



9-Month Report 2024/2025

(December 1, 2024 to August 31, 2025)

Serviceware SE, Idstein

Consolidated Interim Financial Report

9-Month Report as at August 31, 2025

1.1 Ratios of the Financial Statements as at August 31, 2025

Sales Revenues and Earnings Ratios

In kEUR	December 01 to August 31		Variation	% ¹
	2024/2025	2023/2024		
Sales revenues	85,747	76,249	9,498	12.5
thereof SaaS/Service	65,282	50,786	14,496	28.5
EBITDA	3,590	2,770	819	29.6
EBIT	673	-24	697	>100
Financial result	152	145	7	4.9
Earnings before taxes for the period	826	121	704	>100
Income taxes	-323	-842	520	-61.7
Earnings after taxes for the period	503	-721	1,224	>100

Condensed Balance Sheet

In kEUR	08.31.2025	11.30.2024	Variation	% ¹
Cash and cash equivalents ²	31,614	33,611	-1,997	-5.9
Equity	47,204	46,371	833	1.8
Contract liabilities	101,871	80,598	21,274	26.4
Total liabilities	133,538	108,683	24,854	22.9
Balance sheet total	180,742	155,054	25,688	16.6

Please note: All figures in this report have been rounded to the nearest thousand in accordance with standard commercial practice. This may result in rounding differences when totals are calculated.

Serviceware SE achieved dynamic and profitable growth in the first nine months of fiscal 2024/2025 and, for the first time, exceeded the EUR 30 million mark in quarterly sales revenues in the third quarter. Another record year in terms of revenues is once again expected for the full fiscal year. A key growth driver is Artificial Intelligence (AI), which is already fully integrated across the Serviceware Platform. During the reporting period, Serviceware succeeded in convincing numerous additional companies of the advantages of its AI-native ESM Platform and gaining them as new customers. Serviceware also achieved strong progress in its international expansion and in the transformation of its business model from a license-based to a SaaS model - a strategic shift that continues to advance on schedule and with significant momentum. Given the robust business performance in the first nine months, Serviceware continues to anticipate revenue growth between 5% and 15% for the full year and aims to further increase both EBIT and EBITDA compared with the previous year.

Total sales revenues increased by 12.5 percent in the first three quarters, rising from EUR 76.2 million to EUR 85.7 million. Once again, growth in the SaaS/Service segment was significantly above average, climbing 28.5 percent to EUR 65.3 million from EUR 50.8 million. After nine months, SaaS/Service revenues accounted for

¹ In the case of relative changes of more than 100 %, in particular due to small absolute initial values, the change is indicated in simplified form as ">100".

² The item Cash and cash equivalents includes the balance sheet items of liquid funds and non-current financial assets.

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76.1 percent of total revenues (prior year: 66.6 percent). In the third quarter, revenues reached EUR 30.2 million, up 16.6 percent from EUR 25.9 million in the same period last year. In Q3, the SaaS/Service revenues totaled EUR 22.5 million (prior year: EUR 18.0 million), setting another record high.

Serviceware also achieved a significant improvement in profitability. EBITDA rose by 29.6 percent from EUR 2.8 million to EUR 3.6 million, while EBIT turned around from EUR -0.02 million to EUR +0.7 million. Contract liabilities, primarily consisting of residual values from existing SaaS contracts representing already fixed future sales revenues, remained at a high level. They rose by 26.4 percent compared with the end of fiscal 2023/2024 to EUR 101.9 million. The strong increase in contract liabilities clearly demonstrates that the business model transformation is progressing successfully and is reflected by a significant rise in sales revenues.

1.2 Significant events in the Serviceware Group

Artificial Intelligence in the Serviceware Platform: Serviceware consistently advanced its Platform strategy during the first nine months of fiscal 2024/2025. With the release of the AI Process Engine, the company significantly expanded its AI-native Serviceware ESM Platform with new AI functionalities, heralding the beginning of a new era in the automation of service processes. This innovative process modeling software, based on Artificial Intelligence (AI), enables the creation of processes and workflows within just a few minutes, leading to substantial cost reductions and massively accelerated process execution. With its AI-native Serviceware ESM Platform, Serviceware holds a market-leading position worldwide. AI is already fully integrated throughout the Platform, and the company plans to further increase its share of AI. Through the ESM Platform, Serviceware offers enterprises a comprehensive solution for the automation and digitalization of service processes. As a result, Serviceware's strong expertise in AI is reflected by the high demand for its AI-native ESM Platform.

