SIEMENS INDUSTRY SOFTWARE LIMITED
Annual report and financial statements
Registered number 03476850
September 30, 2024

COMPANY INFORMATION

Directors	T Monaghan B Sheath
Registered Number	03476850
Registered Office	Pinehurst 2 Pinehurst Road Farnborough Hampshire GU14 7BF United Kingdom
Independent Auditor	PricewaterhouseCoopers LLP Chartered Accountants and Independent Auditors Savannah House 3 Ocean Way Southampton SO14 3TJ United Kingdom

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The directors of Siemens Industry Software Limited ("the Company") present the annual report containing a strategic report, directors' report and the financial statements for the year ended September 30, 2024. In these financial statements, the terms 'Group' and 'Siemens' refer to the Company's ultimate parent undertaking, Siemens AG. The Company is a private company limited by shares.

STRATEGIC REPORT

Principal activities

Siemens Industry Software Limited principal activities continued to be the sale and support of a wide portfolio of software and services, engaged in helping customers achieve digital transformation.

The combined software and services offering is now known as Xcelerator; a comprehensive, integrated portfolio of software, services and application development platforms designed to help companies of all sizes become digital enterprises.

General business review - Statement of Income

The Company made a net income for the financial year, net of taxation of £18,497k (2023: £11,343k(restated)). Prior year comparatives have been restated due to an error that was identified in the research and development recharge from fellow Siemens AG affiliate (see note 34).

The Company earns revenue from three primary sources: licence, maintenance and services. The key measures of the operational business are growth of these revenue streams. Total turnover for the year ended September 30, 2024 was £211,198k (2023: £166,690k), driven mainly by a 60% increase in Licence revenue to £110,232k (2023: £68,741k).Cost of sales also increased in line with revenue by £35,217k (35%) leading to an overall gross profit of £74,845k (2023: £65,554k).

Operating costs for the same comparative 12 months period have increased 11% to £55,933k from £50,215k, which is primarily related to an increase in royalty expense in direct relation to revenue increase. The overall operating profit increased as compared to last year in relation to the revenue increase.

General business review - Statement of Financial Position

Overall, the balance sheet has decreased slightly with the net profit for the year of £18,497k offset by the £38,000k dividend paid in the year decreasing total equity to £22,702k (2023: £42,205k(restated)).

General business review – Statement of Cash Flows

Cash flows from operating activities show an inflow of £15,654k in the current year compared to an inflow of £45,626k in the prior year. The primary drivers for the change to inflow year on year, relates to changes in Contract Assets, Trade Payables and Contract Liabilities.

Cash flows from investing activities have resulted in an inflow of £169k compared to £12,928k outflow in the prior year. This was largely due to the 2023 acquisition of the trade and assets of Siemens Process Systems Engineering Limited for consideration of £12,881k.

Cash flows from financing activities show an outflow of £15,823k compared to £32,698k in the prior year. This outflow is mainly driven by an increase in dividends paid for the year, however this was offset by inflows related to group financing.

Analysis of Financial Key Performance Indicators

Siemens Industry Software Limited measures its performance on a number of key performance indicators, including revenue, profit from operations and net cash from operations as discussed above. In addition, new orders received are considered to be a key performance indicator.

New Orders Received

New orders grew by 27% year on year to £246,726k (2023: 194,044k), primarily driving by multi-year software renewals.

Principal risks and uncertainties

The Company has implemented a co-ordinated set of risk management and control systems, including strategic planning and management reporting, to help anticipate, measure, monitor and manage its exposure to risk.

The Company is significantly exposed to geo-political risk; for instance the imposition of tariffs that might impact our customer spend and therefore have downstream consequences. An evaluation of relevant market factors is undertaken regularly by the management so that the Company can respond appropriately. Another risk the Company faces is price and product competition, the Company has a diverse range of customers, revenue streams and products.

Statement related to Section 172 of Companies Act 2006 (known as Section 172(1) statement)

The Directors of the Company must act in accordance with a set of general duties. These include a duty under s.172 of the Companies Act 2006 to promote the success of the Company for the benefit of its members, and in doing so have regard (amongst other matters) to:

1) the likely consequences of any decision in the long term;
2) the interests of the company's employees;
3) the need to foster the company's business relationships with suppliers, customers and others;
4) the impact of the company's operations on the community and the environment;
5) the desirability of the company maintaining a reputation for high standards of business conduct; and
6) the need to act fairly as between members of the company.

Understanding the perspectives of the Company's stakeholders and building good relationships enables their views to be taken into account in Senior Leadership Team ("**SLT**") discussions among the board of directors of the Company ("**Board**") and in decision-making. Two Board members, the MD and FD are also members of the SLT, along with the Heads of Sales & Marketing, Operations and HR. The SLT plays an important business-focused and commercial role in the UK and Export operations, covering all aspects of the business. Given the size and nature of Siemens Industry Software Limited ("**SISW**" or "**Company**") in the UK, stakeholder engagement often takes place at both an operational and senior management level, as well as by the Board. Further information and examples of how the Company engages with its key stakeholders is provided below.

Employees

Striving to be an employer of choice, the Company places value on creating a culture of learning, promoting diversity and fostering equality.

Engagement	Key topics, decisions and outcomes influenced by this stakeholder group
As a company, Siemens Industry Software Limited succeeds through its people. Fostering the health and performance of our employees as well as safeguarding their working conditions are core to the Company's social and business commitments.	Particular attention has been devoted to raising awareness of mental health issues. The Company does a lot of work to ensure employees feel equipped to cope with the mental stresses and strains of life. We are encouraging all people managers to attend Manager Mental health training, to enable managers to better identify mental health concerns and support their employees. Managers also have access to training offered by Zurich which includes topics such as legislation to support and manage mental wellbeing in the workplace, occupational burnout, menopause and supporting an ageing workforce. All UK employees also receive a £320 per annum wellness allowance to spend on activities or items to support their physical and mental wellbeing. Alongside this, we also have a group of Mental Health First Aiders who have received the MHFA training and are available to employees. Our MHFA team are developing a strategy to extend their scope and presence to the UK employees. Some parts of the business are also trialling "wellbeing days", a day focussed on allowing employees time to do something which benefits their health and wellbeing.
The views of our employees are critical in helping us to continually improve ourselves as an organisation, and regular employee engagement surveys enable us to both further understand our employees' perspectives and generate ideas which can benefit everyone.	Employees also have access to a confidential Employee Assistance Programme. Employees have many opportunities to learn about and influence Company decisions, including: ▶ The annual employee engagement survey and additional pulse wellbeing surveys ▶ Regular Town Hall meetings ▶ Regular employee townhalls with FAQs ▶ The intranet and a regular newsletter are used to communicate news of activities and initiatives going on in the Company

Our communication and engagement arrangements are continuously improved with employee involvement via a Communications Working Group.	We have frequent communication through a variety of channels, including regular townhalls and detailed Frequently Asked Questions that aimed to address employees' concerns.
A culture of learning is encouraged in many ways. Examples include regular performance reviews and development discussions for all employees; internal and external training; sponsorship of qualifications at all levels.	To support the initiative of 'Own Your Career' a dedicated SharePoint site was developed which enables all employees to find tools and resources to support their career development such as coaching and mentoring, career opportunities and access to training courses. The L&D Team also re-launched our mentoring programme, providing training and a structured programme for mentors. Lastly, to run alongside these initiatives, 'Growth Talks' were launched. Growth talks is an initiate to encourage regular and timely feedback between managers and employees. Fostering a culture of openness and enabling employees to feel supported whilst also having the opportunity to own their own career. Many parts of the business are also offering Learning Days, specific days which employees can spend their day undertaking learning activities. For example; reading a book, attending a live training session and pre-recorded training sessions.
Diversity and Inclusion initiatives have focused on inclusive culture, LGBT inclusion, racial and gender equality, and equal opportunities for people with disabilities.	The Management team recognises the value of diversity and inclusion and is committed to truly embed it in everything the Company does. Several initiatives, policies and programmes are underway to achieve this including playbooks shared with people managers on diversity and inclusion. In addition, all people managers have attended 'unconscious bias' training. We run regular 'menopause in the workplace' led by an external expert, which is available to both managers and employees. We continue to encourage diversity in the workplace through our active global diversity council and supporting our 11 employee resource groups (ERGs). These groups are open to all Siemens employees. The Board is responsible for overseeing the Company's progress in closing the gender pay gap and publishes each year a Gender Pay Gap report. An evidence-based action plan has been implemented in response to the Gender Pay Gap outcomes.

Customers, Suppliers and Business Partners

Business relationships with the Company's customers, suppliers, and other business partners are fundamental to Siemens.

Engagement	Key topics, decisions and outcomes influenced by this stakeholder group
Customers are always at the centre of our thinking with regard to technology, innovation and how to best consult and support them. Our main goal is to establish ourselves as the partner of choice for our customers by fostering close and trusted partnerships. Siemens has continued to keep its customers and suppliers informed of its ongoing supply chain resilience planning which has been overseen by the SLT to ensure business continuity. Actions have included resource planning, reviewing, and where necessary, adjusting our systems and processes and working with our supply chain in order to minimise disruption to our operations. Siemens has a zero tolerance approach to forced labour, slavery and human trafficking in any form in any part of our business or supply chain. We support all our suppliers through our "Sustainability in the Supply Chain" and "Code of Conduct for Siemens Suppliers and Third-Party Intermediaries" brochures and the basis of all our supplier relationships is the commitment of our suppliers to observe the principles of the code. Our efforts in this area are detailed in our Modern Slavery Statement, which can be accessed here: www.siemens.com/modern-slavery. Siemens is part of the Buy Social Corporate Challenge, an initiative aimed at embedding positive social and environmental impact into everyday business spend. The UK Government-backed Challenge sees a group of businesses committed to collectively spend £1 billion by 2026 with social enterprise suppliers. As of 2024 the 30 corporate partners have achieved a cumulative spend of £477 million. As part of the Company's commitment to the Challenge it has now included over 60 Social Enterprises into its supply chain, these range from recycled wood, hotels in London, coffee with Change Please and office supplies through WildHearts. Following our virtual SCM Supplier Sustainability event in July we have >120 commitments from Key Suppliers to explore social initiatives such as the use of Social Enterprises, use of diverse Suppliers, accreditation to Real Living Wage and Prompt Payment Code.	Siemens continues to collaborate and promote best practice with external organisations. Utilities and engineering bosses as well as Metro Mayors were among leaders to lend Siemens their voice on digital transformation for a new report published by Siemens, The Digital Transformation Imperative. The report explores how businesses can overcome major challenges with the help of digitalisation and found that more collaboration is needed across sectors like utilities, engineering and manufacturing as firms look to their peers to understand how they can meet ambitions like net-zero with the help of digital tools. We continue our DEI approach within our Supply Chain by strengthening our advocacy partnerships with MSDUK and WEConnect International. We have obtained accreditation to the Prompt Payment Code and are actively influencing our Supply Chain to adopt the Real Living Wage. In July 2024 Siemens hosted Transform 2024, a three day technology exhibition and conference in Manchester where over 4,000 visitors had the opportunity to hear from and collaborate with experts, experience transformative technology and work with a vibrant community to solve real-world challenges. In March 2023 Siemens launched the Siemens EcoTech label which is an environmental declaration and self-certificate based on product specific evaluations of sustainability relevant KPIs. This company-wide label is paving the way for a more sustainable future by allowing our customers to make informed decisions on our products based on their environmental footprint. From understanding manufacturing processes to what materials are being used, how energy efficient they are, and how they find their way back into the material cycle, we're setting a new industry standard for clarity and transparency.

Communities and Environment

The Company serves society wherever it operates and as a globally active company with innovative and investment capabilities the Company shares responsibility for sustainable development worldwide.

Engagement	Key topics, decisions and outcomes influenced by this stakeholder group
The Company supports the charitable endeavours of its employees and customers.	Siemens supports many organizations around the world through Sponsorships, Donations and Other Contributions. Memberships in various associations or contributions to certain groups and activities are an essential part of our Corporate Social Responsibility program, our leadership in industry initiatives and our programs to strengthen the Siemens brand. Employees can also make donations to a number of charities via monthly or one off payroll deductions to Charities Trust.

