

intershop[®]

Group Management Report for the first six months 2024

January 1 to June 30, 2024

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Letter to Our Stockholders

Dear stockholders and business partners,

We successfully continued the positive trend in our strategically important cloud business in the second quarter. Cloud revenue increased by 32% compared to the previous year; incoming cloud orders increased significantly as well, driven by contract extensions for existing customers, while ARR and net new ARR also developed positively year-on-year.

Despite these positive developments in the first half of the year, we are continuing to act with caution: The overall economic situation remains tense and the reluctance to invest is still noticeable on the market. We are still seeing significantly longer decision-making periods and the postponement of investment decisions by managers within the industry. The service business remains challenging due to complex large-scale projects.

We are consistently adapting to these framework conditions and continuing the strict cost and efficiency measures we have introduced. The operating result in the first half of the year will therefore still be impacted by one-off effects from personnel measures as part of our continued Value Creation program, which we expect to be able to compensate for in the second half of the year.

We are convinced that our cloud strategy, coupled with our AI enhancements, partner-based AI products and the reconfirmed excellent analyst ratings for Intershop, will continue to put us in an excellent position.

This is also confirmed by the latest analysis by the market research company Forrester Research, which recently named Intershop a “Strong Performer” in its B2B Wave report and awarded top marks for our offering. The personalized, AI-supported search, which is based on SPARQUE.AI technology, was named as a particular strength. In order to emphasize the strategic importance of artificial intelligence, we will introduce the new “Artificial Intelligence” organizational unit in the next quarter. In future, we will bundle all of the division’s activities there in order to achieve our medium-term corporate goal of becoming the leading AI-supported e-commerce platform. We will continue to expand our technology partnerships in this area and plan to enter into new dedicated AI product partnerships with third-party providers in the medium term.

With the tailwind from the first two quarters, we are confident about the second half of the year and are sticking to our targets for 2024. Thank you very much for your trust and for continuing to accompany us on our development path.

Best regards,


Markus Klahn


Petra Stappenbeck


Markus Dränert

Key Figures for the Group

in EUR thousand	6-Months 2024	6-Months 2023	Change
KPIs			
Cloud order entry	11,426	9,696	18%
Net New ARR	1,690	707	139%
Revenue	19,036	19,397	-2%
EBIT	(441)	(815)	46%
REVENUES			
Revenues	19,036	19,397	-2%
Licenses and Maintenance	3,698	4,578	-19%
Cloud and Subscription	10,257	7,769	32%
Service Revenues	5,081	7,050	-28%
Revenues Europe	13,539	14,103	-4%
Revenues USA	4,064	3,619	12%
Revenues Asia/Pacific	1,433	1,675	-14%
EARNINGS			
Cost of revenues	10,593	10,991	-4%
Gross profit	8,443	8,406	0%
Gross margin	44%	43%	
Operating expenses, operating income	8,884	9,221	-4%
Research and development	3,148	3,505	-10%
Sales and marketing	3,933	4,143	-5%
General and administrative	1,614	1,647	-2%
Other operating income/expenses	189	(74)	n.a.
EBIT	(441)	(815)	46%
EBIT-Margin	-2%	-4%	
EBITDA	1,126	901	25%
EBITDA margin	6%	5%	
Net result	(651)	(1,147)	43%
Earnings per share (EUR)	(0.04)	(0.08)	50%
NET ASSETS			
Shareholders´ equity	10,721	13,467	-20%
Equity ratio	29%	33%	
Balance sheet total	36,840	40,977	-10%
Noncurrent assets	22,657	24,353	-7%
Current assets	14,183	16,624	-15%
Noncurrent liabilities	11,558	13,459	-14%
Current liabilities	14,561	14,051	4%
FINANCIAL POSITION			
Cash and cash equivalents	7,334	10,142	-28%
Net cash operating activities	(694)	1,582	n.a.
Depreciation and amortization	1,567	1,716	-9%
Net cash used in investing activities	(996)	(732)	36%
Net cash provided by financing activities	(1,018)	(1,098)	-7%
EMPLOYEES	270	304	-11%

Group Management Report

Overall Economy and Industry

Against the backdrop of ongoing geopolitical conflicts and a strict monetary policy, the International Monetary Fund (IMF) continues to anticipate significantly dampened global economic development in 2024. According to the IMF World Economic Outlook from July 2024, global economic growth will be 3.2% in 2024, 0.1 percentage points below the previous year's figure. For Germany, the IMF expects gross domestic product (GDP) to increase slightly by 0.2%, after declining by 0.2% in 2023.