Highlights from Customer Projects: Between December 2024 and August 2025, Serviceware once again gained numerous new customers and successfully implemented a wide range of projects for clients around the world. A major German bank chose to implement the Serviceware ESM Platform with AI in the area of knowledge management. A SaaS contract with a minimum term of three years was concluded with the bank. Using the ESM Platform, the customer can seamlessly map and digitalize IT service management and end-to-end banking processes, while automating service processes with AI. This results in significant efficiency gains and further optimization of operational procedures. Substantial efficiency improvements are also achieved by a renowned Dutch healthcare provider with whom Serviceware has agreed an extension of its use of the Serviceware ESM Platform. Going forward, the scheduling of sample collections and the associated logistics processes will be automatically planned, coordinated, and managed via Serviceware's Platform for a mid-five-digit number of patients. Numerous other companies from sectors such as construction, software, industrial manufacturing, electrical engineering, real estate, and mechanical engineering likewise rely on Serviceware's AI-native ESM Platform.

At REHAU Industries, a leading supplier of polymer-based solutions for industries such as construction, industry, mobility, aerospace, and industrial engineering, the AI-native Serviceware ESM Platform with the AI Process Engine went live in the area of IT Financial Management (ITFM). Previously, REHAU had already used the "Serviceware Processes" solution for its IT Service Management (ITSM). With Serviceware's solutions, REHAU can now fully automate service processes and seamlessly integrate new ones. Processes that previously could not be implemented due to high effort or limited profitability can now be created and executed within minutes. A successful go-live of the Serviceware ESM Platform in IT Financial Management also took place at a global leader in building solutions. The customer now benefits from end-to-end analytics and reporting capabilities on a central database. These enable the creation of "what-if" scenarios within minutes and allow all cost items to be managed, planned, monitored, and optimized in a single application.

For a long-standing Serviceware portfolio customer in the field of connection technology, a conceptual redesign has been underway since summer 2025. With the help of the Serviceware ESM Platform and its numerous

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AI functionalities, all ITSM processes within the company are to be made AI-native. In addition, the implementation of non-IT processes, e.g. in HR, is planned using the Serviceware ESM Platform.

Internationalization: As part of its international expansion strategy, Serviceware has continued to drive its sales activities forward with strong momentum and is able to report excellent progress and steadily growing project pipelines across Europe, Asia, and North America. In the United States, Serviceware signed its first contract through its partnership with the Maryville Consulting Group during the reporting period. A major food corporation with multi-billion-dollar annual revenues will use the Serviceware ESM Platform for IT Financial Management (ITFM). In addition, Serviceware entered into a cooperation with Thavron Solutions, a leading independent US-based consulting firm specializing in ITFM. The goal of this partnership is to position Serviceware as an internationally recognized leader in all areas of Technology Business Management (TBM) and hence to further enhance the company's visibility in the global market. Serviceware also expanded its presence in North America through participation in specialist conferences and trade fairs. In August, the company took part in the 2025 World of IT Financial Management in San Antonio, Texas — the leading global event for IT financial management technologies. In Asia, Serviceware continued to win new customers as well. A Fortune Global 500 company is expanding its use of the ESM Platform within the organization to automate additional IT financial processes.

The market entry in France is progressing according to plan — Serviceware has recently established its own local sales presence and is confident of achieving initial project wins soon. The company also continued to expand its international partner network and strengthen collaboration with existing partners. Leading global consulting firms such as KPMG and Deloitte, which cooperate with Serviceware in various areas including ITFM, are increasingly linking their advisory services with technological solutions to better support customers in their digitalization efforts. This creates additional growth opportunities and new customer potential for Serviceware.

In June, Serviceware was officially recognized by the FinOps Foundation as a certified platform for Cloud Financial Management. This certification confirms that FinOps best practices can be successfully implemented using the Serviceware ESM Platform. FinOps (Financial Operations) refers to the management of cloud costs within an organization — with the objective of creating transparency, maintaining control, and optimizing cloud spending for maximum economic efficiency.

