Rethink HR

Annual report
P&I Personal & Informatik AG

2023/2024

Dear readers,

If I had to pinpoint what has been making P&I AG stand in the 2023/2024 financial year in terms of our brand's essence and how it is perceived on the market, I think would say that it is our technology. Because that is what makes us different and what allows our customers to move their entire HR operations to the cloud with a single click. With zero effort and from any platform – which makes the whole thing a little bit like magic. In line with our entire organization, our employees, competitors and technology, now is the exact right time to look at P&I LogaHR in a broader context. That is, we have now reached a point where we are ready to remove P&I LogaAll-in from the market of our competitors and to create an entirely new market either for or with P&I LogaHR that will allow us to continue to significantly enrich the changing world of work in the future.

If I had to summarise our actions over the past months in a single phrase, it would be that, when it comes down to it, we are able to do the right thing and to do the right thing right. This might actually be our most important skill, and it is being reflected by yet another enormously successful year, which we are finishing with a revenue of Euro 248 million and EBITDA of Euro 150 million. However, we wouldn’t be P&I AG if we didn’t already have our next goals in mind by way of laying the foundations for a successful financial year 2024/2025. These foundations are Euro 17 million in monthly recurring revenue from April 2024, which corresponds to a total of around Euro 200 million for the entire financial year.

In collaboration with the larger and very close-knit community surrounding P&I LogaHR, we would now also like to start thinking a little bit bigger in terms of all of the things we do. This is the only way we are going to be able to make P&I AG the highest-rated HR cloud company in the world and create a digital HR working world with P&I LogaHR that is second to none. However, what will P&I look like in the future? One things the entire management agrees on is that we want to grow and generate profit.

In order to continue to give the topics of growth and business development the attention they are going need during this next phase of our company's development, we are delighted to welcome Bernd Manke as a new member to the Management Board at the start of the 2024/2025 financial year. Now appointed Chief Growth Officer (CGO), Bernd Manke has been with P&I since 1999 and has successfully driven forward both our Public Sector and Health & Social Services divisions. He will henceforth be responsible for public sector sales and growth initiatives in the newly created Growth & Business Development department, which will be particularly important in view of the end of the on-premise world and the expansion of our cloud-based P&I LogaHR platform.

P&I LogaHR is the future - just as reflected by our company’s organisational structure and vice versa. Our second major strategic thrust is the differentiation of P&I LogaAll-in. However, this requires a new organisational structure with sufficient capacity for something completely new. We allocate each customer a digital twin, which in turn is overseen by a dedicated customer success team in order to deliver an unprecedented level of specialization and direct machine-to-human support for our customers. Hence, with P&I LogaHR, we have created a product that our customers do not just see as yet another minor improvement, but accept as a completely new technology.

One thing is certain: the future of P&I AG cannot be better than the present, because we achieved 20% growth in net sales and 61 % in EBITDA. This is, unless we see the future as something concrete that we can positively influence and shape.

Will we be able to achieve all of this on the back of this far-reaching transformation and, does it have to happen now? P&I's foundation as a company rests on a number of fundamental principles: We do not have good processes, any strategies, we don't copy strategies, we don’t have any role models. One of the basic principles that I have always used to make decisions is “You can only see the future as either something concrete or as something that is vague and uncertain”. If the first, it makes sense and, as I believe, it is crucial to do what it takes to make a positive impact. Which is why now is the exact right time for P&I AG to do so.

Yours sincerely,

Vasilios Triadis
Chief Executive Officer, P&I AG

02/

COMBINED MANAGEMENT REPORT

The following consolidated management report contains information about the P&I Personal & Informatik Group (P&I Group or "we") and P&I Personal & Informatik Aktiengesellschaft Wiesbaden, (P&I AG) as well as the business operations of P&I in general (P&I). P&I AG is the parent of the P&I Group. It is a fully operational business entity and performs Group management functions. In addition to P&I AG, the P&I Group includes a total of nine foreign subsidiaries, the shares of which P&I AG directly or indirectly owns to 100 %. Due to the fact that P&I Personal & Informatik AG is an essential part of the P&I Group, P&I AG's management report has been combined with the management report of the P&I Group in accordance with Section 315 (5) in conjunction with Section 298 (2) of the German Commercial Code (HGB). The information provided in this report consequently relates to the Group unless express reference is made to P&I AG.

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and the supplementary provisions of Section 315e (1) HGB. The annual financial statement of P&I AG has been prepared in accordance with the provisions of the HGB and the German Stock Corporation Act (AktG). For clarity and ease of readability, values are expressed in thousand euro, kEUR (table), or million euro (continuous text).

1. Overview of the financial year

In the 2023/2024 financial year, the P&I Group generated revenue of EUR 248.3 million and an operating result before depreciation and amortisation (EBITDA) of EUR 150.1 million. This corresponds to an EBITDA margin of 60.4 %. P&I's success is based on cloud-based, integrated and digitally controlled HR software solutions. The P&I Group's business development is marked by steady growth, a high level of profitability and a consistent increase in its key performance indicators.

Profit and revenue growth

- The P&I Group increased its revenue by 18.2 %, from EUR 210.0 million to EUR 248.3 million. The P&I Group is continuing to drive forward its continuous growth with its cloud-based HR business model.

- The Group's organic revenue growth amounted to 20.1 % and takes into account the disposal of Mirus Software AG, Davos, Switzerland (Mirus), on 1 October 2023. This was done by adjusting the previous year's revenue by the revenue contributed by Mirus over the period from October 2022 to March 2023.

- EBITDA increased by 25.0 % to EUR 150.1 million. This corresponds to an EBITDA margin of 60.4 % (previous year: 57.2 %).

- The P&I Group achieved an EBIT margin of 54.9 % (previous year: 51.4 %), which is an EBIT of EUR 136.4 million and exceeded the previous year's result by 26.4 %.

- At EUR 206.2 million, recurring services accounted for 83 % of the P&I Group's consolidated sales. This means that, at 22.9 %, revenue in P&I's most important segment – recurring services – has seen a double-digit increase again just as in previous years (previous year: 22.3 %).

- In the financial year under review, the Group entered into contracts for P&I LogaHR with a recurring monthly sales volume to the amount of EUR 5.3 million (previous year: EUR 3.9 million) with customers from the small, medium and large payroll transaction segment. For about 100 of those customers, this was the first time they decided to work with P&I LogaHR.

- P&I AG has entered into a Control and Profit Transfer Agreement with P&I Zwischenholding GmbH, Wiesbaden, which has been in force since the 2011/2012 financial year. Athena BidCo GmbH, Wiesbaden, has entered into this contract as the legal successor of P&I Zwischenholding GmbH following the merger of P&I Zwischenholding GmbH with Athena BidCo on 1 April 2020. In accordance with the terms of this Control and Profit Transfer Agreement, the annual profit of P&I AG for the 2023/2024 financial year as reported in the annual financial statements prepared in accordance with HGB in the amount of EUR 127.9 million (previous year: EUR 114.5 million) are transferred to Athena BidCo GmbH.

The most important key performance indicators for the P&I Group developed as follows:

	2023/2024 kEUR	2022/2023 kEUR	Change	2021/2022 kEUR	Change
P&I LogaHR Revenue	165,087	109,289	51.1 %	70,266	55.5 %
Revenue	248,316	210,023	18.2 %	172,403	21.8 %
Recurring revenue	206,227	167,847	22.9 %	137,292	22.3 %
EBITDA	150,067	120,083	25.0 %	93,415	28.5 %
EBITDA margin	60,4 %	57,2 %	5.7 %	54.2 %	5.5 %
Operating cash flow	122,276	100,790	21.3 %	79,866	26.2 %

2. P&I AG and the Group

2.1 The P&I Group

P&I is an international HR-cloud company that has been providing HR-management technologies and services that allow users to perform all essential HR tasks on a single integrated platform since 1968. Thanks to ongoing innovation and the continuous improvement of its products and services, P&I has always been able to maintain a sustainable position at the very top of the German HR market and directly acts as a HR specialist for end customers, large data centres and international HR service providers. Its international presence allows P&I to support its customers locally while pursuing a philosophy that centres on further improving its technologies, software and services in partnership with its customers on an ongoing basis and hence take an active part in shaping the future of HR.

P&I's scalable cloud platform P&I LogaHR covers the entire value chain, from the IT infrastructure to the software, which is being constantly updated and maintained. The platform is hosted by P&I's HR data centre and comprises all of the hardware, technical hosting services, P&I LogaHR software and services, such as data security measures and updates, required to run it. The infrastructure and system components are designed to seamlessly interact and provide a high level of reliability, dependable operating processes, and system and data security in line with legal requirements, and come with IT security and compliance certificates.

The P&I LogaHR software combines payroll accounting, human resource management, time management, personnel planning and employee self-service in a fully integrated, web-based and mobile solution and is consequently capable of digitally supporting and of increasingly automating all aspects of human resource management. The platform's breadth and depth of features mean that it is also capable of meeting very diverse requirements. At the same time, P&I LogaHR's web-based interface is largely self-explanatory, which, coupled with the instructions provided, make it very straightforward to use. In addition to the above, the platform's use is also being facilitated through P&I's feedback system, which enables customers to communicate and collaborate with P&I online on an uniform platform.

Switching to the cloud gives customers direct access to all of the options and features provided by P&I LogaHR, doing away with the laborious processes formerly associated with HR work. P&I LogaHR's integrated approach furthermore makes it possible to immediately identify relevant HR work routines, to automatically complete them in accordance with predefined algorithms and hence reduce the amount of administrative and manual tasks users have to perform. P&I LogaHR's intelligent production processes, for example, speed up the labour-intensive month-end close process by means of daily simulations and automatically completing the process by the reporting date. These solutions consequently free up significant time for HR departments and enable them to concentrate on management tasks and HR strategy.

P&I LogaHR furthermore offers integrated access to industry experts and a digital twin that allows customers to access intelligent technology-based solutions capable of effectively meeting their needs, no matter whether that's concerning specific questions regarding accounting practices or on the set-up of a modern HR management system. Thanks to their industry-specific and technology-based approach, the digital twins can serve as reliable aids and allow customers to sustainably democratise their HR work.

P&I has also launched a new, complementary service in addition to its Software-as-a-Service (SaaS) business, which is called HR-as-a-Service (HRaaS). As part of this HRaaS package, P&I takes full responsibility for the system's technical administration, for processing all payroll-related transactions and for payroll accounting. In view of the growing scarcity of qualified personnel and this opportunity to collaborate with P&I on a uniform platform, this new addition to P&I's range of services is meeting with increasing demand.

P&I's platform capability is based on experience derived from over 100,000 user years and the completion of over 5.6 million HR cases per month, as well as ongoing investment in product research and development, which guarantees that P&I services are fully aligned with future technology trends. As a result, there are now over 2000 direct P&I Loga customers as well as leading international HR service providers and major data centres that use P&I's products for their HR business. Added to that, P&I's HR management solution P&I Plus, which has been designed for high performance and complex demands, also offers support for large public and church administrations with decentralised organisational structures.

P&I employs over 500 staff who look after customers in thirteen European countries. So as to maintain proximity to its customers, P&I has offices in four German cities and another ten offices in a number of European countries, including Switzerland, Austria and the Netherlands, in addition to its development centres in Greece and Slovakia.

2.2 Group strategy

P&I's seeks to offer its customers added value through a highly innovative, technologically and professionally leading and simultaneously user-friendly HR system, to use this system to permanently increase its customer base and payroll transactions and, by doing so, to ensure its future financial success as a company.

At the end of the 2023/2024 financial year, the transition from a license to a subscription-based business model based on Software-as-a-Service products entered its final stage and hence now allows P&I to solely focus on expanding its cloud platform P&I LogaHR. The digital twin is an essential part of the P&I LogaHR architecture and is a fully functional system that represents P&I's entire product portfolio. This allows the digital twin to act as a technical springboard and as a bridge between the real and digital world. It is set up such that it can be opened by users on their own systems to access and explore. It allows users to see all of the P&I LogaHR platform features they have not yet utilised and demonstrates how they could make use of them. We believe that this clear focus will allow us to achieve sustainable growth and improve our key financial indicators on an ongoing basis, as well as to further increase revenue from recurring services. In this context, the Group's Software-as-a-Service business is increasingly being supplemented with revenue from the HR-as-a-Service segment, which customers are increasingly demanding as a complementary service.

The main focus of P&I's business operations are its customers and their industry-specific requirements and needs. This is why P&I's services are extremely closely linked to the technical architecture of P&I LogaHR. Every customer is allocated a digital twin that matches their industry and scale and is managed by a dedicated Customer Success Team. This Customer Success Team combines the entire know-how from our consulting, quality assurance and technology divisions and makes the same available on a constant basis to customers through personal consultations and digitally through the industrial expert and digital twin.

Sales / Market

The market for HR software has already been saturated for a number of years. I.e. most companies these days already have a payroll system, which means that it is only possible to grow in this sector by increasing one's market share. As a consequence, this market is dominated by predatory competition. At the same time, a lot of companies are realising that their HR processes are no longer adequate and that, because of the volume of admin work involved, they there is no longer any time for strategic HR issues. They are consequently looking for new, high-performance solutions in the areas of HR administration, HR management, time management and personnel planning that are often not covered by their payroll accounting service providers. As a result, these issues have gained significant momentum and are creating potential for growth.

In parallel to the need for new functional depth and breadth, companies have also been increasingly realising in recent years that on-premise solutions are not suited to facilitating modern, digitalised HR administration and management methods. In addition to the above, customers are also increasingly looking for easily accessible and simultaneously secure HR systems, which is not something that is easy to provide using classic on-premise solutions. It is these very needs that have given rise to the market for cloud-based systems, which allow modern providers to deepen their value creation and hence create opportunities for growth.

Within this dynamic environment, P&I has positioned itself as the provider of a fully integrated HR platform that perfectly meets all of these needs. At the same time, P&I is also covering a very broad range of customers, which includes customers from many different sectors and industries - including the public sector - as well as smaller medium-sized companies with 200 employees, up to large companies and data centres with monthly payroll operations in excess of 200,000 individual transactions. As a result of this combination of a scalable product and broad market presence, P&I has been ranked third in the latest ranking list of the TOP 25 HR system providers in the DACH region published by the Witte institute of economics.

Research and development

P&I believes that user-friendly and easy-to-use products are key requirements for sustainable growth. P&I also believes that software should not only reflect the state of the art in terms of functionality and technology, but also in terms of general social trends. Hence, the ongoing development of P&I’s products in the past financial year has also been marked by linking technologies, software and hardware. One of the key foci of this work has been the intelligent (digital) automation of data from third-party systems and HR processes and the use of P&I LogaHR to take over the performance of resource-intensive routine tasks.

P&I invested a total of EUR 26,4 million (previous year: EUR 23.5 million) in product research and development, change management in accordance with the statutory provisions and the law on collective agreements, and in the development of new technologies. This corresponds to 10.6 % of P&I’s annual revenue (previous year: 11.2 %). These expenditures apply to all P&I products. Our research and development division is based at our headquarters in Wiesbaden and is supported by staff from our companies in Slovakia and Greece. By the end of the financial year, the development centre in Ioannina, Greece, was employing a total of 161 staff (previous year: 150). At present, P&I releases three major upgrades a year, which are embedded in a standardised release approval process, to meet P&I’s high software quality standards and to continuously improve its products based on customers’ needs. In the year under review, the P&I Group employed 221 people in the P&I product development division (previous year: 224) that are responsible for the development of P&I’s products.

P&I’s development projects centre on improving P&I’s products on an ongoing basis and are characterised by cyclical and iterative phases. Gathering (research) and implementing (development) ideas are also not sequential processes, but phases that tend to comprise a mix of research and development. Research costs are expensed in the period in which they are incurred. The development costs for an individual project are only recognised as an intangible asset if the technical feasibility of the completion of the intangible asset, the ability to use and sell this asset, the future economic benefit and the expenses relating to its development, can be reliably determined. Since, just as in the previous years, the conditions for the recognition of development costs as assets at P&I were not met in the 2023/2024 financial year, all development costs were expensed and not capitalised.

2.3 Organisation / Personnel

In the year under review, P&I employed an average of 522 FTE staff (previous year: 538), including the Management Board. Of these, 247 staff (previous year: 252) were employed in Germany and 275 in other countries (previous year: 286). Of those, a total of 53 were employed in Austria (previous year: 57), and 34 at the development centre in Slovakia (previous year: 37). The number of staff employed in Switzerland dropped from 43 to 27 on 1 October 2023 as a result of the disposal of Mirus Software AG. The remaining employees are employed in the international segment. An annual average of 129 developers (previous year: 119) and 29 technology specialists (previous year: 28) furthermore provided development services for the P&I Group at the development centre in Ioannina (P&I Hellas in Greece). By the end of March 2024, this team increased to 161 people (previous year: 150).

P&I's sales organisation operates in both the private and public sector. Our sales team and consultants' regional orientation means that P&I's organisational structure distinguishes itself through its proximity to its customers.

The Group's consulting division provides strategic advice, supports customers with the implementation and ongoing operation of P&I's software solutions and provides P&I LogaHR-based HRaaS services. The Group has now 24 Customer Success Teams (previous year: 20) which are made up of consultants, QA staff and a technical expert respectively. Each of these teams is responsible for a set group of customers and supports them during the implementation phase of our products and provides them with ongoing support thereafter, which means that they build strong customer relations. These teams consequently provide 100% product support.
In the year under review, the P&I Group employed an average of 205 people (previous year: 216) in this division.

Research and Development, whose activities are described in detail in section 2.2, accounted for a total of 221 employees (previous year: 224).

P&I employed 46 people in sales and marketing (previous year: 48) in the past year. European activities in countries without dedicated subsidiaries are coordinated by the head office in Wiesbaden; and Austrian and Swiss customers are served by our own local sales staff on site.

In the year under review, the P&I Group employed 50 administrative staff (previous year: 49) office and administrative staff.

Personnel costs for the 2023/2024 financial year totalled EUR 74.8 million (previous year: EUR 66.8 million).

The P&I Group and P&I AG's management strategy is primarily based on a broad system of corporate targets. These corporate targets are broken down into Group targets and individual targets for all other employees at the top management level and their achievement is rewarded in the form of variable salary components depending on the level of responsibility of the employees involved. The corporate targets are derived from the planning data for sales revenue, particularly recurring revenue and revenue from P&I LogaHR, as well as the operating result before depreciation and amortisation (EBITDA).

3. General economic conditions

Following muted growth in 2023, the European economy transitioned into 2024 in a much weaker state than anticipated. The economy in the euro area is currently in a phase of stagnation. Following a slight decline in the third quarter and slight increase in the first six months, GDP barely changed in the fourth quarter of 2023. Overall, GDP rose by no more than 0.5 % in the calendar year 2023. The slowdown in growth in 2023 was primarily due to the economic consequences of the war in Ukraine.

In Germany, GDP declined by 0.3 % in 2023 over the previous year. The energy crisis and geopolitical tensions furthermore undermined manufacturer, investor and consumer confidence. World trade became less dynamic, which negatively impacted on German exports. However, the market figures published by the industry association BITKOM show that the market for information technology and telecommunications (ITC) actually grew by 2.0 % in 2023, which was due in particular to the high rise in IT hard- and software sales.

4. Group business performance

In the 2023/2024 financial year, the P&I Group's performance was marked by a significant increase in its most important key performance indicators compared to the previous year. With revenue increasing by 18.2 % to EUR 248,3 million, the Group generated an EBITDA of EUR 150.1 million and an EBITDA margin of 60.4 %. This corresponds to a year-on-year increase of 25.0 %. EBIT increased to EUR 136.4 million, which corresponds to an EBIT margin of 54.9 %. These growth rates are significantly higher than the average economic growth rates within Germany and as well as those in the sector. Hence, P&I's performance with its cloud-based and digital software solution P&I LogaHR can therefore be regarded as very good.

4.1 Results of operations

Revenue development

In the 2023/2024 financial year, the P&I Group's consolidated revenue increased by 18.2 % to EUR 248.3 million. The Group's organic revenue growth amounted to 20.1 % and takes into account the disposal of Mirus Software AG, Davos, Switzerland (Mirus), on 1 October 2023. This was done by adjusting the previous year's revenue by the revenue contributed by Mirus over the period from October 2022 to March 2023.

	2023/2024 kEUR	2022/2023 kEUR
P&I LogaHR	165,087	109,289
Other Software as a Service (SaaS)	9,054	13,431
Service Agreements / Application Services Providing (ASP)	5,780	9,637
Software as a Service	**179,921**	**132,357**
Maintenance	26,306	35,490
Recurring services	**206,227**	**167,847**
Consulting (non-recurring business)	33,057	31,252
Licenses	1,319	2,030
Other	7,713	8,894
Non-recurring services	**42,089**	**42,176**
Total	**248,316**	**210,023**

Recurring services

Recurring services increased at an above-average rate by EUR 38.4 million to EUR 206.2 million (previous year: EUR 167.8 million). The P&I Group generated 83 % of its revenue (previous year: 80 %) through its recurring services, which corresponds to a double-digit increase in revenue of 22.9 %. Recurring services comprise P&I LogaHR services in the form of Software-as-a-Service (SaaS) and HR-as-a-Service (HRaaS) services as well as maintenance income, other SaaS services and recurring services from the consulting business (service contracts, application service providing).

SaaS business (Software as a Service)

Overall, SaaS business grew at a disproportionately high rate in the past financial year and increased by 35.9 % from EUR 132.4 million to EUR 179.9 million. This means that, at this stage, nearly 73 % of the revenue generated by the P&I Group comes from cloud solutions. The most important product to drive Saas revenue was P&I's LogaHR product range, both through new customers and existing customers making the switch to the P&I LogaHR cloud. In the financial year under review, the cloud-based service P&I LogaHR increased the Group's revenue by EUR 55.8 million to EUR 165.1 million. At this stage, the P&I Group is already generating two thirds of its annual turnover with P&I LogaHR. Year-on-year, revenue increased by 51.1 %.

Maintenance business

P&I's maintenance income developed as planned. With a revenue of EUR 26.3 million (previous year: EUR 35.5 million), maintenance makes up around 11 % of the Group's total revenue. In the past year, more than 200 of our on-premise customers opted to switch to our cloud-based solution P&I LogaHR and migrated. This means that former maintenance services have been absorbed into the P&I LogaHR service package business, and that their loss simultaneously caused a drop in revenue derived from maintenance alone.

Non-recurring services

In the financial year under review, revenue from non-recurring services continued to be stable compared to the previous year despite the switch from a license to a SaaS-based business model and amounts to EUR 42.1 million (previous year: EUR 42.2 million). The rise in the demand for consulting services furthermore compensated for the decline in revenue from license and third party business.

Consulting business

Non-recurring consulting services for project implementations and consulting services for HR services increased by 5.8 % year-on-year and amounts to EUR 33.1 million (previous year: EUR 31.3 million), which corresponds to 13 % of the P&I Group's total revenue.

Licence business

Licence revenue amounted to EUR 1.3 million and, as anticipated, is consequently lower than that generated in the previous year (EUR 2.0 million). P&I is deliberately refraining from selling new technologies (P&I LogaHR) on a licence basis and is, instead, primarily offering them in the form of SaaS solutions.
At present, license business primarily comprises follow-up orders from existing customers who are paying for extra features or higher transaction numbers. In terms of new customer acquisition, P&I now favours the conclusion of SaaS contracts.

Other revenue

Other revenue amounted to EUR 7.7 million (previous year: EUR 8.9 million) and primarily comprises time management hardware and third-party products.