According to data from the analysis firm Gartner, global spending on information technology is expected to rise to 5.27 trillion US dollars in 2024, an increase of 7.5% over the previous year (2023: 4.90 trillion US dollars). The software segment is expected to grow by 12.6% compared to 2023 according to the Outlook published in July 2024. Spending on IT services is expected to increase by 7.1% - a significant decline compared to the Gartner Outlook from the first quarter of 2024, when an increase of 9.7% was still expected in this area. This decline is mainly due to lower expenditure in sub-segments such as consulting and services.

Bitkom - the industry association of the German information and telecommunications sector - expects revenues of EUR 151.2 billion in the information technology sector in Germany this year, representing growth of 4.3% compared to the previous year. At the same time, expenditure on IT services as a whole is also set to increase further. In the coming year, expenditure in this area is forecast to amount to EUR 51.6 billion, representing growth of 4.5%. A similar picture emerges for the software segment: The association expects an increase of 9.8% and a market volume of EUR 46.6 billion for 2024. Following the end of the high growth rates during the coronavirus years, the German Retail Association [*Handelsverband Deutschland, HDE*] is forecasting a further normalization in the e-commerce business in 2024. For 2024, the HDE expects sales growth of 3.4% to EUR 88.3 billion.

Business performance during the first six months of 2024

In the first six months of fiscal 2024, the Intershop Group generated revenue of EUR 19.0 million, 2% less than in the prior-year period (previous year: EUR 19.4 million). The reason for the slight decline was the challenging service business, which fell short of expectations due to complex major projects in the first half of 2024. The operating result before interest and taxes (EBIT) in the first six months of 2024 amounted to EUR -0.4 million (previous year: EUR -0.8 million) after a balanced first quarter. The reason for the negative, but improved result compared to the previous year was one-off expenses of EUR 0.4 million in connection with personnel measures that are part of Intershop's Value Creation program. Without these special effects, EBIT would have remained balanced.

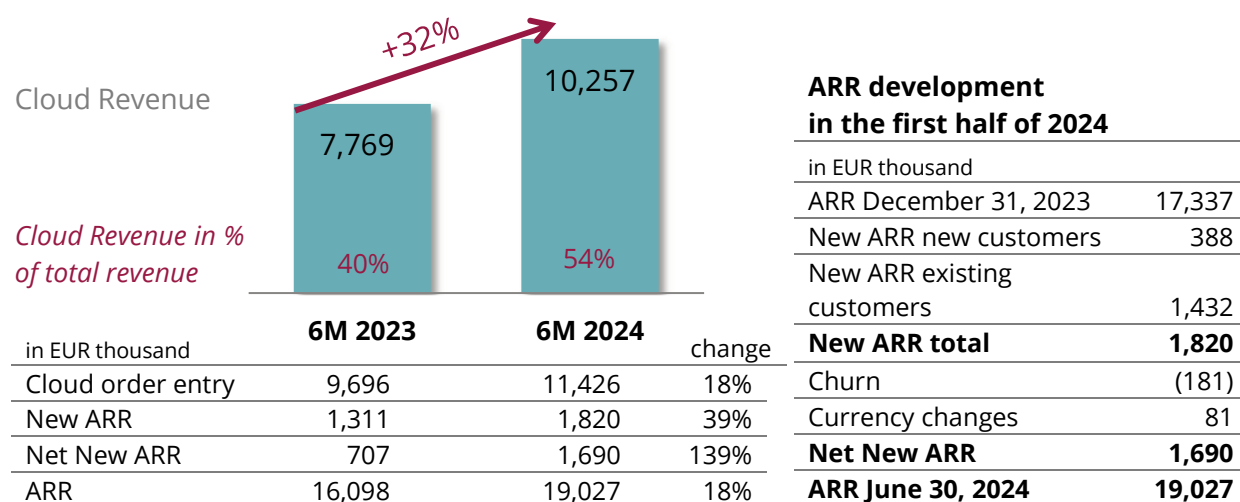
The Group's most important financial key figures (KPIs) are shown in the overview below.

in EUR thousand	6M 2024	6M 2023	Change
Cloud Order Entry	11,426	9,696	18%
Net New ARR	1,690	707	139%
Revenue	19,036	19,397	-2%
EBIT	(441)	(815)	46%

Successful half-year in the cloud business - all key figures improved

The cloud business developed positively in the first half of 2024. Cloud revenue increased by 32% to EUR 10.3 million (previous year: EUR 7.8 million). The cloud margin improved from 58% to 66%. At 54%, the share of cloud revenues in total revenue was 14 percentage points higher than in the first six months of the last financial year (previous year: 40%). Incoming cloud orders rose by 18% to EUR 11.4 million compared to the incoming orders in the same period of the previous year (previous year: EUR 9.7 million), in particular due to the existing customer business. From the incoming cloud orders, EUR 5.0 million in the first half of the year was attributable to new customers and EUR 6.4 million to existing customers. The ARR - annual recurring cloud revenue - increased by 18% to EUR 19.0 million (previous year: EUR 16.1 million) and new ARR increased to EUR 1.8 million (previous year: EUR 1.3 million). The net new ARR (new ARR less terminations and currency changes) also developed positively and rose significantly compared to the previous year to EUR 1.7 million (previous year: EUR 0.7 million). The previous year's figure was impacted by a higher number of terminations.