Share: The Serviceware share continues to be covered by the research firms Montega and Quirin Bank. Analysts from both institutions recommend the share as a buy. Their target prices are EUR 25.00 and EUR 27.50 respectively, corresponding to an upside potential of approximately 50.0 percent and 65.0 percent (as at October 20, 2025).

1.3 Business Development

1.3.1 Development of Sales Revenues

During the first nine months of the current fiscal year, Serviceware once again increased its sales revenues. They amounted to EUR 85.7 million, representing an increase of 12.5 percent compared with the same prior-year period, thereby continuing the revenue growth achieved in fiscal 2023/2024. The main driver of this growth was the SaaS/Service segment, which recorded a 28.5 percent rise year over year. By now, SaaS/Service revenues account for 76.1 percent of Serviceware's total revenues (prior year: 66.6 percent). By contrast, license revenues declined by 29.4 percent during the reporting period, while maintenance revenues were 9.0 percent below the previous year's level. The transition toward SaaS/Service transactions thus continues consistently. The ongoing shift toward SaaS/Service results in a deferral of revenue recognition into

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future periods but secures greater planning reliability and recurring income. Revenues are distributed as follows:

In kEUR	December 1 to August 31		Variation in %
	2024/2025	2023/2024	
Revenues SaaS/Service	65,282	50,786	28.5
Revenues licenses	9,370	13,273	-29.4
Revenues maintenance	11,095	12,190	-9.0
Total	85,747	76,249	12.5

1.3.2 Operating Result (EBITDA/EBIT)

Consolidated earnings before interest, taxes, depreciation and amortization (EBITDA) for the first nine months of fiscal 2024/2025 amounted to kEUR 3,590, exceeding the previous year's figure by kEUR 819. Earnings before interest and taxes (EBIT) for the first nine months also improved compared with the prior-year period, rising from kEUR -23 by kEUR 697 to kEUR 673, thus returning to positive territory.

The prior-year result was relieved in the amount of kEUR 1,184 by the capitalization of internally generated intangible assets, which met the capitalization criteria in accordance with IAS 38 "Intangible Assets" and therefore had to be capitalized. In the current reporting period, there were no more internally generated intangible assets that met the requirements for capitalization in accordance with IAS 38, meaning that there was no relief on earnings from the further capitalization of internally generated intangible assets. Internally generated intangible assets capitalized from June 2023 to November 2024 totaling kEUR 2,452 are amortized as scheduled over the expected useful life of three years from the beginning of the current fiscal year. No further significant capitalization of internally generated intangible assets is expected in subsequent periods.

The transformation of the business model from one-off license invoicing to a SaaS business model with monthly recurring revenues continues to have a negative impact on earnings. The trend towards SaaS/service business is associated with the fact that revenue is only recognized with a delay and over a period of several years, while the sales expenses for identifying and processing leads in particular are fully realized in the current reporting period. This effect is particularly significant for enterprise customers and international projects. However, the earnings trend shows that the progress made in transforming the business model is increasingly reflected in the business figures.

1.3.3 Financial Result and Earnings before Taxes

The financial result essentially includes interest accrued on deposits, interest expenses for the long-term financing of the most recent company acquisition, expenses from the accretion of interest on lease liabilities in accordance with IFRS 16 and interest expenses from the discounting of trade receivables. Overall, the financial result increased by kEUR 7 versus prior year and amounted to kEUR 152 in the reporting period.

Earnings before taxes (EBT) totaled kEUR 826 (prior year: kEUR 121), representing an improvement of kEUR 704 year over year.

1.3.4 Income Tax Expense and Earnings after Taxes

For the first nine months of fiscal year 2024/2025, income tax expense totaled kEUR 323 (prior year: kEUR 842), primarily resulting from the positive pre-tax profit and foreign withholding taxes.

The Group's earnings after taxes for the first nine months of fiscal year 2024/2025 amounted to kEUR 503. Compared with the prior-year period (kEUR -721), this represents an improvement of kEUR 1,224.

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1.4 Balance Sheet as at August 31, 2025

Serviceware's cash position, which comprises the balance sheet items cash and cash equivalents and non-current financial assets, decreased by kEUR 1,997 to a total of kEUR 31,614 as at August 31, 2025, compared with November 30, 2024. The cash position was thus kEUR 658 lower than at the same date in the previous year (August 31, 2024: kEUR 32,272).