Revenue development by country

	2023/2024 kEUR	2022/2023 kEUR	Change
Germany	212,262	171,045	24.1 %
Austria	18,185	18,147	0.2 %
Switzerland	17,665	20,781	-15.0 %
Other international	204	50	308.0 %
Total	**248,316**	**210,023**	**18. 2 %**

Domestic revenue growth

Revenue from domestic sales grew by 24.1 % over the previous year. At EUR 212.3 million, it accounts for 86 % of the P&I Group's revenue. In absolute terms, domestic revenue increased by EUR 41.2 million. This - fully organic - increase is attributable to the expansion of business with new and existing customers, and in particular so with respect to P&I Loga HR, but was also due to an increase in consulting services.

Stable sales in Austria

The revenue generated in Austria has remained stable comparted to the previous year. That is, the P&I Group generated revenue to the amount of EUR 18.2 million in Austria, which equates to 7 %, of its total revenue (previous year: EUR 18.1 million). Revenue derived through P&I's core product P&I Loga in Austria increased by 20 % and amounted to EUR 12.3 million. Revenue generated through P&I LogaHR alone rose to EUR 7.2 million.

Declining revenue growth in Switzerland following company sale

The Group's Swiss segment contributed EUR 17.7 million (previous year: EUR 20.8 million) to the P&I Group's annual turnover. This corresponds to 7 % of the Group's total revenue. The decline in revenue is due to the disposal of Mirus Software AG, which ceased to be a Group company on 30 September 2023. This led to a reduction in the revenue contributed by the Swiss segment by an amount similar to that contributed the previous year (EUR 4.7 million). At the same time, the revenue generated in Switzerland with our core product P&I Loga increased by nearly 13 %. Revenue from P&I LogaHR increased from EUR 4.8 million to EUR 7.4 million.

Development of incoming orders and orders on hand

The number of new contracts taken out in a month for P&I LogaHR services is the most important key indicator for new incoming orders for our company. P&I LogaHR contracts are generally multi-year contracts. In the 2023/2024 financial year, the incoming orders for P&I LogaHR – based on the volume of new contracts taken out in a month – stabilised at a high level relative to the previous year and amounts to EUR 5.2 million (previous year: EUR 3.9 million).

The average contractually agreed monthly subscription fee for P&I LogaHR (orders on hand) increased from EUR 12.1 million (31 March 2023) to EUR 17.0 million by the reporting date of 31 March 2024.

Growth in earnings

EBITDA increased by 25.0 % to EUR 150.1 million in the 2023/2024 financial year (previous year: EUR 120.1 million). This corresponds to an EBITDA margin of 60.4 % (previous year: 57.2 %). Operating earnings (EBIT) amounted to EUR 136.4 million (previous year: EUR 107.9 million).

	2023/2024 kEUR	2022/2023 kEUR	Change
IFRS consolidated income			
Revenue	248,316	210,023	18.2 %
EBITDA	150,067	120,083	25.0 %
EBITDA margin	60.4 %	57.2 %	5.7 %
EBIT	136,358	107,915	26.4 %
EBITDA margin	54.9 %	51.4 %	6.9 %

EBITDA is the key earnings indicator for P&I and the P&I Group has yet again been able to increase its EBITDA and EBITDA margin. The Group's business model, which focuses on long-term customer relationships and increasing its percentage of recurring services, has been the foundation that has enabled the Group to continuously improve both its EBITDA and EBITDA margin. Overall, the Group's operating costs (HR costs and other operating expenses before amortisations) increased by 8.0 % year-on-year to EUR 98.7 million, which is still significantly lower than the increase in revenue, which consequently accounts for the increase in EBITDA. The reduction of other operating expenses is due to the drop in cost of goods purchased (due to the drop in third-party revenue) and the disposal of Mirus Software AG on 1 October 2023.

	2023/2024 kEUR	2022/2023 kEUR	Change kEUR
Revenue	248,316	210,023	38,293
Personnel costs	-74,799	-66,845	-7,954
Other operating expenses	-23,926	-24,584	658
Other operating income	476	1,489	-1,013
EBITDA	**150,067**	**120,083**	**29,984**

The increase in HR costs is largely due to the high level of target achievement in the consulting segment, as a result of which the cost of variable salary components has increased. Other factors that have led to an increase in costs included promotions based on changes in job descriptions. The average number of employees over the year (measured as an average employment ratio), by contrast, has slightly declined and amounted to 522 (previous year: 538).

	2023/2024 kEUR	2022/2023 kEUR
Operating result before depreciation and amortisation (EBITDA)	150,067	120,083
EBITDA margin	60.4 %	57.2 %
Consolidated income before tax (EBT)	146,385	116,104
Consolidated income (before profit transfer [1)])	146,134	114,235
Return on sales	58.9 %	54.4 %
Return on operating assets [2)]	55.8 %	54.2 %
Earnings per share (in EUR)	19.40	15.17

1) There is a Control and Profit Transfer Agreement between P&I Personal & Informatik AG, Wiesbaden, and Athena BidCo GmbH, Wiesbaden,. Under this agreement, the profit reported by P&I Personal & Informatik AG, is to be transferred to Athena BidCo GmbH.

2) Consolidated EBIT for the financial year/operating assets at the reporting date. The operating assets consist of the sum total of goodwill, intangible assets, fixed assets, IFRS 16 lease right-of-use assets, contract assets, contract costs and current assets.

The financial result of EUR 10.0 million in the 2023/2024 financial year (previous year: EUR 8.2 million) is primarily attributable to income from the guarantee agreement and interest income from the loan extended to Athena BidCo GmbH. Due to P&I AG's liability for financing agreements (see separate information in section 4.2 of the management report), Athena BidCo GmbH and P&I AG have contractually agreed that P&I AG shall be compensated for assuming a joint and several guarantee in the form of a guarantee fee. In the 2023/2024 financial year, this guarantee fee amounted to EUR 7.9 million (previous year: 4.8 million). The increase was due to the increase in the amount for which P&I AG has assumed a joint and several guarantee.

The tax expense recorded in the 2023/2024 financial year amounted to EUR 0.3 million (previous year: EUR 1.9 million), which was due primarily to the tax liabilities of the domestic and foreign P&I Group subsidiaries. P&I AG has not reported any current or deferred taxes due to its tax consolidation group agreement with Athena BidCo GmbH.

The P&I Group generated earnings after tax to the amount of EUR 146.1 million (previous year: EUR 114.2 million).

The annual profit of P&I AG for the 2023/2024 financial year as reported in the financial statements prepared according to commercial law in the amount of EUR 127.9 million (previous year: EUR 114.5 million) will be transferred to Athena BidCo GmbH in accordance with the Control and Profit Transfer Agreement.

Earnings per share
Earnings per share within the P&I Group amounted to EUR 19.40 (previous year: EUR 15.17).

4.2 Financial position

Cash flow development and liquidity position
The Group updates its financial and liquidity plans on a regular basis in order to secure the liquidity required for the Group’s day-to-day operations.

There is a Control and Profit Transfer Agreement between P&I AG and Athena BidCo GmbH as the controlling company. This agreement entitles Athena BidCo GmbH to issue instructions to P&I AG.

On instruction, Athena BidCo GmBH was granted several loan tranches to the amount of EUR 78.7 million (previous year: 63.6 million) in the 2023/2024 financial year, on which interest was payable at the standard market interest rates.

At the reporting date of 31 March 2024, the long-term loan granted to the parent company, Athena BidCo GmbH, including accrued interest, amounted to EUR 64.8 million (previous year: EUR 90.6 million). The recoverability of the loan to Athena BidCo GmbH is regularly reviewed by the Management Board by way of monitoring Athena BidCo GmbH’s financial indicators.

The current level of cash and cash equivalents is in line with Group planning and is sufficient to cover the costs arising in connection with the Group's future business activity.

The P&I Group does not have any short-term refinancing requirements and has financing scope in the form of unutilised credit facilities totalling around EUR 54.1 million.

	2023/2024 kEUR	2022/2023 kEUR	Change kEUR
Cash flow from			
– Operating activities	122,276	100,790	21,486
– Investing activities	-90,274	-64,023	-26,251
– Financing activities	-3,413	-3,361	-52
– Change in cash and cash equivalents due to exchange rate changes	84	485	-401
Change in cash and cash equivalents Cash equivalents	**28,673**	**33,891**	**-5,218**

In the 2023/2024 financial year, cash flow from operating activities increased by EUR 21.5 million to EUR 122.3 million (previous year: EUR 100.8 million). This increase was the result of the higher group result and change in working capital.

Cash flow from investing activities is dominated by the cash outflow from a loan that the Group was instructed to pay to Athena BidCo GmbH, which amounted to a toal of EUR 78.7 million in the financial year under review (previous year: EUR 58.8 million). The cash outflow for investments for additional non-current intangible assets and property, plant and equipment amounted to EUR 11.0 million (previous year: EUR 5.3 million).

The cash flow from financing activities is attributable to the repayment of lease liabilities. Due to the offsetting of the 2022/2023 profit transfer obligation of EUR 114.5 million against the loan granted to Athena BidCo GmbH in the 2023/2024 financial year, this transaction does not affect cash flow and is therefore not reported in the cash flow statement.

The changes in cash and cash equivalents due to exchange rate changes were attributable to the development of the Swiss franc compared with the euro. The closing rate for Switzerland on 31 March 2024 was CHF/EUR 0.9766 (previous year: CHF/EUR 0.9968).

The annual maintenance, SaaS and service invoices issued at the start of the calendar year mean that the payments recorded a the start of the year are comparatively high. This means that cash and cash equivalent levels are traditionally high at the turn of the Group's financial year. However, the switch to LogaHR is, in many cases, also associated with a switch to monthly invoicing, which is why the volatility of cash and cash equivalents in the P&I Group as a whole is already diminishing and is anticipated to continue to diminish in the future.

Cash and cash equivalents and current assets
The P&I Group's cash and cash equivalents and current financial assets totals EUR 109.4 million (previous year: EUR 80.7 million).

	31.03.2024 kEUR	31.03.2023 kEUR	Change kEUR
Cash and cash equivalents	104,377	65,704	38,673
Fixed-term deposits	5,000	15,000	-10,000
Cash and cash equivalents and current financial assets	**109,377**	**80,704**	**28,673**
Interest-bearing liabilities*)	0	0	0
Net financial position	109,377	80,704	28,673
Net financial position as a percentage of total assets	35.0 %	27.8 %	7.2 %

*) Excluding lease liabilities

Financial management

The P&I Group has now had substantial liquidity surplus for many years as a result of the advance payments for maintenance, SaaS and services. The P&I Group is in a solid financial position and has access to sufficient credit lines that it can utilise at any time.

The financial management and administration of surplus liquidity is informed by the terms of the Control and Profit Transfer Agreement and the loan extended to Athena BidCo GmbH.

Athena BidCo GmbH entered into a number of financing agreements in March 2020. Based on these, Athena BidCo GmbH was paid a loan totalling EUR 475.0 in March 2020 which, as of 31 March 2024, remains unchanged.

In November 2022, Athena BidCo GmbH entered into another financing agreement with a volume of EUR 300.0 million, which was paid out in December 2022. This financing agreement was terminated early in March 2024 with effect from 15 April 2024.

In March 2024, Athena BidCo GmbH entered into another financing agreement with a volume of EUR 455.0 million, which was paid out in April 2024.

Athena BidCo GmbH was furthermore granted a revolving facility to the amount of EUR 50.0 million. The additional credit line of EUR 50.0 million can also be utilised by P&I AG and is made available for financing potential future acquisitions or for ensuring liquidity in case of need.

At the reporting date, the loans from Athena BidCo GmbH's financing agreements amounted to a total of EUR 775.0 million (previous year: EUR 775.0 million). Taking into account that, on the reporting date, the revolving facility had not been drawn upon, the financing agreements in place as at 31 March 2024 amounted to a total of EUR 825.0 million (previous year: EUR 855.0 million) and increased to a total of EUR 980.0 million in April 2024.

On instruction of Athena BidCo GmbH, P&I AG entered into the credit agreements of Athena BidCo GmbH in April 2020 as jointly and severally liable guarantor. As part of the above, all movable assets and extensive receivables and rights were assigned to the financing banks by way of typical securities, and a subordinated obligation to Athena BidCo GmbH for interest and principal payments was entered into in accordance with an existing liquidity plan. The maximum amount that P&I AG can be held liable for equates to the loan agreements less the assets of Athena BidCo GmbH.

In April 2020, Athena BidCo GmbH and P&I AG agreed that P&I AG will be compensated for the assumption of the joint and several guarantee in the form of an appropriate guarantee fee, which was adjusted in April 2023 to reflect the new financing volume. The guarantee fee paid to P&I AG in the 2023/2024 financial year amounted to EUR 7.9 million (previous year: EUR 4.8 million).

The liabilities arising from the financing agreements are borne by Athena BidCo GmbH. Athena BidCo GmbH depends on P&I AG's generation of a positive annual result to ensure the required liquidity. P&I AG's profits and associated capital inflows will be transferred to Athena BidCo GmbH within the context of the existing profit and loss transfer agreement. Given P&I AG's current corporate plans for the coming years and associated liquidity inflow, the Management Board sees no significant risk to the company with respect to these loan agreements and hence no significant risk of utilisation for the company.

Surplus liquidity that is not used for investments is held in the form of bank balances and fixed-term deposits or overnight deposits. This reflects the management's aim of ensuring access to available liquidity in full at short notice. The composition and development of cash and cash equivalents are presented in the appendix and the consolidated cash flow statement.

The Management Board and Supervisory Board regularly discuss all matters related to the existing financing agreements and their consequences for P&I.

Derivative financial instruments
Derivative financial instruments are employed in order to prevent to the greatest possible extent the risk to P&I's financial position and results of operations that could result from the negative impact of developments on the financial markets. P&I does not currently employ any derivative financial instruments. Off-balance-sheet financing instruments, such as the sale of receivables or sale-and-leaseback transactions etc. were not utilised.

4.3 Financial situation

The balance sheet total of the P&I Group increased by EUR 22.5 million year-on-year and amounts to EUR 312.6 million (previous year: EUR 290.1 million).

	31.03.2024 kEUR	31.03.2023 kEUR	Change kEUR
Non-current assets	171,040	183,817	-12,777
Current assets	141,519	106,249	35,270
Total assets	**312,559**	**290,066**	**22,493**
Equity	97,648	78,787	18,861
Non-current liabilities	15,097	15,815	-718
Current liabilities	199,814	195,464	4,350
Total equity and debts	**312,559**	**290,066**	**22,493**

Key figures	31.03.2024	31.03.2023
Equity ratio	31.2 %	27.2 %
Net current assets in kEUR*)	-58,295	-89,215

*) Current assets less current liabilities at the reporting date

The P&I Group had *non-current assets* in the amount of EUR 171.0 million (previous year: EUR 183.8 million), which is a decrease of EUR 12.8 million in the year under review. The Group's *non-current financial assets* (EUR 64.8 million, previous year: EUR 90.7 million) have declined year-on-year and are the result of the loan agreement with the parent company Athena BidCo GmbH. The loan is allocated to non-current assets on account of its term.

Intangible assets (incl. goodwill) declined by EUR 6.0 million to EUR 34.8 million (previous year: EUR 40.8 million) as a result of the unscheduled depreciation and disposal of the goodwill of Mirus Software AG following its sale plus scheduled depreciations in the amount of EUR 2.3 million. *Property, plant and equipment* increased by EUR 4.5 million and now amounts to EUR 15.6 million (previous year: EUR 11.0 million). This increase is the result of extensive investment in P&I LogaHR hardware and expansion of the capacity of the data centre in Wiesbaden, as well as the acquisition of a plot of land and a building in Ioannina, Greece. The lease rights-of-use to the underlying lease assets have slightly increased year-on-year both as part of accruals and with respect to the planned expenditure and amount to EUR 12.9 million (previous year: EUR 12.6 million). *Non-current contract assets and capitalised revenue from contracts with customers* increased by EUR 13.3 million to a total of EUR 41.8 million. Our P&I LogaHR customers are provided with independent access to their system, which is set up and preconfigured during the sales phase by means of an digital dialogue, immediately after taking out a contract. The increase in non-current contract assets in the 2023/2024 financial year is primarily attributable to the fulfilment of performance obligations from P&I LogaHR contracts over the term of these contracts; the increase in non-current contract costs is attributable to the contract acquisition costs, which are also spread in a straight line over the contracts' term.

Current assets, primarily consisting of liquid assets and trade receivables, increased by EUR 35.3 million year-on-year to EUR 141.5 million.

Trade receivables from our customers increased by EUR 1.0 million and amounted to EUR 13.8 million. This increase is attributable to the increase in revenue generated by the P&I Group. The *current assets from contracts* with customers amounted to EUR 10.9 million (previous year: EUR 6.8 million), the current capitalised contract costs amount to EUR 3.7 million (previous year: EUR 2.6 million). This increase is due to the increase in the proportion of revenue contributed by the P&I LogaHR business. *Cash and cash equivalents* increased to EUR 109.4 million (previous year: EUR 80.7 million). This increase is largely due to the business' positive performance.

Equity increased year-on-year by EUR 18.9 million as a result of the Group's operating result and amounts to EUR 97.6. At the same time, the equity ratio also rose from 27.2 % to 31.2 %. The increase of EUR 0.7 million in accumulated other comprehensive income is the result of currency translation effects related to the Swiss subsidiary and to the disposal of Mirus Software AG.

Non-current liabilities declined to EUR 15.1 million year-on-year (previous year: EUR 15.8 million). Most of the non-current liabilities are from non-current lease liabilities and amount to EUR 11.0 million (previous year: EUR 10.7 million). This figure includes the amount of EUR 2.5 million for outstanding purchase price instalments (previous year: EUR 3.5 million). The deferred tax liabilities (EUR 1.5 million, previous year: EUR 1.6 million) are attributable to temporary differences between the subsidiaries' tax statements and have slightly declined year-on-year. Non-current contract liabilities from contracts with customers amount to EUR 0.1 million (previous year: EUR 0.1 million).

Total *current liabilities* increased by EUR 4.4 million to EUR 199.8 million. They include the liabilities from the transfer of P&I AG's accounting profits to Athena BidCo GmbH as the controlling parent company and liabilities towards affiliated companies (change: + EUR 13.8 million), liabilities from accruals and deferrals (change: - EUR 12.9 million), the liabilities from trade payables (amount unchanged from previous year), tax liabilities (change: - EUR 0.9 million), contract liabilities from other (amount unchanged from previous year), provisions (amount unchanged from previous year) and other current liabilities (change: + EUR 4.4 million).

After offsetting against tax prepayments for the respective financial years, the tax liabilities of EUR 1.2 million (previous year: EUR 2.2 million) comprise a remaining tax liability on the part of subsidiaries.

The *contract liabilities - accruals and deferrals*, which are created at the start of the calendar year due to the annual invoices created and paid in advance and which are dissolved on a monthly basis in line with revenue recognition, have declined by EUR 12.9 million year-on-year and amount to EUR 22.2 million. This decline is due to P&I's ongoing transition from a license and maintenance business model to a SaaS services model, the services of which do not tend to be linked to advance annual fee payments, but are invoiced on a monthly or, in some cases, a quarterly basis.

The contract liabilities - other, which comprise production orders with debit balances, have slightly increased year-on-year and amount to EUR 1.1 million (previous year: 1.2 million). These liabilities primarily include advance payments for future services for projects.

The *provisions* have remained unchanged (EUR 0.1 million) and primarily comprise risks from current customer projects.

Other current liabilities amounted to EUR 41.8 million at the end of the financial year (previous year: EUR 37.4 million) and, amongst others, include payment obligations to employees in relation to variable salary components, VAT liabilities and payment obligations from income tax and social security contributions. This increase is largely due to the increase in variable salary components (+ EUR 2.8 million) and the reclassification of an outstanding purchase price instalment (+ EUR 1 million).

5. P&I AG

5.1 Earnings

With a revenue of EUR 205.8 million (previous year: EUR 184.3 million), P&I AG generated an operating result before amortisation and taxes and financial income of EUR 119.4 million (previous year: EUR 106.5 million) and achieved an EBITDA margin of 58.0 % (previous year: 57.8 %). Financial income amounted to EUR 16.7 million (previous year: EUR 15.3 million), EUR 6.0 million (previous year: EUR 6.5 million) of which is attributable to investment income.

Revenue development
Revenue for the 2023/2024 financial year totalled EUR 205.8 million and increased by 11.6 % year-on-year (previous year: EUR 184.3 million). This figure includes revenue generated with third parties to the amount of EUR 197.0 million (previous year: EUR 176.6 million).

The increase in revenue was due to the growth in recurring P&I LogaHR service business, which was also able to more than compensate for the special effect arising from the final acceptance of a major multi-year project in the previous year.

	2023/2024 kEUR	2022/2023 kEUR	Change kEUR
Revenue with			
– Third parties	197,033	176,579	20,454
– Affiliated companies	8,720	7,742	978
Total revenue	205,753	184,321	21,432
Change in inventories	1,740	-3,461	5,201
Total operating revenue	**207,493**	**180,860**	**26,633**

	2023/2024 kEUR	2022/2023 kEUR	Change kEUR
Non-recurring services	32,205	50,560	-18,355
Recurring services	173,548	133,761	39,787
Total revenue	**205,753**	**184,321**	**21,432**

Recurring services (in particular SaaS revenue) have been benefiting from P&I's ongoing transition from its license model to the LogaHR platform and increased by 29.7 % to EUR 173.5 million (previous year: EUR 133.8 million). Recurring services comprise LogaHR services in the form of Software-as-a-Service (SaaS) and HR-as-a-Service (HRaaS) services as well as maintenance income, other SaaS services and recurring services from the consulting business (service contracts, application service providing). P&I AG generated 84 % (previous year: 73 %) of its revenue through its recurring revenue business.

As anticipated, non-recurring business declined after the completion of a major multi-year project generated a special effect in the 2022/2023 financial year. In the 2023/2024 financial year, non-recurring business comprised license revenue (EUR 2.0 million) and consulting revenue delivered as part of implementing P&I's software (EUR 24.0 million) as well as other revenue (EUR 6.2 million).

The change in inventory arose from long-term production orders and amounted to EUR 1.7 million in the past financial year (previous year: - EUR 3.5 million). In the previous year, the final acceptance of a major project that spanned several years led to the recognition of the associated revenue and a decline in the number of orders in progress.

Results of operations: Increase in result after taxes
P&I AG's EBITDA increased by 12.1 % to EUR 119.4 million year-on-year (previous year: EUR 106.5 million). As revenue has increased, so have operating costs. This includes an increase in costs - in particular of personnel costs - of EUR 7.3 million. The operating earnings (EBIT) in the amount of EUR 111.2 million increased by EUR 12.1 million year-on-year. The result after tax amounted to EUR 127.9 million (previous year: EUR 114.5 million).

P&I's return on sales amounts to 62.2 % (previous year: 62.1 %). The return on equity before profit transfer is 460.6 % (previous year: 412.1 %).

P&I AG has not reported any current or deferred taxes due to its tax consolidation group agreement with Athena BidCo GmbH.

Annual profit / profit transfer
In accordance with the terms of the Control and Profit Transfer Agreement, P&I AG's annual profit for the 2023/2024 financial year as reported in the financial statements prepared according to commercial law in the amount of EUR 127.9 million (previous year: EUR 114.5 million) will be transferred to Athena BidCo GmbH in accordance with the Control and Profit Transfer Agreement.