Cloud Business Development



Earnings Position

The development of the key earnings figures of the Group is shown in the overview below:

in EUR thousand	6M 2024	6M 2023	Change
Revenues	19,036	19,397	-2%
Cost of revenues	10,593	10,991	-4%
Gross margin	44%	43%	
Operating expenses, operating income	8,884	9,221	-4%
EBIT	(441)	(815)	46%
EBIT margin	-2%	-4%	
EBITDA	1,126	901	25%
EBITDA margin	6%	5%	
Earnings after tax	(651)	(1,147)	43%

The Intershop Group generated **revenues** of EUR 19.0 million in the first six months of 2024 and therefore recorded a slight decline in revenues of 2% compared to the same period last year. In the core segment **software and cloud**, Intershop achieved an increase in revenues of 13% to EUR 14.0 million (previous year: EUR 12.3 million). **License and maintenance** revenues fell by 19% to EUR 3.7 million (previous year: EUR 4.6 million). Intershop recorded significant growth in **cloud and subscription** revenue of 32% to EUR 10.3 million (previous year: EUR 7.8 million). In contrast, **service revenue** declined by 28% to EUR 5.1 million in the reporting period (previous year: EUR 7.1 million). This is mainly due to major projects started last year, which turned out to be more complex and costly than planned. In addition, the implementation of new projects focused more on the partner network, which is part of the Group's strategy, but had a negative impact on service revenues. The share of service revenue in total revenue was 27%, below the previous year's figure of 36%.

The following overview shows the development of revenues:

in EUR thousand	6M 2024	6M 2023	Change
Software and Cloud Revenues	13,955	12,347	13%
Licenses and Maintenance	3,698	4,578	-19%
Licenses	174	1,024	-83%
Maintenance	3,524	3,554	-1%
Cloud and Subscription	10,257	7,769	32%
Service Revenue	5,081	7,050	-28%
Revenues total	19,036	19,397	-2%

In the European business revenues in the reporting period increased by 4% to EUR 13.5 million compared to the first half of 2023. This was due to a 25% decline in the service business and a 21% drop in license and maintenance revenue. Conversely, cloud revenue increased by 30%. The share of European customers in total revenues decreased by two percentage points to 71%. In the US market, revenues increased by 12% to EUR 4.1 million, also recording strong cloud growth (+50%) but a decline in service revenues (-39%). The region contributed 21% to the total revenue (previous year: 19%). Revenues declined by 14% in the Asia-Pacific region to EUR 1.4 million, (previous year: EUR 1.7 million) due to continued difficulty in acquiring new customers. This region's share of total revenue was 8% (previous year: 9%).

The **gross profit** on sales remained unchanged compared to the same period last year at approximately EUR 8.4 million. The gross margin rose one percentage point to 44%. **Operating expenses and income** fell by 4% to EUR 8.9 million. Research and development costs decreased by 10% to EUR 3.1 million. Sales and marketing expenses fell by 5% to EUR 3.9 million. At EUR 1.6 million, general administrative costs were also below the previous-year level by 2%. Other operating expenses in the amount of EUR 0.4 million include non-recurring expenses in this amount for staff reduction measures. Overall, the total costs (cost of revenues and operating expenses/income) were EUR 19.5 million and therefore 4% below the previous year's figure.