Equity amounted to kEUR 47,204, an increase of kEUR 833 or 1.8 percent compared with the balance sheet date of fiscal year 2023/2024 (kEUR 46,371). Liabilities totaled kEUR 133,538 as of August 31, 2025, up kEUR 24,854 compared with November 30, 2024. The main driver of this increase in liabilities was the rise in contract liabilities, which grew by kEUR 21,274 to kEUR 101,871 as at August 31, 2025 compared to November 30, 2024. The balance sheet item for contract liabilities primarily reflects advance payments received for SaaS and maintenance contracts. These contract liabilities relate to periods of up to 60 months and, based on binding agreements, represent fixed future revenues for Serviceware. As a result of the accelerated expansion of the SaaS business, contract liabilities increased by 26.4 percent.

The balance sheet total amounted to kEUR 180,742 as at August 31, 2025 (November 30, 2024: kEUR 155,054). The equity ratio was 26.1 percent. Compared with November 30, 2024 (29.9 percent), the equity ratio decreased by 3.8 percentage points. This decline is attributable to the balance sheet extension effect described above, resulting from the increase in contract liabilities.

1.5 Supplementary Report

At the time of preparing this interim report, there were no significant events that would need to be mentioned in the Supplementary Report.

1.6 Outlook

Our business model continues to be in an advanced stage of transformation, shifting from comparatively high one-time revenues toward lower, but recurring and long-term, more profitable revenue structures. A defining characteristic of this transition is that a large portion of contractually agreed revenues are not yet recognized in the current fiscal year but will only be reflected in the income statement and consolidated statement of comprehensive income in subsequent years. In addition, the start of multi-year SaaS contracts typically involves high one-time expenses that initially weigh on earnings. In the long term, however, this model — characterized by a high proportion of recurring revenues and a low churn rate — is expected to lead to greater profitability and more sustainable business development, making Serviceware's business model more resilient to short-term economic fluctuations.

Moreover, the numerous ongoing armed conflicts and economic uncertainties create a high level of unpredictability regarding business development forecasts. The many risks contribute to the fact that both the assessments for the current fiscal year and the medium-term business outlook are subject to increased volatility.

The overall environment remains challenging. Nevertheless, we are confident that we will once again be able to increase sales revenues by between 5 and 15 percent year over year in the current fiscal year. If we continue to successfully accelerate new customer acquisition internationally, there is a strong likelihood that we will achieve a revenue growth rate in the upper half of this range by year-end. Our revenue forecast for the current fiscal year also assumes that no exogenous shocks will occur in 2025 that could negatively impact Serviceware's business activities. For the following years as well, we remain confident that we will continue to drive both revenue and earnings growth.

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As we no longer have capitalized internally generated intangible assets since the beginning of the new fiscal year and have started to amortize the capitalized internally generated intangible assets from the last two fiscal years as scheduled, this cost relief from the two prior years no longer applies and will have a negative impact on EBIT and EBITDA. Nevertheless, we expect the earnings situation at EBITDA and EBIT level to improve slightly in the current fiscal year compared to the previous year.

Idstein, October 24, 2025

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Dirk K. Martin

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Harald Popp

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Dr. Alexander Becker

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Company description

Serviceware is a provider of software solutions for the digitalization and automation of service processes (Enterprise Service Management), with which companies can increase their service quality and manage their service costs efficiently.

The Serviceware Platform consists of seamlessly integrated software solutions that can also be used independently of each other. Since 2018, Serviceware has been focusing on the potential of artificial intelligence in service management. Today, AI is the central innovation factor of the Serviceware Platform, which is constantly being further developed in the company's own AI competence center in cooperation with TU Darmstadt.

Serviceware partners with customers from strategic consulting through the definition of the service strategy to the implementation of the Serviceware Platform. Further components of the portfolio are safe and reliable infrastructure solutions as well as managed services.

Serviceware has more than 1,000 customers worldwide from various business sectors, including 18 DAX companies, as well as 5 of the 7 largest German companies. The head office of Serviceware is in Idstein, Germany. Serviceware employs more than 450 people at 14 international locations.

For more information, please visit www.serviceware-se.com.

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