5.2 Financial position

Cash flow development and liquidity position
Cash and cash equivalents increased from EUR 56.2 million to EUR 85.7 million in the 2023/2024 financial year. Cash flow from operating activities has increased significantly year-on-year in particular as a result of earnings and amounts to EUR 113.4 million. Due to investment activities, the Group's cash and cash equivalents declined by EUR 73.9 million. This was largely due to the cash outflows for the loan to Athena BidCo GmbH in the amount of EUR 78.7 million (previous year: EUR 58.8 million). The dividend payments from the subsidiaries generated cash inflows of EUR 6.0 million (previous year: EUR 6.5 million).

	2023/2024 kEUR	2022/2023 kEUR	Change kEUR
Cash flow from			
- Operating activities	113,405	85,814	27,591
- Investing activities	-73,908	-68,474	-5,434
- Financing activities	-2	-1	-1
Change in cash and cash equivalents	**39,495**	**17,339**	**22,156**

	31.03.2024 kEUR	31.03.2023 kEUR	Change kEUR
Cash and cash equivalents	80,717	41,222	39,495
Fixed-term deposits	5,000	15,000	-10,000
Cash-in-hand and bank balances	**85,717**	**56,222**	**29,495**

At the reporting date, cash-in-hand and bank balances amounted to EUR 85.7 million (previous year: EUR 56.2 million). This increase is attributable to P&I Ag's operating activities and slightly declined relative to previous years due to the extra loans granted to the parent company.

As in the previous year, the Group has no liabilities to banks.

Financial management & financial instruments
Please refer to the separate disclosures in section 4.2 of the management report.

5.3 Financial position

	31.03.2024 kEUR	31.03.2023 kEUR	Change kEUR
Fixed assets	107,188	129,603	-22,415
Current assets	102,239	70,129	32,110
Prepaid expenses	2,122	1,478	644
Assets	**211,549**	**201,210**	**10,339**
Equity	27,775	27,775	0
Provisions	30,329	27,323	3,006
Liabilities	135,132	121,194	13,938
Deferred income	18,312	24,918	-6,606
Liabilities	**211,549**	**201,210**	**10,339**

Fixed assets declined by EUR 22.4 million year-on-year and, at the reporting date, amounted to EUR 107.2 million. This decline is primarily attributable to the decline in loans extended to Athena BidCo GmbH (- EUR 25.8 million), P&I Personal & Informatik GmbH, Vienna, Austria, and P&I Service GmbH, Iserlohn.

The merger of the subsidiaries COMPU-ORGA Gesellschaft für Computer-Organisation mit beschränkter Haftung and P&I Service GmbH, which took effect on 1 April 2023, revealed hidden reserves, as a result of which financial assets were reallocated to intangible assets. Despite ongoing depreciation, the value of the Group's intangible assets increased by EUR 3.6 million and that of property, plant and equipment by EUR 3.2 million, primarily due to investments in business equipment.

Current assets increased by EUR 32.1 million year-on-year to EUR 102.2 million.
Inventories, primarily consisting of work in progress, increased year-on-year (previous year: EUR 2.2 million) by EUR 1.6 million and amount to EUR 3.8 million. As the volume of sales has increased, trade receivables also increased to EUR 10.8 million (previous year: EUR 9.4 million), while receivables from affiliated companies had declined to EUR 0.9 million at the reporting date (previous year: EUR 1.4 million).

Cash-in-hand and bank balances increased by EUR 29.5 million and amounted to EUR 85.7 million on the reporting date (previous year: EUR 56.2 million). The increase in liquidity is largely attributable to an increase in the Group's profits and the reduction in the volume of the additional loan tranches paid to the parent company Athena BidCo GmbH.

Deferred income amounts to EUR 2.1 million (previous year: EUR 1.5 million) and is the result of services purchased at the beginning of the calendar year for use in the following periods and will be recognised on an accrual basis.

Equity remained unchanged against the previous year. Under the terms of the Control and Profit Transfer Agreement, the net profit of P&I AG for the 2023/2024 financial year as reported in the annual financial statements prepared in accordance with HGB is to be transferred to the controlling company, Athena BidCo GmbH, which is why this profit is not leading to an increase in equity. As the balance sheet total has increased, the equity ratio decreased and amounts to 13.1 % (previous year: 13.8 %).

As of 31 March 2024, P&I AG's issued capital has remained unchanged at EUR 7.5 million (previous year: EUR 7.5 million). The Annual General Meeting on 26 January 2017 resolved to reduce the share capital by withdrawing 168,873 no-par-value shares in a simplified withdrawal procedure according to Section 237 (3) no. 2, (4) and (5) of the German Stock Corporation Act (AktG). Since then, the Company has no longer held any treasury shares.

Other provisions increased by EUR 3.0 million to EUR 30.3 million. The provisions for variable salary components in particular increased in the financial year (+ EUR 2.3 million). The provisions also include the amount of EUR 1.0 million for an outstanding purchase price instalment due to the assumption that the purchase price conditions will be met.

Liabilities increased by EUR 13.9 million year-on-year to EUR 135.1 million (previous year: EUR 121.2 million). This increase is primarily attributable to the higher liabilities towards affiliated companies in the form of the profit transfer to Athena BidCo GmbH.

Deferred income amounts to EUR 18.3 million (previous year: EUR 24.9 million) and is attributable to the periodic deferral of recurring services in the form of software maintenance agreements and P&I LogaHR contracts. Deferred income includes income received prior to the reporting date that constitutes revenue pertaining to a certain period after the reporting date. The decline in *deferred income* is related to the Group's switch from its current license business model to a SaaS model. Although many services are still invoiced in advance on an annual basis, they are increasingly switched to a model under which they are invoiced in advance on a quarterly or monthly basis.

On instruction of the controlling parent company at the time, P&I Zwischenholding GmbH, which, due to a merger, is now Athena BidCo GmbH, P&I AG entered into the loan agreement of Athena BidCo GmbH in the amount of EUR 555.0 million in April 2020 as well as the credit agreement in the amount of EUR 300.0 million in April 2023 as jointly and severally liable guarantor and is liable with all of its movable assets as well as receivables and rights.

Please refer to the disclosures on financial management in section 4.2 for more information.

6. Summary of business performance

In the previous year, the Management Board forecast a 10 % increase in revenue for the P&I Group for the 2023/2024 financial year. It also anticipated that both the revenue generated by the foreign Group companies and that generated in Germany would increase. Recurring services were anticipated to see a significant increase in the low double-digit percentage range, driven primarily by the SaaS business with P&I LogaHR, which was expected to increase by 30 %. The Management Board anticipated that the Group EBITDA would increase by over 20 %, which would have corresponded to an EBITDA margin of 60 %. The operating cash flow was planned to be kept at the previous year's hight level.

In the year under review, the Group's revenue growth significantly exceeded expectations with an increase of 18.2 % to Euro 248.3 million and an increase in EBITDA of 25.0 % to EUR 150.1 million. The EBITDA margin is 60.4 % and is therefore slightly higher than the forecast of 60 %.

The P&I Group recorded a double-digit (22.9 %) increase from EUR 167.8 million to EUR 206.2 million in total recurrent services year-on-year and an increase of 35.9 % (previous year: 39.9) in the domain of SaaS revenue, which increased to EUR 179.9 million. Of particular note in this respect is the increase in revenue attributable to services based on P&I LogaHR, which grew from EUR 109,3 million to EUR 165.1 million, which equates to an increase of over 50 % (forecast: +30 %). Overall, 83 % of all Group revenue was generated from recurring revenue. The P&I Group's operating cash flow of EUR 122.3 million significantly exceed expectations (previous year: EUR 100.8 million).

Due to the one-time effects from the final acceptance of a major multi-year project in the 2022/2023 financial year, the Management Board expected P&I AG's revenue and EBITDA to remain stable relative to the previous financial year. The operating cash flow was planned to be kept at the previous year's level.

At an increase of 11.6 % to EUR 205.8 million, the increase in P&I AG's revenue is significantly higher than forecast. Due to the growth in revenue, the Group was also able to exceed the forecast for its operational objective. EBITDA increased by EUR 12.9 million to EUR 119.4 millions (previous year: EUR 106.5 million). At EUR 113.4 million, operating cash flow is also both higher than the forecast value and the previous year value (EUR 85.8 million).

7. Events after the reporting date

Bernd Manke was appointed a Member of the Management Board and Head of Growth and Business Development for a period of three years, i.e. from 1 April 2024 to 31 March 2027, with effect from 1 April 2024.

8. Risk report

In the course of its business activities, P&I is exposed to various risks that originate or could originate not only from its day-today business operations, but also from changes in its environment. We define risk in the broadest sense as the possibility that we will fail to achieve our financial, operational or strategic objectives as planned. In order to ensure the Group's business success in the long-term, it is essential that risks are identified, analysed and effectively removed or mitigated by way of appropriate control measures.

8.1 Organisation of risk management

P&I has a risk management system that it uses to identify and analyse risks and initiate corresponding counter-measures at an early stage. The group-wide risk management system is controlled centrally by P&I AG. Central risk management is responsible for initiating the further development of the risk management system and developing guidelines for reducing risk for the entire Group.

8.2 Risk Factors

Business risks
A key element of P&I's strategy is the further expansion of our position in the SME sector and among public authorities and large organisations by attracting new customers. Despite our efforts – such as the expansion of our sales and partnership network – demand for our products and services could fail to develop as planned, which could have an adverse effect on our business activities and our financial position and results of operations.

P&I generates a significant proportion of its revenue from its large base of existing customers. If customers' satisfaction were to decrease, there is a risk that our existing customers could decide against extending their SaaS contracts, in particular for P&I LogaHR or maintenance agreements, or against entering into new licence or other contracts for additional products or services, and could downgrade the level of their maintenance agreements or decide not to migrate to the cloud-based service P&I LogaHR. This could have a significant adverse effect on P&I's revenue and earnings. However, in view of the solid development of P&I's business with its existing customers in recent financial years, this seems unlikely.

The risk that the Group's non-recurring business could decline without any corresponding increases in SaaS revenue associated with the switch from a license-based to a SaaS-based business model is unlikely to materialise. Instead, the past fiscal year has actually shown an increase and additional demand for consulting services.

The Group regularly monitors risks from existing and new pending P&I LogaHR projects and evaluates the recoverability of its contract assets.

The Group also monitors and evaluates risks from existing or major new pending projects and fixed-price projects on an ongoing basis. The implementation of P&I's software often involves the extensive use of customer resources and is subject to a large number of risks over which P&I often has no control. It is not always possible to rule out the possibility of lengthy installation processes or project costs that exceed the agreed fixed prices and that could result in claims for recourse or damage to the company's image. P&I is currently working on several major projects, which are regularly analysed with regard to project risks and evaluated with the assistance of legal advisers when required.

P&I believes that it has recognised these risks in its financial planning to an appropriate extent, particularly through the recognition of provisions. As a result, a significant adverse impact on the forecast business development and earnings performance as a result of risks from major projects and fixed-price projects is currently considered to be unlikely.

Financial risks
Athena BidCo GmbH entered into a number of financing agreements in March 2020. Based on these, Athena BidCo GmbH was paid a loan totalling EUR 475.0 in March 2020 which, as of 31 March 2024, remains unchanged.

In November 2022, Athena BidCo GmbH entered into another financing agreement with a volume of EUR 300.0 million, which was paid out in December 2022. This financing agreement was terminated early in March 2024 with effect from 15 April 2024.

In March 2024, Athena BidCo GmbH entered into another financing agreement with a volume of EUR 455.0 million, which was paid out in April 2024.

Athena BidCo GmbH was furthermore granted a revolving facility to the amount of EUR 50.0 million. The additional credit line of EUR 50.0 million can also be utilised by P&I AG and is made available for financing potential future acquisitions or for ensuring liquidity in case of need.

At the reporting date, the loans from Athena BidCo GmbH's financing agreements amounted to a total of EUR 775.0 million (previous year: EUR 775.0 million). Taking into account that, on the reporting date, the revolving facility had not been drawn upon, the financing agreements in place as at 31 March 2024 amounted to a total of EUR 825.0 million (previous year: EUR 855.0 million) and increased to a total of EUR 980.0 million in April 2024.

On instruction of Athena BidCo GmbH, P&I AG entered into the credit agreements of Athena BidCo GmbH in April 2020 as jointly and severally liable guarantor. As part of the above, all movable assets and extensive receivables and rights were assigned to the financing banks by way of typical securities, and a subordinated obligation to Athena BidCo GmbH for interest and principal payments was entered into in accordance with an existing liquidity plan. The maximum amount that P&I AG can be held liable for equates to the loan agreements less the assets of Athena BidCo GmbH.

In April 2020, Athena BidCo GmbH and P&I AG agreed that P&I AG will be compensated for the assumption of the joint and several guarantee in the form of an appropriate guarantee fee, which was adjusted in April 2023 to reflect the new financing volume. The guarantee fee paid to P&I AG in the 2023/2024 financial year amounted to EUR 7.9 million (previous year: EUR 4.8 million).

The liabilities arising from the financing agreements are borne by Athena BidCo GmbH. Athena BidCo GmbH depends on P&I AG's generation of a positive annual result to ensure the required liquidity. P&I AG's profits and associated capital inflows will be transferred to Athena BidCo GmbH within the context of the existing profit and loss transfer agreement. Given P&I AG's current corporate plans for the coming years and associated liquidity inflow, the Management Board sees no significant risk to the company with respect to these loan agreements and hence no significant risk of utilisation for the company.

P&I AG has furthermore extended a long-term loan to Athena BidCo GmbH. At the reporting date of 31 March 2024, this loan plus accrued interest amounted to EUR 64.8 million (previous year: EUR 90.6 million).

The Management Board and Supervisory Board regularly discuss all matters related to the existing loan agreements and their consequences for P&I. By way of monitoring the risk associated with the loan extended to Athena BidCo GmbH, the company's credit rating is monitored on the basis of monthly financial information. Given the latest information, the company is unlikely to default.

Surplus liquidity that is not used for investments is held in the form of bank balances and fixed-term deposits or overnight deposits. This reflects the management's aim of ensuring access to available liquidity in full at short notice. The composition and development of cash and cash equivalents are presented in the appendix and the consolidated cash flow statement.

Defaults at Group companies stayed at the same level as in the previous year. The recoverability of trade receivables is evaluated on an ongoing basis and valuation allowances are recognised when trigger events are identified. As P&I does not currently have any customer relations accounting for more than 10 % of its annual revenue, there is no special risk of default. The Group controls default risk by demanding advance payments and by obtaining declarations of acceptance from insolvency administrators or credit information in cases where there is a suspicion of default. The Group does not have additional collateral in the form of rights to securities or similar. The Group does not have a significant concentration of default risk either with an individual counterparty or with a group of counterparties with similar characteristics.

Exchange rate risks
As of 31 March 2024, P&I’s exchange rate risk is limited to the Swiss franc, the currency in which the Group companies and second-tier subsidiaries in Switzerland conduct their business.

The currency risk is not hedged, but is continuously monitored. The Management Board assumes that future exchange rate fluctuations will continue to have no material impact on consolidated income.

IT risk / data protection
P&I is subject to the risk that the availability, integrity, reliability, authenticity and clarity of data may not be adequately secured due to insufficient data protection. The company counteracts this risk by examining its data protection concepts and regularly adjusting them to reflect new requirements, as well as conducting regular data backups. Data centre services are also subject to availability risk. P&I counteracts this risk with corresponding backup scenarios and redundant solutions.

Mobile data storage devices are subject to the risk of data loss and misuse. The Group protects against this risk with organisational instructions aimed at ensuring that IT equipment and data storage devices are handled carefully.

The processing of data that customer provide to us at the data centre, as well as the data collected by P&I on employees, applicants, customers and suppliers, are subject to statutory requirements for security and data protection. The Management Board and Data Protection Officer communicate regularly in order to ensure compliance with data protection rules throughout the Company. P&I uses a broad range of measures to protect the data controlled by us and our customers against unauthorised access and processing.

Legal risks
P&I is confronted with various claims and legal proceedings arising from its regular business operations. The negative consequences of the claims made or the proceedings initiated on our part could result in the payment of compensation or reversal costs or defaults.

We are of the opinion that the outcome of these pending proceedings, both individually and as a whole, will not have an adverse effect on our business activities as corresponding provisions and individual value adjustments have been recognised as a precaution.

Personnel risks
P&I is a specialist for standardised HR software solutions. Experts in this field are also in demand among other software companies. In order to prevent employees from being poached by competitors, we ensure that they are closely tied to the Company through measures such as profit-sharing, professional development and training opportunities, and non-competition clauses. With respect to important areas, we also ensure that several employees have the expertise required to continue in their own right. P&I recruits junior staff by way of new trainee programmes launched every year. We use P&I’s own P&I Talent3 and P&I Bewerber3 software to acquire new talents. In the autumn of last year, P&I started another trainee program.

Acquisition risks
P&I has made acquisitions in the past and will continue to examine potential acquisitions for the future. This means that the P&I Group is exposed to acquisition risk. The challenges involved in acquisitions relate to the integration of product ranges, organisational processes, personnel and of the different corporate cultures. The Group protects against this risk by using established integration management mechanisms to identify potential problem areas in the acquired companies and for reducing the risks associated with an acquisition.

Environment, society and corporate governance
P&I continuously monitors and assesses the strategic and operational risks arising from environmental, social and corporate governance issues and is not currently anticipating that ESG risks will have a material impact on P&I's business activities. However, unforeseen hardware or power supply bottlenecks could hinder P&I's business performance and slow down companies' investment activities. These issues are regularly subjected to IT security certifications and are addressed by P&I through various measures.

Overall assessment of the risk situation
In the financial year under review, none of the risks identified in P&I’s risk management system reached a level that could endanger the continued existence of the company. The company has not classified any risks as material to the course of business and to the successful management of the company above and beyond the identified risks described above. The overall risk assessment shows that, even when considering the risks associated with the current crises, P&I’s risks are limited and manageable. There are no identified risks that alone or in conjunction could endanger the continued existence of P&I AG or the P&I Group, either at present or in the future.

8.3 Compliance

The Company’s current Compliance Management System was further extended in the 2023/ 2024 financial year through the addition of further guidelines. These guidelines focus on diversity, equal opportunities and inclusion (DEI), the performance of audits and on investigative inquiries by government agencies. Data compliance was expanded by a data protection concept and a guideline concerning IT security and data protection disciplinary proceedings. In line with the European Energy Efficiency Directive 2012/27/EU, the Group’s environmental compliance in the 2023/2024 financial year focussed on energy efficiency, as a result of which P&I underwent an energy audit in accordance with DIN EN 16247.

In the 2023/ 2024 financial year, the Company also performed the annual audits in accordance with ISO 27001 and ISAE 3402 Type 2.

The Management Board and Supervisory Board regularly communicate with each other concerning the status and development of compliance-related matters.

9. Forecast report

9.1 The economy and industry in the new financial year

Following a weak start into 2024, the Kiel Institute for the World Economy (IfW) anticipates that economic activity in the euro area will gradually pick up speed over the course of the year. The IfW furthermore expects the speed of this growth to stabilise from the second half of 2024 onwards to the end of 2025. The rate of inflation is expected to drop from 5.4 % in 2023 to 2.7 % in 2024.

The outlook for the German economy remains subdued. According to the Kiel Institute for the World Economy (IfW), gross domestic product is likely to virtually stagnate in 2024 with a growth rate of 0.1% and grow by 1.2% in the coming year 2025. Private consumption and exports are expected to recover later or less dynamically, and investments are also expected to be extremely weak. While, in the first quarter of 2024, forecasts predicted the inflation rate to decline, they are now being revised upwards (2.8 %). The Kiel Institute for the World Economy (IfW) is expecting an inflation rate of 2.3 % for the calendar year 2024 and a further decline to 1.7 % in 2025.

In January 2024, the industry association BITKOM forecast the market in its sector to grow by 4.4 % over 2024, with respect to which the software sector is expected to see the highest growth at a rate of 9.4 %.

9.2 Expectations and opportunities for the P&I Group and P&I AG

Over 70 % of our customers are already benefiting from P&I’s timely decision to switch to an integrated, cloud-based platform.

P&I is furthermore in an excellent position with regard to its products, technologies, financial stability, business sustainability and position in the HR market to seize new opportunities and to continue to drive forward the company's success with its P&I LogaHR platform. We anticipate that our investments in intelligent automation and the standardisation of HR processes will further strengthen our competitive position and increase our market share by attracting new customers from the SME sector, large companies and data centres, as well as public authorities. We also believe that, concerning our cloud-based P&I LogaHR services, companies are likely to increasingly resort to digitalisation processes and outsourcing services that are quite unrelated to their core competencies, and hence to our cloud-based HR software, which ensures the security of personal and company-related data and can be accessed through the web from anywhere in the world. In addition to the above, P&I also sees further potential for major growth in its HR-as-a-Service product range, which provides P&I customers with an attractive option for ensuring that they are able to maintain their HR – and hence their companies' operations – based on the P&I LogaHR platform, in particular so in view of the drastic shortage of payroll staff. P&I's solid business model, coupled with the high level of predictability of its recurring revenue and its financial strength, provides a strong basis for the Group to achieve its objectives.

With this in mind, the Management Board is presently issuing the following outlook for the 2024/2025 financial year:

- We anticipate that P&I Group sales will increase by approx. 15 % compared to the 2023/2024 financial year. This growth in revenue is anticipated to apply to all of the Group's European companies.

  - This growth will be driven by our recurring services and, most of all, by P&I LogaHR. P&I LogaHR revenue is anticipated to grow by approx. 30 %. Recurring services are expected to see an increase in the low double-digit percentage range.

- If the above predictions concerning revenue development are met and, at the same time, costs only increase moderately, the Management Board anticipates an increase in EBITDA of approx. 20 %, which corresponds to an EBITDA margin of about 65 %.

- For P&I AG, we expect sales to increase by around 20% and an EBITDA margin of around 60% for the financial year 2024/2025, which corresponds to EBITDA in excess of approx. EUR 155.0 million.

  - Recurring sales are forecast to increase by around 25%.

- The operating cash flow of the P&I Group and P&I AG is expected to increase by approx. 20% compared to the 2023/2024 financial year.

However, should there be a deterioration in the economy or unforeseen hardware or power supply bottlenecks, this could have an impact on the expectations presented above. It is also not possible to rule out that this forecast will be affected by macroeconomic uncertainties. If companies were unable to initiate new IT projects because of their economic situation and if new customer business were to collapse or companies were to cease business operations altogether, P&I would potentially not be able to win any new orders - particularly in the area of recurring SaaS services. This in turn could cause the expansion of our P&I LogaHR business to slow down. This could lead to revenue losses, which could directly affect EBITDA because P&I's cost structure is marked by a very high percentage of fixed and low percentage of variable costs. However, this appears unlikely in light of P&I's solid business development in its existing customer business segment and its forward-looking technological strategy, which is recognised by our partners and customers alike.

P&I's business is traditionally characterised by a high percentage of predictable recurring services. The expansion of the monthly recurring revenue generated through the SaaS model will reduce the risk of fluctuations in revenue. Due to the fact that human resource management and payroll accounting is indispensable for businesses, P&I expects that its customers will continue to draw on these services.

The speed at which digitalisation is advancing is highly dynamic. In HR management in particular, digitalisation and automation are paving the way and providing us with opportunities to establish ourselves as a strategic partner for management in times of skilled worker shortages, new living and working time models, and increasingly stricter regulatory and compliance requirements. P&I believes that companies that fail to identify and take advantage of the opportunities presented by digitalisation will no longer be able to compete in the market in the long term. With the P&I LogaHR cloud platform, our customers have direct access to the mobile, digital and highly automated HR working world and the HR work of the future.