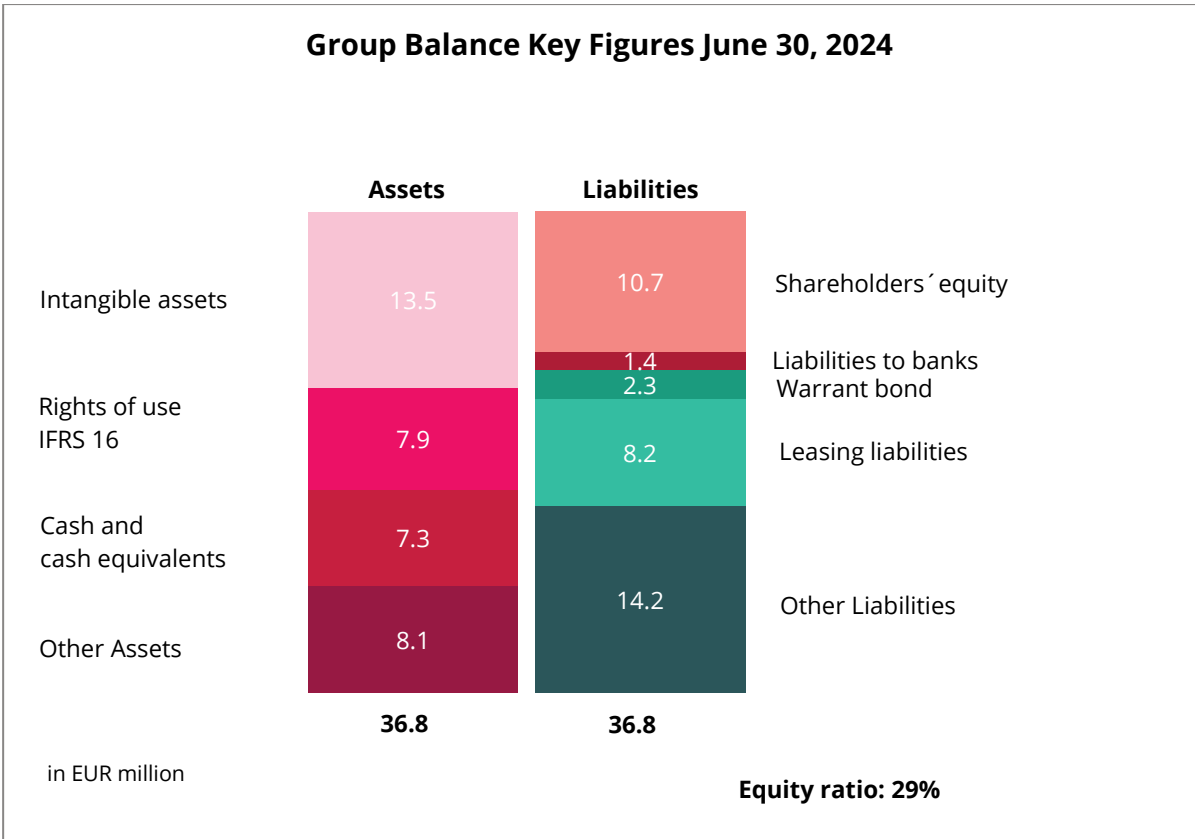
The **operating result (EBIT)** amounted to EUR -0.4 million in the first six months (previous year: EUR -0.8 million). The Group generated negative earnings before interest and taxes of EUR -0.4 million in the second quarter, while a break-even result was achieved in the first quarter. EBIT excluding non-recurring expenses would also be almost break-even in the first half of 2024. The operating result before depreciation and amortization (EBITDA) amounted to EUR 1.1 million

(previous year: EUR 0.9 million). The result for the period (**earnings after taxes**) was EUR -0.7 million (previous year: EUR -1.1 million), which corresponds to earnings per share of EUR -0.04 (previous year: EUR -0.08).

Net Asset and Financial Position

As at the interim reporting date of June 30, 2024, the Intershop Group had **total assets** of EUR 36.8 million, 3% below the value at the end of 2023. On the **assets side**, intangible assets - the largest item among assets - remained at the previous year’s level at EUR 13.5 million. As at the reporting date, total non-current assets amounted to EUR 22.7 million compared to EUR 23.1 million as at December 31, 2023. The decrease is mainly due to the reduction in IFRS 16 right-of-use assets as a result of scheduled depreciation and amortization. Current assets decreased to EUR 14.2 million (December 31, 2023: EUR 14.9 million). This was offset by an increase in trade receivables of 45% to EUR 5.6 million (previous year: EUR 3.9 million) and other receivables and assets of almost 28% to EUR 1.2 million (previous year: EUR 1.0 million) and a reduction in cash and cash equivalents of 27% to EUR 7.3 million (previous year: EUR 10.0 million).

On the **liabilities** side, equity decreased by almost 6% to EUR 10.7 million, due to the negative half-year result. Non-current liabilities decreased by 8% to EUR 11.6 million (December 31, 2023: EUR 12.6 million), which is primarily due to the reduction of non-current leasing liabilities to EUR 6.6 million (December 31, 2023: EUR 7.1 million) and the reduction of liabilities to banks to EUR 0.9 million (December 31, 2023: EUR 1.1 million). Current liabilities amounted to EUR 14.6 million compared to EUR 14.1 million as of December 31, 2023, primarily due to increased contract liabilities due to higher prepayments from cloud contracts. The **equity ratio** as at the interim reporting date was 29%, and therefore slightly lower than that of December 31, 2023 at 30%.



Cash flow from operating activities was negative in the first half of the year at EUR -0.7 million, in particular due to the increase in trade receivables (previous year: EUR 1.6 million). The cash outflow from investment activities amounted to EUR -1.0 million, compared with EUR -0.7 million in prior-year period. The cash outflow from financing activities was EUR -1.0 million, essentially due to the repayment of leasing liabilities. Overall, cash and cash equivalents decreased as at the end of the first six months by 27% to EUR 7.3 million (December 31, 2023: EUR 10.0 million).