Government, Regulators and Trade Associations

Continuous dialog with policymakers is extremely important for the success of a company like Siemens Industry Software Limited.

Engagement	Key topics, decisions and outcomes influenced by this stakeholder group
As a member of the Siemens group of companies, Siemens Industry Software Limited is politically neutral, but we operate in markets which are shaped by UK Government policy, either directly or indirectly. Our external engagement is governed in full accordance with our Company commitment to responsible and sustainable business. These allow the Company to engage with peers and regulators to discuss emerging policies, regulation, and innovation.	The company continued to support the Innovate UK Catapult Network providing world-leading technology and expertise to enable innovation for UK businesses to continue.

The Siemens AG Group Companies

The Siemens Group is setting the course for long-term value creation through accelerated growth and stronger profitability with a simplified and leaner company structure.

Engagement	Key topics, decisions and outcomes influenced by this stakeholder group
The strategic decisions of the Siemens AG Group influence the decisions taken by the Board which, in turn, adapts the Group strategy for the UK market taking into account UK customer and employee needs. The Directors and SLT have strong relationships with all key stakeholders across the wider Siemens Group to ensure the global strategy and expectations are understood and considered as part of the Company's strategic decisions in the UK.	The Board and SLT participates in Siemens forums and conferences at a global and UK level. Employees are able to join regular webinar updates given by Siemens management, with regard to the Company’s strategy and performance. These take place at a global, country and business level. Dividend proposals are also a key decision made each year with the Board having regard to the ability of the Company to make a dividend taking into account, amongst other considerations, the needs of the parent company.

Approved by the board of directors on November 28, 2025 and signed on its behalf by

Sheath Ben

Digitally signed by Sheath Ben
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Date: 2025.11.28 13:08:19

B Sheath
Director

DIRECTORS' REPORT

The directors who served the Company during the year and subsequently were as follows:

B Holliday (resigned 10 February 2025)

T Monaghan (appointed 1 March 2024)

B Sheath

O Lewis (resigned 1 March 2024)

None of the directors holding office at September 30, 2024 had notified a beneficial interest in any contract to which the Company or its subsidiary undertakings were a party during the financial year.

The directors benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

DIVIDENDS

The directors approved a dividend payment in the year of £38m (2023: £25m).

RESEARCH AND DEVELOPMENT

The Company continues to invest in research and development in the UK. During the year, the Company received a net credit of £904k (2023: Charge £(1,695)k(restated)) on research and development.

INTELLECTUAL PROPERTY

The Siemens AG group relies on a combination of contracts, copyrights, patents, trademarks and other common law rights such as trade secret and unfair competition laws to establish and protect the proprietary rights to the Company's technology. The Company distributes software by license rather than by the transfer of absolute ownership. Such licenses contain various provisions protecting the Company's ownership and confidentiality of the licensed technology. The Company continues to perform research and development work on behalf of the group.

FINANCIAL INSTRUMENTS

Siemens Industry Software Limited’s financial risk management objectives and policies, including the exposure to market risk, credit risk and liquidity risk are set out in note 26 to the financial statements.

SUBSEQUENT EVENTS

There were no significant events after the reporting period.

FUTURE DEVELOPMENTS

The Company does not expect any significant future developments in its activities.

GOING CONCERN

The directors have performed a going concern assessment, comprising a review of the Company's financial position, future operations and forecasts for a period of 12 months from the date of approval of the financial statements.

The directors monitor short-term and long-term cash flow forecasts to ensure that the Company has adequate working capital to continue in operational existence for the foreseeable future, for a period of 12 months from the approval of the financial statements. Based upon the assessment performed, the net current liability position due to amounts owed to group undertakings, and in light of the ongoing economic uncertainties, the directors determined it is appropriate to obtain a letter of financial support from Siemens AG covering a period of 12 months from the approval of the financial statements. In the letter of support, Siemens AG confirm that they will continue to offer the Company unlimited access to the group cash pooling facility. On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amount and classification of assets and liabilities that may arise if the Company was unable to continue as a going concern.

STREAMLINED ENERGY & CARBON REPORTING (SECR)

	2024	2023
Energy consumption used to calculate emissions: kWh	**2,234,524**	2,326,060
Gas Consumption (kWh)	**67,901**	70,856
Electricity Consumption (kWh)	**1,368,562**	1,426,169
Transport fuel (kWh)	**798,061**	829,035
Emissions from combustion of gas tCO2e (Scope 1, mandatory)	**12**	19
Emissions from combustion of fuel for transport purposes tCO2e (Scope 1, mandatory)	**5**	4
Emissions from business travel in rental cars or employee -owned vehicles where company is responsible for purchasing the fuel tCO2e (Scope 3, mandatory)	**189**	226
Emissions from purchased electricity tCO2e (Scope 2, location -based, mandatory)	**300**	294
Emissions from purchased electricity tCO2e (Scope 2, market -based, voluntary)	**212**	169
Total gross tCO2e based on above	**506**	543
Intensity ratio: tCO2e gross figure based from mandatory fields above/ £100,000 turnover	**0.240**	0.326

Methodology

All the SECR data requirements for unquoted 'large' companies have been met and the energy consumption and emissions are reported above. This includes UK consumption of electricity, gas and transport fuels where the company is responsible for the fuels.

The methodology used to calculate emissions is the WBCSD/WRI Greenhouse Gas Protocol: a corporate accounting standard: revised edition.

UK Government greenhouse gas emissions conversion factors for 2023 have been applied. An operational control approach has been taken.

Scope 2 emissions from purchased electricity have been calculated using the location-based and market-based approaches.

Energy Efficiency Action:

Siemens continues on its journey to Net Zero in line with its 1.5C aligned science-based targets and commitments it has made to EV100, EP100 and RE100.

This year the business has continued it’s focus on fleet decarbonisation activities with the introduction of a Salary Sacrifice ULEV scheme. Additionally, we have introduced further incentives on the ULEV Company Car scheme to increase participation, therefore allowing us to work towards our road to zero initiative. These schemes allow us to work towards the goal that all miles driven for business will be carbon neutral.

Further information on our approach to Sustainability can be found at new.siemens.com/uk/en/company/sustainability.html

GROUP POLICIES

Employee engagement

The directors continue to encourage employee participation within the Company. The Siemens Leadership Framework and Management Development Programmes underpin the various methods for encouraging an open and participative style of management and communication that has been introduced in recent years; these include team briefings, intranet information and notices, staff forums and employee elections to the Siemens Europe Committee and the European Works Council. We encourage suggestions and innovations for improving business performance through the "top+ Business Excellence", business suggestion schemes and the staff dialogue process.

Environmental

As a leading global company, Siemens has a responsibility to comply with the highest ethical and legal standards while protecting the environment and benefiting society as a whole. These principles are embedded in our DEGREE ESG framework, the environmental elements of which focus on Decarbonisation and Resource Efficiency. Through Siemens Eco Efficiency programme, the Company drives its ambition levels around three pillars: Responsible Product Development (including Robust Eco Design), Clean Supply Chain (including purchase of recycled materials) and Efficient Own Operations (covering energy efficiency and waste hierarchy shift). The business has set science based (SBTi) carbon reduction targets and remains focused on continual improvements in energy efficiency. By moving waste up the waste hierarchy and eliminating waste where possible, the organisation is embedding circular economy principles in the way it does business. In addition to our long-term Eco Efficiency programme and the DEGREE framework, we also look at how we can improve our environmental impact through our onsite biodiversity initiatives.

There are a number of initiatives, such as Siemens STAR Awards, which recognises and rewards contribution to Siemens ownership culture covering Living Our Values, Doing What Matters, Taking The Lead and Working Together.

Equal opportunities

We aim to create an equal work environment for everyone. We will not discriminate against anyone due to a characteristic, recognising the specific legislative protected characteristics, age, disability, sex, gender, gender reassignment, sexual orientation, marriage or civil partnership, maternity or pregnancy, race, religion, or belief. In addition, it is against the law to prejudice a person in any way because of a spent conviction, unless it is for safeguarding needs. As well as the legislative requirements, we additionally seek to create equality for all individuals irrespective of diverse backgrounds and experience such as socio-economic background, family status and caring responsibilities, trade union membership and education level. We aim to create equal access to opportunities and promoting fairness and use positive action to overcome any disadvantage that an individual or group may inherently have owing to discrimination or bias, and the provision of reasonable adjustments to support them in conducting their role. We are committed to maintaining a diverse workforce at every stage of their employment. This refers to recruitment, selection, and training; promotion, transfer and pay; terms and conditions of employment, including grievance and disciplinary procedures; training and development; termination of employment, including dismissal, redundancy, or retirement.

Business Stakeholders

Business relationships with the customers, suppliers, and other business partners are fundamental to Siemens. The Group maintains business relationships only with reputable partners who comply with the law. The Group protects the interests of its customers through the careful selection of suppliers and other business partners and through the standards set for its own actions. The Group only works with suppliers who are prepared to eliminate problems or implement risk reduction measures. That is why the Group cooperates with excellent partners worldwide. We support all our suppliers through our "Sustainability in the Supply Chain" and " Code of Conduct for Siemens Suppliers and Third-Party Intermediaries" brochures, and the basis of all our supplier relationships is the commitment of our suppliers to observe the principles of the code. In addition, we explicitly encourage them to extend these values further into their own supply chain to create a network of interactions and business relations that are built on trust. As well as reflecting our Siemens Group Business Conduct Guidelines, our supplier code is based on the UN Global Compact and principles of the International Labour Organisation.

POLITICAL DONATIONS

The Company did not make any political donations during the current or preceding year.

DISCLOSURE OF INFORMATION TO THE AUDITOR

The directors who held office at the date of approval of this annual report confirm that so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware, and each director has taken all steps that ought to have been taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

AUDITOR

PricewaterhouseCoopers LLP were appointed as auditor of the Company commencing fiscal year 2024. In accordance with section 487(2) of the Companies Act 2006, PricewaterhouseCoopers LLP will continue in office as auditor of the Company.

Approved by the board of directors on November 28, 2025 and signed on its behalf by

Sheath Ben

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Date: 2025.11.28 13:08:45

B Sheath
Director

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with UK-adopted international accounting standards.

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Approved by the board of directors on November 28, 2025 and signed on its behalf by

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B Sheath

Director

Independent auditors' report to the members of Siemens Industry Software Limited

Report on the audit of the financial statements

Opinion

In our opinion, Siemens Industry Software Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2024 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 30 September 2024; the Statement of Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 30 September 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in respect of the annual report and financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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 these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation and Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to overstatement of revenue, mainly through the posting of journals, and management bias in accounting judgements and estimates. Audit procedures performed by the engagement team included:

- Performing a reconciliation of all transactions in the year to the financial statements, obtaining a complete population of journals, and identifying and testing journal entries based on our risk assessment;
- Challenging assumptions made by management in their significant accounting estimates;
- Agreeing the financial statement disclosures to supporting documentation and assessing compliance with applicable laws and regulations;
- Discussions with management, including consideration of known or suspected instances of non compliance with laws and regulations and fraud and actual and potential litigation and claims;
- Evaluating the business rationale of significant transactions outside the normal course of business; and
- Review of minutes of board meetings.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Christopher Taylor

Christopher Taylor (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Southampton

1 December 2025

SIEMENS INDUSTRY SOFTWARE LIMITED
STATEMENT OF INCOME
FOR THE YEARS ENDED 30 SEPTEMBER 2024 AND 2023 (IN THOUSANDS OF £)

	Note	2024	2023 Restated
Revenue	4	**211,198**	166,690
Cost of sales		**(136,353)**	(101,136)
Gross profit		**74,845**	65,554
Research and development credit / (charge)	5	**904**	(1,695)
Marketing and distribution expenses		**(51,661)**	(46,619)
Administrative expenses		**(4,018)**	(2,984)
Other operating expenses	6	**(254)**	(612)
Operating profit	5	**19,816**	13,644
Interest income	9	**2,269**	2,077
Interest expenses	9	**(642)**	(1,142)
Other financial income, net	10	**2,893**	1,557
Income from continuing operations before income taxes		**24,336**	16,136
Income tax expense	11	**(5,839)**	(4,793)
Income from continuing operations, net of income taxes		**18,497**	11,343
Net income for the financial year		**18,497**	11,343

Prior year comparatives have been restated due to an error in the research and development recharge from a fellow Siemens AG affiliate (See note 34).