P&I Personal & Informatik AG

Wiesbaden, 21. June 2024

The Management Board

Vasilios Triadis	Dr. Carlo Pohlhausen	Remco van Dijk
Christian Rhein	Sven Ekerdt	Bernd Manke

03/

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated income statement

	Explanatory notes	1 April 2023 to 31 March 2024	1 April 2022 to 31 March 2023
In kEUR			
Revenue	(4)	248,316	210,023
Cost of sales	(5)	60,533	56,348
Gross profit		**187,783**	**153,675**
Research and development costs	(6)	26,384	23,450
Selling costs	(6)	12,288	13,274
Administrative costs	(6)	10,080	8,004
Amortisation of goodwill and customer bases	(6)	2,944	1,698
Other operating income	(6)	476	1,489
Other operating expenses	(6)	205	823
Operating earnings (EBIT)		**136,358**	**107,915**
Financial income	(7)	10,633	8,702
Financial expenses	(7)	606	513
Earnings before taxes (EBT)		**146,385**	**116,104**
Tax expenses	(8)	251	1.869
Consolidated income		**146,134**	**114,235**
Consolidated income attributable to			
– Shareholders of the parent company		146,134	114,235
– Non-controlling shares		0	0

Consolidated statement of comprehensive income

	Explanatory notes	1 April 2023 to 31 March 2024	1 April 2022 to 31 March 2023
In kEUR			
Consolidated income		**146,134**	**114,235**
Items that may be reclassified to profit or loss in subsequent periods			
Currency translation of foreign operations		**652**	**188**
Other comprehensive income	(21)	**652**	**188**
Consolidated comprehensive income		**146,786**	**114,423**
Consolidated comprehensive income attributable to			
– Shareholders of the parent company		146,786	114,423
– Non-controlling shares		0	0

Consolidated balance sheet as at 31 March 2024

	Explanatory notes	31 March 2024	31 March 2023
In kEUR			
Assets			
Non-current assets			
Customer base	(9)	10,104	11,762
Goodwill	(9)	24,027	27,354
Other intangible assets	(9)	646	1,636
Property, plant and equipment	(10)	15,555	11,036
Lease rights-of-use	(11)	12,873	12,597
Non-current financial assets	(12)	64,823	90,667
Deferred tax assets	(13)	1,179	225
Non-current capitalised contract costs	(14)	5,047	3,651
Non-current contract assets	(15)	36,786	24,889
Total non-current assets		**171,040**	**183,817**
Current assets			
Inventories	(16)	237	532
Trade receivables	(17)	13,814	12,817
Current contract assets	(15)	10,937	6,813
Current capitalised contract costs	(14)	3,748	2,593
Other current assets	(18)	3,406	2,790
Cash and cash equivalents	(19)	109,377	80,704
Total current assets		**141,519**	**106,249**
Total assets		**312,559**	**290,066**

Consolidated balance sheet as at 31 March 2024

	Explanatory notes	31 March 2024	31 March 2023
In kEUR			
Liabilities			
Equity			
Issued capital	(20)	7,531	7,531
Capital reserves	(20)	2,334	2,334
Retained earnings	(20)	85,908	67,699
Accumulated other comprehensive income	(22)	1,875	1,223
Total equity		**97,648**	**78,787**
Non-current liabilities			
Deferred tax liabilities	(13)	1,469	1,559
Lease liabilities	(11)	11,047	10,675
Non-current contract liabilities	(23)	97	106
Non-current financial liabilities	(24)	2,484	3,475
Total non-current liabilities		**15,097**	**15,815**
Current liabilities			
Trade payables	(25)	3,520	3,551
Liabilities towards affiliated companies	(26)	129,795	115,969
Tax liabilities	(27)	1,246	2,175
Contract liabilities – accruals and deferrals	(23)	22,243	35,170
Contract liabilities – other	(23)	1,124	1,151
Provisions	(28)	50	60
Other current liabilities	(29)	41,836	37,388
Total current liabilities		**199,814**	**195,464**
Total debt		**214,911**	**211,279**
Total liabilities		**312,559**	**290,066**

Consolidated statement of changes in equity

				Accumulated other comprehensive income	
Explanatory notes	Signed capital (20)	capital reserves (20)	Profit reserves (20), (21)	Difference from currency conversion Total (22)	Total
In kEUR					
As of 31 March 2022	**7,531**	**2,334**	**67,916**	**1,035**	**78,816**
Consolidated income			114,235		114,235
Other comprehensive income				188	188
Consolidated comprehensive income					**114,423**
Profit transfer to Athena BidCo GmbH			-114,452		-114,452
As of 31 March 2023	**7,531**	**2,334**	**67,699**	**1,223**	**78,787**
Consolidated income			146,134		146,134
Other comprehensive income				652	652
Consolidated comprehensive income					**146,786**
Profit transfer to Athena BidCo GmbH			-127,925		-127,925
As of 31 March 2024	**7,531**	**2,334**	**85,908**	**1,875**	**97,648**

Consolidated cash flow statement

	Explanatory notes	1 April 2023 to 31 March 2024	1 April 2022 to 31 March 2023
In kEUR			
Consolidated income		**146,134**	**114,235**
-/+ Tax income/tax expenses		251	1,869
-/+ Financial result (financial income less financial expenses)		-10,027	-8,188
Operating earnings (EBIT)		**136,358**	**107,916**
+ Depreciation of property, plant and equipment and intangible assets		13,709	12,168
+/- Change in inventories, trade receivables and other assets not attributable to investing or financing activities		-20,317	-17,810
+/- Change in trade payables and other liabilities not attributable to investing or financing activities		-5,453	504
+/- Losses/gains from the disposal of non-current assets		6	33
+/- Changes in other non-cash items		180	-608
- Interest paid		-558	-504
+ Interest received		576	5
- Tax payments		-2,225	-914
Cash flow from operating activities		**122,276**	**100,790**
- Payments for investments in property, plant and equipment		-10,919	-5,161
- Payments for investments in intangible assets		-66	-98
+ Proceeds from the disposal of property, plant and equipment and intangible assets		50	0
- Payments for investments in non-current financial assets		-78,688	-58,764
- Payments from the disposal of subsidiaries		-651	0
Cash flow from investing activities		**-90,274**	**-64,023**
- Repayment of lease liabilities		-3,413	-3,361
Cash flow from financing activities		**-3,413**	**-3,361**
Changes in cash and cash equivalents due to exchange rate changes		84	485
Change in cash and cash equivalents		28,673	33,891
Changes in cash and cash equivalents at the start of the financial year		80,704	46,813
Changes in cash and cash equivalents at the end of the financial year	(19)	109,377	80,704

1. Information on the Company

P&I Personal & Informatik Aktiengesellschaft (hereinafter also the “Company” or “P&I AG”) is domiciled in Wiesbaden, Germany, and has been registered in the commercial register of the Wiesbaden District Court, section B, under no. 9110 since 28 May 1998. The Articles of Association were adopted on 2 April 1998 and last amended by resolution of the Annual General Meeting on 15 July 2020.

The Company is the parent company of the P&I Personal & Informatik Group ("P&I" or "we"), which operates throughout Europe in the areas of software development, licensing, maintenance and IT services.

The address of the parent company’s registered office is Wiesbaden, Kreuzberger Ring 56, Germany.

The objective of the Company and its subsidiaries is the production, sale and maintenance of software, the provision of associated consultation services and software-user training, and sale of IT equipment and software. In accordance with the Articles of Association, the Group specialises in human resource management and the information technology operations falling within this area, such as programming, personnel databases, project management, personnel data graphics, image processing, process data processing, PPS, network control and special query languages.

P&I AG was registered for trading at the stock exchange over the period from 7 July 1999 to 12 November 2014, initially at Neuen Markt and, as of 1 January 2003, at the Prime Standard of the Frankfurt Stock Exchange. P&I AG’s admission to the Frankfurt Stock Exchange was suspended upon request with effect from 12 November 2014.

With effect of 31 March 2020, the financial investor Hg became the new indirect majority shareholder of P&I AG. However, the company’s previous indirect majority shareholder, Permira Funds V (Pumvila S.à.r.l., Luxemburg), continues to indirectly hold a minority interest of 22 % in P&I AG.

The consolidated financial statements of P&I Personal & Informatik AG as at 31 March 2024 will be included in the consolidated financial statements of the Group’s ultimate parent company, Athena Investments Luxembourg S.à.r.l., Luxembourg, and published in the “Registre de Commerce et des Sociétés”.

P&I AG has entered into a Control and Profit Transfer Agreement with Athena BidCo GmbH, Wiesbaden, as the legal successor of P&I Zwischenholding GmbH, Wiesbaden. Under this agreement, P&I AG is obliged to transfer its profits as reported in the annual financial statements prepared in accordance with the German Commercial Code (HGB). The agreement continues to be in effect and can be terminated with a notice period of six months at the end of a P&I AG financial year.

Basis of preparation of the financial statements

Pursuant to Art. 315e(3) HGB, the Company has elected to prepare its consolidated financial statement in accordance with the International Financial Reporting Standards (IFRS). The financial statements were prepared in accordance with all the IFRSs (IFRSs, IASs, IFRICs, SICs) valid at the reporting date and as per European Union regulations.

The consolidated financial statements were prepared using the historical cost principle. The historical costs were generally based on the fair value of the consideration paid in exchange for the asset.

The consolidated statement of income was prepared using the cost-of-sales method.

The consolidated financial statements were prepared in German and in euro. Unless stated otherwise, all amounts are rounded to the nearest thousand Euro (KEUR).

All amounts are rounded in accordance with standard commercial practice, which may give rise to minor discrepancies when they are aggregated.

Consolidated companies
In addition to P&I Personal & Informatik AG, the consolidated financial statements prepared for the 2023/2024 financial year include nine foreign subsidiaries in which P&I AG directly or indirectly holds a majority of the voting rights (hereinafter referred to as the “P&I Group” or “Group”).

The consolidated companies changed as follows in the 2023/2024 financial year:

On 1 April 2023 (merger effective date), P&I Service GmbH, Iserlohn, was merged with P&I AG.

On 1 April 2023 (merger effective date), COMPU-ORGA Gesellschaft für Computer-Organisation mit beschränkter Haftung, Wiesbaden, was merged with P&I AG.

On 1 October 2023, Mirus Software AG, Davos, Switzerland, was deconsolidated.

A list of the subsidiaries included in the consolidated financial statements can be found in note 36.

Principles of consolidation
Subsidiaries are fully consolidated from the date of acquisition, i.e. the date on which the parent company obtains control. The parent company obtains control when it:

- Can exercise control over the acquiree,
- Is exposed to variable returns from its investment and
- Can use its authority to influence the acquiree’s returns.

The parent company reassesses whether it controls a subsidiary or not if facts and circumstances indicate that there are changes to one or more of the above control criteria. Consolidation ends as soon as the parent company no longer exercises control.

The overall financial results of a subsidiary are allocated to its owners and any non-controlling interests regardless of whether losses give rise to a negative result.

The subsidiaries’ financial statements used as the basis for the consolidation are prepared for the same reporting period as the parent company’s financial statements and using the same accounting methods.

All intra-group assets, liabilities, equity, income, expenses and cash flows that arise from transactions between Group companies are eliminated in full on consolidation.

Newly acquired subsidiaries are accounted for using the acquisition method. The costs of acquisition are measured at the acquisition-date fair value of the consideration transferred, which is determined by the sum of the fair values of the assets transferred, the liabilities assumed and the equity instruments issued at the time of exchange. All acquisition-related transaction costs are expensed.

The identifiable assets acquired and the liabilities assumed are measured at their acquisition-date fair values.

On initial recognition, goodwill is measured at cost, which is calculated as the amount by which the total consideration transferred and the non-controlling interest exceeds the identifiable assets acquired and liabilities assumed (full goodwill method). If this consideration is lower than the fair value of the net assets of the acquired subsidiary, the difference will be directly recognised in the statement of income.

After initial recognition, the goodwill resulting from an acquisition is measured at cost less impairments and reported separately in the consolidated balance sheet.

For the purposes of impairment testing, goodwill is divided between all of the cash-generating units (or groups thereof) of the Group that are expected to benefit from the synergies of the combination. This applies irrespective of whether these cash-generating units have been allocated any other assets or liabilities of the acquired company.

These cash-generating units are tested for impairment on an annual basis. They are also tested for impairment when events or circumstances indicate impairment.

If the recoverable amount based on the value in use of the cash-generating unit (or group of cash-generating units) is less than the carrying amount of the cash-generating unit (or group of cash-generating units) to which the goodwill was allocated, an impairment loss is recognised in the statement of income. Recognised, goodwill impairment losses may not be reversed in a subsequent period. P&I's annual capitalised goodwill impairment test is performed on 31 March.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the disposal gains.

Classification of assets and liabilities as current and non-current

P&I divides its assets and liabilities into current and non-current assets and liabilities on the balance sheet. An asset is defined as current if

- The asset is expected to be realised during the normal operating cycle or is being held for sale/consumption during that period
- The asset is anticipated to be realised within twelve months of the reporting date
- The asset is primarily held for trading purposes or
- It constitutes cash or cash equivalents.

All other assets are defined as non-current assets.

Liabilities are defined as current if

- The liability is anticipated to be settled during the normal operating cycle
- The liability is anticipated to be settled within twelve months of the reporting date, or
- The liability is primarily being held for trading purposes.

All other liabilities are defined as non-current liabilities. Deferred tax assets and liabilities are recognised as non-current assets or liabilities.

2. Accounting and valuation methods

Changes in accounting and valuation methods

The accounting rules applied correspond to the methods applied in the previous year. The International Accounting Standards Board (IASB) has made various amendments to existing IFRS and published new IFRSs and interpretations of the International Financial Reporting Standards Interpretations Committee (IFRS IC).

The P&I Group has implemented all of the accounting principles it is required to apply from the 2023/2024 financial year onwards. As a result, the consolidated financial statements correspond both to the IFRS published by the IASB as well as the IFRS as adopted by the EU.

Unadopted new or amended standards

In the consolidated financial statements for the 2023/2024 financial year, the P&I Group did not observe the following accounting standards adopted by the IASB because their application was not yet compulsory for this financial year:

		Published by IASB	Mandatory for financial years from	Adopted by EU	Effects on the P&I Group
IAS 1	Classification of Liabilities	23.01.2020	01.01.2024	Yes	No significant impact
IAS 1	Non-current liabilities with specific credit terms	31.10.2022	01.01.2024	Yes	No significant impact
IAS 7 / IFRS 7	Reverse Factoring Agreements	25.05.2023	01.01.2024	No	No significant impact
IAS 21	Currency conversions in the event of a lack of exchangeability	15.08.2023	01.01.2025	No	No significant impact
IFRS 16	Sale-and-leaseback transactions	22.09.2022	01.01.2024	Yes	No significant impact

Presentation of material accounting and valuation methods

Revenue - Revenue categories

The P&I Group generates revenue from granting licences for its software products, revenue from the use of said software (incl. support/maintenance) and from customers' use of its IT infrastructure in the P&I data centre (software as a service revenue, SaaS), software maintenance services, other services, selling time management hardware and third-party products (merchandise) and hardware maintenance services.

In the notes to the consolidated financial statements, revenue is divided into recurring and non-recurring revenue. Recurring revenue comprises the following revenue:

- We generate *revenue from Software as a Service (SaaS)* through hosting services through which customers are granted the right to access our software. It can also include services that are directly related to the hosting service - such as, e.g. Platform as a Service (PaaS) and Infrastructure as a Service (IaaS).
  This category also includes P&I LogaHR as a service package comprising the right to use the software, software maintenance and hosting, as well as HR as a service (HRaaS).
  It also includes revenue from service contracts/application service provision (ASP), which include our premium customer support services.
- Our *maintenance income* is generated through standardised software maintenance services that include the provision of new versions of the relevant latest version of the standard software, the provision of technical support through a hotline service and fault repair.

Non-recurring revenue is divided into the following categories:

- *License income* generated from the sale of our software to customers for use on their own hardware. These licenses give customers the indefinite right to take possession of the software and install and use it on their own systems.
- *Consulting revenue* comprises revenue from the provision of support for the implementation or installation of our software, as well as the provision of training and seminars.
- *Other income* is primarily made up of the proceeds from the sale of time management hardware.

Revenue – Five-step model approach

IFRS 15 provides a five-step model for calculating and recognising revenue from contracts with customers.

The *first step* involves identifying the contracts – which can be individual or multiple – with a customer. If they have been entered into at the same time (or within a short period of one another) and are financially linked, they are aggregated for recognition. We do not aggregate contracts that were entered into with a gap of more than six months because they do not meet the criteria of having been concluded within a short period of one another. If existing customers take out new contracts, these contracts are either considered new and hence independent contracts or they refer to changes made to existing contracts. In this case, the contracts have to be checked to establish whether they are related and whether the performance obligations of the new contract are closely related to those of the existing contracts. One of the criteria for assessing the same is the pricing of the new contract compared to the existing contracts with the same customer.

In the *second step*, we identify the performance obligations in the contract because our contracts often cover a number of different products and services. Our products generally have to be recognised as distinct performance obligations within the different revenue categories. Identifying the performance obligations and deciding whether they can be classified separately requires making discretionary decisions. In the case of our services – in particular with respect to the implementation and setting up customer systems for the first time – we ascertain whether these services constitute a material customer-specific change. If so, these services generally have to be categorised as separate consulting services. In the case of products and services that cannot be recognised separately, these performance obligations are bundled to form a combined performance obligation (service bundle).

In *step three*, we determine the transaction price, which is the amount of consideration that we anticipate to receive in exchange for transferring promised goods or services to a customer. Doing so requires the use of estimates and discretionary decisions concerning whether and to what extent the customer might be granted additional concessions during the performance of the contract and whether the customer will pay the contractually agreed consideration. These discretionary decisions and estimates take into account our previous customer experiences. Our contracts do not generally contain any significant financing components. We also do not recognise financing components if the period between transferring the software products and services to the customer and the receipt of payment for the same is less than twelve months.

In *step four*, we allocate the transaction price to the individual performance obligations. In view of the fact that the individual sale price estimates also involve discretionary decisions, we have defined internal guide values for the individual sale prices for use as a benchmark. We use these guide values to assess whether our products and services are being sold at standard market conditions. These assessments also involve the use of historical data.

We generally lease and sell software licenses together with software maintenance/support and other services. This is why we check whether our contracts with customers contain other promises that constitute separate performance obligations. The individual performance obligations contained in these multi-component agreements are subsequently identified and then allocated transaction prices. If it is not possible to establish a reliable market price for all of the performance obligations, they are allocated a transaction price using the residual method. In general, the Company agrees the compensation for the individual revenue components separately, with respect to which the agreed fees always match the applicable market prices.

Step five involves the actual recognition of the revenue. In this step, the revenue from contracts with customers is recognised when a performance obligation is satisfied by transferring a promised good or service to a customer. The revenue is recognised at the amount of the consideration that the Group is anticipated to receive in exchange for these goods or services. P&I operates on the basis that P&I constitutes the principal in all of its revenue transactions because P&I has control over the goods or services before their transfer to the customer.

We recognise our *recurring revenue* – which primarily constitutes the revenue generated with P&I LogaHR – on a pro rata basis over the period in which the relevant performance obligation is provided or transferred to the customer.

License revenue for standard software is recognised at the time at which a customer is provided with the license key for downloading the standard software. We recognise this revenue from the moment the license starts, which is when a customer is given control over the standard software in the form of being granted access to the same. However, as far as we are concerned, we are granting customers a right to use our intellectual property and not a right to access, because our standard software is also of use to customers without any further maintenance or updates.

We recognise *license revenue for customer-specific software*, i.e. standard software that has been extensively customised, over the period over which the software has been developed or implemented. In view of the fact that doing so involves discretionary decisions, we recognise this revenue in accordance with the percentage of completion method (PoCM) if the amount of the revenue can be reliably calculated, it is sufficiently probable that the economic benefit arising from the transaction will accrue to the Company and the costs incurred by the Company and any costs that are anticipated to be incurred until the full completion of the above can be reliably determined. The percentage of completion is ascertained as the ratio between the working hours completed at the reporting date and the total estimated number of working hours.

Consulting revenue from service contracts that are invoiced on the basis of completed time units are recognised depending on the performance obligations already fulfilled. Revenue and expenses from service contracts invoiced on a fixed price basis are recognised in accordance with the percentage of completion method (PoCM) if the amount of the revenue can be reliably calculated, it is sufficiently probable that the economic benefit arising from the transaction will accrue to the Company and the costs incurred by the Company in this connection and any costs that are anticipated to be incurred until the full completion can be reliably determined. The percentage of completion is ascertained as the ratio between the working hours completed at the reporting date and the total estimated number of working hours.

Revenue – Capitalised contract costs
P&I pays its personnel commissions for achieving specific targets regarding the number of contracts they successfully sell. The Group has elected to apply the practical expedient for the costs of contract obtaining a contract. In line with this approach, sales commissions can be recognised immediately as an expense because the amortisation period for the asset that the Group would otherwise have recorded does not amount to more than a year. The sales commissions for target figures for which the amortisation period would amount to more than a year, on the other hand, are capitalised as non-financial assets on the balance sheet. They are subsequently amortised over the anticipated contract term.

P&I capitalises all of the costs of the performance of a contract with a customer that do not fall within the scope of another standard whenever they directly relate to the contract, create or increase resources and if it is anticipated that the costs will be recovered. These costs are generally direct personnel costs incurred in connection with the performance of the performance obligations. These costs are also capitalised as non-financial assets and amortised over the anticipated period of service performance.

Revenue - Balance sheet disclosures
A *contract asset* is the entitlement to the receipt of a consideration in exchange for performance obligations that have already been fulfilled. If P&I performs its contractual performance obligations towards customers before the customer has paid the consideration or before the payment due date, it will recognise a contract asset for the conditional right to a consideration.

A *trade receivable* is an unconditional right to a consideration (i.e. the consideration becomes due automatically over time). The accounting policies for financial assets are detailed in the section on financial instruments.

A *contractual obligation* is an obligation on the part of P&I to fulfil a performance obligation for which P&I has already received a consideration. If a customer pays a consideration before P&I has fulfilled the performance obligation towards the customer, the payment is recognised as a contractual obligation when the payment has been made or becomes due. Contract liabilities are recognised as revenue as soon as P&I has fulfilled its contractual obligations.

Intangible assets

Intangible assets acquired in a business combination - software and customer base
Intangible assets acquired in a business combination are recognised separately from goodwill and measured at fair value (cost) on the acquisition date. In subsequent periods, they are measured in the same way as individually acquired intangible assets, i.e. at cost less accumulated amortisation and impairment.

Software acquired in a business acquisition is generally amortised on a straight-line basis over its useful live (generally a period of five years).

P&I uses a useful life of ten to 17 years for the capitalised customer bases. They are amortised on a straight-line basis.

The carrying amounts of the software and customer bases are tested for impairment whenever there are indications that the carrying amount of an asset may exceed the amount recoverable through its use or sale. Amortisations and impairment losses that affect customer bases are recognised in the statement of income in the separate item 'Amortisations of customer bases'.

Separately acquired intangible assets
Intangible assets with determinable useful lives not acquired as part of a business combination are amortised over their economic lives and tested for impairment if there are indications that the intangible asset may be impaired. In the case of intangible assets with determinable useful lives, the useful life and the amortisation method are reviewed at the end of each financial year as a minimum. Possible changes to the amortisation method and useful life are treated as changes in estimates. Purchased software licences are normally amortised on a straight-line basis over three to five years.

