

GROUP

QUARTERLY RELEASE
AS AT 31 DECEMBER 2021



21/
22

KPS – QUARTERLY RELEASE AS AT 31 DECEMBER 2021

KPS publishes figures for the 1st quarter of 2021/2022 and achieves year-on-year revenue growth of 13.4% to EUR 41.2 million, driven in particular by an upturn in demand in Germany and a continued strong performance in foreign markets.

OVERVIEW OF INDICATORS IN ACCORDANCE WITH IFRS (UNAUDITED)

in Keuros	first quarter 2021/2022	first quarter 2020/2021	+/-
Group sales	41,205	36,336	13.4%
EBITDA	4,932	5,267	-6.4%
Operating result - EBIT	3,110	3,294	-5.6%
Financial result	-110	-130	-15.4%
Earnings before income tax	3,000	3,164	-5.2%
Income taxes (*)	-894	-1,063	-15.9%
Earnings after income tax	2,106	2,101	0.2%
Earnings per share (in euros)	0.06	0.06	0%

(*) The tax rate determined for the annual financial statement 30.09.2021 was used to calculate the tax charge for the 1st quarter 2020/2021

BUSINESS PERFORMANCE

In the first quarter of 2021/2022, the KPS Group increased its revenue by 13.4% year-on-year to EUR 41.2 million. The main reasons for the positive revenue development were an upturn in demand in the domestic market, continued robust demand for e-commerce services and continuing growth abroad. In Germany, revenue increased by 17.2% to EUR 16.9 million compared to Q1 2020/2021, contributing 41.0% to Group revenue (previous year: 39.7%). Outside Germany, KPS increased its revenue by 10.9% to EUR 24.3 million compared to Q1 2020/2021.

The start of several projects in the first quarter of 2021/2022 required an uplift in the number of freelancers and service providers. At the same time, KPS increased its headcount from 621 in the first quarter of 2020/2021 to 648 in the reporting period in order to meet current demand and prepare for further future growth.

Accordingly, EBITDA decreased by 6.4% year-on-year to EUR 4.9 million (Q1 2020/2021: EUR 5.3 million) and the EBITDA margin from 14.5% to 12.0%. EBIT was EUR 3.1 million and thus slightly below the level of the first quarter of 2020/2021 (Q1 2020/2021: EUR 3.3 million).

RESULTS OF OPERATIONS, FINANCIAL POSITION AND NET ASSETS

Results of operations

Positive revenue growth of 13.4% compared to Q1 2020/2021

Based on the unaudited IFRS consolidated figures revenue in the reporting period was EUR 41.2 million, representing growth of 13.4% compared to the same period last year. The growth was driven in particular by a pick-up in demand in the domestic market, continued robust demand for e-commerce services and a continuing strong performance abroad.

EBITDA and EBIT affected by rising input costs - profit after tax at previous year's level

EBITDA declined by 6.4% to EUR 4.9 million (previous year: EUR 5.2 million) due to increased use of service providers and higher staffing levels. The EBITDA margin was 12.0% compared to 14.5% in the same period last year.

EBIT decreased slightly to EUR 3.1 million compared to EUR 3.3 million in the first quarter of 2020/2021.

KPS achieved earnings before tax of EUR 3.0 million (previous year: EUR 3.2 million) and earnings after tax of EUR 2.1 million (Q1 2020/2021: EUR 2.1 million).

Net assets

Total assets at the reporting date 31 December 2021 increased by 2.4% from EUR 160.4 million to EUR 164.2 million compared to the reporting date 30 September 2021.

Non-current assets amounted to EUR 107.6 million as of the reporting date 31.12.2021 and were thus almost unchanged compared to the reporting date 30.09.2021 (EUR 108.8 million). The share of total assets was 65.5% (30.09.2021: 67.9%).

The value of current assets increased by 9.9% to EUR 56.6 million compared to the reporting date 30.09.2021 and corresponded to 34.5% of total assets (30.09.2021: 32.1%). The increase is mainly due to an increase in cash and cash equivalents of EUR 6.5 million to EUR 14.5 million.

Financial position

At the reporting date 31.12.2021, equity increased from EUR 68.9 million (30.09.2021) to EUR 71.4 million. The equity ratio increased to 43.5% compared to 43.0% on the reporting date 30.09.2021.

Current liabilities increased from EUR 61.7 million to EUR 64.1 million, mainly due to an increase in current financial liabilities by EUR 17.3 million to EUR 28.3 million and a decrease in other current liabilities by EUR 6.9 million to EUR 8.1 million.

Non-current liabilities amounted to EUR 28.7 million at the balance sheet date of 31 December 2021, compared to a value of EUR 29.8 million at the balance sheet date of 30 September 2021.

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 results of operations, net assets or financial position.

OPPORTUNITIES AND RISK REPORT

The opportunity and risk situation has not changed significantly compared to the presentation in the 2020/2021 Annual Report. Detailed information on the risk management system and the risk situation of the KPS Group is available in the Annual Report 2020/2021 from page 37 onwards.

OUTLOOK 2021/2022

Expected business performance of the Group in the financial year 2021/2022

Based on the information and data available at the time of preparing this report, the KPS Executive Board estimates that it will be able to increase revenues in the mid to high single-digit percentage range in the financial year 2021/2022 compared to the financial year 2020/2021. Furthermore, KPS expects to achieve an EBITDA at least at the level of the 2020/2021 financial year. This assumes that projects will be executed as planned.

The forecast is based on the factors and estimates known today and contains forward-looking statements based on assumptions and estimates by the management of KPS AG. Changes in the anticipated economic conditions that cannot be foreseen from today's perspective could have significant negative effects on the revenue and earnings expectations, so that the estimates may not be achieved.

Unterföhring, 10 February 2022

KPS AG

The Executive Board

INVESTOR RELATIONS

KPS AG

Beta-Strasse 10H, 85774 Unterföhring, Germany

Tel.: +49 (0) 89 356 31-0, Fax: +49 (0) 89 356 31-3300, Email: ir@kps.com

About KPS

KPS successfully guides companies on their digitalisation journeys, 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 processes 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