The Company has no recognised gains and losses for the current or prior year other than those reported above and therefore no statement of comprehensive income has been presented.

The notes on pages 20 to 50 form an integral part of these financial statements.

SIEMENS INDUSTRY SOFTWARE LIMITED
STATEMENT OF FINANCIAL POSITION
AS OF 30 SEPTEMBER 2024 AND 2023 (IN THOUSANDS OF £)

	Note	**2024**	2023 Restated
ASSETS			
Trade and other receivables	12	**32,898**	55,203
Other current financial assets		**407**	404
Contract assets	13	**22,176**	14,772
Inventories	14	**49**	-
Current income tax assets		**-**	315
Other current assets	15	**3,247**	4,114
Total current assets		**58,777**	74,808
Goodwill	16	**35,576**	35,576
Other intangible assets	17	**148**	142
Property, plant and equipment	18	**17,586**	10,794
Investments	19	**2,167**	2,167
Other financial assets	26	**133**	348
Deferred tax assets	11	**711**	705
Other assets		**150**	10
Total non-current assets		**56,471**	49,742
Total assets		**115,248**	124,550
LIABILITIES AND EQUITY			
Lease liabilities	29	**2,329**	3,498
Trade and other payables	20	**24,570**	20,874
Other current financial liabilities	26	**1,787**	780
Contract liabilities	13	**28,113**	28,312
Current income tax liabilities		**1,124**	-
Other current liabilities	21	**22,659**	24,683
Total current liabilities		**80,582**	78,147
Lease liabilities	29	**11,332**	3,256
Provisions	23	**198**	198
Other liabilities		**61**	55
Other financial liabilities	26	**373**	689
Total non-current liabilities		**11,964**	4,198
Total liabilities		**92,546**	82,345

SIEMENS INDUSTRY SOFTWARE LIMITED
STATEMENT OF FINANCIAL POSITION
AS OF 30 SEPTEMBER 2024 AND 2023 (IN THOUSANDS OF £)

	Note	2024	2023 Restated
Equity			
Share capital	24	**8,393**	8,393
Capital contribution reserve		**208**	208
Retained earnings		**14,101**	33,604
Total equity		**22,702**	42,205
Total liabilities and equity		**115,248**	124,550

Prior year comparatives have been restated due to an error in the research and development recharge from a fellow Siemens AG affiliate (see note 34).

The notes on pages 20 to 50 form an integral part of these financial statements.

These financial statements were approved and authorised for issue by the board of directors on November 28, 2025 and were signed on their behalf by:

Monaghan Teresa
Digitally signed by Monaghan Teresa
DN: cn=Monaghan Teresa, c=DE, o=Siemens, email=teresa.monaghan@siemens.com
Date: 2025.11.28 14:12:31

T Monaghan
Director

SIEMENS INDUSTRY SOFTWARE LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED 30 SEPTEMBER 2024 AND 2023 (IN THOUSANDS OF £)

	Note	2024	2023 Restated
Cash flows from operating activities			
Net income for the financial year**		**18,497**	11,343
Adjustments to reconcile net income to cash flows from operating activities			
Depreciation and amortisation	5, 17, 18	**5,737**	5,077
Income tax expenses**	11	**5,839**	4,793
Interest income, net	9	**(1,627)**	(935)
Dividends received	10	**(2,700)**	(1,751)
Net foreign exchange differences		**(197)**	2,704
Losses on disposal of property, plant and equipment, net	6	-	1
Impairment of property, plant and equipment	5, 18	**4**	-
Operating profit before changes in working capital and provisions		**25,553**	21,232
Changes in assets and liabilities			
Inventories	14	**(49)**	-
Contract assets	13	**(7,404)**	11,777
Trade and other receivables	12	**1,055**	4,482
Other current assets	15	**867**	(229)
Trade payables and accrued expenses		**(1,033)**	4,446
Contract liabilities	13	**(199)**	6,119
Other current liabilities		**(123)**	1,347
Long term assets		**75**	639
Long term liabilities		**(310)**	694
Cash generated from operations		**18,432**	50,507
Interest received*	9	**2,269**	2,077
Research and Development tax credit		**(1,335)**	(1,214)
Income taxes paid		**(3,070)**	(4,604)
Interest paid*	9	**(642)**	(1,140)
Cash flows from operating activities – continuing operations		**15,654**	45,626
Cash flows from investing activities			
Additions to intangible assets and property, plant and equipment	17, 18	**(2,531)**	(1,796)
Disposal of intangibles and property, plant and equipment	17, 18	-	(2)
Purchase of trade and assets of other entities	3	-	(12,881)
Dividends received	10	**2,700**	1,751
Cash flows generated from / (used in) investing activities – continuing operations		**169**	(12,928)
Cash flows from financing activities			
Change in financing from other group companies**		**25,680**	(3,941)
Dividends paid	33	**(38,000)**	(25,000)
Repayment of lease liabilities	29	**(3,503)**	(3,757)
Cash flows used in financing activities – continuing operations		**(15,823)**	(32,698)

SIEMENS INDUSTRY SOFTWARE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEARS ENDED 30 September 2024 AND 2023 (IN THOUSANDS OF £)

Change in cash and cash equivalents	-	-
Cash and cash equivalents at the beginning of the year	-	-
Cash and cash equivalents at the end of the year	-	-

Siemens AG operates a cash pooling facility across its worldwide group. Cash balances generated by entities are passed to Siemens AG and companies are able to draw down on these facilities if required. Therefore, apart from any accounts held with local banks, amounts invested with/drawn down from the Siemens AG accounts are shown as an intercompany balance. Changes in the balances on these facilities are included in cash flows from financing activities in the Statement of Cash Flows. An increase in cash that is loaned to the cash pool is shown as a cash outflow from financing activities, and an increase in cash borrowed from the cash pool is shown as a cash inflow from financing activities.

Also included within the change in financing from other group companies are the balances due from other group companies arising from the sale of investments and goodwill and receipt of dividends, as well as loans to other group companies.

*Prior year comparative has been re-presented to show a gross interest paid and received in line with IAS 7 amending the net interest received of £937k originally disclosed in 2023.

**Prior year comparatives have been restated due to an error in the research and development recharge from a fellow Siemens AG affiliate (See note 34)

SIEMENS INDUSTRY SOFTWARE LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEARS ENDED 30 September 2024 AND 2023 (IN THOUSANDS OF £)

	Note	**Share capital**	**Capital contribution reserve**	**Retained earnings**	**Total equity**
Brought forward October 1, 2022		8,393	208	47,261	55,862
Net income for the financial year		-	-	15,729	15,729
Restatement of Research and development credit, net	34	-	-	(4,386)	(4,386)
Total comprehensive income for the financial year		-	-	11,343	11,343
Equity settled share-based payments		-	1,649	-	1,649
Recharge from ultimate parent undertaking		-	(1,649)	-	(1,649)
Dividends to equity holders		-	-	(25,000)	(25,000)
Balance at September 30, 2023		8,393	208	33,604	42,205
Brought forward October 1, 2023		**8,393**	**208**	**33,604**	**42,205**
Net income for the financial year		**-**	**-**	**18,497**	**18,497**
Total comprehensive income for the financial year		**-**	**-**	**18,497**	**18,497**
Equity settled share-based payments		**-**	**1,834**	**-**	**1,834**
Recharge from ultimate parent undertaking		**-**	**(1,834)**	**-**	**(1,834)**
Dividends to equity holders		**-**	**-**	**(38,000)**	**(38,000)**
Balance at September 30, 2024		**8,393**	**208**	**14,101**	**22,702**

Capital contribution reserve

Certain directors and senior managers of the Company are eligible for share options and stock awards and all employees are eligible to join the share matching plan in the ultimate parent undertaking, Siemens AG. These share options are awarded directly by the ultimate parent undertaking, who requires the Company to make a payment (equal to the fair value of the options at grant date or the costs incurred by the ultimate parent undertaking, depending on the grant date) to reimburse it for the granting of these rights. The capital contribution reserve is used to recognise the Company's share-based payment expense in respect of the share matching plan. The payments made to Siemens AG are deducted from this reserve to the extent that the costs have already been recognised. Any additional payments are charged directly to the Statement of Income. Further details in respect of share-based payment plans are available in note 25.

1. Basis of presentation

The accompanying financial statements present the operations of Siemens Industry Software Limited ("the Company") and have been prepared and approved by the directors in accordance with UK-adopted international accounting standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The financial statements were authorised for issue by the Board of Directors on November 28, 2025. The financial statements have been prepared on a historical cost basis with the exception of certain items which are measured at fair value as disclosed in note 2.

The Company has prepared and reported its financial statements in Great British Pounds (GBP or £) and the financial information is disclosed in thousands of £, except where stated otherwise. 'k' denotes thousands of £ and 'm' denotes millions of £. The Company is a United Kingdom based company incorporated in the United Kingdom and is engaged in PLM (Product Lifecycle Management), MES (Manufacturing Execution Systems) and CIS (Comos Industry Solutions) activities. The registered office is located at Pinehurst 2, Pinehurst Road, Farnborough, Hampshire, GU14 7BF.

The financial statements contain information about Siemens Industry Software Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company has taken advantage of the exemption under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent, Siemens AG, a company incorporated in Germany.

The Company applied all UK adopted standards and interpretations issued by the International Accounting Standards Board ('IASB') that were effective as of September 30, 2024. In these financial statements, the term 'group' refers to all companies for whom the ultimate parent undertaking is Siemens AG. The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The Company's business activities together with the factors likely affecting its future development are described in the Strategic report.

Going Concern

The directors have performed a going concern assessment, comprising a review of the Company's financial position, future operations and forecasts for a period of 12 months from the date of approval of the financial statements.

The directors monitor short-term and long-term cash flow forecasts to ensure that the Company has adequate working capital to continue in operational existence for the foreseeable future, for a period of 12 months from the approval of the financial statements. Based upon the assessment performed, the directors determined it appropriate to obtain a letter of financial support from Siemens AG covering a period of 12 months from the approval of the financial statements. In the letter of support, Siemens AG confirm that they will continue to offer the Company unlimited access to the group cash pooling facility. On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amount and classification of assets and liabilities that may arise if the Company was unable to continue as a going concern.

2. Summary of material accounting policies and critical accounting estimates

Material Accounting Policies

Management has considered the principles of materiality in IFRS Practise Statement 2 *Making Materiality Judgements,* and only those accounting policies which are considered material have been presented in these financial statements.

Business combinations — Business combinations (other than those from Siemens group companies) are accounted for under the acquisition method. Siemens Industry Software Limited as the acquirer and the acquiree may have a relationship that existed before they contemplated the business combination, referred to as a pre-existing relationship. If the business combination in effect settles a pre-existing relationship, Siemens Industry Software Limited as the acquirer recognises a gain or loss for the pre-existing relationship. The cost of an acquisition is measured at the fair value of the assets given and liabilities incurred or assumed at the date of exchange. Any contingent consideration to be transferred by Siemens Industry Software Limited as the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability will be recognised either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it will not be remeasured; subsequent settlement is accounted for within equity. Acquisition-related costs are expensed in the period incurred. Identifiable assets acquired and liabilities assumed in a business combination (including contingent liabilities) are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. Non-controlling interests are measured at the proportional fair value of assets acquired and liabilities assumed (partial goodwill method). If there is no loss of control, transactions with non-controlling interests are accounted for as equity transactions not affecting profit and loss. At the date control is lost, any retained equity interests are remeasured to fair value.

Business integrations from Siemens group companies are accounted for at the fair value of the assets acquired and liabilities incurred or assumed at the date of exchange ('fair value'). Goodwill is recorded by the acquiring company as the difference between the fair value and the consideration paid to the selling company.

Foreign currency transaction — Transactions that are denominated in a currency other than the functional currency of the entity, are recorded at that functional currency applying the spot exchange rate at the date when the underlying transactions are initially recognised. At the end of the reporting period, foreign currency-denominated monetary assets and liabilities are revalued to functional currency applying the spot exchange rate prevailing at that date. Gains and losses arising from these foreign currency revaluations are recognised in the Statement of Income. Those foreign currency-denominated transactions which are classified as non-monetary are remeasured using the historical spot exchange rate.