All of the P&I Group's separately acquired intangible assets have determinable useful lives.

Internally generated intangible assets - research and development costs
Research costs are expensed in the period in which they are incurred. Development costs for a single project are only capitalised as intangible assets if P&I can demonstrate the following:

- The technical feasibility of completing the intangible asset so that it can be used internally or sold
- The intention to complete the intangible asset and the ability to use or sell it
- How the asset will generate future economic benefits
- The availability of resources for the purpose of completing the asset
- The ability to reliably measure the expenditure attributable to the intangible asset during its development

An intangible asset exists from the day on which all these conditions are met cumulatively for the first time. Expenses incurred prior to this date are recognised in profit or loss. In subsequent periods, the assets are measured at acquisition or production cost less accumulated amortisation and impairment.

The development costs at P&I do not meet the requirements for capitalisation as an intangible asset in accordance with IAS 38.57. P&I's development projects centre on improving the P&I LOGA range of products on an ongoing basis. These could only be capitalised if the improvements or changes were of such a magnitude as to give rise to a new product. Furthermore, the projects are distinguished by cyclical or iterative phases. I.e. the gathering (research) and implementation (development) of ideas is not sequential, meaning that research and development phases are never distinct and always comprise a mixture of both. This is why the conditions for the capitalisation of internally generated intangible assets are not met in full until just before the products are ready for market. Provided they are not significant, development expenses incurred after the fulfilment of the capitalisation criteria are expensed in the statement of income on the date they are incurred.

Derecognition of intangible assets
An intangible asset is derecognised when it is disposed of or when no further economic benefit is expected from its future use or disposal. Gains or losses on derecognition are determined as the difference between the net proceeds of the sale and the carrying amount of the asset and recognised during the period that the asset is recognised.

Property, plant and equipment
Operating and office equipment is always carried at cost less accumulated scheduled depreciation and accumulated impairment.

Equipment is depreciated over the estimated expected economic life using the straight-line method in line with the expected pattern of use:

Office Building	25 years
IT equipment	2 - 7 years
Vehicles	5 - 6 years
Other operating and office equipment	4 - 23 years
Leasehold improvements	4 years, or not exceeding the remaining term of the lease at the date installed

When property, plant and equipment is sold or scrapped, the cost of the respective item and the accumulated depreciation are derecognised. Any gain or loss on disposal is reported in the consolidated statement of income.

The residual values, useful lives and depreciation methods are reviewed at the end of each financial year and prospectively adjusted as necessary.

Inventories
The production costs include direct costs and reasonable overheads. Inventories are measured at the lower value of cost or production cost and net realisable value. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Impairment of non-financial assets other than goodwill
On each reporting date, the Group assesses whether there are indications that an asset may be impaired. If such indications exist or if an assets requires annual impairment testing, the Group estimates the recoverable amount of the respective asset. An asset's recoverable amount is the higher of an asset or cash-generating unit's fair value less costs to sell and its value in use. When calculating the value in use, the estimated future cash flows are discounted to their present value at a pre-tax rate that reflects current market expectations regarding the interest effect and the asset-specific risks.

For assets that generate no cash flows and that are largely independent of those of other assets or groups of other assets, the recoverable amount for the cash-generating unit to which the asset is allocated is determined.

If the carrying amount of an asset exceeds the recoverable amount, it is reduced to the recoverable amount through profit or loss.

P&I uses detailed budget and forecast calculations, which are created separately for each of the cash-generating units, for assessing impairment.

Financial instruments
A financial instrument is a contract recorded as a financial asset by one and as a financial liability or equity instrument by another company.

Financial assets - Initial recognition and measurement
When a financial asset is recognised for the first time, it is classified either as measured at amortised cost, as outside profit or loss at fair value in other income or at fair value through profit or loss for subsequent measurement.

The classification of financial assets on initial recognition depends on the characteristics of the contractual cash flows of the financial assets and P&I's business model for controlling its financial assets.

Trade receivables that do not contain a significant financing component or for which P&I applied the practical expedient are measured at the transaction price established in accordance with IFRS 15.

In order to be able to classify and measure a financial asset at amortised cost or outside of profit or loss at fair value under other income, the cash flows have to originate solely from principal and interest payments on the outstanding principal amount. This assessment is referred to as a SPPI test (solely payment of principal and interest) and performed at the level of the individual financial instrument.

Financial assets - Subsequent measurement
Financial assets are divided into four categories for subsequent measurement:

- Financial assets measured at amortised cost (debt instruments)
- Financial assets measured at fair value outside of profit or loss under other income and with reclassification of accumulated profit and loss (debt instruments)
- Financial assets measured at fair value outside of profit or loss under other income without reclassification of accumulated profit and loss on derecognition (equity instruments) and
- Financial assets measured at fair value through profit or loss.

Financial assets – Financial assets measured at amortised cost
P&I measures financial assets at amortised cost when the following two conditions are met:

- The financial asset is held within the context of a business model aimed at holding financial assets for the purpose of collecting the contractual cash flows and
- The contractual terms for the financial asset generate cash flows at defined periods that only represent principal and interest payments on the outstanding principal amount.

In subsequent periods, financial assets carried at amortised cost are measured using the effective interest method and are reviewed for impairment. Profits and losses are measured through profit or loss when the asset is derecognised, modified or impaired.

Financial assets measured at amortised cost include non-current financial assets and trade receivables.

Financial assets - Financial assets measured at fair value outside of profit or loss under other income (debt instruments)
P&I measures debt instruments at fair value outside of profit or loss under other income when the following conditions are met:

- The financial asset is held within the context of a business model aimed at holding financial assets for the purpose of collecting the contractual cash flows as well as the sale of financial assets, and
- The contractual terms for the financial asset generate cash flows at defined periods that only represent principal and interest payments on the outstanding principal amount.

Debt instruments measured at fair value outside of profit or loss under other income are mad up of interest income, remeasurements of currency translation gains and losses as well as impairment losses or reversals of impairment losses in the income statement and they are measured in the same way as financial assets measured at amortised cost. All other changes to the fair vale are recognised under other income. On derecognition, the accumulated gains or loses recognised under other income arising from a change in the fair value are reclassified in the income statement.

Financial assets - Financial assets measured at fair value outside of profit or loss under other income (equity instruments)
On initial recognition, equity instruments can irrevocably be classified outside profit or loss at fair value under equity instruments measured under other income if they meet the definition of equity in accordance with IAS 32 FINANCIAL INSTRUMENTS: PRESENTATION and are not being held for trading purposes. The classification has to be made for each individual instrument.

Profits and losses from these financial assets are never reclassified in the income statement. Dividends are recognised as other income in the income statement if there is a legal entitlement to payment, unless the dividends are used to recover part of the acquisition costs of the financial asset. In this case, the profits are recognised under other income. Equity instruments measured outside profit or loss at fair value under other income are not reviewed for impairment.

Financial assets - Financial assets measured at fair value through profit or loss
The group of financial assets measured at fair value through profit or loss is made up of the financial assets held for trading purposes, financial assets that are measured at fair value through profit or loss on initial recognition, as well as derivatives, provided they have not been designated for use as security instruments. Financial assets are classified as being held for trading purposes if they are acquired in order to sell or repurchase them in the near future. Financial assets with cash flows that do not just represent principal and interest payments are classified at fair value through profit or loss irrespective of the business model and measured accordingly. Irrespective of the above criteria for classifying debt instruments as "measured at amortised cost" or "measured outside profit or loss at fair value under other income", debt instruments can also be measured classified at fair value through profit or loss on first recognition if doing so will eliminate or significantly reduce an accounting mismatch.

Financial assets measured at fair value through profit or loss are recognised at fair value on the balance sheet, with respect to which the changes to the fair value are netted in the income statement.

Financial assets - Derecognition
A financial asset is derecognised when one of the following conditions is being met:

- The contractual rights to cash flows from the financial asset have expired.
- P&I has transferred its contractual rights to cash flows from the financial asset to third parties or entered into a contractual obligation to immediately pay the cash flow to a third party within the context of a pass-through arrangement and, in doing so, has either (a) essentially transferred all of the benefits and risks associated with the ownership of the financial asset, or (b) neither essentially transferred or retained all of the benefits and risks associated with the ownership of the financial asset, but transferred the authority to dispose of the financial asset.

If the contractual rights to the cash flows from a financial asset have been transferred or are subject to a pass-through arrangement, it must be assessed whether and to what extent the benefits and risks associated with the ownership of the asset have remained with P&I. If P&I has essentially neither transferred nor retained all of the benefits and risks associated with the ownership of this financial asset, or transferred the power to dispose of the financial asset, P&I continues to recognise the transferred financial asset within the scope of its continuing engagement. In this case, any associated obligations are also recognised. The transferred financial asset and the associated obligation are measured in such a way that the rights and obligations that have remained with P&I are taken fully into account.

If the continuing engagement formally guarantees the transferred financial asset, the scope of the continuing engagement corresponds to the lower amount from the original carrying amount of the financial asset and the highest amount of the consideration received, which also may have to be paid back.

Financial assets - Impairment of financial assets
P&I adjusts the value of all debt instruments that are measured at fair value outside profit or loss with respect to expected credit losses. Expected credit losses are based on the difference between the contractual cash flows that are payable in accordance with the contract and the total cash flows that the Company expects to receive, less an approximated value of the original effective interest rate. The expected cash flows include the cash flows from the sale of the securities held or other credit protection that forms an essential part of the conditions of contract.

Expected credit losses are recognised in two steps. For financial instruments whose risk of default has not significantly increased since first recognition, a risk provision to the amount of the expected credit loss that is based on a loss event within the next twelve months is recognised. For financial instruments whose risk of default has significantly increased since first recognition, a risk provision to the amount of the expected credit loss over the remaining term, irrespective of the timing of the loss event, is recognised.

In the case of trade receivables and contract assets, P&I uses a simplified method for calculating the expected credit losses. P&I regularly checks financial assets for potential losses and reviews all financial assets on a quarterly basis. These checks and reviews always involve checking each individual asset. One of the indicators for a potential credit loss are outstanding payments that are more than 90 days overdue. In certain cases, a financial asset may also be expected to be subject to credit loss if internal or external information indicate that it is unlikely that P&I will receive the outstanding contractual amounts to their full amount. A financial asset is written off if there is no reason to expect that the contractual cash flows will materialise.

Financial liabilities - Initial recognition and measurement
On initial recognition, financial liabilities are classified as financial liabilities that are measured at fair value through profit or loss, as loans, as liabilities or as derivatives that have been designated for use as security instruments and are effective as such.

All financial liabilities are measured at fair value less the directly attributable transaction costs on first recognition.

The Group's financial liabilities comprise trade payables and other liabilities.

The subsequent measurement of financial liabilities depends on their classification, which is as follows:

Financial liabilities - Financial liabilities measured at fair value through profit or loss
Financial liabilities measured at fair value through profit or loss principally comprise the financial liabilities held for trading purposes and other financial liabilities that are measured at fair value through profit or loss on initial recognition.

Profit or loss from financial liabilities held for trading purposes are recognised through profit or loss.

Financial liabilities are classified as financial liabilities measured at fair value through profit or loss on their initial recognition if the criteria set out under IFRS 9 are being met.

Financial liabilities - Loans
After initial recognition, interest-bearing loans are measured at amortised cost using the effective interest method. Profit and loss is recognised through profit or loss if the liabilities are derecognised and, in the context of amortisation, using the effective interest method.

Amortised costs are measured taking into account any premium or discount at acquisition as well as fees or costs that represent an integral part of the effective interest rate. The income statement recognises amortisation by means of the effective interest rate method as part of the financial expenses.

Financial liabilities - Derecognition
A financial liability is derecognised when the obligation underlying it has been fulfilled, cancelled or expired. If an existing financial liability is replaced with another financial liability from the same lender with substantially different terms or if the terms of an existing liability undergo a material change, such replacements or such changes are treated as a derecognition of the original liability. The differences between the relevant carrying amounts are recognised through profit or loss.

Financial liabilities - Balancing of financial instruments
Financial assets and liabilities are balanced and the net amount reported in the consolidated balance sheet if, at the time, there is a legal entitlement to offset the recognised amounts against each other and the intention is to balance them on a net basis or to resolve the associated liability at the same time as the relevant asset is being realised.

Cash and cash equivalents
Cash and short-term cash investments reported on the balance sheet comprise cash in hand, cheques, bank balances and fixed-term deposits with a term of less than three months from the date of acquisition.

Provisions
A provision is recognised when the Group has a current (legal or constructive) obligation due to a past event, if it is likely that there will be an outflow of resources with economic benefit for meeting the obligation, and it is possible to reliably estimate the amount of the obligation. If the Group expects that a provision carried as a liability (e.g. in the case of an insurance contract) will be reimbursed as a minimum in part, the reimbursement is recognised as a separate asset only if the reimbursement is as good as guaranteed.

The expense for forming the provision is reported in the income statement. If the effect of the interest effect is material, provisions are determined by discounting the expected future cash flows at an interest rate before tax that reflects current market assessments respecting the interest effect and the risks specific to the liability, where applicable. In the event of discounting, the increase in provisions due to the passage of time is recognised as interest expense.

Partial retirement agreements
Semi-retirement agreements are recognised as other long-term benefits to employees at the present value of the obligation as of the reporting date. The semi-retirement credits earned are protected from insolvency by pledging securities to the beneficiaries. The fair value of these securities is netted against the corresponding obligation.

Leases
A lease is a contractual arrangement in which the lessor grants the lessee the right to use a specific assets for a set period of time and in return for a payment. A lease is only effective if the lessee has control over the asset's right-of-use. The lessee only has control if he is entitled to exploit all of the economic benefits associated with the use of a specific asset and to decide over the asset's use.

The P&I Group only acts as a lessee in the context of operating leases.

All leases are recognised as rights-of-use and as a lease liability at the present value of the future lease payments on the balance sheet on the date the right-of-use commences. Short-term and low-value lease assets are subject to simplified requirements.

Lease liabilities are recognised at the present value of the future lease payments over the reasonably certain period of use. Lease payments include all fixed and virtually fixed payments, less future incentive payments made by the lessor. In addition to the above, the Group also recognises variable payments that are coupled to a rate or index, expected payments from residual value guarantees and payments for the exercise of reasonably certain purchase and termination options. A lease liability is discounted using the interest rate implicit in the lease or, if this isn't known, the lessee's incremental borrowing rate. All other variable payments are recognised as expenses. Lease liabilities are measured and adjusted using the effective interest method.

The right-of-use asset is always measured at cost, which comprises the cost of the lease liability at the acquisition date. These costs have to be adjusted for any payments made for taking out the lease contract, for the installation of the leased asset and an estimate of the cost to dismantle or restore the underlying asset or the site on which it is located at the end of the lease term. These costs are furthermore adjusted for any incentives already paid by the lessor. The right-of-use asset is subsequently depreciated over the lease term on a straight line basis and, where relevant, adjusted in line with any unscheduled depreciation. If ownership of the leased asset passes to the lessee at the end of the lease or if there is reasonable certainty the option to purchase or sell the leased asset will be exercised, the right-of-use asset is depreciated over the useful economic life of the underlying asset.

The lease term is defined as the reasonably certain period over which the asset will be leased. The lease term also includes the non-cancellable period of the lease term plus any renewal options and notice periods which are reasonably certain to be exercised. This assessment is reviewed in the event of events outside the lessee's control or of material changes in circumstances that necessitate a change to the lease term. The lease term is adjusted if a renewal option is exercised or a termination option is not exercised and if they have not been included in the original assessment. An adjustment of the lease term will result in a change in the future lease liability and hence to a revaluation of the lease liability at the current interest rate. The resulting difference is recognised outside profit or loss in right-of-use. Write-off amounts that exceeded the carrying amount of the right-of-use are recognised as expenses through profit or loss.

Changes to a contract that increase the scope of a lease without leading to a separate lease contract are recognised outside profit or loss in the carrying amount of the right-of-use and the lease liability of the existing lease. If a change to a contract reduces the scope of the lease contract, both the right-of-use and the lease liability have to be revalued. The percentage profits or losses resulting from this revaluation are recorded outside profit or loss. The modified amounts are measured at the time of the change using the new interest rate applicable at that time.

Income taxes
Income and profit taxes include the taxes owed by P&I AG and the consolidated subsidiaries, as well as deferred taxes.

As a subsidiary company that is part of a tax consolidation group, P&I AG does not report any income tax and deferred taxes.

At Group companies outside the tax group, current tax expenses are calculated on the basis of taxable income. This is based on the tax rates and tax laws valid as of the reporting date in the countries in which the Group operates. Current tax and deferred tax are charged or credited directly to equity if the tax relates to items that are credited or charged directly to equity in the same or a different period.

Deferred taxes are calculated using the temporary difference approach. Deferred income taxes reflect the net tax expense/income from temporary differences between the carrying amount of an asset or liability in the IFRS statement of financial position and its tax base.

Deferred tax liabilities are - with the exception of those of P&I AG - recognised for all taxable temporary differences. A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable income will be available against which the temporary difference can be utilised. No deferred taxes are recognised for temporary differences if they relate to the initial recognition of goodwill or the initial recognition of an asset or liability from a transaction other than a business combination and that affects neither accounting profit nor taxable profit at the time of the transaction.

No deferred tax liabilities arise if and to the extent that undistributed profits of foreign holdings are to remain invested in this Company for an indefinite period.

The Company reassesses unrecognised deferred tax assets and the carrying amount of deferred tax assets at each reporting date. The Company recognises a previously unrecognised deferred tax asset to the extent that it has become probable that future taxable income will allow the deferred tax asset to be recovered.

Conversely, it reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable income will be available to allow the benefit of part or all of that deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the differences are reduced because the asset is realised or the liability is settled.

Currency translation
The consolidated financial statements are prepared in euro. Each company within the Group determines its own functional currency. The items included in the financial statements of each company are measured using this functional currency. Transactions in a foreign currency are initially translated at the spot exchange rate between the functional currency and the foreign currency on the day of the transaction. Foreign-currency monetary assets and liabilities are translated into the functional currency at the closing rate on the reporting date. All exchange differences are recognised in net profit or loss for the period. One exception is exchange differences arising from foreign currency borrowings used to hedge a net investment in a foreign operation. They are recognised directly in equity until the net investment is sold and are not recognised in net profit or loss for the period until disposal. Taxes resulting from these exchange differences are also recognised in equity. Non-monetary items that are measured at historical or production cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate from the date when the fair value was determined.

The functional currency of the subsidiaries in Switzerland is the Swiss franc. At the reporting date, the assets and liabilities of the Swiss subsidiaries are translated into the Group’s presentation currency at the closing rate. Income and expenses are translated at the average rate for the period. The exchange differences arising from currency translation are recognised in equity outside profit or loss in other comprehensive income. The closing rate for Switzerland on 31 March 2024 was CHF/EUR 0.9766 (previous year: CHF/EUR 0.9968). The average exchange rate for Switzerland for the 2023/2024 financial year was CHF/EUR 0.9610 (previous year: CHF/EUR 0.9941).

Profit transfer

There is a Domination and Profit Transfer Agreement between P&I AG and Athena BidCo GmbH. Under this agreement, Athena BidCo GmbH is entitled to issue instructions to P&I AG and P&I AG's accounting profit after taxes under German commercial law must be transferred to Athena BidCo GmbH. In turn, Athena BidCo GmbH is obliged to compensate any potential loss.

In the consolidated financial statements, the profit transfer is reported as an appropriation of earnings (see consolidated statement of changes in equity).

Statement of cash flows

The statement of cash flows shows how the P&I Group's cash position has changed during the course of the financial year in terms of cash inflows and outflows. When subsidiaries are consolidated for the first time, only the actual cash flows are reported in the statement of cash flows. The cash inflow/outflow from the purchase or sale of companies, i.e. the purchase price less/plus the funds acquired/disposed of with the company, is recognised as net cash inflow/outflow from investing activities. In accordance with IAS 7, a distinction is made between cash flows from operating activities, from investments and from financing.

2.1. Management's use of judgement and key sources of estimation uncertainty

The preparation of the consolidated financial statements in accordance with IFRS sometimes requires the Management Board to make estimates or judgements that can affect the recognition of assets and financial liabilities on the reporting date and the income and expenses for the reporting period. I.e., the actual amounts or developments may deviate from these estimates and assumptions.

Among other things, there is a need for significant estimates and discretionary decisions concerning the useful lives of fixed assets (notes 9 and 10) and concerning the assessment of the recoverability of trade receivables (note 17), capitalised contract costs (note 14), contract balances (notes 15, 23), deferred taxes (note 13) and provisions (note 28). The recognition of lease right-of-use assets and lease liabilities (note 11) also involves discretionary decisions regarding e.g. contract terms and renewals and the determination of interest rates. Assumptions, risks and uncertainties associated with the percentage of completion method for revenue recognition also affect the level of revenue reported and their distribution over time (note 4).

The estimates of services yet to be rendered can also be influenced by numerous internal and external factors. Accordingly, the estimates and underlying assumptions are regularly reviewed. Changes are accounted for in the affected periods.

At each reporting date, the Group determines whether there are indications of impairment of non-financial assets. Goodwill is tested for impairment at least once a year as well as when indications of impairment arise. Other non-financial assets are tested for impairment if there are indications that the carrying amount may be greater than the recoverable amount. For further details, please refer to the relevant information in note 9.

3. Sale of Mirus Software AG, Davos, Switzerland

On 15 September 2023, the Company entered into a share purchase agreement for selling Mirus Software AG, Davos, Switzerland, ("Mirus"), which sells its own HR products on the Swiss market. The sale was in accord with the Company's objective of focussing on selling P&I products and P&I LogaHR in particular. The sale became effective on 1 October 2023, on which control over Mirus Software AG was transferred to the purchaser. This was also the date on which Mirus Software AG was deconsolidated.

The following details the particulars concerning the disposed assets and liabilities.

On the disposal date, the net assets of Mirus Software AG were composed as follows:

	01. Oktober 23 in kEUR
Property, plant and equipment	102
Rights-of-use IFRS 16	56
Inventories	17
Trade receivables	228
Current financial assets	181
Bank balances and cash-in-hand	5,751
Contract liabilities	-2,405
Lease liabilities IFRS 16	-57
Trade payables	-273
Current tax liabilities	-452
Other current liabilities	-561
Allocable goodwill	2,395
Disposed net assets	**4,982**
Capital gains	118
Total consideration paid by: Cash and cash equivalents	5,100
Consideration received in the form of cash and cash equivalents	5,100
Less: Cash and cash equivalents dispensed through the sale	-5,751
Net cash inflow from the sale:	**-651**

As part of the sale, Mirus Software AG was revalued and its goodwill to the amount of kEUR 1,221 was subsequently recognised as unscheduled depreciation.

In the 2023/2024 financial year, Mirus Software AG contributed revenue to the amount of KEUR 5,449 (previous year: kEUR 9,948) and an EBIT of kEUR 2,830 (total previous year: kEUR 4,789) to the Group.

4. Revenue

Revenue broken down by activity developed as follows:

	2023/2024 kEUR	2022/2023 kEUR
P&I LogaHR	165,087	109,289
Other Software as a Service (SaaS)	9,054	13,431
Service Agreements / Application Services Providing (ASP)	5,780	9,637
Software as a Service	179,921	132,357
Maintenance	26,306	35,490
Recurring services	**206,227**	**167,847**
Consulting (non-recurring business)	33,057	31,252
Licenses	1,319	2,030
Other	7,713	8,894
Non-recurring services	**42,089**	**42,176**
Total	**248,316**	**210,023**

Recurring services comprise P&I LogaHR in the form of Software-as-a-Service (SaaS) and HR-as-a-Service (HRaaS) services as well as maintenance income, other SaaS services and recurring services from the consulting business (service contracts, application service providing). Recurring services arise from open-ended contracts with customers or customer contracts with terms of up to thirteen years.

