

# GROUP

QUARTERLY RELEASE  
AS AT 31 DECEMBER 2022

22/23



KPS

## KPS – QUARTERLY RELEASE AS AT 31 DECEMBER 2022

KPS publishes figures for the 1st quarter of 2022/2023 and achieves year-on-year revenue growth of 18.5% to EUR 48.8 million, driven in particular by strong demand in all areas - strategy consulting, ERP transformation projects and e-commerce services. EBITDA in the reporting period was on par with the previous year at EUR 4.9 million as a result of the higher expenses for external consultants and the increase in personnel expenses compared to the same period of the previous year.

### OVERVIEW OF INDICATORS IN ACCORDANCE WITH IFRS (UNAUDITED)

in KEUR	first quarter 2022/2023	first quarter 2021/2022	+/-
Group sales	48,835	41,205	18.5%
EBITDA	4,882	4,932	-1.0%
Operating result - EBIT	3,212	3,110	3.3%
Financial result	-125	-110	13.3%
Earnings before income tax	3,087	3,000	2.9%
Income taxes (*)	-871	-894	-2.6%
Earnings after income tax	2,216	2,106	5.3%
Earnings per share (in euro)	0.06	0.06	0%

(\*) The tax rate determined for the annual financial statement 30.09.2022 was used to calculate the tax charge for the 1st quarter 2022/2023

## BUSINESS PERFORMANCE

In the first quarter of 2022/2023, KPS Group increased its sales by 18.5% year-on-year to EUR 48.8 million.

KPS continued to see strong demand in the reporting period. All areas - strategy consulting, ERP transformation projects, e-commerce services - were able to increase their sales revenues in the past quarter. In addition, KPS achieved strong growth in sales in both its domestic market of Germany and in its foreign markets.

In the quarter just ended, KPS deployed significantly more service providers and freelancers than in the same period of the previous year in order to be able to manage the high volume of projects on schedule. In addition, many of the newly hired consultants are still in the training phase, so that they could not yet be fully deployed in ongoing projects.

EBITDA in the reporting period was on par with the previous year at EUR 4.9 million as a result of the higher expenses for external consultants and the increase in personnel expenses compared to the same period of the previous year.

## EARNINGS, FINANCIAL AND ASSET POSITION

### Earnings position

#### **Positive growth in sales of 18.5% compared to the first quarter of 2021/2022**

Based on unaudited IFRS consolidated figures in the first quarter of 2022/2023, sales in the reporting period were EUR 48.8 million, representing year-on-year growth of 18.5%. The growth was driven by solid demand for projects in all areas: Digital Strategy (strategy consulting), Digital Customer Interaction (e-commerce services) and Digital Enterprise (ERP transformation projects).

#### **EBITDA and EBIT impacted by rising input costs**

KPS generated EBITDA of EUR 4.9 million in the reporting period. Due to the greater use of service providers and a higher headcount, EBITDA remained unchanged compared to the previous year. Cost of materials, which also includes expenses for service providers, increased by 28.7% to EUR 18.4 million.

EBIT increased slightly by 3.3% to EUR 3.2 million as a result of a slight decline in depreciation and amortisation.

KPS achieved earnings before taxes of € 3.1 million (previous year: EUR 3.0 million) and earnings after income taxes of EUR 2.7 million (Q1 2021/2022: EUR 2.1 million). Earnings after taxes thus increased by 29.4% due to an improved tax rate.

### **Asset position**

Total assets increased slightly by 1.5% from EUR 160.4.1 million to EUR 162.4 million compared to the balance sheet date of 30 September 2022.

Non-current assets amounted to EUR 101.3 million as at the reporting date 31 December 2022 and were thus virtually unchanged compared to the reporting date 30 September 2022 (EUR 102.7 million). The share of total assets amounted to 62.4% (30 September 2022: 64.1%).

The value of current assets increased by 6.5% to EUR 61.1 million compared to the reporting date 30 September 2022 and corresponded to 37.6% of total assets (30 September 2022: 35.9%). This increase is mainly attributable to an increase in cash and cash equivalents from EUR 6.1 million as at the reporting date 30 September 2022 to EUR 12.9 million as at the reporting date 31 December 2022.

**Financial position**

As at the reporting date 31 December 2022, equity increased from EUR 71.8 million (30 September 2022) to EUR 74.4 million. The equity ratio was 45.8% compared to 44.9% as at the reporting date 30 September 2022.

At EUR 65.8 million, current liabilities as at the reporting date were nearly unchanged compared to the reporting date 30 September 2022 (EUR 65.2 million).

Non-current liabilities amounted to EUR 22.1 million as at the balance sheet date 31 December 2022, compared to a value of EUR 23.1 million as at the balance sheet date 30 September 2022.

**ACQUISITIONS AND FOUNDINGS**

KPS AG has signed the purchase agreement to acquire all shares in Graphyte B.V. from Olen, Belgium as per 31 December 2022. Graphyte B.V. is a leading SAP consultancy for transportation management. Graphyte B.V. takes a holistic consulting approach, integrating supply chain processes and functionalities into SAP S/4HANA while leveraging innovative IoT and AI capabilities.

**EVENTS AFTER THE END OF THE REPORTING PERIOD**

No events occurred after the end of the reporting period that would have had a substantial impact on the earnings, asset or financial position.

## OPPORTUNITY AND RISK REPORT

The opportunity and risk situation has not changed significantly compared to the description in the 2020/2021 Annual Report. Detailed information on the Risk Management System and the risk situation of the KPS Group are available in the 2021/2022 Annual Report.

## OUTLOOK FOR FINANCIAL YEAR 2022/2023

### **Expected business performance of the Group in financial year 2022/2023**

KPS kicked off financial year 2022/2023 with strong growth in sales in the first quarter. In the first quarter, sales were generated with projects that are in the final or maturity phase. KPS therefore expects sales growth to slow down over the course of the year. At the same time, the first quarter was characterised by higher expenses due to the extensive use of external consultants. The company expects to be able to reduce expenses for external consultants in the further course of the financial year.

Overall, KPS confirms its forecast published on 26 January 2023, and expects to be able to increase the Group's sales in the mid-single-digit percentage range and EBITDA in the high single-digit to low double-digit percentage range.

Unterföhring, 9 February 2023

KPS AG

The Executive Board

## INVESTOR RELATIONS CONTACT

### **KPS AG**

Beta-Strasse 10H, 85774 Unterföhring, Germany

Phone: +49 (0) 89 356 31-0, Fax: +49 (0) 89 356 31-3300, e-mail: [ir@kps.com](mailto:ir@kps.com)

### **About KPS AG**

KPS successfully guides companies on their paths to digitalisation, from strategy to customer interaction to the operational core business. As a leading transformation partner for the retail industry, KPS is the first choice for companies that rely on a state-of-the-art customer experience platform architecture. The industry-specific KPS Instant Platforms unify all processes in a single business platform – end-to-end from customer interaction to operations to finance, implemented with best-in-class technology components in a future-proof high-performance design and flexible infrastructure. They are modular, scalable, and greatly increase the speed of process-driven transformation programmes. With ready-to-use products and innovative solutions, market-leading technologies and a strong partner network, we create sustainable added value for our customers. **Platformise your transformation.** [www.kps.com](http://www.kps.com)