Revenue recognition: Software contracts usually comprise the sale of subscription licenses and perpetual licenses, which are both on-premise, as well as technical support services including updates and unspecified upgrades and the sale of software-as-a-service. Subscription contracts generally contain two separate performance obligations: time-based software license and technical support service. Revenues for perpetual and time-based licenses granting the customer a right to use Siemens' intellectual property are recognised at a point in time, i.e. when control of the license passes to the customer. Revenues for technical support services including updates and unspecified upgrades are recognized over time on a straight-line basis as the customer simultaneously receives and consumes the benefits provided by Siemens' services. Software-as-a-service contracts including related cloud services represent one performance obligation for which revenues are recognized over time on a straight-line basis. Payment terms for all transactions are usually 30 days from the date of invoice issued according to the contractual terms.

Income from interest - Interest is recognised using the effective interest rate method.

Dividends — Dividends are recognised when the right to receive payment is established.

Research and development costs — Costs of research activities are expensed as incurred.

Costs for development activities are capitalised when the recognition criteria in IAS 38 are met. Capitalised development costs are stated at cost less accumulated amortisation and impairment losses with an amortisation period of generally three to ten years.

Investments — Investments are stated at their historic cost to the Company less provisions for any impairment. The determination of the recoverable amount of an investment involves the use of estimates by management. The Company uses discounted cash flow-based methods applied to the cash-generating unit underlying the investment. These discounted cash flow calculations typically use five-year projections that are based on the financial plans. Cash flow projections take into account past experience and represent management's best estimate about future developments. Cash flows after the planning period are extrapolated using individual growth rates. Key assumptions which management has based its determination of fair value less costs to sell and value in use include estimated growth rates, weighted average cost of capital and tax rates. These estimates, including the methodology used, can have a material impact on the values and ultimately the amount of any investment impairment.

Other intangible assets — Intangible assets can either be acquired in a business combination or developed internally. The Company amortises intangible assets with finite useful lives on a straight-line basis over their respective estimated useful lives to their estimated residual values. Estimated useful lives for software, patents, licenses and other similar rights generally range from three to five years, except for intangible assets with indefinite useful lives acquired in business combinations. Intangible assets acquired in business combinations primarily consist of relationships and technology. Useful lives in specific acquisitions ranged from four to twenty years for customer relationships and from five to twenty-five years for technology. Items classed as "Other" are tested for impairment annually, as well as whenever there are events or changes in circumstances (triggering events) which suggest that the carrying amount may not be recoverable.

Internally developed intangible assets must meet all of the following criteria in order to be recognised:

- it is technically feasible to complete the intangible asset so that it will be available for use or sale
- there is an intention to complete the intangible asset and use or sell it
- there is an ability to use or sell the intangible asset
- it is probable future economic benefits will arise from the intangible asset
- there is an availability of adequate technical, financial, and other resources to complete the development and to use or sell the intangible asset

there is an ability to measure reliably the expenditure attributable to the intangible asset during its development

Goodwill — Goodwill is not amortised, but instead tested for impairment annually, as well as whenever there are events or changes in circumstances (triggering events) which suggest that the carrying amount may not be recoverable. The determination of the recoverable amount of a cash-generating unit or a group of cash-generating units to which goodwill is allocated involves the use of estimates by management. The outcome predicted by these estimates is influenced e.g. by the successful integration of acquired companies, volatility of capital markets, interest rate developments, foreign exchange rate fluctuations and the outlook on economic trends. In determining recoverable amounts, discounted cash flow calculations use five-year projections that are based on financial forecasts. Cash flow projections take into account past experience and represent management's best estimate about future developments. Cash flows after the planning period are extrapolated using individual growth rates. These estimates, including the methodology used, can have a material impact on the respective values and ultimately the amount of any goodwill impairment. See note 16 for further information.

Property, plant and equipment — Property, plant and equipment, is valued at cost less accumulated depreciation and impairment losses. Depreciation expense is recognised using the straight-line method. The following useful lives are assumed:

Factory and office buildings	20 to 50 years
Technical machinery & equipment	generally 4 years
Furniture & office equipment	generally 5 years

Impairment of property, plant and equipment and other intangible assets — The Company reviews property, plant and equipment and other intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In addition, intangible assets with indefinite useful lives as well as intangible assets not yet available for use are subject to an annual impairment test. Impairment may also occur if the asset is part of a cash-generating unit (see Goodwill above).

Income taxes — The Siemens Group operates in various tax jurisdictions and therefore has to determine tax positions under respective local tax laws and tax authorities' views which can be complex and subject to different interpretations of tax payers and local tax authorities. Under the liability method, deferred tax assets and liabilities are recognised for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets are recognised if sufficient future taxable profit is available, including income from forecasted operating earnings, the reversal of existing taxable temporary differences and established tax planning opportunities. As of each period-end, management evaluates the recoverability of deferred tax assets, based on projected future taxable profits.

Inventories — Inventories are valued at the lower of acquisition or production costs and net realisable value, cost being generally determined on the basis of an average or first-in, first-out method.

Contract assets, contract liabilities, receivables — When either party to a contract with customers has performed, the Company presents a contract asset, a contract liability or a receivable depending on the relationship between Company's performance and the customer's payment. Contract assets and liabilities are presented as current since incurred in the normal operating cycle. Receivables are recognised when the right to consideration becomes unconditional. Valuation allowances for credit risks are made for contract assets and receivables in accordance with the accounting policy for financial assets measured at amortised cost.

Financial instruments — A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Based on their contractual cash flow characteristics and the business model they are held in, financial instruments are classified as financial assets and financial liabilities measured at cost or amortised cost and financial assets and financial liabilities measured at fair value and as receivables from finance leases. For additional information refer to note 26.

Regular way purchases or sales of financial assets are accounted for at the trade date.

Initially, financial instruments are recognised at their fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are only recognised in determining the carrying amount, if the financial instruments are not measured at fair value through profit or loss. Receivables from finance leases are recognised at an amount equal to the net investment in the lease. Subsequently, financial assets and liabilities are measured according to the category to which they are assigned to:

Financial assets measured at amortised cost – Loans, receivables and other debt instruments held in a hold-to-collect business model with contractual cash flows that represent solely payments of principal and interest are measured at amortised cost using the effective interest method less valuation allowances for expected credit losses.

Financial liabilities — The Company measures financial liabilities, except for derivative financial instruments, at amortised cost using the effective interest method.

Cash and cash equivalents — The Company considers all highly liquid investments with less than three months maturity from the date of acquisition to be cash equivalents. Cash and cash equivalents are measured at cost. The Company is part of a cash pooling arrangement across the worldwide Siemens group. Balances within this facility are classified as *Receivables from group companies* and *Amounts due to group companies*.

Leases — The Company leases mainly land and buildings and motor vehicles. Rental contracts are typically made for fixed periods and lease terms are negotiated on an individual basis and contain a wide range of difference terms.

Lessee - Siemens recognises right-of-use assets and lease liabilities for leases with a term of more than twelve months if the underlying asset is not of low value. Payments for short-term and low-value leases are expensed over the lease term. Extension options are included in the lease term if their exercise is reasonably certain. Right-of-use assets are measured at cost less accumulated depreciation expense and impairment losses adjusted for any remeasurements. Right-of-use assets are depreciated under the straight-line method over the shorter of the lease term and the useful life of the underlying assets. Lease liabilities are measured at the present value of the lease payments due over the lease term, generally discounted using the incremental borrowing rate. Lease liabilities are subsequently measured at amortised cost using the effective interest method. They are remeasured in case of modifications or reassessments of the lease.

Pension costs and other post-retirement benefits

Defined contribution plan — The assets of the scheme are held separately from those of the Company in an independently administered fund. The amount charged to the Statement of Income represents the contributions payable to the scheme in respect of the accounting period and represents the full extent of the Company's liability.

Borrowing costs — The Company pays or receives interest on its intercompany cash balances. These are recognised within interest in the Statement of Income when incurred or receivable. All costs directly attributable to the cost of a qualifying asset are capitalised.

Share–based payment — The Company participates in equity-settled share-based payment plans established by its ultimate parent undertaking, Siemens AG. In accordance with IFRS 2, the fair value of awards/share matching granted is recognised as an employee expense with a corresponding increase in the capital contribution reserve in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the awards. The fair value of share-based awards such as stock awards and matching shares is determined as the market price of Siemens AG shares, taking into consideration, if applicable, dividends during the vesting period the grantees are not entitled to and certain non-vesting conditions. A small number of the Company's directors and senior managers are eligible for share options, stock awards and share matching under the plans.

Any expected payments to be made to the Company's ultimate parent undertaking, Siemens AG, in respect of these plans is deducted from the capital contribution reserve in equity over the vesting period, to the extent that expenses have been recorded. Any additional payments are charged directly to the Statement of Income.

Critical Accounting Judgements and Estimates

The preparation of financial statements requires the use of accounting estimates which, by definition, will likely differ from the actual results.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to the final outcome deviating from estimates and assumptions made.

Detailed information about each of these estimates and judgements is included in other notes, together with information about the basis of calculation for each affected line item in the financial statements.

Revenue recognition: The Company applies significant judgment when determining the transaction price and allocating it to performance obligations, particularly when dealing with variable consideration and unobservable standalone selling prices in multiple element arrangements:

Standalone Selling Prices (SSPs): If stand-alone selling prices are not observable, the Company estimates them using reasonable methods to ensure an appropriate allocation of the transaction price to each performance obligation.

Goodwill: Goodwill is not amortised, but instead tested for impairment annually, as well as whenever there are events or changes in circumstances (triggering events) which suggest that the carrying amount may not be recoverable. The determination of the recoverable amount of a cash-generating unit or a group of cash-generating units to which goodwill is allocated involves the use of estimates by management. The outcome predicted by these estimates is influenced e.g. by the successful integration of acquired companies, volatility of capital markets, interest rate developments, foreign exchange rate fluctuations and the outlook on economic trends. In determining recoverable amounts, discounted cash flow calculations use ten-year projections that are based on financial forecasts. Cash flow projections take into account past experience and represent management's best estimate about future developments. Cash flows after the planning period are extrapolated using individual growth rates. Key assumptions on which management has based its determination of value in use include estimated growth rates. These estimates, including the methodology used, can have a material impact on the respective values and ultimately the amount of any goodwill impairment. See note 16 for further information.

New and amended standards effective for the year ended 30 September 2024

Insurance Contracts – Amendments to IFRS 17

In May 2017, after more than 20 years in development, the IASB published IFRS 17 'Insurance Contracts'. This lengthy completion period reflects a number of factors including:

• very diverse local practices for insurance accounting

• a huge range of jurisdiction-specific products, tax implications and regulations that had to be captured by a uniform measurement model

• the need for alignment with other Standards that have been recently published by the IASB, such as IFRS 9 and IFRS 15 'Revenue from Contracts with Customers', and to some degree the work of other standard setters.

The amendment was effective for years beginning after 1 January 2023, however there was no material impact by these amendments on transition.

Deferred Tax related to Assets and Liabilities arising from a Single Transactions – Amendments to IAS 12

In specific circumstances, entities are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. There had been some diversity in practice as to whether the exemption applied to transactions such as leases and decommissioning obligations. These are transactions where entities recognise both an asset and a liability.

The amendments require an entity to recognise deferred tax on certain transactions (eg leases and decommissioning liabilities) that give rise to equal amounts of taxable and deductible temporary differences on initial recognition.

The amendments clarify that the initial recognition exemption set out in IAS 12 'Income Taxes' does not apply and entities are required to recognise deferred tax on these transactions. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations.

The amendment was effective for years beginning after 1 January 2023, however there was no material impact by these amendments on transition.

Definition of Accounting Estimates – Amendments to IAS 8

The amendments include a definition of 'accounting estimates' as well as other amendments to IAS 8 that will help entities distinguish changes in accounting policies from changes in accounting estimates.

This distinction between these two types of changes is important as changes in accounting policies are normally applied retrospectively to past transactions and events, whereas changes in accounting estimates are applied prospectively to future transactions and events.

The amendment was effective for years beginning after 1 January 2023, however there was no material impact by these amendments on transition.