One-off services also include time-related revenue from project business, which is reported using the percentage of completion method. This amounted to kEUR 3,592 from consulting (previous year: kEUR 2,215) and kEUR 74 from licences (previous year: kEUR 0). The accumulated costs of the current financial year from projects not yet completed as of the reporting date amounted to kEUR 2,746 (previous year: kEUR 1,380 thousand), while the accumulated recognised profits amounted to kEUR 846 (previous year: kEUR 836).

In terms of regional distribution, revenue was generated as shown in the following countries, with respect to which the revenue of the VRZ Group was fully allocated to Austria:

	2023/2024 kEUR	2022/2023 kEUR
Germany	212,262	171,045
Austria	18,185	18,147
Switzerland	17,665	20,781
Other international	204	50
Total revenue	**248,316**	**210,023**

In the 2023/2024 financial year, the majority of revenue to the amount of kEUR 212,262 (previous year: kEUR 171,045) was again generated in Germany. The revenue generated in the other countries amounted to kEUR 36,054 (previous year: kEUR 38,978).

No customer accounted for more than 10 % of the Group's revenue during the 2023/2024 and 2022/2023 financial years.

Information on outstanding performance obligations
The total amount of the transaction cost allocated to performance obligations not yet discharged or not discharged in full at the end of the 2023/2024 financial year amounts to about EUR 875.1 million (previous year: EUR 595.6 million). This corresponds to the revenue from customer contracts that have not yet been realised. This primarily includes the obligations from recurring services since these customer contracts generally have a term of several years. Approximately 28 % of this amount (previous year: 33 %) is anticipated to be realised as revenue in the 2024/2025 financial year.

5. Other income statement disclosures

Cost of sales
The costs of sales incurred as part of delivering the services provided to generate revenue include expenses for the category of consulting and SaaS services (primarily for personnel, services purchased from partners and materials) and the cost of goods purchased in the time management hardware, merchandise and other costs of sales categories.

The cost of sales developed as follows:

	2023/2024 kEUR	2022/2023 kEUR
Costs of consulting and SaaS services rendered	54,094	48,531
Cost of goods purchased for time-management hardware, merchandise and other costs of sales	6,439	7,817
Total	**60,533**	**56,348**

Research and development costs
Research and development costs primarily comprise the expenses for the personnel at the Company's headquarters in Wiesbaden and at the development centres in Greece and Slovakia for the maintenance and further development of our products.

Research and development costs have developed as follows:

	2023/2024 kEUR	2022/2023 kEUR
Personnel expenses	19,794	17,001
Other costs including depreciation	6,590	6,449
Total	**26,384**	**23,450**

Selling costs
Selling costs include expenses for personnel, advertising and expenses for trade fairs and conferences.

Selling costs developed as follows:

	2023/2024 kEUR	2022/2023 kEUR
Personnel expenses	8,550	9,788
Other costs including depreciation	3,738	3,486
Total	**12,288**	**13,274**

Administrative costs

In addition to the costs for administrative staff, administrative costs also include the proportional personnel costs for the Management Board. Expenses for legal and tax consulting and auditing are also classified as administrative costs.

Administrative costs developed as follows:

	2023/2024 kEUR	2022/2023 kEUR
Personnel expenses	6,831	5.361
Other costs including depreciation	3,249	2,643
Total	**10,080**	**8,004**

Amortisation and impairment of customer base and goodwill

The scheduled amortisation of the customer base amounted to kEUR 1,723 (previous year: kEUR 1,698). As part of the sale and subsequent deconsolidation of Mirus Software AG, the company was revalued and its goodwill to the amount of kEUR 1,221 recognised as unscheduled depreciation.
At the P&I Group, the impairment tests conducted at the end of the financial year did not indicate any potential customer base impairments (previous year: kEUR 0). The impairment test furthermore did not indicate any impairment of goodwill (previous year: kEUR 0).

Other operating income / expenses

Other operating income amounted to kEUR 476 (previous year: kEUR 1,489) and primarily includes the reversal of provisions recognised in previous years.

Other operating expenses amounted to kEUR 205 (previous year: kEUR 823) and primarily comprise specific valuation allowances on receivables, ongoing expenses for the Supervisory Board and non-operating non-recurring expenses.

6. Additional notes on the income statement according to the cost of sales method

Cost of materials

The cost of materials amounted to kEUR 7,785 in the financial year (previous year: kEUR 9,261). This included the costs of purchased services of kEUR 1,347 (previous year: kEUR 1,444) and of the material required for time management hardware..

Personnel expenses

At kEUR 74,799, personnel costs were up from the previous year (kEUR 66,845). The number of employees including the Management Board – measured as an average for the year as a whole – was 522 (previous year: 538).

	2023/2024 kEUR	2022/2023 kEUR
Salaries and wages	67,060	59,668
Social security contributions and pension expense	7,739	7,177
Total personnel expenses	**74,799**	**66,845**

The average annual number of employees employed in Germany, including the Management Board, was 247. A total of 275 employees were employed in other countries, with the development centre in Ioannina (Greece) most strongly represented with 158 employees, followed by the two Slovakia development centres with 34 employees.
Most of our employees were employed in the two personnel-intensive areas of research and development at 221 employees, and consulting at 205 employees. Sales and Marketing had 46 employees, while 50 employees worked in the P&I Group’s administrative units.

The amount expensed for defined contribution plans in the 2023/2024 financial year was kEUR 1,961 (previous year: kEUR 1,775), of which kEUR 1,747 (previous year: kEUR 1,556) went to state pensions.

Depreciation, amortisation and impairments
The scheduled amortisation of intangible assets, property, plant and equipment and lease right-of-use assets amounted to kEUR 13,709 (previous year: kEUR 12,168) The scheduled amortisations of the lease rights-of-use that have been capitalised on the basis of IFRS 16 amount to kEUR 3,507 (previous year: 3,457 kEUR).
In the 2023/2024 financial year, the deconsolidation of Mirus Software AG led to the unscheduled depreciation of the company's goodwill to the amount of kEUR 1,221.

Due to the cost of sales method, depreciation and amortisation of property, plant and equipment, other intangible assets and lease rights-of-use of kEUR 10,765 (previous year: kEUR 10,470) are broken down in the income statement into the cost of sales, research and development costs, selling costs and administrative costs.

7. Financial results

Financial income
This item is comprised as follows:

	2023/2024 kEUR	2022/2023 kEUR
Commissions for guarantees	7,879	4,816
Interest income from loans granted	2,130	3,801
Other	624	85
Financial income	**10,633**	**8,702**

Financial expenses
This item is comprised as follows:

	2023/2024 kEUR	2022/2023 kEUR
Interest expenses for leases	539	477
Other	67	36
Financial expenses	**606**	**513**

8. Tax expenses

Taxes both paid and owed on income and deferred taxes are reported as income taxes.

	2023/2024 kEUR	2022/2023 kEUR
Deferred tax income/expense		
International	-1,046	-132
	-1,046	**-132**
Current tax expenses		
Germany	0	0
International	1,297	2,001
	1,297	**2,001**
Total	**251**	**1,869**

P&I AG has not reported any income tax and deferred taxes from temporary differences between its IFRS and tax balance sheet due to its tax consolidation group agreement with Athena BidCo GmbH.

The combined tax rate for Germany is 31.93 % (previous year: 31.71 %). The tax rate used for Austria was 23 % (previous year: 25 %), for the Netherlands 20 % (previous year: 20 %), for Switzerland 20 % (previous year: 20 %), for Slovakia 19 % (previous year: 19 %) and for Greece 24 % (previous year: 24 %).

The following table contains a reconciliation between the tax expense calculated by applying the combined tax rates for Germany, and the tax expenses reported in the subsidiaries' present single-entity financial statements:

	2023/2024 kEUR	2022/2023 kEUR
Calculated tax	46,730	36.823
Income tax effects of the PLTA	-44,162	-33,652
Effects of foreign tax rates	-2,317	-1,302
Income taxes	**251**	**1,869**

9. Goodwill, customer bases and other intangible assets

Goodwill

Goodwill breaks down as follows:

	31. March 2024 kEUR	31. March 2023 kEUR
COMPU-ORGA	3,291	3,291
P&I Service	2,448	2,448
SOLITON	1,969	1,969
KSL	945	945
UBM-Drecker	229	229
Germany total	**8,882**	**8,882**
Soreco	6,502	6,375
PerSal	1,176	1,153
Mirus Software	0	3,477
Switzerland total	**7,678**	**11,005**
VRZ	7,467	7,467
Austria total	**7,467**	**7,467**
Goodwill	**24,027**	**27,354**

The change is due to the loss of the goodwill of Mirus Software AG due to its sale and subsequent deconsolidation as well as exchange rate effects in the financial year. The only unscheduled depreciation in the 2023/2024 financial year in the amount of kEUR 1,221 was recorded in the context of the deconsolidation and revaluation of the goodwill of Mirus Software AG.

For the purposes of impairment testing based on the value in use, goodwill was allocated to the cash-generating units of Germany, Austria and Switzerland, as the synergies are enjoyed by the P&I Group at country level.

For the purpose of this impairment test, the business segments in Germany, Austria and Switzerland were defined as the cash-generating units. Due to the acquisition of the VRZ Group in the 2021/2022 financial year, the Austrian segment comprises the company P&I Personal & Informatik GmbH, Vienna, and the four VRZ Group companies. Following the sale of Mirus Software AG in the 2023/2024 financial year, P&I's Swiss segment now only comprises P&I Personal & Informatik AG, Thalwil. Soreco HR AG and PerSal AG were merged into P&I AG, Thalwil, with effect from 1 April 2019.

The cash flows include the operating pre-tax cash flows from the forecasts for the segments compiled by the Management Board. These forecasts are based on the assumption that the economy as a whole, the software industry and existing and new customer business will develop in a certain way. These assumptions are based on past experience as well as external sources of information. The forecasts cover a period of 16 years. These projected future cash flows are discounted to their present value at discount rates. The discount rates are established on the basis of the weighted average cost of capital (WACC).

After-tax discount rates:

	31. March 2024 kEUR	31. March 2023 kEUR
Germany	13.3 %	14.3 %
Austria	12.3 %	14.0 %
Switzerland	8.4 %	10.2 %

The goodwill described above was subjected to a sensitivity analysis in parallel with the impairment test performed on the reporting date. This showed that neither an increase in the discount interest rate of 100 or 200 basis points nor a reduction in the expected cash flows of 10 % would result in the need to recognise impairment losses. The impairment tests conducted on 31 March 2024 confirmed the recoverability of the existing goodwill from the acquisition of the subsidiaries.

Customer base
The customer base breaks down as follows:

	31. March 2024 kEUR	31. March 2023 kEUR
P&I Service GmbH **)	2,380	2,558
UBM-Drecker *)	1,690	1,997
COMPU-ORGA **)	868	934
SOLITON **)	674	726
Germany total	**5,612**	**6,215**
VRZ Group HR customer base **)	2,158	2,304
VRZ Group DC customer base *)	730	824
Austria total	**2,888**	**3,128**
Soreco *)	798	1,453
PerSal *)	806	966
Switzerland total	**1,604**	**2,419**
Customer base	**10,104**	**11,762**

*) Useful life 10 years
**) Useful life 17 years

The individual customer bases from acquisitions prior to the 2020/2021 financial year are respectively depreciated as scheduled over their useful lives of ten years. Customer bases from acquisitions from the 2020/2021 onwards are depreciated over a useful life of 17 years, with the exception of the VRZ Group's DC customer base. The reason for this difference is the change in business model. In the year under review, scheduled amortisations amounted to kEUR 1,723 (previous year: kEUR 1,698). At the P&I Group, the impairment tests conducted at the end of the financial year did not indicate any potential customer base impairments.

Other intangible assets
On 31 March 2024, other intangible assets primarily comprise the software acquired as part of the acquisition of UBM-Drecker (kEUR 338). The scheduled amortisation of the other intangible assets amount to kEUR 1,070 (previous year: kEUR 1,092).

10. Property, plant and equipment

The development of property, plant and equipment without consideration of the right of use under IFRS (see next note for more information) is shown at the end of this appendix. In the financial year, depreciation expense amounted to kEUR 6,188 (previous year: kEUR 5,921) and was only attributable to scheduled depreciations.

11. Leases

Leases are being reported as follows on the balance sheet as at 31 March 2024 and the income statement for the 2023/2024 financial year:

	31. March 2024 kEUR	31. March 2023 kEUR
Offices	10,003	10,795
Operating and office equipment, vehicle fleet	2,870	1,802
Right-of-use assets IFRS 16	**12,873**	**12,597**

	31. March 2024 kEUR	31. March 2023 kEUR
Non-current lease liabilities	11,047	10,675
Current lease liabilities (Reported under other current liabilities)	2,818	2,822
Lease liabilities	**13,865**	**13,497**

Expenses for leases recognised under operating earnings:

	2023/2024 kEUR	2022/2023 kEUR
Depreciation of right-of-use assets		
Offices	1,965	2,103
Operating and office equipment, vehicle fleet	1,542	1,354
Depreciation of right-of-use assets	**3,507**	**3,457**

Expenses for leases recognised under financial results:

	2023/2024 kEUR	2022/2023 kEUR
Interest expenses for lease liabilities	**539**	**477**

12. Non-current financial assets

Non-current financial assets primarily comprise a loan extended to Athena BidCo GmbH. The loan is allocated to non-current financial assets on account of its term and has a fixed interest rate. In the 2023/2024 financial year, this loan and the interest accrued up to the reporting date was settled in full in the context of offsetting the profit transfer from the 2022/2023 financial year in June and through a final payment in the amount of kEUR 19,337 to Athena BidCo GmbH.
Following the above, Athena BidCo GmbH was granted new loan tranches to the amount of kEUR 63,980 (previous year: kEUR 63,580). As of 31 March 2024, the loan granted amounts to kEUR 64,816 (previous year: kEUR 90,570). The interest accrued up until 31 March 2024 amounted to kEUR 836 (previous year: kEUR 26,366) and is reported together with the loan. The loan including accrued interest has to be paid back at the latest by 31 December 2027.

13. Deferred taxes

Deferred taxes are calculated according to the liability method, taking into account temporary differences. The tax rate used for Germany was 31.93 % (previous year: 31.71 %), for Austria 23 % (previous year: 20 %), for Switzerland 20 % (previous year: 20 %), for the Netherlands 20 % (previous year: 20 %), for Greece 24% (previous year: 24 %) and for Slovakia 19 % (previous year: 19 %). No other tax rates were applied.

The deferred tax assets and liabilities are composed as follows:

2023/2024	Opening balance 01.04.2023	Disposals/ acquisitions	Recognised at fair value through profit or loss	Recognised outside profit or loss in other income	Reclassification of amounts to profit or loss	Closing balance 31.03.2024
Temporary differences						
Liabilities	166	0	997	0	0	1,163
Contract assets	49	0	-49	0	0	0
Lease right-of-use	10	0	6	0	0	16
Deferred tax assets	**225**	**0**	**954**	**0**	**0**	**1,179**
Customer base	1,266	0	-281	0	0	985
Contract assets	240	0	188	0	0	428
Other	53	0	3	0	0	56
Deferred tax liabilities	**1,559**	**0**	**-90**	**0**	**0**	**1,469**
Deferred tax liabilities	**-1,334**	**0**	**0**	**0**	**0**	**-290**

2022/2023	Opening balance 01.04.2022	Disposals/ acquisitions	Recognised at fair value through profit or loss	Recognised outside profit or loss in other income	Reclassification of amounts to profit or loss	Closing balance 31.03.2023
Temporary differences						
Liabilities	160	0	6	0	0	166
Contract assets	28	0	21	0	0	49
Lease right-of-use	4	0	6	0	0	10
Deferred tax assets	**192**	**0**	**33**	**0**	**0**	**225**
Customer base	1,476	0	-210	0	0	1,266
Other	181	0	112	0	0	293
Deferred tax liabilities	**1,657**	**0**	**-98**	**0**	**0**	**1,559**
Deferred tax liabilities	**-1,465**	**0**	**0**	**0**	**0**	**-1,334**

There are temporary differences from shareholdings in subsidiaries amounting to kEUR 396 (previous year: kEUR 867 thousand) for which no deferred tax liabilities were recognised.

14. Capitalised contract costs (IFRS 15)

	31. March 2024		31. March 2023	
	Non-current kEUR	Current kEUR	Non-current kEUR	Current kEUR
Contract acquisition costs	4,912	3,646	3,499	2,408
Contract performance cost	135	102	152	185
Capitalised contract costs	**5,047**	**3,748**	**3,651**	**2,593**

The expenses for the amortisation of the contract acquisition costs and contract performance costs in the 2023/2024 financial year amounted to kEUR 2,402 (previous year: kEUR 1,035) i.e. to kEUR 185 (previous year: kEUR 222).

15. Contract assets (IFRS 15)

	31. March 2024 kEUR	31. March 2023 kEUR
Non-current contract assets	36,786	24,889
Current contract assets	10,937	6,813
Contract assets	**47,723**	**31,702**

The contract assets are the result of contracts with recurring services with respect to which performance obligation fulfilment is spread evenly over the contract's term. The increase in contract assets in the 2023/2024 financial year is due in particular to new contracts pertaining to P&I LogaHR.

Current contract assets comprise receivables from the application of the percentage of completion method in the amount of kEUR 2,440 (previous year: kEUR 1,632). These receivables are receivables from contracts with customers in which revenue is recognised depending on the percentage of services already provided by the P&I companies. Of these PoC receivables, advance payments received amounting to kEUR 2,609 (previous year: kEUR 2,269) have already been deducted. Revenue from PoCM amounted to kEUR 3,639 (previous year: kEUR 2,215) in the financial year. None of the PoC receivables were value-adjusted in the financial year (previous year: kEUR 33).

16. Inventories

Inventories primarily include hardware and spare parts from the time management segment.

17. Trade receivables

Trade receivables are solely from third parties and are comprised as follows:

	31. March 2024 kEUR	31. March 2023 kEUR
Trade receivables	13,948	13,070
Value adjustments	-134	-253
Trade receivables	**13,814**	**12,817**

Trade receivables do not bear interest. The receivables have an average credit period of 10-20 days or are subject to individual contractual arrangements.

On 31 March 2024, trade receivables were value-adjusted in the amount of kEUR 134 (previous year: kEUR 253). The impairments, comprising individual value adjustments, were based on various issues, such as default, the threat of inability to pay, over-indebtedness, the initiation of insolvency proceedings and the accompanying expected default risks. In the context of impairments on a portfolio basis, financial assets for which it may be necessary to recognise impairment losses are grouped based on similar default risks and collectively tested for impairment, with impairment losses being recognised as necessary. For this purpose, past experiences of default are also utilised when calculating future cash inflows.

The value adjustment account developed as follows:

	Individual value adjustment kEUR	Portfolio-based value adjustment kEUR	Total kEUR
As of 31 March 2022	**162**	**224**	**386**
Addition	33	46	79
Utilisation	0	-50	-50
Reversal	-160	-2	-162
As of 31 March 2023	**35**	**218**	**253**
Addition	0	0	0
Utilisation	-17	-4	-21
Reversal	0	-98	-98
As of 31 March 2024	**18**	**116**	**134**

The age structure of the trade receivables was as follows:

	Days overdue but not impaired					
	> 91 kEUR	90 to 61 kEUR	60 to 31 kEUR	30 to 1 kEUR	Not overdue nor impaired kEUR	Total kEUR
31. March 2024	6	179	507	2,246	11,010	13,948
31. March 2023	394	250	535	2,282	9,609	13,070

18. Other current assets

The other current assets comprise:

	31. March 2024 kEUR	31. March 2023 kEUR
Accruals and deferrals	3,250	2,504
Rental deposits	81	135
Other	75	151
Other current assets	**3,406**	**2,790**

19. Cash and cash equivalents

On 31 March 2024, the fair value of cash and cash equivalents was kEUR 109,377 (previous year: kEUR 80,704).

Of that amount, kEUR 694 (previous year: kEUR 1,488) has been pledged as collateral security for sureties. The pledge agreement can be terminated at any time.

20. Issued capital and reserves

On 31 March 2024, P&I Ag's *issued capital* was kEUR 7,531 (previous year: kEUR 7,531) and was divided into 7,531,127 no-par-value bearer shares. Each share grants one vote and has a notional interest in the issued capital of EUR 1. The Annual General Meeting on 26 January 2017 resolved to reduce the share capital by withdrawing 168,873 no-par-value shares in a simplified withdrawal procedure according to Section 237 (3) no. 2, (4) and (5) of the German Stock Corporation Act (AktG). The separate 'treasury shares' item was set off against issued capital (kEUR 169) and retained earnings (kEUR 1,755) outside profit or loss at cost (kEUR 1,924).

As in the previous year, no subscription rights were issued in the 2023/2024 financial year and nor are any such rights in circulation.

Retained earnings include the legal reserve of P&I AG in accordance with Art.150 AktG in the amount of kEUR 2 (previous year: kEUR 2).

21. Retained earnings

In line with the Control and Profit Transfer Agreement between Athena BidCo and P&I AG, P&I AG must transfer its accounting profit to Athena BidCo GmbH. This has been reported as a liability from profit transfer.

22. Accumulated other comprehensive income

The change in accumulated other comprehensive income resulted from currency translation effects relating to the subsidiaries in Switzerland.

23. Contract liabilities

The contract liabilities accrued up until 31 March 2024 amounted to kEUR 23,464 (previous year: kEUR 36,427) and comprise:

	31. March 2024 kEUR	31. March 2023 kEUR
Non-current contract liabilities	97	106
Current contract liabilities — deferred income	22,243	35,170
Current contract liabilities — other	1,124	1,151
Contract liabilities	**23,464**	**36,427**

The contract liabilities - accruals and deferrals refer to the calendar year-based invoicing of recurring services and are comprised as follows:

	31. March 2024 kEUR	31. March 2023 kEUR
Deferred maintenance costs	10,706	15.453
Deferred P&I LogaHR	8,632	8,770
Deferred other Software as a Service (SaaS)	1,500	8,617
Deferred Service Agreements/Application Service Provision (ASP)	1,405	2,330
Contract liabilities – accruals and deferrals	**22,243**	**35,170**

Contract liabilities - accruals and deferrals, primarily comprise the annual bills invoiced and paid in advance at the start of the calendar year. These liabilities are treated as a deferred item and are resolved on a monthly basis in line with the recognition of the revenue.

The balance of the contract liabilities - accruals and deferrals, as at 31 March 2024 was fully realised through the associated revenue in the financial year under review. The contract liabilities created through the changeover to IFRS 15 in the 2023/2024 financial year led to the realisation of revenue to the amount of kEUR 75 (previous year: kEUR 100), as a result of which they are fully amortised.

24. Non-current financial liabilities

This item comprises the outstanding purchase price payments from the acquisition of the VRZ Group. P&I expects these payments to be fully paid on fulfilment of the conditions on 31 December 2025.

