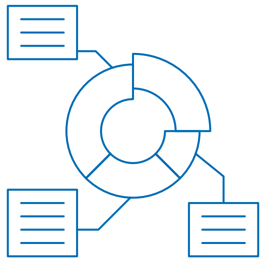
Significant transactions with related parties

Related parties are natural persons and companies that can be influenced by Allgeier SE, that can exert an influence on Allgeier SE, or that are under the influence of another related party of Allgeier SE. Business relationships between all companies included in the consolidated financial statements were fully eliminated in the consolidated financial statements. There were no significant transactions between Allgeier and related parties in the first half of 2024.

Scope of Consolidation

As of June 30, 2024, the scope of consolidation of Allgeier SE consisted of 55 fully consolidated companies (December 31, 2023: 54 fully consolidated companies). The Group acquired two new companies in the first half of 2024. One subsidiary was merged.

Supplementary Report



Supplementary agreement on the new regulation of the Purchase price for the Evora Group acquired on November 12, 2021

In an agreement dated July 9, 2024, the shareholders of Allgeier Evora Holding GmbH, Munich, revised the previously unpaid fixed purchase price instalments and the agreement on the variable purchase price following the departure of two minority shareholders from the group of founders of the Evora Group. The shares will be taken over by the two remaining managing founders, so that the minority interest of 40 percent will not change. As a result of the supplementary agreement, the liability recognised in the consolidated financial statements of Allgeier SE as of June 30, 2024 for the open fixed purchase price will be reduced from EUR 22.1 million to EUR 14.9 million. In addition, the variable purchase price, which is dependent on the development of earnings over the next few years, was reduced from EUR 13.3 million to EUR 10.8 million, taking discounting into account. The supplementary agreement on the revision of the purchase price for the Evora Group resulted in corresponding purchase price adjustments totalling EUR 9.7 million. The remaining fixed purchase price of EUR 14.9 million is expected to be paid in the third quarter of 2024 as soon as the conditions precedent also agreed in the contract have been fulfilled.

Responsibility Statement

The Management Board of Allgeier SE assures to the best of its knowledge that this Half-yearly financial report as of June 30, 2024 of Allgeier SE, including the interim management report of the Allgeier Group, has been prepared in accordance with the applicable accounting principles and gives a true and fair view of the net assets, financial position and results of operations of the Group. The main opportunities and risks arising from the expected development of the Group in the remaining months of the 2024 financial year are described.

Legal Notice

Information for fiscal year 2024

Information for periods after June 30, 2024 uses assumptions and estimates based on Management Board expectations. Actual future developments and results could differ from these assumptions and estimates. Allgeier SE provides no guarantee that future developments and the actual results achieved in the future will be consistent with the assumptions and estimates expressed in this voluntary interim information and assumes no such liability.

Alternative key performance indicators

This document contains supplementary financial indicators – not precisely defined in the relevant accounting framework – that are or could constitute alternative performance indicators. These supplementary financial indicators may be of limited suitability as an analytical tool and should not be used in isolation or as an alternative to the financial indicators presented in the consolidated financial statements and calculated in accordance with relevant accounting frameworks to assess the financial position and financial performance of Allgeier SE. Other companies that present or report alternative performance indicators with similar names may calculate them differently and they therefore may not be comparable. Further information on the alternative performance indicators used by Allgeier SE can be found in Allgeier SE's 2023 annual report.

Financial Calendar 2024

Important dates and events	
Publication of Consolidated/Annual financial Statements 2023	April 30, 2024
Publication of voluntary interim information as of March 31, 2024	May 15, 2024
Annual General Meeting in Munich	June 25, 2024
Publication of 2024 half-yearly financial report	August 15, 2024
Publication of voluntary interim information as of September 30, 2024	November 14, 2024

Allgeier's financial reports and interim information can be found online at www.allgeier.com/en > Investor Relations > Financial Reports & Publications or requested using the contact details provided on the right.

Current financial information can be found on Allgeier's website under Investor Relations at: www.allgeier.com/en/investor-relations

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Cover: Philipp Buhl © Jürgen Tap

Imprint

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as of June 30, 2024