Disclosure of Accounting Policies – Amendments to IAS 1 and Practice Statement 2

The amendments to IAS 1 require reporting entities to disclose their material accounting policy information rather than their significant accounting policies. The amendments to IFRS Practice Statement 2 provide guidance on how to apply the concept of materiality to accounting policy disclosures.

These amendments were issued as a result of feedback received indicating that reporting entities needed more guidance when determining what accounting policy information should be disclosed.

The amendment was effective for years beginning after 1 January 2023, however there was no material impact by these amendments on transition.

International Tax Reform; Pillar Two Model Rules – Amendments to IAS 12

In June 2023, Finance (No.2) Act 2023 was substantively enacted in the UK, introducing the OECD's Pillar Two model rules and a global minimum effective tax rate of 15% through implementation of a domestic top-up tax and a multinational top-up tax. The Pillar Two legislation will be effective for the financial year beginning 1 October 2024.

The entity applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023. Since the Pillar Two legislation was not effective at the reporting date, the group has no related current tax exposure. From an initial assessment performed by the group, it is not expected that any material current tax exposure will arise to the company in future periods.

Extension of the Temporary Exemption from Applying IFRS 9 – Amendment to IFRS 4

In 2020, the IASB also issued further amendments to the existing insurance Standard IFRS 4, 'Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4)' so that entities can still apply IFRS 9 alongside IFRS 17 until 1 January 2023.

The amendment was effective for years beginning after 1 January 2023, however there was no material impact by these amendments on transition.

Initial Application of IFRS 9 & 17; Comparative Information – Amendment to IFRS 17

During 2021, the IASB then issued another narrow-scope amendment to IFRS 17 which is applicable on transition to the new Standard. However, it does not impact any other requirements of IFRS 17.

The amendments will be effective for years beginning after 1 January 2023, however the Company is not expecting any material impact by these amendments on transition. The amendment was effective for years beginning after 1 January 2023, however there was no material impact by these amendments on transition.

New standards and interpretations not yet adopted:

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended September 30, 2024, and have not been applied in preparing these financial statements. Those standards that have relevance to the Company are mentioned below:

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1

In January 2020, the IASB published 'Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)' which clarify the Standard's guidance on whether a liability should be classified as either current or non-current.

IAS 1 requires an entity that has an unconditional right to delay settlement of a liability for at least 12 months from the end of the reporting period, then it can be classified as non-current, if not it is classified as current. Some preparers have found this statement confusing and consequently similar liabilities have been classified differently, making comparisons by investors difficult.

The amendments elaborate on guidance set out in IAS 1 by:

• clarifying that the classification of a liability as either current or non-current is based on the entity's rights at the end of the reporting period

• stating that management's expectations around whether they will defer settlement or not does not impact the classification of the liability

• adding guidance about lending conditions and how these can impact classification

• including requirements for liabilities that can be settled using an entity's own instruments.

The amendments are effective for annual periods beginning on or after 1 January 2024, however the company is not expecting any material impact on transition.

Non-current Liabilities with Covenants – Amendments to IAS 1

In November 2022, the IASB issued some amendments to IAS 1 that aim to improve disclosures about long-term debt with covenants.

IAS 1 requires an entity to classify debt as current if it is unable to avoid settling the debt within 12 months after the reporting date. However, the entity may need to comply with covenants during that same period, which may question whether the debt should be classified as non-current. For example, a long-term debt may become current if the entity fails to comply with the covenants during the 12-month period after the reporting date.

The amendments set out in 'Non-current Liabilities with Covenants (Amendments to IAS 1)' state that at the reporting date, the entity does not consider covenants that will need to be complied with in the future, when considering the classification of the debt as current or non-current. Instead, the entity should disclose information about these covenants in the notes to the financial statements.

The IASB wants these amendments to enable investors to understand the risk that such debt could become repayable early and therefore improving the information being provided on the long-term debt.

The amendments are effective for annual periods beginning on or after 1 January 2024, however the company is not expecting any material impact on transition.

Lease Liability in a Sale and Leaseback – Amendment to IFRS 16

In September 2022, the IASB issued amendments to IFRS 16, adding requirements for accounting for a sale and leaseback after the date of the transaction.

The IASB has now issued additional guidance in IFRS 16 on accounting for sale and leaseback transactions. Previously IFRS 16 only included guidance on how to account for sale and leaseback transactions at the date of the transaction itself. However, the Standard did not specify any subsequent accounting when reporting on the sale and lease back transaction after that date.

As a result, without further requirements, when the payments include variable lease payments there is a risk that a modification or change in the leaseback term could result in the seller-lessee recognising a gain on the right of use they retained even though no transaction or event would have occurred to give rise to that gain.

Consequently, the IASB decided to include subsequent measurement requirements for sale and leaseback transactions to IFRS 16.

The amendments are effective for annual periods beginning on or after 1 January 2024, however the company is not expecting any material impact on transition.

Supplier Finance Arrangements – Amendment to IAS 7 and IFRS 7

In May 2023, the IASB amended IAS 7 'Cash flow Statements' and IFRS 7 'Financial Instruments: Disclosures' through the increase of disclosure requirements to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments require additional disclosures that complement the existing disclosures in these two Standards. They require entities to disclose:

• the terms and conditions of the arrangement

• the amount of the liabilities that are part of the arrangements, breaking out the amounts for which the suppliers have already received payment from the finance providers, and stating where the liabilities are included on the statement of financial position

• ranges of payment due dates

• liquidity risk information.

The amendments are effective for annual periods beginning on or after 1 January 2024, however the company is not expecting any material impact on transition.

Lack of Exchangeability – Amendment to IAS 21

In August 2023, the IASB amended IAS 21 'The Effects of Changes in Foreign Exchange Rates' to clarify the approach that should be taken by preparers of financial statements when they are reporting foreign currency transactions, translating foreign operations, or presenting financial statements in a different currency, and there is a long-term lack of exchangeability between the relevant currencies.

The amendments include both updates to guidance to assist preparers in correctly accounting for foreign currency items and increases the level of disclosure required to help users understand the impact of a lack of exchangeability on the financial statements. The amendments:

• introduce a definition of whether a currency is exchangeable, and the process by which an entity should assess this exchangeability. This includes application guidance included in a new Appendix A

• provide guidance on how an entity should estimate a spot exchange rate in cases where a currency is not exchangeable

• require additional disclosures in cases where an entity has estimated a spot exchange rate due to a lack of exchangeability, including the nature and financial impact of the lack of exchangeability, and details of the spot exchange rate used and the estimation process.

The amendments are effective for annual periods beginning on or after 1 January 2024, however the company is not expecting any material impact on transition.

FOR THE YEARS ENDED 30 SEPTEMBER 2024 AND 2023 (IN THOUSANDS OF £)

3. Acquisitions

Trade and asset acquisitions of group companies

The Company acquired the trade and assets of the following group company during the financial year ending September 30, 2023. There were no acquisitions in the year ending September 30, 2024.

Name of company acquired from	**Date of acquisition**	
Siemens Process Systems Engineering Limited	July 1, 2023	Digital Industry

The principal activities of the Siemens Process Systems Engineering Limited are the research, development and manufacture of software and the distribution of software. With these acquisitions, Siemens want to simplify the organisation, align the management responsibility to achieve further synergies. Goodwill was recognised as a result of the acquisition of the trade and assets of Siemens Process Systems Engineering Limited in 2023:

	Year ended 30 September, 2023
Cash and cash equivalents	**1**
Trade and other receivables	**2,052**
Contract assets	**6,277**
Property, plant and equipment	**990**
Amounts owed by group undertakings	**974**
Current income tax asset	**3,034**
Deferred tax asset	**182**
Other current financial assets	**308**
Other current assets	**1,179**
Other intangible assets	**22**
	15,019
Trade payables	**563**
Contract liabilities	**4,644**
Provisions	**198**
Other current liabilities	**1,839**
	7,244
Net identifiable assets	**7,775**
Consideration	**12,881**
Goodwill	**5,106**

For the year ended September 30, 2023 the above net identifiable assets and liabilities were valued at acquisition at fair value (based on book values where appropriate). Consideration for the trade and assets acquired from group companies were settled via intercompany accounts or cash.

FOR THE YEARS ENDED 30 SEPTEMBER 2024 AND 2023 (IN THOUSANDS OF £)

4. Revenue

Revenue is earned from and analysed into the following business categories & also further categorised as to whether the revenue recognition from customer sales is predominantly at a point in time, or over time:

Goods/Services transferred at a point in time = PIT   Goods/Services transferred over time = OT

	Timing of revenue recognition	Year ended September 30,	
		2024	2023
License	OT	**60,854**	41,879
License	PIT	**49,378**	26,862
Maintenance	OT	**44,113**	49,752
Services	OT	**43,789**	40,141
Distribution	OT	**7,731**	2,489
Hardware	PIT	**1,032**	1,111
Other	OT	**4,301**	4,456
		211,198	166,690

Timing of revenue recognition
The transaction price allocated to the remaining performance obligations (Unsatisfied or partially satisfied) as at 30 September 2024 are, as follows:

	2024		2023	
	Within one year	**More than one year**	Within one year Restated	More than one year Restated
License	**73,055**	**67,361**	73,253	65,204
Maintenance	**23,664**	**6,110**	23,090	5,109
	96,719	**73,471**	96,343	70,313

Trade receivables are non-interest bearing and are generally on terms of 30 to 60 days.

The remaining performance obligations calculation has been updated for the year ended September 30, 2024. The 2023 comparative amount has been restated accordingly to ensure consistency in disclosure.

5. Operating profit from continuing operations has been arrived at after charging / (crediting):

	Year ended September 30,	
	2024	2023 Restated
Net foreign exchange losses	**919**	3,208
Research and development (income) / costs	**(904)**	1,695
Depreciation of property, plant and equipment (see note 18)	**5,662**	5,030
Amortisation of intangible assets (see note 17)	**75**	47
Impairment of plant, property and equipment (see note 18)	**4**	-
Staff costs (see note 7)	**139,313**	124,598
Research and Development Tax Credit	**(1,384)**	(1,559)
Grants received	**(149)**	(400)
Auditor’s remuneration:		
- audit of financial statements	**116**	130

Amounts payable to PricewaterhouseCoopers LLP and their associates by the Company in respect of non-audit services were £nil (2023: £nil).

FOR THE YEARS ENDED 30 SEPTEMBER 2024 AND 2023 (IN THOUSANDS OF £)

6. Other operating expense

	Year ended September 30, 2024	2023
Loss on disposal of property, plant and equipment and intangibles	-	(1)
Other	**(254)**	(611)
	(254)	(612)

7. Staff numbers and costs

	Year ended September 30, 2024	2023
Wages and salaries	**114,250**	101,709
Social security costs	**16,877**	14,442
Expenses relating to pension plans and employee benefits	**8,186**	8,447
	139,313	124,598

Expenses relating to pension plans and employee benefits include service costs for the period.

The average number of employees (including executive directors) during 2024 and 2023 was 1,170 and 1,124, respectively (based on continuing operations). Part-time employees are included on a proportionate basis rather than being counted as full units. The employees were engaged in the following activities:

	Year ended September 30, 2024 Number	2023 Number
Manufacturing and services	**267**	251
Sales and marketing	**424**	402
Research and development	**479**	471
	1,170	1,124

8. Directors' emoluments

The directors' aggregate emoluments, including pension contributions, in respect of qualifying services were:

	Year ended September 30, 2024	2023
Emoluments receivable	**594**	438
Employer contributions to money purchase schemes	**72**	59
Equity-settled share-based payments	**1**	-
	667	497

One of the Company's directors was remunerated by a fellow subsidiary company, Siemens plc, during the year. The directors do not believe that it is practicable to apportion their qualifying services between their services as director of the Company and their service as employee of the fellow subsidiary company. The aggregate of emoluments and amounts receivable under long-term incentive schemes of the highest paid director was £468k (2023: £373k). At the year end two directors are members of the defined contributions scheme. None of the directors are members of a defined benefit scheme. Two of the directors have qualifying services shares receivable from a long-term incentive scheme. Share-based payments are described in note 25.

FOR THE YEARS ENDED 30 SEPTEMBER 2024 AND 2023 (IN THOUSANDS OF £)

9. Interest income and interest expense

Interest expense is all for financial assets or liabilities that are not at fair value through the Statement of Income.