Research and Development

Ongoing activities in the field of artificial intelligence made significant progress in the first half of the year. The AI-based product offerings for personalized search and recommendations from Intershop's SPARQUE.AI division are now listed in the Microsoft Azure Market Place and the Shopware Extension Store. This provides access to new target groups and partner networks.

Furthermore, with the introduction of a company-wide AI guideline, Intershop has created the basis for realizing the full potential of internally used AI tools while complying with clearly defined data protection standards. The aim is to use AI tools in all relevant areas of the company in the short term in order to become faster and more efficient while at the same time increasing product and service quality. GitHub Copilot is already being used in software development.

As part of the current report "The Forrester Wave: Commerce Solutions For B2B, Q2 2024" by the market research company Forrester Research, Intershop was recognized for its current offering and rated as a "Strong Performer." Intershop achieved the highest score in a total of six criteria - assisted purchasing and proposal generation, personalized search, order and inventory management, customer accounts and contract authorizations, workflow and business process modeling, as well as AI. Personalized search, which is based on SPARQUE.AI technology, was highlighted as a particular strength.

Employees

As at June 30, 2024, Intershop had 270 full-time employees around the world. Compared to the reporting date of December 31, 2023, this is a reduction of 29 employees. This is due to strict cost management as part of the Intershop's Value Creation program, which provides for a general hiring freeze as well as staff reductions and not filling vacancies due to natural fluctuation.

The following overview shows the breakdown of full-time employees by business unit.

Employees by department*	June 30, 2024	December 31, 2023	June 30, 2023
Technical Departments (Service functions and Research and Development)	206	229	228
Sales and Marketing	38	46	47
General and administrative	26	24	29
	270	299	304

*based on full time staff, including students and trainees

As at the interim balance sheet date, the number of employees in Europe was 234 or 87% of the workforce. In the Asia-Pacific region, there were 21 employees (8%); in the U.S., the share was 5% with 15 employees.

Outlook

Despite challenging macroeconomic and industry conditions, the analysis company Gartner remains optimistic about the future development of the global IT sector. According to the latest outlook by Gartner, global IT spending will amount to 5.27 trillion dollars in 2024, which corresponds to an increase of 7.5% compared to 2023. This would mean that global spending on information technology would exceed the five-trillion-dollar-mark for the first time. The focus here is particularly on applications that rely on the use of artificial intelligence.

Intershop is also steadily driving forward its AI expansion and made significant progress in this area in the first half of 2024. In order to emphasize the importance and central role of AI in strategy implementation, Intershop will introduce the new "Artificial Intelligence" division. In future, all activities will be bundled there in order to transform Intershop into the leading AI-supported e-commerce platform.

In the first half of 2024, Intershop significantly increased its cloud revenue; the cloud revenue share and margin also increased. Cloud order intake continued to improve, driven by business with existing customers, while net new ARR also increased following a weaker previous year. The service business was impacted by complex major projects, which had a negative effect on total revenue in the first half of 2024. However, the current projects are expected to be completed in the coming months. In terms of earnings, the one-off expenses incurred in the second quarter are expected to be offset over the course of the year. Accordingly, the Board confirms its outlook for the full year of 2024 and continues to expect a slight increase in incoming cloud orders and net new ARR. In addition, a moderate increase in revenue and a balanced operating result (EBIT) are forecast.

Consolidated Balance Sheet

in EUR thousand	June 30, 2024	December 31, 2023
ASSETS		
Noncurrent assets		
Intangible assets	13,455	13,464
Property, plant and equipment	380	449
Rights of use IFRS 16	7,859	8,363
Other noncurrent assets	594	506
Restricted cash	247	246
Deferred tax assets	122	121
	22,657	23,149
Current assets		
Trade receivables	5,633	3,884
Other receivables and other assets	1,216	954
Cash and cash equivalents	7,334	10,047
	14,183	14,885
TOTAL ASSETS	36,840	38,034
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Subscribed capital	14,582	14,582
Capital reserve	3,030	3,030
Other reserves	(6,891)	(6,244)
	10,721	11,368
Noncurrent liabilities		
Warrant Bond	2,250	2,242
Liabilities to banks	870	1,119
Leasing liabilities IFRS 16	6,586	7,119
Other noncurrent liabilities	1,852	2,050
	11,558	12,530
Current liabilities		
Other current provisions	379	348
Liabilities to banks	497	497
Trade accounts payable	1,982	1,960
Contract liabilities	7,345	6,872
Income tax liabilities	27	37
Leasing liabilities IFRS 16	1,576	1,524
Other current liabilities	2,755	2,898
	14,561	14,136
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	36,840	38,034