25. Trade payables
Trade payables primarily relate to the purchase of materials for maintaining operating activities.

26. Liabilities towards affiliated companies

The liabilities are owed solely to P&I Athena BidCo GmbH and relate to the P&I AG profit transfer of kEUR 127,925 (previous year: kEUR 114,452) and liabilities to the amount of kEUR 1,870 (previous year: kEUR 1,517) from the tax consolidation agreement with Athena BidCo GmbH as the parent company.

27. Tax liabilities

The tax liabilities of kEUR 1,246 (previous year: kEUR 2,175) comprise the tax liabilities of the domestic and foreign subsidiaries as well as the corporation tax liabilities and the solidarity surcharge for the taxable income of the Company in accordance with Art. 15 of the Corporation Tax Act (KStG) of the 2014/2015 financial year of P&I AG in the amount of kEUR 14 (previous year: kEUR 14).

28. Provisions

Provisions developed as follows in 2023/2024 financial year:

	1. April 2023 kEUR	Addition kEUR	Utilisation kEUR	Reversal kEUR	Interest effects kEUR	31. March 2024 kEUR
Provisions for project risks	60	45	45	10	0	50
Provisions	**60**	**45**	**45**	**10**	**0**	**50**

29. Other current liabilities
Other current liabilities are comprised as follows:

	31. March 2024 kEUR	31. March 2023 kEUR
Premiums, salaries and variable compensation	32,940	30,153
Current lease liabilities	2,818	2,822
Wage/church tax and social security contributions	1,821	1,401
Holiday obligations	1,121	1,080
Value Added Tax	551	745
Other	2,585	1,187
Other current liabilities	**41,836**	**37,388**

30. Corporate bodies

The Management Board comprises a minimum of two members. The Supervisory Board decides the number of Management Board members (cf. Art. 6(2) of the Articles of Association last amended by the Annual General Meeting on 15 July 2020).

The members of the Management Board are:

Vasilios Triadis, Chairman of the Management Board and Chief Executive Officer, Board Member responsible for Strategy, Research and Development, Legal and Human Resources.

Dr. Carlo Pohlhausen, Board Member responsible for Operations, Consulting, M&A, Finance and Administration.

Remco van Dijk, Board Member and Head of Sales.

Christian Rhein, Board Member and Head of Technology, Security and P&I HR Data Centre.

Sven Ekerdt, Board Member and Head of Applications.

Bernd Manke, Board Member and Head of Growth and Business Development.

At the board meeting on 26 January 2024, the Supervisory Board of P&I Personal & Informatik AG appointed Bernd Manke as a member of the Management Board with effect from 1 April 2024 for a period of three years until 31 March 2027. Mr Manke is Head of Growth and Business Development.

The Management Board members Dr. Carlo Pohlhausen, Remco van Dijk, Sven Ekerdt, Christian Rhein and Bernd Manke are authorised to represent the Company together with one other member of the Management Board or with an authorised signatory. The Chairman of the Management Board, Vasilios Triadis, is authorised to represent the Company on his own.

The Management Board member's remuneration is decided by the Supervisory Board and comprises fixed and variable components. In addition to a fixed monthly payment, the fixed component also comprises benefits in kind such as company cars and other monetary benefits in accordance with the tax regulations.

In accordance with Art. 95 AktG in conjunction with Art. 8 of the Articles of Association, the Company's Supervisory Board has to have five members.

The Supervisory Board of P&I AG was composed as follows over the period from 1 April 2023 to 31 March 2024:

Justin von Simson, Chairman
Managing Partner, Hg Advisory GmbH & Co. KG

Fabian Heitfeld, Deputy Chairman
Investment Adviser, Hg Advisory GmbH & Co. KG

Stefan Dziarski
Partner at Permira Beteiligungsberatung GmbH

Manuela Ursula Thomys
Investment Adviser, Hg Capital LLP

The Supervisory Board Chairman and the members of the Supervisory Board do not receive any remuneration. The Company reimburses the members of the Supervisory Board for the expenses arising from the performance of their duties.

The total compensation paid to the Management Board in the 2023/2024 financial year amounted to kEUR 8,194 (previous year: kEUR 4,701) and the total compensation paid to the Supervisory Board amounted to kEUR 0 (previous year: kEUR 133).

The total remuneration paid to the members of the Management Board is shown in the table below:

	2023/2024 kEUR	2022/2023 kEUR
Non-performance-related remuneration		
Salary	2,887	2,010
Other *)	207	141
Performance-related remuneration		
Tantieme/bonus program	5,100	2,550
Total remuneration	**8,194**	**4,701**

*) Insurance contributions and cash benefits

31. Transactions with related parties and associated persons

Related parties are defined as all of the companies in which the Hg and Permira Fonds' funds have invested in. The Company has been conducting business with the following related parties or persons in the 2023/2024 financial year:

- Athena Holdco S.à r.l., Luxemburg, Luxemburg, as the ultimate parent company of the Group
- Athena BidCo GmbH, Wiesbaden, aas the direct parent company,
- Schustermann & Borenstein GmbH, Aschheim
- Teamviewer Germany GmbH, Göppingen
- LucaNet AG, Berlin
- FOCUS Dienstleistungen GmbH, Rostock
- Serrala Group GmbH, Norderstedt
- The subsidiaries of P&I AG listed in note 35 of the appendix.

The following transactions and payments were made with related parties and persons:

	31. March 2024 kEUR	31. March 2023 kEUR
Receivables		
Athena BidCo GmbH, Wiesbaden	64,816	90,570
Schustermann & Borenstein GmbH, Aschheim	35	0
Total receivables	**64,851**	**90,570**
Liabilities		
Athena BidCo GmbH, Wiesbaden	129,795	115,969
Serrala Group GmbH, Norderstedt	4	6
Total liabilities	**129,799**	**115,975**

	2023/2024 kEUR	2022/2023 kEUR
Revenue		
Schustermann & Borenstein GmbH, Aschheim	347	322
FOCUS Dienstleistungen GmbH, Rostock	169	139
TRANSPOREON GmbH, Ulm	0	139
Total revenue	**516**	**600**
Interest income		
Athena BidCo GmbH, Wiesbaden	10,009	8,617
Total interest income	**10,009**	**8,617**
Total revenue and income	**10,525**	**9,217**
Other operating expenses		
LucaNet AG, Berlin	45	38
TeamViewer Germany GmbH, Göppingen	35	35
Athena BidCo GmbH, Wiesbaden	33	36
Serrala Group GmbH, Norderstedt	5	8
Total expenses	**118**	**117**

Transactions with Athena BidCo GmbH

There is a Control and Profit Transfer Agreement between P&I AG and Athena BidCo as the legal successor of P&I Zwischenholding GmbH as the controlling company. Under this agreement, Athena BidCo GmbH is entitled to issue instructions to P&I AG and P&I AG is obliged to transfer its accounting profit after taxes under German Commercial Law in the amount of kEUR 127,925 (previous year: kEUR 114,452) to Athena BidCo GmbH. In the view of the Management Board, the conclusion of this Control and Profit Transfer Agreement has not increased the risk to which the Company is exposed.

At the instruction of the former parent company P&I Zwischenholding GmbH, a long-term unsecured loan was extended to the former in the 2011/2012 financial year. In the 2023/2024 financial year, this loan and the interest accrued up to the reporting date was settled in full in the context of offsetting the profit transfer from the 2022/2023 financial year in June and through a final payment in the amount of kEUR 19,337 to Athena BidCo GmbH.
Following the above, Athena BidCo GmbH was granted new loan tranches to the amount of kEUR 63,980 (previous year: kEUR 63,580). As of 31 March 2024, the loan including accrued interest amounts to a total of kEUR 64,816 (previous year: kEUR 90,570). The Management Board does not currently believe that extending the loan to Athena BidCo GmbH has increased the risk to which the Company is exposed. The Management Board has duly satisfied itself that this loan receivable is recoverable.

In addition to the above, there is a liability towards the parent company Athena BidCo GmbH due to the tax consolidation agreement in the amount of kEUR 1,870 (previous year: kEUR 1,517).

Athena BidCo GmbH entered into a number of financing agreements in March 2020. Based on these, Athena BidCo GmbH was paid a loan totalling kEUR 475,000 kEUR in March 2020 which, as of 31 March 2024, remains unchanged.

In November 2022, Athena BidCo GmbH entered into another financing agreement with a volume of kEUR 300,000, which was paid out in December 2022. This financing agreement was terminated early in March 2024 with effect from 15 April 2024.

In March 2024, Athena BidCo GmbH entered into a new financing agreement with a volume kEUR 455,000, which was paid out in April 2024.

Athena BidCo GmbH was furthermore granted a revolving facility to the amount of kEUR 50,000. The additional credit line of kEUR 50,000 can also be utilised by P&I AG and is made available for financing potential future acquisitions or for ensuring liquidity in case of need.

At the reporting date, the outstanding loans from Athena BidCo GmbH's financing agreements amounted to kEUR 775,000 (previous year: kEUR 775,000). Taking into account that, on the reporting date, the revolving facility had not been drawn upon, the financing agreements in place as at 31 March 2024 amounted to a total of kEUR 825,000 (previous year: kEUR 855,000) and increased to a new total of kEUR 980,000 in April 2024.

On instruction of Athena BidCo GmbH, P&I AG entered into the credit agreements of Athena BidCo GmbH in April 2020 as a jointly and severally liable guarantor. As part of the above, all movable assets and extensive receivables and rights were assigned to the financing banks by way of typical securities, and a subordinated obligation to Athena BidCo GmbH for interest and principal payments was entered into in accordance with an existing liquidity plan. The maximum amount that P&I AG can be held liable for equates to the loan agreements less the assets of Athena BidCo GmbH.

In April 2020, Athena BidCo GmbH and P&I AG agreed that P&I AG will be compensated for the assumption of the joint and several guarantee in the form of an appropriate guarantee fee, which was adjusted in April 2023 to reflect the new financing volume. The guarantee fee paid to P&I AG in the 2023/2024 financial year amounted to kEUR 7,879 (previous year: kEUR 4,816).

The liabilities arising from the financing agreements are borne by Athena BidCo GmbH. Athena BidCo GmbH depends on P&I AG's generation of a positive annual result to ensure the required liquidity. P&I AG's profits and associated capital inflows will be transferred to Athena BidCo GmbH within the context of the existing profit and loss transfer agreement. Given P&I AG's current corporate plans for the coming years and associated liquidity outflow, the Management Board sees no significant risk to the Company with respect to these loan agreements and hence no significant risk of utilisation for the Company.

The Management Board and Supervisory Board regularly discuss all matters related to the existing financing agreements and their consequences for P&I.

The Supervisory Board approved all of the payments disclosed.

There were no other transactions with related parties and persons. There were no transactions involving non-standard conditions.

The disclosures concerning members of the Management Board and Supervisory Board can be found in note 30.

32. Auditor's fee

The total fee charged by the auditor for the 2023/2024 and previous financial year amounts to:

	2023/2024 kEUR	2022/2023 kEUR
Audit	229	205
Other certification services	0	0
Tax consultation	0	0
Other services	0	0
Total	**229**	**205**

33. Other financial liabilities, continent liabilities and contingencies

Other financial obligations
There is a Control and Profit Transfer Agreement between P&I AG and Athena BidCo as the legal successor of P&I Zwischenholding GmbH as the controlling company. Under this agreement, Athena BidCo GmbH is entitled to issue instructions to P&I AG and P&I AG is obliged to transfer its accounting profit after taxes under German Commercial Law in the amount of kEUR 127,925 (previous year: kEUR 114,452) to Athena BidCo GmbH. In the view of the Management Board, the conclusion of this Control and Profit Transfer Agreement has not increased the risk to which the Company is exposed..

Contingent liabilities
P&I monitors and measures risks from existing major and fixed-price projects on an ongoing basis. For projects involving a substantial commitment of resources on the part of the customer and P&I, it is not possible to rule out the possibility that rights of recourse will arise or that project costs above the agreed fixed prices will be incurred. The costs incurred by P&I for a project are always included in the expenses for the current period. The financial statements also take possible payment obligations into account, providing the relevant requirements are met.

We are also confronted with customer complaints in the ordinary course of business. In cases where an obligation to a third party is likely to have arisen and the amount of the corresponding expense can be reliably estimated, we recognise provisions to the extent that the requirements are met.

We are currently of the opinion that the outcome of customer complaints will have no significant detrimental effects on our operations, financial position, financial performance and cash flows. However, such matters entail uncertainty and our present assessment may change in the future.

There are no other risks that would lead to the disclosure of contingent liabilities.

Liabilities arising from the provision of securities for liabilities from affiliated companies

Guarantee obligation from financing agreement

Athena BidCo GmbH entered into a number of financing agreements in March 2020. Based on these, Athena BidCo GmbH was paid a loan totalling kEUR 475,000 kEUR in March 2020 which, as of 31 March 2024, remains unchanged.

In November 2022, Athena BidCo GmbH entered into another financing agreement with a volume of kEUR 300,000, which was paid out in December 2022. This financing agreement was terminated early in March 2024 with effect from 15 April 2024.

In March 2024, Athena BidCo GmbH entered into a new financing agreement with a volume kEUR 455,000, which was paid out in April 2024.

Athena BidCo GmbH was furthermore granted a revolving facility to the amount of kEUR 50,000. The additional credit line of kEUR 50,000 can also be utilised by P&I AG and is made available for financing potential future acquisitions or for ensuring liquidity in case of need.

At the reporting date, the outstanding loans from Athena BidCo GmbH's financing agreements amounted to kEUR 775,000 (previous year: kEUR 775,000). Taking into account that, on the reporting date, the revolving facility had not been drawn upon, the financing agreements in place as at 31 March 2024 amounted to a total of kEUR 825,000 (previous year: kEUR 855,000) and increased to a new total of kEUR 980,000 in April 2024.

On instruction of Athena BidCo GmbH, P&I AG entered into the credit agreements of Athena BidCo GmbH in April 2020 as a jointly and severally liable guarantor. As part of the above, all movable assets and extensive receivables and rights were assigned to the financing banks by way of typical securities, and a subordinated obligation to Athena BidCo GmbH for interest and principal payments was entered into in accordance with an existing liquidity plan. The maximum amount that P&I AG can be held liable for equates to the loan agreements less the assets of Athena BidCo GmbH.

In April 2020, Athena BidCo GmbH and P&I AG agreed that P&I AG will be compensated for the assumption of the joint and several guarantee in the form of an appropriate guarantee fee, which was adjusted in April 2023 to reflect the new financing volume. The guarantee fee paid to P&I AG in the 2023/2024 financial year amounted to kEUR 7,879 (previous year: kEUR 4,816).

The liabilities arising from the financing agreements are borne by Athena BidCo GmbH. Athena BidCo GmbH depends on P&I AG's generation of a positive annual result to ensure the required liquidity. P&I AG's profits and associated capital inflows will be transferred to Athena BidCo GmbH within the context of the existing profit and loss transfer agreement. Given P&I AG's current corporate plans for the coming years and associated liquidity outflow, the Management Board sees no significant risk to the company with respect to these loan agreements and hence no significant risk of utilisation for the company.

The Management Board and Supervisory Board regularly discuss all matters related to the existing financing agreements and their consequences for P&I.

Bank guarantees

P&I has entered into a general agreement with Commerzbank AG for the provision of collateral ("guarantee line") for its own obligations with a total volume of kEUR 4,000 (previous year: kEUR 4,000). At the reporting date, kEUR 694 (previous year: kEUR 1,488) of the guarantee line had been utilised. The security provided comprises a call deposit account with a value of kEUR 694 (previous year: kEUR 1,488).

34. Financial risk management objectives and policies

The P&I Group's most important financial objectives include the sustainable increase of the enterprise value in the interests of its investors, employees, customers and suppliers while also ensuring its solvency at all times.

For the P&I Group, the creation of sufficient liquidity reserves is absolutely central to this form of capital management. Moreover, maintaining a sound capital base is an important requirement for securing the continued existence of the Company and continuing its growth strategy.

Liquidity reserves are controlled ongoingly on the basis of short-and medium-term forecasts of future liquidity.

	31. March 2024 kEUR	31. March 2023 kEUR
Cash and cash equivalents	109,377	80,704
Liquidity	**109,377**	**80,704**
Equity*)	**95,773**	**77,564**
Equity ratio (Total equity)	31.2 %	27.2 %

*) Equity not including accumulated other comprehensive income.

Even after granting further loan tranches totalling EUR 63,980 thousand (previous year: kEUR 63,580) to the controlling company in the past financial year, the Group has a high level of cash and cash equivalents amounting to kEUR 109,377 (previous year: kEUR 80,704) that are not offset by any loans to third parties.

The Company has a **working capital credit facility** with a total volume of kEUR 1,625 (previous year: kEUR 1,625) for current account utilisation.

Athena BidCo GmbH was furthermore granted a revolving facility commitment to the amount of kEUR 50,000. The additional credit line of kEUR 50,000 can also be utilised by P&I AG and is made available for financing potential future acquisitions or for ensuring liquidity in case of need.

P&I has entered into a general agreement with Commerzbank AG for the provision of collateral ("guarantee line") for its own obligations with a total volume of kEUR 4,000 (previous year: kEUR 4,000). At the reporting date, kEUR 694 (previous year: kEUR 1,488) of the guarantee line had been utilised. The security provided comprises a call deposit account with a value of kEUR 694 (previous year: kEUR 1,488).

For additional information, please refer to item 8.2 of the management report.

35. Additional information on financial instruments

At the instruction of the former parent company P&I Zwischenholding GmbH (the legal successor of which is Athena BidCo GmbH), a long-term unsecured loan was extended to the former in the 2011/2012 financial year. In the 2023/2024 financial year, this loan and the interest accrued up to the reporting date was settled in full in the context of offsetting the profit transfer from the 2022/2023 financial year in June and through a final payment in the amount of kEUR 19,337 to Athena BidCo GmbH. Following the above, Athena BidCo GmbH was granted new loan tranches to the amount of kEUR 63,980 (previous year: kEUR 63,580). As of 31 March 2024, the loan including accrued interest amounts to a total of kEUR 64,816 (previous year: kEUR 90,570). The accrued loan interest of kEUR 836 (previous year: kEUR 26,366) will be paid on final maturity.

The Management Board does not currently believe that extending the loan to Athena BidCo GmbH has increased the risk to which the Company is exposed. The Management Board has duly satisfied itself that this loan receivable is recoverable. There are currently no indications of default risk with regard to the loan plus interest.

The Group's key financial liabilities comprise the liabilities from the profit transfer agreement and trade liabilities. The main purpose of these financial liabilities is to finance the Group's business operations. The Group has trade receivables and other receivables as well as cash and short-term deposits that are the direct result of its business operations.

The Group operates at international level, as a result of which it is exposed to market risks due to changes in interest rates and exchange rates.

Currency risk
Currency risk is the risk to which the fair value or future cash flow of a financial instrument is exposed because of exchange rate fluctuations.

As the individual Group companies conduct their operations mainly in their functional currency, the Management Board considers the risk of exchange rate fluctuations from operations to be immaterial.

As of 31 March 2024, the P&I Group no longer had any monetary financial instruments not concluded in the functional currency of P&I AG, Thalwil.

Interest rate and valuation risk
Interest rate or valuation risk is the risk that the fair value or future cash flow of a financial instrument will change because of changes in market interest rates or prices.

The P&I Group limits interest rate risks, particularly when granting loans, by agreeing fixed interest terms.

Accordingly, changes in market interest rates for fixed-interest loans recognised at amortised cost have no effect on profit or loss or equity and hence are not included in the sensitivity analysis. These loans are subject to interest rate risk on reinvestment. The P&I Group is not exposed to any significant interest rate and valuation risk beyond the above.

Liquidity risk
Liquidity risks arise when current payment obligations cannot be met. The P&I Group's supply of liquidity is secured at all times thanks to liquidity planning focused on a fixed time horizon and available, unutilised lines of credit.

The Group's undiscounted financial liabilities have the following maturities:

31. March 2024	Less than 1 year kEUR	1 to 5 years kEUR	More than 5 years kEUR	Total kEUR
Non-current contract liabilities	0	97	0	**97**
Non-current financial liabilities	0	2,500	0	**2,500**
Lease liabilities	3,377	8,245	4,492	**16,114**
Trade payables	3,520	0	0	**3,520**
Contract liabilities – accruals and deferrals	22,243	0	0	**22,243**
Contract liabilities – other	1,124	0	0	**1,124**
Liabilities from profit transfer	127,925	0	0	**127,925**
Total	**158,189**	**10,842**	**4,492**	**173,523**

31. March 2023	Less than 1 year kEUR	1 to 5 years kEUR	More than 5 years kEUR	Total kEUR
Non-current contract liabilities	0	106	0	**106**
Non-current financial liabilities	0	3,500	0	**3,500**
Lease liabilities	3,249	7,457	4,503	**15,209**
Trade payables	3,551	0	0	**3,551**
Contract liabilities – accruals and deferrals	35,170	0	0	**35,170**
Contract liabilities – other	1,151	0	0	**1,151**
Liabilities from profit transfer	114,452	0	0	**114,452**
Total	**157,573**	**11,063**	**4,503**	**173,139**

Credit risk
The P&I Group does not believe that it is exposed to a notable default risk with respect to any single contractual partner in terms of trade receivables. The Group controls default risk by demanding advance payments and by obtaining declarations of acceptance from insolvency administrators or credit information in cases where there is a suspicion of default. The Group does not have additional collateral in the form of rights to securities or similar. The maximum default risk is limited to the carrying amount reported in note 16. The Group does not have a significant concentration of default risk either with an individual counterparty or with a group of counterparties with similar characteristics. For the Group's other financial assets, cash and cash equivalents and non-current financial assets, the maximum credit risk if the counterparty defaults is equal to the carrying amounts of these instruments.

At the instruction of the former parent company P&I Zwischenholding GmbH, a long-term unsecured loan was extended to the former in the 2011/2012 financial year. In the 2023/2024 financial year, this loan and the interest accrued up to the reporting date was settled in full in the context of offsetting the profit transfer from the 2022/2023 financial year in June and through a final payment in the amount of kEUR 19,337 to Athena BidCo GmbH. Following the above, Athena BidCo GmbH was granted new loan tranches to the amount of kEUR 63,980 (previous year: kEUR 63,580). As of 31 March 2024, the loan including accrued interest amounts to a total of kEUR 64,816 (previous year: kEUR 90,570). The Management Board does not currently believe that extending the loan to Athena BidCo GmbH has increased the risk to which the Company is exposed. The Management Board has duly satisfied itself that this loan receivable is recoverable.

The Management Board does not currently believe that extending the loan to Athena BidCo GmbH has increased the risk to which the Company is exposed. The Management Board has duly satisfied itself that this loan receivable is recoverable. There are currently no indications of default risk with regard to the loan plus interest.

Guarantee obligation from financing agreement
Athena BidCo GmbH entered into a number of financing agreements in March 2020. Based on these, Athena BidCo GmbH was paid a loan totalling kEUR 475,000 kEUR in March 2020 which, as of 31 March 2024, remains unchanged.

In November 2022, Athena BidCo GmbH entered into another financing agreement with a volume of kEUR 300,000, which was paid out in December 2022. This financing agreement was terminated early in March 2024 with effect from 15 April 2024.

In March 2024, Athena BidCo GmbH entered into a new financing agreement with a volume kEUR 455,000, which was paid out in April 2024.

Athena BidCo GmbH was furthermore granted a revolving facility to the amount of kEUR 50,000. The additional credit line of kEUR 50,000 can also be utilised by P&I AG and is made available for financing potential future acquisitions or for ensuring liquidity in case of need.