The total amounts of interest income and expense were as follows:

	Year ended September 30,	
	2024	2023
Interest income	**2,269**	2,079
Interest income - negative income on financial assets	**-**	(2)
Interest income, net	**2,269**	2,077
Interest expense	**(642)**	(1,142)
Interest expense, net	**(642)**	(1,142)
Thereof: Interest expense of operations, net	**-**	(2)
Thereof: Other interest Income, net	**1,627**	937

Interest expense of operations, net includes interest income and expense arising directly from operating activities primarily related to receivables from customers and payables to suppliers, interest on advances from customers and advanced financing of customer contracts. It also includes interest income from financing agreements within the context of construction contracts and interest income and expense primarily related to discontinuing of long term provision, finance lease interest, receivables from customers and payables to suppliers. *Other interest expense, net* includes all other interest amounts primarily consisting of interest relating to corporate debt and related hedging activities, as well as interest income on corporate assets.

10. Other financial income, net

	Year ended September 30,	
	2024	2023
Dividend income	**2,700**	1,751
Other	**193**	(194)
	2,893	**1,557**

Dividend income was received from Siemens Electronic Design Automation Ltd.

FOR THE YEARS ENDED 30 SEPTEMBER 2024 AND 2023 (IN THOUSANDS OF £)

11. Taxes

The analysis below is in reference to the total tax expense or credit included in the Statement of Income.

	Year ended September 30,	
	2024	2023 Restated
Current tax:		
UK corporation tax	**5,257**	2,789
Foreign income taxes	**390**	692
Under provided in prior years - current tax	**198**	575
	5,845	4,056
Deferred tax:		
Origination and reversal of temporary differences - current year	**313**	484
Origination and reversal of temporary differences - prior years	**(319)**	253
Deferred tax expense aggregation	**(6)**	737
Tax expense	**5,839**	4,793

Of the deferred tax credit in 2024 and the deferred tax expense in 2023, £(6)k and £737k respectively, relate to the origination and reversal of temporary differences.

For the year ended September 30, 2024 the Company was subject to UK corporation tax at a rate of 25% (2023: 22%). The total tax expense or credit differs from the amounts computed by applying the statutory UK tax rate as follows:

	Year ended September 30,	
	2024	2023 Restated
Net income before tax (Continuing operations)	**24,336**	16,136
Tax at 25% (2023: 22%)	**6,084**	3,550
Increase / (decrease) in income taxes resulting from:		
Non-deductible losses and expenses	**(361)**	(183)
Research and development tax credit	**(55)**	(1)
(Over) / under provided in prior years - deferred tax	**(319)**	254
Under provided in prior years - current tax	**198**	575
Irrecoverable foreign tax	**292**	540
Rate change adjustment difference between Corporation Tax and Deferred Tax rate	**-**	58
Total income tax expense for the year	**5,839**	4,793

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability settled, based on tax rates that have been enacted or substantively enacted at the Statement of Financial Position date.

The Finance Act 2021 included an increase in the corporate tax rate to 25% effective from April 2023. The deferred tax assets and liabilities shown below have been measured at the enacted rate that is expected to apply when the asset is realised or the liability is settled.

FOR THE YEARS ENDED 30 SEPTEMBER 2024 AND 2023 (IN THOUSANDS OF £)

11. Taxes (continued)

	Fixed assets	Intangible assets	Pensions	Other provisions	Total
As at October 1, 2022	**721**	**(18)**	**2**	**554**	**1,259**
(Charged) / credited to income statement	(867)	18	-	112	(737)
Assets acquired	155	16	-	12	183
As at September 30, 2023	**9**	**16**	**2**	**678**	**705**
(Charged) / credited to income statement	(79)	-	-	85	6
As at September 30, 2024	**(70)**	**16**	**2**	**763**	**711**

Deferred tax assets are reviewed at each reporting date. Management considers to what extent it is probable that the deferred tax assets will be realised in a reasonably foreseeable timeframe. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry forwards become deductible (including future taxable profit of the wider Siemens UK group to the extent that deferred tax attributes can be surrendered as permitted under tax legislation).

Short term timing differences are generally recognised ahead of losses and other tax attributes as they are likely to reverse more quickly.

Management do not expect climate related risks to have an impact on the recognition of deferred tax assets since the group's positioning as a focused technology company helping to pioneer a sustainable future across the globe is expected to generate future profitable growth opportunities.

Deferred tax balances and (expenses)/ benefits developed as follows in the current and previous financial year:

	2024	2023
Deferred tax asset balance as at October 1	**705**	1,259
Income tax presented in the Statement of income	**6**	(737)
Additions from acquisitions not impacting net income (if any)	**-**	183
Deferred tax asset balance as at September 30	**711**	705

Siemens AG as ultimate parent entity will have to apply the global minimum taxation rules starting in the fiscal year 2025 in Germany. The Company will have to apply the Qualifying Domestic Minimum Top-Up Tax (QDMTT) of the UK starting with the year ended 30 September 2025. From an initial assessment performed by the group, it is not expected that any material current tax exposure will arise to the company in future periods.

FOR THE YEARS ENDED 30 SEPTEMBER 2024 AND 2023 (IN THOUSANDS OF £)

12. Trade and other receivables

	September 30, 2024	2023 Restated
Trade receivables from the sale of goods and services	**14,741**	15,796
Receivables from group companies	**18,157**	39,407
	32,898	55,203

Receivables from group companies are receivable on demand and bear a monthly interest rate averaging from 4.63% to 4.98%.

Changes to the valuation allowance of current and long-term receivables presented in this note, which belong to the class of Financial assets and liabilities measured at amortised cost are as follows (excluding receivables from finance leases):

	Year ended September 30, 2024	2023
Valuation allowance as of beginning of the year	**542**	298
Creation	**4**	(8)
Reversal	**(224)**	-
Transfer (out) / in from group companies	**(198)**	252
Valuation allowance as of end of the year	**124**	542

The ageing of trade receivables and the associated valuation allowance is as follows:

	September 30, Gross 2024	Allowance 2024	Gross 2023	September 30, Allowance 2023
Current	**14,200**	**(119)**	14,860	(493)
30 days overdue	**-**	**-**	603	(20)
31 - 60 days overdue	**149**	**(1)**	214	(7)
61 – 90 days overdue	**70**	**(1)**	298	(10)
91+ days overdue	**446**	**(3)**	363	(12)
	14,865	**(124)**	16,338	(542)

FOR THE YEARS ENDED 30 SEPTEMBER 2024 AND 2023 (IN THOUSANDS OF £)

13. Contract assets and liabilities

	September 30, 2024	2023
Contract assets	**22,176**	14,772
Contract liabilities	**28,113**	28,312
Contract assets to be settled after twelve months	**-**	322
Contract liabilities to be settled after twelve months	**7,207**	4,953

Significant changes in contract assets from business combinations are £nil and £6,277k and in contract liabilities £nil and £4,644k for the year ended 2024 and 2023, respectively.

For the year ended 2024 and 2023, revenue includes £28.3m and £23.9m, respectively, which was included in contract liabilities at the beginning of the fiscal year.

14. Inventories

	September 30, 2024	2023
Finished goods and products held for resale	**49**	-
	49	-

15. Other current assets

	September 30, 2024	2023
Other tax receivables	**-**	792
Prepaid expenses	**3,226**	3,290
Other	**21**	32
	3,247	4,114

FOR THE YEARS ENDED 30 SEPTEMBER 2024 AND 2023 (IN THOUSANDS OF £)

16. Goodwill and Other indefinite life intangibles

	September 30,	
	2024	2023
Cost		
Balance at beginning of year	**35,576**	30,470
Acquisitions through business combinations (see note 3)	**-**	5,106
Balance at end of year	**35,576**	35,576
Accumulated impairment losses		
Balance at end of year	**-**	-
Net book value		
Balance at beginning of year	**35,576**	30,470
Balance at end of year	**35,576**	35,576

Impairment of Goodwill

The Company performed the mandatory annual impairment test for the year ended September 30, in accordance with the accounting policy stated in note 2. The recoverable amounts for the annual impairment test 2024 for the cash generating unit (CGU) were estimated to be higher than the carrying amounts. Key-assumptions on which management has based its determinations of the value in use for the business' carrying amount include terminal value growth rate of 1.75% and after-tax discount rate of 9.96% (pre-tax rate of 13.28%) and forecast revenue growth in the next ten years.

For the purpose of estimating the value in use of the CGU, cash flows were projected for the next ten years based on past experience, actual operating results and management's best estimate about future developments as well as market assumptions. Discount rates reflect the current market assessment of the risks specific to the division and are based on the weighted average cost of capital for the division. Terminal value growth rates take into consideration external macroeconomic sources of data and industry specific trends.

Management believes that no reasonably possible change in a key assumption would cause the carrying amount of goodwill to exceed the recoverable amount.

FOR THE YEARS ENDED 30 SEPTEMBER 2024 AND 2023 (IN THOUSANDS OF £)

17. Other intangible assets

	Software	Patents, licenses & similar rights	Total
Cost			
At October 1, 2022	184	127	311
Additions	-	94	94
Transfers in from group companies	-	182	182
At September 30, 2023	184	403	587
At October 1, 2023	**184**	**403**	**587**
Additions	**-**	**82**	**82**
Retirements	**-**	**(26)**	**(26)**
At September 30, 2024	**184**	**459**	**643**
Accumulated amortisation			
At October 1, 2022	184	54	238
Charge for the year	-	47	47
Transfers in from group companies	-	160	160
At September 30, 2023	184	261	445
At October 1, 2023	**184**	**261**	**445**
Charge for the year	**-**	**75**	**75**
Retirements	**-**	**(25)**	**(25)**
At September 30, 2024	**184**	**311**	**495**
Net book value			
At October 1, 2022	-	73	73
At **September 30, 2023**	-	142	142
At September 30, 2024	**-**	**148**	**148**

FOR THE YEARS ENDED 30 SEPTEMBER 2024 AND 2023 (IN THOUSANDS OF £)

18. Property, plant and equipment

	Land & buildings	Technical machinery & equipment	Furniture & office equipment	Total property, plant & equipment
Cost				
At October 1, 2022	11,312	1,739	10,273	23,324
Additions	2,364	1,060	1,701	5,125
Disposals	-	-	(767)	(767)
Transfers from group companies	5,742	-	1,906	7,648
At September 30, 2023	19,418	2,799	13,113	35,330
At October 1, 2023	**19,418**	**2,799**	**13,113**	**35,330**
Additions	**10,055**	**520**	**2,446**	**13,021**
Disposals	**(4,679)**	**-**	**(518)**	**(5,197)**
At September 30, 2024	**24,794**	**3,319**	**15,041**	**43,154**
Accumulated depreciation and impairment				
At October 1, 2022	7,374	362	7,527	15,263
Charge for the year	3,095	573	1,362	5,030
Disposals	-	-	(766)	(766)
Transfers from group companies	3,546	-	1,463	5,009
At September 30, 2023	14,015	935	9,586	24,536
At October 1, 2023	**14,015**	**935**	**9,586**	**24,536**
Charge for the year	**3,225**	**780**	**1,657**	**5,662**
Disposals	**(4,119)**	**-**	**(515)**	**(4,634)**
Impairment	**-**	**-**	**4**	**4**
At September 30, 2024	**13,121**	**1,715**	**10,732**	**25,568**
Net book value				
At October 1, 2022	3,938	1,377	2,746	8,061
At September 30, 2023	5,403	1,864	3,527	10,794
At September 30, 2024	**11,673**	**1,604**	**4,309**	**17,586**

For presentation purposes, Technical machinery & equipment has been added as an extra category in the current period. Prior year comparative figures have been reclassified accordingly to conform with the current year's presentation. This reclassification has no impact on the total carrying amount of Property, plant and equipment for the current or prior period.