Consolidated Statement of Comprehensive Income

in EUR thousand	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Revenues				
Software and Cloud Revenues	7,142	6,657	13,955	12,347
Service Revenues	2,420	3,869	5,081	7,050
	9,562	10,526	19,036	19,397
Cost of revenues				
Cost of revenues - Software and Cloud	(2,728)	(2,744)	(5,490)	(5,393)
Cost of revenues - Services	(2,610)	(2,983)	(5,103)	(5,598)
	(5,338)	(5,727)	(10,593)	(10,991)
Gross profit	4,224	4,799	8,443	8,406
Operating expenses, operating income				
Research and development	(1,496)	(1,711)	(3,148)	(3,505)
Sales and marketing	(1,999)	(2,202)	(3,933)	(4,143)
General and administrative	(836)	(829)	(1,614)	(1,647)
Other operating income	71	77	229	167
Other operating expenses	(411)	(93)	(418)	(93)
	(4,671)	(4,758)	(8,884)	(9,221)
Result from operating activities	(447)	41	(441)	(815)
Interest income	38	3	71	4
Interest expense	(123)	(136)	(249)	(277)
Financial result	(85)	(133)	(178)	(273)
Earnings before tax	(532)	(92)	(619)	(1,088)
Income taxes	(13)	(13)	(32)	(59)
Earnings after tax	(545)	(105)	(651)	(1,147)
Other comprehensive income:				
Exchange differences on translating foreign operations	59	(13)	4	(83)
Other comprehensive income from exchange differences	59	(13)	4	(83)
Total comprehensive income	(486)	(118)	(647)	(1,230)
Earnings per share (EUR, basic, diluted)	(0.04)	(0.01)	(0.04)	(0.08)

Consolidated Statement of Cash Flows

in EUR thousand	Six months ended June 30,	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Earnings before tax	(619)	(1,088)
<i>Adjustments to reconcile net profit/loss to cash used in operating activities</i>		
Financial result	178	273
Depreciation and amortization	1,567	1,716
Other noncash expenses and income	0	41
<i>Changes in operating assets and liabilities</i>		
Accounts receivable	(1,701)	(167)
Other assets	(349)	(634)
Liabilities and provisions	(97)	586
Contract liabilities	449	993
Net cash provided by (used in) operating activities before income tax and interest	(572)	1,720
Interest received	71	4
Interest paid	(151)	(70)
Income taxes received	1	0
Income taxes paid	(43)	(72)
Net cash provided by (used in) operating activities	(694)	1,582
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for investments in intangible assets	(655)	(322)
Proceeds on disposal of equipment	1	0
Purchases of property and equipment	(42)	(110)
Disbursement as part of a company acquisition	(300)	(300)
Net cash provided by (used in) investing activities	(996)	(732)
CASH FLOWS FROM FINANCING ACTIVITIES		
Partial repayment of a warrant bond	0	(850)
Repayments of loans	(249)	(249)
Payments from issuance of common stock	0	850
Payments for leasing liabilities	(769)	(849)
Net cash provided by (used in) financing activities	(1,018)	(1,098)
Effect of change in exchange rates	(5)	(81)
Net change in cash and cash equivalents	(2,713)	(329)
Cash and cash equivalents, beginning of period	10,047	10,471
Cash and cash equivalents, end of period	7,334	10,142

Consolidated Statement of Shareholders' Equity

in EUR thousand				Other reserves			Total shareholders' equity
	Common shares (Number shares)	Subscribed capital	Capital reserve	Conversion reserve	Cumulative profit/ loss	Cumulative currency differences	
Balance, January 1, 2024	14,582,291	14,582	3,030	(93)	(8,026)	1,875	11,368
Total comprehensive income					(651)	4	(647)
Balance, June 30, 2024	14,582,291	14,582	3,030	(93)	(8,677)	1,879	10,721
Balance, January 1, 2023	14,194,164	14,194	2,575	(93)	(4,944)	2,122	13,854
Total comprehensive income					(1,147)	(83)	(1,230)
Issue of new shares	388,127	388	455				843
Balance, June 30, 2023	14,582,291	14,582	3,030	(93)	(6,091)	2,039	13,467

Notes on the Consolidated Financial Statements as of June 30, 2024

General disclosures

This interim report as of June 30, 2024, is unaudited and must be read in conjunction with the consolidated financial statements and the associated notes to the consolidated financial statements for fiscal year 2023. The consolidated financial statements and the notes to the consolidated financial statements are contained in the Company's Annual Report for the fiscal year ended December 31, 2023. The 2023 Annual Report is available on the Company's web site at <https://www.intershop.com/financial-reports>.

Accounting principles (Compliance statement)

The interim consolidated financial statements of INTERSHOP Communications AG were prepared in accordance with the International Financial Reporting Standards (IFRSs) valid at the balance sheet date, which include standard (IFRS, IAS) adopted by IASB, and the Interpretations (IFRIC, SIC) issued by the International Financial Reporting Interpretations Committee (IFRS IC), as adopted by the EU. The interim consolidated financial statements have been prepared in euros. Unless stated otherwise, all amounts are given as thousands of euros (EUR thousand). Figures are rounded to the nearest thousand and totals may not sum due to rounding.