At the reporting date, the outstanding loans from Athena BidCo GmbH's financing agreements amounted to kEUR 775,000 (previous year: kEUR 775,000). Taking into account that, on the reporting date, the revolving facility had not been drawn upon, the financing agreements in place as at 31 March 2024 amounted to a total of kEUR 825,000 (previous year: kEUR 855,000) and increased to a new total of kEUR 980,000 in April 2024.

On instruction of Athena BidCo GmbH, P&I AG entered into the credit agreements of Athena BidCo GmbH in April 2020 as a jointly and severally liable guarantor. As part of the above, all movable assets and extensive receivables and rights were assigned to the financing banks by way of typical securities, and a subordinated obligation to Athena BidCo GmbH for interest and principal payments was entered into in accordance with an existing liquidity plan. The maximum amount that P&I AG can be held liable for equates to the loan agreements less the assets of Athena BidCo GmbH.

In April 2020, Athena BidCo GmbH and P&I AG agreed that P&I AG will be compensated for the assumption of the joint and several guarantee in the form of an appropriate guarantee fee, which was adjusted in April 2023 to reflect the new financing volume. The guarantee fee paid to P&I AG in the 2023/2024 financial year amounted to kEUR 7,879 (previous year: kEUR 4,816).

The liabilities arising from the financing agreements are borne by Athena BidCo GmbH. Athena BidCo GmbH depends on P&I AG's generation of a positive annual result to ensure the required liquidity. P&I AG's profits and associated capital inflows will be transferred to Athena BidCo GmbH within the context of the existing profit and loss transfer agreement. Given P&I AG's current corporate plans for the coming years and associated liquidity outflow, the Management Board sees no significant risk to the company with respect to these loan agreements and hence no significant risk of utilisation for the company.

The Management Board and Supervisory Board regularly discuss all matters related to the existing financing agreements and their consequences for P&I.

Fair value

The fair values of financial instruments were calculated on the basis of the available market information on the reporting date. The following table shows the carrying amounts and fair values of the financial instruments reported in the consolidated financial statements.

	Carrying amount		Fair value	
Classification in accordance with IFRS 9	**31. March 2024 kEUR**	**31. March 2023 kEUR**	**31. March 2024 kEUR**	**31. March 2023 kEUR**
Financial assets at amortised cost				
Non-current financial assets *)	64,823	90,667	64,823	151,112
Trade receivables	13,814	12,817	13,814	12,817
Cash and cash equivalents	109,377	80,704	109,377	80,704
Financial assets at amortised cost				
Non-current financial liabilities	2,484	3,475	2,484	3,475
Trade payables	3,520	3,551	3,520	3,551
Liabilities towards affiliated companies	129,795	115,969	129,795	115,969

*) Including loans granted in the sum of kEUR 64,816 (previous year: kEUR 90,570)

Classification in accordance with IFRS 9	Carrying amount 31. March 2024 kEUR	Carrying amount 31. March 2023 kEUR	Fair value 31. March 2024 kEUR	Fair value 31. March 2023 kEUR
Separate category				
Non-current contract assets **)	36,786	24,889	36,786	24,889
Non-current capitalised contract costs **)	5,047	3,651	5,047	3,651
Current contract assets **)	10,937	6,813	10,937	6,813
Current capitalised contract costs **)	3,748	2,593	3,748	2,593
Non-current contract liabilities **)	97	106	97	106
Contract liabilities – accruals and deferrals **)	22,243	35,170	22,243	35,170
Contract liabilities – other **)	1,124	1,151	1,124	1,151
Non-current lease liabilities	11,047	10,675	11,047	10,675
Current lease liabilities ***)	2,818	2,822	2,818	2,822

**) Within the scope of IFRS 15
***) Balance sheet item: Other current liabilities

Due to the predominantly short terms for trade receivables and trade payables, liabilities from profit transfer and cash and cash equivalents, there are no significant differences between the carrying amounts and the fair values as of the reporting date.
The fair value of non-current financial assets is calculated on the basis of an alternative investment with a similar risk structure and conditions observable on the market that yields identical returns (Level 2).

Fair value hierarchy
The financial instruments measured at fair value are allocated to the relevant levels of the measurement method as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly (i.a. as price) or indirectly (i.e. deduced from the prices).

Level 3: Inputs for the measurement of the asset or liability that are not based on observable market data (unobservable inputs).

31. March 2024	Level 1 kEUR	Level 2 kEUR	Level 3 kEUR
Non-current financial assets	0	64,823	0
31. March 2023			
Non-current financial assets	0	90,667	0

The Group has no financial assets or liabilities that are allocated to Level 3.

36. Group companies

The consolidated financial statement as of 31 March 2024 included the following companies:

- P&I Personal & Informatik Gesellschaft mbH, Vienna, Austria
- P&I Personal & Informatik AG, Thalwil, Switzerland
- P&I Personal & Informatik s.r.o., Bratislava, Slovakia
- P&I Personeel & Informatica B.V., Zevenaar, Netherlands
- P&I Hellas Limited Liability Company, Ioannina, Greece
- The VRZ Group comprises
  - VRZ Informatik Gesellschaft mbH, Dornbirn, Austria
  - Ally Lohn & Personal GmbH, Dornbirn, Austria
  - ThinkCreateAct AG, Romanshorn, Switzerland
  - VRZ Informatik (Schweiz) GmbH, St. Gallen, Switzerland

The list of shareholdings together with the share of capital held directly or indirectly by P&I Personal & Informatik AG, the annual profit for the year and the equity of the Company as of 31 March 2024 and according to the financial statements under national law is as follows:

	Share in capital	Annual net profit 2023/2024 kEUR	Equity 2023/2024 kEUR
P&I Personal & Informatik AG, Thalwil, Switzerland *)	100 %	-160	13,239
P&I Personal & Informatik GmbH, Vienna, Austria	100 %	-1,867	1,567
VRZ Informatik Gesellschaft mbH, Dornbirn, Austria **)	100 %	748	2,511
ThinkCreateAct AG, Romanshorn, Switzerland **)	100 %	68	326
VRZ Informatik (Switzerland) GmbH, St. Gallen, Switzerland **)	100 %	68	185
Ally Lohn & Personal GmbH, Dornbirn, Austria **)	100 %	264	386
P&I Personeel & Informatica B.V., Zevenaar, Netherlands	100 %	25	98
P&I Personal & Informatik s.r.o., Bratislava, Slovakia	100 %	146	924
P&I Hellas Limited Liability Company, Ioannina, Greece ***)	100 %	363	3,719
FOCUS Dienstleistungen GmbH, Rostock *****)	22 %	38	206

*) The net profit of P&I Personal & Informatik AG, Thalwil, includes dividend payments from Mirus Software AG of kEUR 4.160
**) Sub-subsidiary, 100 % subsidiary of P&I Personal & Informatik AG, Vienna.
***) P&I Personeel & Informatica B.V. owns 0,07 % of the shares in P&I Hellas LLC.
****) Due to immateriality, this holding has been reported at cost and has not been included in the consolidation

37. Shares held by the Company and members of executive bodies

As of 31 March 2024, P&I Personal & Informatik AG does not hold any treasury shares.

P&I Personal & Informatik AG last held 168,873 P&I treasury shares on 31 March 2016. The Annual General Meeting on 26 January 2017 resolved to reduce the share capital by withdrawing 168,873 no-par-value shares in a simplified withdrawal procedure according to Section 237 (3) no. 2, (4) and (5) of the German Stock Corporation Act (AktG).

No convertible bonds or similar securities in accordance with Section 160 (1) no. 5 AktG had been issued by P&I Personal & Informatik AG or other companies as of 31 March 2023.

As of 31 March 2024, the members of the Management Board and Supervisory Board did not hold any P&I shares or options.

38. Disclosures in accordance with Art. 160 (1) no. 8 AktG

In accordance with Art. 20 (1) or (4) AktG, Athena BidCo GmbH notified us that, following its merger with P&I Zwischenholding GmbH, it now holds 100 percent of the shares in P&I AG.

39. Events after the reporting date

In January 2024, Bernd Manke was appointed a Member of the Management Board and Head of Growth and Business Development for a period of three years, i.e. from 1 April 2024 to 31 March 2027.

Following the completion of the preparation of the consolidated financial statement on 20 June 2024 and of the audit of the consolidated financial statement on the 21 June, the consolidated financial statement will be submitted to the Supervisory Board. This accounts review meeting is expected to take place on 24 June 2024.

Wiesbaden, 21 June 2024

Vasilios Triadis	Dr. Carlo Pohlhausen	Remco van Dijk
Christian Rhein	Sven Ekerdt	Bernd Manke

Performance of intangible assets and property

	Acquisition cost					
	1 April 2023	Currency translation	Additions	Disposals	Rebooking	31 March 2024
In kEUR						
Intangible assets						
Customer base	38,668	65	0	4,409	0	34,324
Goodwill	27,354	289	0	3,616	0	24,027
Other intangible assets	11,896	14	66	1,571	0	10,405
Total intangible assets	**77,918**	**368**	**66**	**9,596**	**0**	**68,756**
Property, plant and equipment						
Land, buildings, leasehold improvements	1,950	0	3,040	0	0	4,990
Operating and office equipment	4,131	1	490	444	10	4,188
IT equipment	25,563	18	4,259	466	0	29,374
Advance payments made	0	0	3,130	0	-10	3,120
Total property, plant and equipment	**31,644**	**19**	**10,919**	**910**	**0**	**41,672**
Lease rights-of-use						
Lease rights-of-use	22,218	67	3,822	3,242	0	22,865
Total Lease rights-of-use	**22,218**	**67**	**3,822**	**3,242**	**0**	**22,865**
Total	**131,780**	**454**	**14,807**	**13,748**	**0**	**133,293**

Performance of intangible assets and property

	Kumulierte Abschreibungen							Buchwerte	
	1 April 2023	Currency translation	Additions	Impairment	Disposals	Rebooking	31 March 2024	31 March 2024	31 March 2023
In kEUR									
Intangible assets									
Customer base	26,906	0	1,723	0	4,409	0	24,220	10,104	11,762
Goodwill	0	0	0	1,221	1,221	0	0	24,027	27,354
Other intangible assets	10,260	0	1,070	0	1,571	0	9,759	646	1,636
Total intangible assets	**37,166**	**0**	**2,793**	**1,221**	**7,201**	**0**	**33,979**	**34,777**	**40,752**
Property, plant and equipment									
Land, buildings, leasehold improvements	802	0	241	0	0	0	1,043	3,947	1,148
Operating and office equipment	2,397	27	426	0	361	0	2,489	1,699	1,734
IT equipment	17,409	0	5,521	0	345	0	22,585	6,789	8,154
Advance payments made	0	0	0	0	0	0	0	3,120	0
Total property, plant and equipment	**20,608**	**27**	**6,188**	**0**	**706**	**0**	**26,117**	**15,555**	**11,036**
Lease rights-of-use									
Lease rights-of-use	9,621	50	3,507	0	3,186	0	9,992	12,873	12,597
Total Lease rights-of-use	**9,621**	**50**	**3,507**	**0**	**3,186**	**0**	**9,992**	**12,873**	**12,597**
Total	**67,395**	**77**	**12,488**	**1,221**	**11,093**	**0**	**70,088**	**63,205**	**64,385**

Performance of intangible assets and property

	Acquisition cost				
	1 April 2022	Currency translation	Additions	Disposals	31 March 2023
In kEUR					
Intangible assets					
Customer base	38,562	106	0	0	38,668
Goodwill	27,024	330	0	0	27,354
Other intangible assets	11,810	0	98	12	11,896
Total intangible assets	**77,396**	**436**	**98**	**12**	**77,918**
Property, plant and equipment					
Leasehold improvements	1,864	0	108	22	1,950
Operating and office equipment	4,376	0	476	721	4,131
IT equipment	22,117	33	4,573	1,160	25,563
Total property, plant and equipment	**28,357**	**33**	**5,157**	**1,903**	**31,644**
Lease rights-of-use					
Lease rights-of-use	22,550	-19	1,762	2,075	22,218
Total Lease rights-of-use	**22,550**	**-19**	**1,762**	**2,075**	**22,218**
Total	**128,303**	**450**	**7,017**	**3,990**	**131,780**

Performance of intangible assets and property

	Accumulated depreciation					Carrying amounts	
	1 April 2022	Currency translation	Additions	Disposals	31 March 2023	31 March 2023	31 March 2022
In kEUR							
Intangible assets							
Customer base	25,208	0	1,698	0	26,906	11,762	13,354
Goodwill	0	0	0	0	0	27,354	27,024
Other intangible assets	9,162	13	1,092	7	10,260	1,636	2,648
Total intangible assets	**34,370**	**13**	**2,790**	**7**	**37,166**	**40,752**	**43,026**
Property, plant and equipment							
Leasehold improvements	649	0	175	22	802	1,148	1,215
Operating and office equipment	2,610	27	474	714	2,397	1,734	1,766
IT equipment	13,221	0	5,272	1,084	17,409	8,154	8,896
Total property, plant and equipment	**16,480**	**27**	**5,921**	**1,820**	**20,608**	**11,036**	**11,877**
Lease rights-of-use							
Lease rights-of-use	8,181	14	3,457	2,031	9,621	12,597	14,369
Total Lease rights-of-use	**8,181**	**14**	**3,457**	**2,031**	**9,621**	**12,597**	**14,369**
Total	**59,031**	**54**	**12,168**	**3,858**	**67,395**	**64,385**	**69,272**

INDEPENDENT AUDITOR'S REPORT

For the attention of P&I Personal & Informatik Aktiengesellschaft, Wiesbaden

Audit opinions
We have audited the consolidated financial statements of P&I Personal & Informatik Aktiengesellschaft, Wiesbaden, and its subsidiaries (the Group) comprising the consolidated balance sheet as of 31 March 2024, the consolidated income statement, the consolidated statement of comprehensive income, the statement of changes in equity and the consolidated cash flow statement for the financial year from 01 April 2023 to 31 March 2024, as well as the appendix to the consolidated financial statement and summary of key accounting policies . We have also audited the group management report of P&I Personal & Informatik Aktiengesellschaft, Wiesbaden, included in the parent company's management report for the financial year from 01 April 2023 to 31 March 2024.

In our opinion, based on the findings of our audit,

- the enclosed consolidated financial statements comply with IFRS as adopted by the EU, the additional requirements of German commercial law pursuant to Art. 315e (1) German Commercial Code (HGB) in all material respects and give a true and fair view of the assets and financial position of the Group in accordance with these requirements as at 31 March 2024 as well as of the group's results for the financial year from 1 April 2023 to 31 March 2024 and
- that the enclosed combined management report gives a true and fair view of the group's position. This combined management report as a whole is consistent with the consolidated financial statements, complies with the German legal requirements and provides a true and fair view of the opportunities and risks of future development.

In accordance with Art. 322 (3) sentence 1 HGB, we hereby declare that our audit has not revealed any matters which cast doubt on the accuracy of the consolidated financial statements and combined management report.

Basis for opinion
We conducted our audit of the consolidated financial statements and combined management report in accordance with Art. 317 of the German Commercial Code (HGB) and generally accepted German standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and combined management report" section of our report.
We are independent of the consolidated companies in accordance with the requirements of German commercial law and professional practice and ethics, and have fulfilled our other ethical responsibilities under German law in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion concerning the consolidated financial statements and combined management report.

Responsibilities of the legal representatives and the Supervisory Board for the Consolidated Financial Statement and the Combined Management Report
The legal representatives are responsible for the preparation of the consolidated financial statements in accordance with IFRS as adopted by the European Union (EU) and the additional requirements of German commercial law pursuant to Art. 315e (1) of the German Commercial Code (HGB) in all material respects and for ensuring that the consolidated financial statements give a true and fair view of the assets, financial position and results of operations of the group in accordance with these requirements. The legal representatives are also responsible for the internal controls they have determined as necessary to enable the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud (i.e. manipulation of accounting data and financial losses) or error.

In preparing the financial statements, the legal representatives are responsible for assessing the group's ability to continue as a going concern. They are also responsible for disclosing, as applicable, matters related to going concern. The legal representatives are furthermore responsible for using the going concern basis of accounting unless they either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

They are also responsible for the preparation of the combined management report in such a way as to give a true and fair view of the group's position and for the combined management report's consistency with the consolidated financial statements, its compliance with the German legal requirements and for ensuring that it provides a suitable view of the opportunities and risks of future development. The legal representatives are furthermore responsible for the precautions and measures (systems) they deem necessary to enable the preparation of the combined management report in compliance with the applicable German legal requirements and for the provision of sufficient appropriate evidence for the disclosures made in the combined management report.

The Supervisory Board is responsible for monitoring the financial accounting processes used by the group for the preparation of the consolidated financial statements and combined management report.

Auditor's responsibility for the audit of the Consolidated Financial Statement and Combined Management Report

Our objective is to obtain reasonable assurance about whether the consolidated statements as a whole are free from material misstatements, whether due to fraud or error, and whether the combined management report as a whole gives a true and fair view of the group's position and is consistent with the findings of the audit, complies with the German legal requirements and to ensure that it provides an appropriate view of the opportunities and risks of future development as well as to issue an auditor's report that includes our opinion on the consolidated financial statements and combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Art. 317 of the German Commercial Code (HGB) and generally accepted German standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this consolidated financial statement and combined management report.

We have exercised professional judgement and maintained professional scepticism throughout the audit. In addition, we also

- identify and assess the risks of material misstatements in the consolidated financial statements and combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our auditor's opinion. The risk that material misstatements that are the result of fraud will not be detected is higher than the risk that material misstatements that are the result of errors will not be detected, because fraud may involve collusion, forgery, intentional omissions, misleading representations, or overriding of internal controls.
- Obtain an understanding of internal controls relevant to the audit of the consolidated financial statement and of the precautions relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems.
- Evaluate the appropriateness of accounting policies used by the legal representatives and the reasonableness of accounting estimates and related disclosures made by the legal representatives.
- Conclude on the appropriateness of the legal representatives' use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we will be required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and combined management report or, if such disclosures are inadequate, to modify our relevant opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statement, including the disclosures, and whether the consolidated financial statement represents the underlying transactions and events in a manner that the consolidated financial statement achieves a fair presentation in accordance with IFRS as adopted by the EU and the additional requirements

of German commercial law pursuant to Art. 315e (1) German Commercial Code (HGB), (i.e gives a true and fair view) of the assets, financial position and results of operations of the group.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statement and the combined management report. We are responsible for the direction, supervision and performance of the group audit. We are solely responsible for our audit opinion.

• Evaluate whether the combined management report is consistent with the consolidated financial statement, its compliance with law and regulations and whether it achieves a fair presentation of the group's position.

• Audit the future-oriented statements provided by the legal representatives in the combined management report. Based on sufficient appropriate evidence, this includes in particular an evaluation of the significant assumptions used by the legal representatives as a basis for the future-oriented statements and evaluating the appropriate deduction of the future-oriented statements from these assumptions. We do not provide an independent opinion of the future-oriented statements or their underlying assumptions. There is a significant unavoidable risk that future events may differ significantly from the future-oriented statements.

We communicate with those responsible for monitoring regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any potentially significant deficiencies in internal control that we identify during the audit.

Frankfurt am Main, 21. June 2024

Deloitte GmbH
Audit firm

Kirsten Gräbner-Vogel
Auditor

Dr. Steffen Umlauf
Auditor

04/ AG FINANCIAL STATEMENT

Income statement

Gewinn- und Verlustrechnnung 1. April 2023 bis 31. March 2024	2023/2024	2022/2023
	kEUR	kEUR
1. Revenue	205,753	184,321
2. Increase in the inventory of work in progress (previous year: decrease)	1,740	-3,461
3. Other operating income	340	1.157
4. Cost of materials		
a) Cost of raw, auxiliary and operating materials and purchased goods	-2,306	-2,263
b) Costs for purchased services	-19,738	-15,844
5. Personnel expenses		
a) Salaries and wages	-47,986	-41,168
b) Social security contributions	-3,620	-3,109
6. Depreciation of intangible assets and property, plant and equipment	-8,134	-7,329
7. Other operating expenses	-14,808	-13,137
8. Income from investments – of which from affiliated companies kEUR 6.001 (previous year: kEUR 6.457)	6,001	6,457
9. Income from loans of financial assets – of which from affiliated companies kEUR 2.130 (previous year: kEUR 3.801)	2,130	3,801
10. Other interest and similar income – of which from affiliated companies kEUR 8.563 (previous year: kEUR 5.031)	8,563	5,031
11. Interest and similar expenses – of which from affiliated companies kEUR 0 (previous year: kEUR 0)	-2	-1
12. Result after taxes	**127,933**	**114,455**
13. Other taxes	-8	-3
14. Result before profit transfer	**127,925**	**114,452**
15. Profit transferred based on the profit transfer agreement	-127,925	-114,452
16. Annual net profit	**0**	**0**
17. Profit carried forward from the previous year	19,077	19,077
18. Net retained profits	**19,077**	**19,077**

Statement of financial position as of 31 March 2024

Assets			31 March 2024	31 March 2023
			kEUR	kEUR
A.		**Fixed assets**		
	I.	Intangible assets		
	1.	Purchased software	642	1,630
	2.	Purchased customer bases	4,744	2,723
	3.	Goodwill	4,555	1,951
			9,941	**6,304**
	II.	Property, plant and equipment		
	1.	Leasehold improvements	2,506	1,133
	2.	Operating and office equipment	7,664	8,992
	3.	Advance payments and assets under construction	3,120	0
			13,290	**10,125**
	III.	Financial investments		
	1.	Shares in affiliated companies	16,632	20,160
	2.	Loans to affiliated companies	67,325	93,014
			83,957	**113,174**
		Fixed assets	**107,188**	**129,603**
B.		**Current assets**		
	I.	Inventories		
	1.	Services in progress	3,528	1,785
	2.	Goods	237	398
			3,765	**2,183**
	II.	Receivables and other assets		
	1.	Trade receivables	10,810	9,422
	2.	Receivables from affiliated companies	895	1,390
	3.	Other assets	1,051	912
			12,757	**11,724**
	III.	Cash-in-hand and bank balances	85,717	56,222
		Current assets	**102,239**	**70,129**
C.		**Deferred income**	**2,122**	**1,478**
			211,549	**201,210**

Statement of financial position as of 31 March 2024

Liabilities			31 March 2024	31 March 2023
			kEUR	kEUR
A.		**Equity**		
	I.	Issued capital	7,531	7,531
	II.	Capital reserves	1,078	1,078
	III.	Retained earnings		
	1.	Legal reserve	2	2
	2.	Other retained earnings	87	87
	IV.	Net retained profits	19,077	19,077
		Equity	**27,775**	**27,775**
B.		**Provisions**		
	1.	Provisions for taxation	14	14
	2.	Other provisions	30,315	27,309
		Provisions	**30,329**	**27,323**
C.		**Liabilities**		
	1.	Advance payments received on orders	2,849	2,846
	2.	Trade payables – of which have a remaining term of up to one year kEUR 554 (previous year: kEUR 445)	554	455
	3.	Liabilities towards affiliated companies – of which have a remaining term of up to one year kEUR 131.176 (previous year: kEUR 117.350)	131,176	117,350
	4.	Other liabilities – of which have a remaining term of up to one year kEUR 553 (previous year: kEUR 543) – of which from taxes kEUR 493 (previous year: kEUR 393) – of which are related to social security kEUR 2 (previous year: kEUR 2)	553	543
		Liabilities	**135,132**	**121,194**
D.		**Deferred income**	**18,312**	**24,918**
			211,549	**201,210**

P&I

Rethink HR