FOR THE YEARS ENDED 30 SEPTEMBER 2024 AND 2023 (IN THOUSANDS OF £)

Included in the above table are the below Right of use assets -

	Land & buildings	Technical machinery & equipment	Total property, plant & equipment
Cost			
At October 1, 2022	11,259	1,739	12,998
Additions	2,362	1,060	3,422
Transfer from group companies	3,968	-	3,968
At September 30, 2023	17,589	2,799	20,388
At October 1, 2023	**17,589**	**2,799**	**20,388**
Additions	10,052	520	10,572
Disposals	(4,678)	-	(4,678)
At September 30, 2024	**22,963**	**3,319**	**26,282**
Accumulated depreciation and impairment			
At October 1, 2022	6,013	362	6,375
Charge for the year	3,029	573	3,602
Adjustment	1,307	-	1,307
Transfers from group companies	2,369	-	2,369
At September 30, 2023	12,718	935	13,653
At October 1, 2023	**12,718**	**935**	**13,653**
Charge for the year	2,959	780	3,739
Disposals	(4,119)	-	(4,119)
At September 30, 2024	**11,558**	**1,715**	**13,273**
Net book value			
At October 1, 2022	5,246	1,377	6,623
At September 30, 2023	4,871	1,864	6,735
At September 30, 2024	**11,405**	**1,604**	**13,009**

As of September 30, 2024 contractual commitments for the purchase of plant, property and equipment amount to £Nil (2023: £Nil).

FOR THE YEARS ENDED 30 SEPTEMBER 2024 AND 2023 (IN THOUSANDS OF £)

19. Investments

	Shares in subsidiary undertakings
Cost	
At October 1, 2022 (represented)	**16,950**
At October 1, 2023 (represented)	**16,950**
Additions	-
At September 30, 2024	**16,950**
Provisions	
At October 1, 2022 (represented)	**(14,783)**
At October 1, 2023 (represented)	**(14,783)**
Liquidations	-
Impairment	-
At September 30, 2024	**(14,783)**
Net book value	
At October 1, 2022, September 30, 2023 and September 30, 2024	**2,167**

The opening balances of the above table have been represented to correctly reflect the split of the historic cost and provision for impairment. There has been no impact on net book value.

The Companies and partnerships set out below are the Subsidiaries as at September 30, 2024. Shareholdings are in voting equity capital of companies registered in England & Wales and the voting equity capital is wholly owned, except where otherwise stated.

Company:	**Proportion of ordinary equity and voting rights held**	**Nature of business**
Siemens Electronic Design Automation Limited (formerly Mentor Graphics (UK) Limited)	100%	Software Services
Siemens Industry Software (India) Private Limited (Associate)	0.00001%	Software Services

20. Trade and other payables

	September 30, 2024	2023 (restated)
Trade and other payables	**4,012**	4,151
Amounts due to group companies	**20,558**	16,723
	24,570	20,874

Amounts due to group companies are interest free and repayable on demand.

FOR THE YEARS ENDED 30 SEPTEMBER 2024 AND 2023 (IN THOUSANDS OF £)

21. Other current liabilities

	September 30,	
	2024	2023
Payroll and social security taxes	**6,932**	7,669
Bonus obligations	**5,648**	5,874
Other employee related costs	**5,337**	6,466
Other tax liabilities	**3,161**	3,554
Other accrued liabilities	**1,581**	1,120
	22,659	24,683

Other employee related costs primarily include vacation payments, accrued overtime and service anniversary awards. These amounts represent obligations to employees and are not included in note 26 financial liabilities.

22. Post-employment benefits

Post-employment benefits provided by the Company are organised through defined contribution plans.

Defined contribution plan

The Company participates in a defined contribution pension plan. The pension cost charge for the period represents contributions payable by the Company to the Scheme and amounted to £8,553k (2023: £7,189k).

23. Provisions

Provisions changed during 2023 and 2024 as follows:

	Other	**Total**
Balance at beginning of year 2023	-	-
Transfers from group companies	198	198
Balance at end of year 2023	**198**	**198**
Balance at the beginning of year 2024	198	198
Balance at end of year 2024	**198**	**198**
Current provisions	**-**	**-**
Non-current provisions	**198**	**198**

Other provisions
Other provisions are for order related risks on uncompleted contract where the timing of payment is unknown.

24. Share capital

Allotted, called up and fully paid:

	September 30,	
	2024	2023
8,393,105 (2023: 8,393,105) Ordinary Shares of £1 each	**8,393**	8,393

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25. Share-based payments

Share-based payment awards may be settled in newly issued shares of capital stock of Siemens AG, in treasury shares. Share-based payment awards may forfeit if the employment of the beneficiary terminates prior to the expiration of the vesting period. Total pre tax expense for share-based payment recognised in Siemens Industry Software Limited net income amounted to £1,834k and £1,649k for the year ended September 30, 2024 and 2023 respectively, and refers primarily to equity-settled awards.

Stock awards

Stock awards granted by Siemens are distinguished between a) subject to performance conditions and b) no performance conditions. Stock awards entitle the beneficiaries to Siemens shares without payment of consideration at the end of the respective vesting period.

a) Stock awards subject to performance conditions

The Company grants stock awards subject to performance conditions to members of the Managing Board, members of the senior management and other eligible employees. The vesting period for awards granted to members of the senior management and other eligible employees is three years respectively four years for awards granted prior to fiscal 2022. Awards granted to members of the Managing Board are subject to a four year vesting period.

For stock awards subject to performance conditions, 80% of the target amount is linked to the relative total shareholder return of Siemens compared to the total shareholder return of the MSCI World Industrials sector index (TSR-Target); the remaining 20% are linked to a Siemens internal sustainability target considering environmental, social and governance targets (ESG-Target). The annual target amount for stock awards up to and including tranche 2019 is linked to the share price performance of Siemens relative to the share price performance of five important competitors. The target attainment for each individual performance criteria ranges between 0% and 200%. Settlement of the awards is in shares corresponding to the actual target attainment.

b) Stock awards not subject to performance conditions

Each quarter, the Company grants stock awards not subject to performance conditions to selected employees. The awards are subject to a ratable vesting period of one to four years, i.e. 25% of the number of awards granted are transferred each year

In the year ended September 30, 2024 Siemens AG granted 17,477 (2023: 15,777) stock awards to 306 employees (2023: 250 employees). Details on stock award activity and weighted average grant-date fair value are summarised in the table below:

	Year ended September 30,		Year ended September 30,	
	Awards	**Weighted average grant-date fair value (€)**	Awards	Weighted average grant-date fair value (€)
	2024	**2024**	2023	2023
Non-vested, beginning of period	**42,625**	**102.64**	36,928	95.12
Granted	**17,477**	**97.84**	15,777	110.24
Forfeited	**(2,600)**	**76.99**	(2,011)	104.24
Transferred/Vested	**(12,963)**	**89.45**	(10,172)	120.35
Merger	-	-	2,103	117.98
Non-vested, end of period	**44,539**	**92.39**	42,625	102.64
Weighted average remaining years	**1.02**		1.20	

Fair value was determined as the market price of Siemens shares less the present value of dividends expected during the four year or three year vesting period. Total fair value of stock awards granted in 2024 and 2023 amounted to €1,745k and €1,739k respectively.

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25. Share-based payments (continued)

Share-matching program and its underlying plan

In fiscal year 2024, Siemens issued a new tranche under each of the plans of the Share Matching Program.

Share - matching plan

Under the Share Matching Plan senior managers may invest a specified part of their variable compensation in Siemens shares (investment shares). The shares are purchased at the market price at a predetermined date in the second quarter. Plan participants receive the right to one Siemens share without payment of consideration (matching share) for every three investment shares continuously held over a period of about three years (vesting period) provided the plan participant has been continuously employed by Siemens until the end of the vesting period.

Monthly Investment Plan

Under the Monthly Investment Plan employees other than senior managers may invest a specified part of their compensation in Siemens shares on a monthly basis over a period of twelve months. Shares are purchased at market price at a predetermined date once a month. If the Managing Board decides that shares acquired under the Monthly Investment Plan are transferred to the Share Matching Plan, plan participants will receive the right to matching shares under the same conditions applying to the Share Matching Plan described above. In the year ended September 30, 2024 Siemens AG granted 2,470 (2023: 2,631) shares to 362 (2023: 316) UK employees of Siemens Industry Software Limited.

Details on share matching plan activity and weighted average grant-date fair value are summarised in the table below:

	Year ended September 30,		**Year ended September 30,**	
	Awards	**Weighted average grant-date fair value (€)**	Awards	Weighted average grant-date fair value (€)
	2024	**2024**	2023	2023
Non-vested, beginning of period	**4,696**	**112.83**	3,897	110.41
Granted	**2,470**	**127.76**	2,631	104.11
Forfeited	**(264)**	**108.05**	(196)	111.74
Transferred / Vested	**(1,686)**	**95.40**	(2,050)	95.40
Merger	-	-	414	104.91
Non-vested, end of period	**5,216**	**115.08**	4,696	112.83
Weighted average remaining years	**0.87**		0.96	

Fair value was determined as the market price of Siemens shares less the present value of expected dividends taking into account non-vesting conditions. Total fair value of shares granted under the share matching plan in 2024 and 2023 amounted to €316k and €274k respectively.

FOR THE YEARS ENDED 30 SEPTEMBER 2024 AND 2023 (IN THOUSANDS OF £)

26. Additional disclosures on financial instruments

This section gives a comprehensive overview of the significance of financial instruments for the Company and provides additional information on Statement of Financial Position items that contain financial instruments.

The following table presents the carrying amounts of each category of financial assets and liabilities:

	September 30,	
	2024	2023
Financial assets		Restated
Financial assets measured at cost or amortised cost	**33,438**	55,955
	33,438	55,955
Financial liabilities		
Financial liabilities measured at amortised cost	**40,391**	29,097
	40,391	29,097

The following table presents the fair values and carrying amounts of financial assets and liabilities measured at cost or amortised cost:

	September 30,			
	2024		2023	
	Fair value	**Carrying value**	Fair value	Carrying value
		Restated	Restated	
Financial assets measured at cost or amortised cost				
Trade and other receivables	**32,898**	**32,898**	55,203	55,203
Other current financial assets	**407**	**407**	404	404
Other assets	**133**	**133**	348	348
	33,438	**33,438**	55,955	55,955
Financial liabilities measured at cost or amortised cost				
Trade payables	**24,570**	**24,570**	20,874	20,874
Current financial liabilities, including short term lease liability	**4,116**	**4,116**	4,278	4,278
Other financial liabilities, including long term lease liabilities	**11,705**	**11,705**	3,945	3,945
	40,391	**40,391**	29,097	29,097

The fair values of cash and cash equivalents, current receivables, other current financial assets, other assets, trade payables and other current financial liabilities and other liabilities approximate their carrying amount largely due to the short-term maturities of these instruments.
Obligations under finance leases are discounted from the gross carrying value using the interest rate implicit in the lease.

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26. Additional disclosures on financial instruments (continued)

Fair value hierarchy

The Company analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Level 1: quoted price in active markets for identical assets or liabilities,
- Level 2: inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices): and
- Level 3: inputs for assets and liabilities, not based on observable market data.

Net (losses) / gains of financial instruments are as follows:

	September 30,	
	2024	2023
Financial (liabilities) / assets at amortised cost	**(82)**	199
Financial liabilities measured at amortised cost	**(919)**	(3,208)

Net (losses) / gains on loans and receivables contain changes in valuation allowances, gains or losses on derecognition as well as recoveries of amounts previously written off.

Net losses on financial assets and liabilities measured at amortised cost include gains and losses on financial receivables and payables from group companies, gains and losses on other monetary Statement of Financial Position items, denominated in foreign currency. It also includes losses and recoveries of write offs on receivables, miscellaneous assets and liquid assets.

Collateral
The Company does not hold any collateral that can be sold or re-pledged in the absence of default by the owner on contractual terms. Nor does the Company pledge its financial assets as collateral to third parties.

Financial risk management

Interest rate risk

The Company's interest rate risk exposure is mainly related to amounts invested with / drawn down from Siemens AG as part of the cash pooling facility across the worldwide group.

The approximate impact on the Statement of Income of a 1% fluctuation in interest rates would be £108k in 2024.

Credit risk

The Company is exposed to credit risk in connection with its external sales. Credit risk is defined as an unexpected loss in cash and earnings if the customer is unable to pay its obligations in due time, if the value of financial uncertainty may cause customer default rates to increase and collateral values to decline. The effective monitoring and controlling of credit risk is a core competency of the Company's risk management system. Customer ratings, analysed and individual customer limits are based on generally accepted rating methodologies, the input from external rating agencies and Siemens default experiences. Credit evaluations and ratings are performed on all customers with an exposure or requiring credit beyond a defined limit and are carefully considered in determining the conditions under which direct or indirect financing will be offered to customers. The Company's customers are principally large commercial or public sector organisations that have low credit risk. Credit risk is recorded and monitored on an ongoing basis.