Basis of consolidation

The scope of consolidation of the entities of INTERSHOP Communications AG includes, as of June 30, 2024, unchanged from December 31, 2023, in addition to the parent company, the subsidiaries Intershop Communications, Inc., Intershop Communications Australia Pty Ltd, Sparque B.V., Intershop Communications SARL, The Bakery GmbH as well as Intershop Communications Ventures GmbH.

Accounting policies

The same accounting policies were used to prepare this interim report as for the consolidated financial statements for fiscal year 2023. The policies used are described in detail on pages 43 to 50 of the 2023 Annual Report.

Equity

The development of INTERSHOP Communications AG's equity is shown in the Statement of Changes in Equity. The subscribed capital remains unchanged at EUR 14,582,291 as of June 30, 2024 to and is divided into 14,582,291 no-par value bearer shares.

At the Annual General Meeting of May 16, 2024, it was resolved to cancel Authorized Capital I and to create a new Authorized Capital I in the amount of EUR 7,200,000. Accordingly, the Management Board is authorized, subject to approval by the Supervisory Board, to increase the share capital once or multiple times by a total of up to EUR 7,200,000 against cash contributions and/or contributions in kind, by issuing new no-par value bearer shares. The Management Board's authorization is valid until June 13, 2029. The Management Board is authorized, subject to approval of the Supervisory Board, to exclude the stockholders'

subscription rights in certain cases. The entry in the commercial register of the new Authorized Capital I with the cancellation of the previous Authorized Capital I and the amendment to the Articles of Association took place on June 13, 2024.

In addition, the new Conditional Capital II of EUR 6,242,000 was created at the Annual General Meeting of May 16, 2024. The conditional capital shall be used to grant no-par value bearer shares when conversion or warrant rights are exercised, or if the company exercises a warrant right to grant no-par value shares in the company in full or in part to the holders of convertible bonds or bonds with warrants instead of paying the amount due, which are issued by May 15, 2029 by Intershop against cash contributions on the basis of the authorizing resolution of the Annual General Meeting of May 16, 2024. The new shares shall be issued at the warrant or conversion price to be determined based on the aforementioned authorization resolution. The Management Board is authorized to determine additional details for the implementation of the increase in the conditional capital subject to the approval by the Supervisory Board. The Management Board is authorized, subject to approval of the Supervisory Board, to exclude the stockholders' subscription rights in certain cases. The previous authorizing resolution dated 9 May, 2023 was revoked. The new Conditional Capital II, together with the amendment to the Articles of Association, was entered in the commercial register on June 13, 2024.

Earnings per share

The calculation of basic and diluted earnings per share is based on the following data:

in EUR thousand	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Basis for calculating basic earnings per share (earnings after tax)	(545)	(105)	(651)	(1,147)
Basis for calculating the diluted earnings per share	(545)	(105)	(651)	(1,147)

in thousand	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Weighted average of common shares (basic)	14,582	14,582	14,582	14,524
Effect of the conversion of the warrant bonds	0	54	0	142
Weighted average of common shares (diluted)	14,582	14,636	14,582	14,666

in EUR	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Earnings per share (basic, diluted)	(0.04)	(0.01)	(0.04)	(0.08)

If the diluted earnings reduce the loss per share or increase earnings per share, an adjustment is made to the amount of basic earnings per share (antidilutive effect) in accordance with IAS 33.43.

Segment Reporting

Three months ended June 30, 2024					
	Europe	U.S.A	Asia/ Pacific	Consoli- dation	Group
in EUR thousand					
Revenues from external customers					
Software and Cloud Revenue	4,686	1,996	460	0	7,142
Licenses and Maintenance	1,563	131	116	0	1,810
Licenses	60	0	1	0	61
Maintenance	1,503	131	115	0	1,749
Cloud and Subscription	3,123	1,865	344	0	5,332
Service Revenue	1,712	428	280	0	2,420
Total revenues from external customers	6,398	2,424	740	0	9,562
Intersegment revenues	1,242	47	9	(1,298)	0
Total revenues	7,640	2,471	749	(1,298)	9,562
Result from operating activities	(315)	(97)	(35)	0	(447)
Financial result					(85)
Earnings before tax					(532)
Income taxes					(13)
Earnings after tax					(545)

Three months ended June 30, 2023					
	Europe	U.S.A	Asia/ Pacific	Consoli- dation	Group
in EUR thousand					
Revenues from external customers					
Software and Cloud Revenue	5,047	1,146	464	0	6,657
Licenses and Maintenance	2,356	148	118	0	2,622
Licenses	857	0	2	0	859
Maintenance	1,499	148	116	0	1,763
Cloud and Subscription	2,691	998	346	0	4,035
Service Revenue	2,905	575	389	0	3,869
Total revenues from external customers	7,952	1,721	853	0	10,526
Intersegment revenues	408	131	0	(539)	0
Total revenues	8,360	1,852	853	(539)	10,526
Result from operating activities	0	30	11	0	41
Financial result					(133)
Earnings before tax					(92)
Income taxes					(13)
Earnings after tax					(105)

Six months ended June 30, 2024					
	Europe	U.S.A	Asia/ Pacific	Consoli- dation	Group
in EUR thousand					
Revenues from external customers					
Software and Cloud Revenue	9,818	3,250	887	0	13,955
Licenses and Maintenance	3,208	259	231	0	3,698
Licenses	170	0	4	0	174
Maintenance	3,038	259	227	0	3,524
Cloud and Subscription	6,610	2,991	656	0	10,257
Service Revenue	3,721	814	546	0	5,081
Total revenues from external customers	13,539	4,064	1,433	0	19,036
Intersegment revenues	1,784	136	12	(1,932)	0
Total revenues	15,323	4,200	1,445	(1,932)	19,036
Result from operating activities	(312)	(95)	(34)	0	(441)
Financial result					(178)
Earnings before tax					(619)
Income taxes					(32)
Earnings after tax					(651)

Six months ended June 30, 2023					
	Europe	U.S.A	Asia/ Pacific	Consoli- dation	Group
in EUR thousand					
Revenues from external customers					
Software and Cloud Revenue	9,134	2,284	929	0	12,347
Licenses and Maintenance	4,050	296	232	0	4,578
Licenses	1,016	0	8	0	1,024
Maintenance	3,034	296	224	0	3,554
Cloud and Subscription	5,084	1,988	697	0	7,769
Service Revenue	4,969	1,335	746	0	7,050
Total revenues from external customers	14,103	3,619	1,675	0	19,397
Intersegment revenues	816	131	0	(947)	0
Total revenues	14,919	3,750	1,675	(947)	19,397
Result from operating activities	(590)	(153)	(72)	0	(815)
Financial result					(273)
Earnings before tax					(1,088)
Income taxes					(59)
Earnings after tax					(1,147)

Directors' holdings and Securities transactions subject to reporting requirements

As of June 30, 2024, the company's executive body members held the following number of Intershop ordinary bearer shares:

Name	Function	Shares
Markus Klahn	CEO of the Management Board	13,366
Petra Stappenbeck	Member of Management Board	2,000
Ulrich Prädell	Vice Chairman of the Supervisory Board	7,535
Univ.-Prof. Dr. Louis Velthuis	Member of the Supervisory Board	35,000
Oliver Bendig	Member of the Supervisory Board	11,000

In the first six months of 2024, no members of the company's executive bodies completed the reportable securities transactions involving Intershop non-par bearer shares.

Events subsequent to the balance sheet date

No material events that must be reported occurred after the balance sheet date.

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the interim management report of the group includes a fair review of the development and performance of the business and the position of the group, together with a description of the material opportunities and risks associated with the expected development of the group for the remaining months of the financial year.

Jena, July 22, 2024

The Management Board of INTERSHOP Communications Aktiengesellschaft


Markus Klahn


Petra Stappenbeck


Markus Dränert

Intershop-Shares

Stock Market Data on Intershop Shares

ISIN	DE000A254211
WKN	A25421
Stock market symbol	ISHA
Admission segment	Prime standard/Regulated market
Sector	Software
Membership of Deutsche Börse indices	CDAX, Prime All Share, Technology All Share

Key figures for Intershop shares

		6M 2024	2023	6M 2023
Closing price ¹	in EUR	2.00	2.10	2.10
Number of shares outstanding (end of period)	in million shares	14.58	14.58	14.58
Market capitalization	in EUR million	29.16	30.62	30.62
Earnings per share	in EUR	(0.04)	(0.21)	(0.08)
Cashflow per share	in EUR	(0.05)	0.20	0.11
Carrying amount per share	in EUR	0.74	0.78	0.92
Average trading volume per day ²	Number	6,611	6,798	5,442
Free float	in %	47	47	47

¹ Basis: Xetra

² Basis: all stock exchanges



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This interim report contains forward-looking statements regarding future events or the future financial and operational performance of Intershop, actual events or results may differ materially from the results presented in these forward-looking statements or from the results expected according to these statements, risks and uncertainties that could lead to such differences include Intershop's limited operating history, the limited predictability of revenues and expenses, and potential fluctuations in revenues and operating results, significant dependence on large individual customer orders, customer trends, the level of competition, seasonal fluctuations, risks relating to electronic security, possible state regulation, and the general economic situation.