Concerning trade receivables and other receivables, as well as other receivables included in *Other financial assets* that are neither impaired nor past due, there were no indications as of September 30, 2024, that defaults in payment obligations will occur.

Market risk

Market fluctuations may result in significant cash flow and profit volatility risk for Siemens Industry Software Limited. Its UK operating business as well as its investment and financing activities are affected by changes in foreign exchange rates, interest rates and equity prices. To optimise the allocation of the financial resources across the Company, as well as to secure an optimal return for its shareholder, the Company identifies, analyses and proactively manages the associated financial market risks.

The Company seeks to manage and control these risks primarily through its regular operating and financing activities, and uses derivative instruments when deemed appropriate.

Management of financial market risk is a key priority for the Company's key management and directors. As a member of the Company's management, the Finance Director covers the specific responsibility for this part of the overall risk management system. At the highest level, the directors retain ultimate accountability. For practical business purposes, the directors delegate responsibilities to key management.

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26. Additional disclosures on financial instruments (continued)

Equity price risk

The Company does not hold investments in publicly traded companies. No equity price risk is therefore foreseen for the Company.

Foreign currency exchange rate risk

Transaction risk and currency management

Transaction risk and currency management risk from Siemens' international operations expose the Company to foreign currency exchange risks in the ordinary course of business. The Company employs various strategies discussed above involving the use of derivative financial instruments to mitigate or eliminate certain of those exposures.

Foreign exchange rate fluctuations may create unwanted and unpredictable earnings and cash flow volatility. If the Company is conducting business with international counterparties that leads to future cash flows denominated in a currency other than its functional currency it is exposed to the risk from changes in foreign exchange rates. The risk is mitigated by closing all types of business transactions (sales and procurement of products and services as well as investment and financing activities) mainly in the functional currency. In addition, the foreign currency exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies as well as production activities and other contributions along the value chain in the local markets.

The Company does not borrow or invest in foreign currencies on a speculative basis.

The Group has established a foreign exchange risk management system that has an established track record for years. The Company is responsible for recording, assessing, monitoring, reporting and hedging its foreign currency transaction exposure.

The Company defines foreign currency exposure generally as balance sheet items in addition to firm commitments which are denominated in foreign currencies, as well as foreign currency denominated cash inflows and cash outflows from anticipated transactions for the following three months.

The tables below show the net foreign exchange transaction exposure by major currencies as of September 30, 2024 and 2023:

As at September 30, 2024	**US$**	**Euro**	**Other**	**Total**
Gross Statement of Financial Position exposure	**6,052**	**4,555**	**682**	**11,289**
Thereof: Financial asset	*6,602*	*6,735*	*3,257*	*16,594*
Thereof: Financial liabilities	*(550)*	*(2,180)*	*(2,575)*	*(5,305)*
Foreign exchange transaction exposure	**6,052**	**4,555**	**682**	**11,289**
Economically hedged exposure	-	-	-	-
Change in future cash flows after hedging activities resulting from 10% appreciation of GBP	605	456	68	1,129

As at September 30, 2023	**US$**	**Euro**	**Other**	**Total**
Gross Statement of Financial Position exposure	**6,004**	**12,182**	**1,387**	**19,573**
Thereof: Financial asset	*6,229*	*12,182*	*2,935*	*21,346*
Thereof: Financial liabilities	*(225)*	-	*(1,548)*	*(1,773)*
Foreign exchange transaction exposure	**6,004**	**12,182**	**1,387**	**19,573**
Economically hedged exposure	-	-	-	-
Change in future cash flows after hedging activities resulting from 10% appreciation of GBP	600	1,218	139	1,957

It is Siemens AG's group policy to use 10% to analyse the sensitivity of currency fluctuations.

Liquidity risk

Liquidity risk results from the Company's potential inability to meet its financial liabilities, e.g. settlement of its financial debt, paying its suppliers and settling finance lease obligations. Beyond effective net working capital and cash management, the Company mitigates liquidity risk by arranging borrowing facilities with other Siemens companies. Amounts payable to other group companies are repayable on demand, but historically other Siemens companies have not demanded repayment of these intercompany balances.

FOR THE YEARS ENDED 30 SEPTEMBER 2024 AND 2023 (IN THOUSANDS OF £)

26. Additional disclosures on financial instruments (continued)

The following table reflects all contractually fixed undiscounted pay-offs for settlement, repayments and interest resulting from recognised financial liabilities.

	2025	2026	2027 to 2029	2030 and thereafter
Non derivative financial liabilities	**29,415**	**2,809**	**4,443**	**6,581**
Obligations under leases	**2,888**	**2,436**	**4,443**	**6,581**
Trade and other payables	**24,570**	**-**	**-**	**-**
Other financial liabilities	**1,787**	**373**	**-**	**-**

Cash outflows for financial liabilities without fixed amount or timing, including interest, are based on the conditions existing at September 30, 2024.

The Company has £20,558k (2023: £16,723k(restated)) amounts due to group companies included in trade payables. Historically other group companies have not demanded repayment of these intercompany balances.

Leasing obligations, trade payables and other financial liabilities mainly originate from the financing of assets used in the Company's ongoing operations such as property, plant, equipment and investments in working capital – e.g. inventories and trade receivables. These assets are considered in the Company's overall liquidity risk.

To monitor existing financial assets and liabilities as well as to enable an effective controlling of future risks, Siemens has established a comprehensive risk reporting covering its worldwide business units.

The balanced view of liquidity and financial indebtedness is stated in the calculation of the net liquidity amount and is used for internal management. It results from the total amount of cash and cash equivalents, amounts receivable from and due to group companies within the group cash pooling facility as stated on the Statement of Financial Position. The amounts receivable and due to group companies reported below are held with Siemens AG (Siemens Financial Services division) in the group cash pooling facility. For further information, refer to the S*tatement of Cash Flows.*

The following table reflects the calculation of the Company's net liquidity:

	September 30,	
	2024	2023
Receivables from group companies	**10,811**	32,659
Total liquidity	**10,811**	32,659
Liabilities under leases	**(13,661)**	(6,754)
Total debt	**(13,661)**	(6,754)
Net debt	**(2,850)**	25,905

In addition to the balances above, which are held with Siemens AG in the group cash pooling facility, receivables from Siemens group companies of £7,347k (2023: £6,748k(restated)), amounts due to Siemens group companies of £20,558k (2023: £16,723k(restated)) are held outside this facility. Historically other Siemens group companies have not demanded repayment of these intercompany balances.

Capital Management

The Company defines its capital structure as net debt and equity. The primary objective of the Company's capital management is to ensure that it makes optimal use of the working capital generated from its trading profits. The Company's management focus is on generating positive cash flow from operations and maintaining a positive relationship of the Company's current assets and current liabilities.

The current ratio for 2024 was 0.70 (2023: 0.96(restated)). The Company also has access to Siemens AG cash pooling arrangement when necessary.

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27. Related party transactions

Transactions between the Company and its subsidiaries and associates are disclosed below.

(a) During the year, the Company entered into the following transactions with related parties:

	Sales of goods		**Rental income and other services sold**		**Purchases of goods**		**Rental expense and other services purchased**		**Interest income**		**Interest expense**	
	Year ended 2024	Year ended 2023	**Year ended 2024**	Year ended 2023	**Year ended 2024**	Year ended 2023	**Year ended 2024**	Year ended 2023	**Year ended 2024**	Year ended 2023	**Year ended 2024**	Year ended 2023
Other Siemens group companies	**9,649**	4,436	**4,059**	4,246	**508**	514	**7,026**	5,923	**2,194**	2,075	**77**	1,013

Sales of goods to related parties were made at the Company's usual list prices. Purchases were made at market price.

	Transfers of research and development	
	Year ended 2024	Year ended 2023 (restated)
Other Siemens group companies	**29,660**	24,909

(b) Year end balances arising from sales / purchases of goods:

Year end balances arising from sales / purchases of goods and services amounted to £nil (2023: £nil).

(c) Year end balances arising from loans to / from related parties:

	Amounts owed by related parties		**Amounts owed to related parties**	
	2024	2023 (restated)	**2024**	2023 (restated)
Other Siemens group companies	**18,157**	39,407	**20,558**	16,723

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No provisions have been made for doubtful debts in respect of the amounts owed by related parties.

28. Remuneration of key management personnel

The remuneration of the key management personnel of the Company is set out below in aggregate for each of the categories specified in IAS 24 *Related Party Disclosures*.

	Year ended September 30,	
	2024	2023
Short-term employee benefits	**594**	438
Post-employment benefits	**72**	59
Share-based payments	**1**	-

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29. Lease liabilities

Company as Lessee

The following tables show the discounted lease liabilities with movements during the period and a maturity analysis of the contractual undiscounted lease payments:

		September 30,
	2024	**2023**
Balance at beginning of year	**6,754**	5,352
Additions	**9,953**	5,028
Accretion of interest	**457**	131
Payments	**(3,503)**	(3,757)
Balance at end of year	**13,661**	6,754
Split as:		
Current	**2,329**	3,498
Non-current	**11,332**	3,256

Maturity analysis – contractual undiscounted cash flows

Year	
One year	**2,888**
Two years	**2,436**
Three years	**1,770**
Four years +	**9,254**

Amounts recognised in the income statement

		September 30,
	2024	**2023**
Depreciation on right of use assets	**3,739**	3,602
Interest on lease liabilities	**457**	131

Amounts recognised in Statement of Cashflows

		September 30,
	2024	**2023**
Total cash outflow for leases	**3,503**	3,757

Contractual Obligations

The Company does not have any contractual obligations not yet commenced as of 30 September 2024 (2023: nil).

30. Directors' transactions

No such transactions occurred in 2024 or 2023 which require disclosure under the requirements of s413 of the Companies Act 2006 and IAS 24 with the directors (or other key management personnel).

31. Subsequent events

There were no significant events after the reporting period.

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32. Ultimate parent undertaking

The ultimate parent undertaking is Siemens AG, incorporated in Germany. Siemens AG is the only group undertaking of which the Company is a member for which group financial statements are prepared. Copies of the group financial statements are available on the internet at https://www.siemens.com/global/en/company/investor-relations/events-publications-ad-hoc/annualreports.html or obtained from:

Siemens AG
Werner-von-Siemens-Strasse 1
D-80333 Munich
Germany

The immediate parent undertaking is Siemens Beteiligungen Europa GmbH, a company incorporated in Germany.

33. Dividends

	Year ended September 30, 2024	2023
Dividends Paid	**38,000**	25,000

A dividend of £38m (2023: £25m) was paid to the immediate parent undertaking (see note 32) of £4.53 per share (2023: £2.98).

34. Prior year restatement adjustments

An error was identified in the research and development recharge from fellow Siemens AG affiliates in the year ended September 30, 2023, resulting in an overstatement of profit for that period. The error only relates to 2023. The prior year comparatives have been restated as follows:

Statement of income (extract)	**September 30, 2023**	**(Decrease)**	**September 30, 2023 Restated**
Research and development credit / (charge)	3,928	(5,623)	(1,695)
Operating profit	19,267	(5,623)	13,644
Income tax expense	(6,030)	1,237	(4,793)
Net income for the financial year	15,729	(4,386)	11,343

Statement of financial position (extract)	**September 30, 2023**	**(Decrease) / Increase**	**September 30, 2023 Restated**
Receivables from group companies	34,249	5,158	39,407
Current income tax assets	-	315	315
Amounts due to group companies	5,942	10,781	16,723
Current income tax liabilities	922	(922)	-
Retained earnings	37,990	(4,386)	33,604
Total equity	46,591	(4,386)	42,205

Statement of cash flows (extract)	**September 30, 2023**	**(Decrease) / Increase**	**September 30, 2023 Restated**
Operating activities			
Net income for the financial year	15,729	(4,386)	11,343
Income tax expenses	6,030	(1,237)	4,793
Change in financing from other group companies	(9,564)	5,623	(3,941)
Effect of changes on cash and cash equivalents	12,195	-	12,195