

**GROUP**

QUARTERLY RELEASE

AS AT 31 DECEMBER 2020

**KPS**

2021

## KPS – QUARTERLY RELEASE AS AT 31 DECEMBER 2020

**KPS publishes figures for the first quarter of 2020/2021 and achieves  
a comparatively robust EBITDA in the amount of 5.3 million euros**

### KPS AG IN THE 1ST QUARTER OF 2020/2021 Overview of indicators in accordance with IFRS

In million euros	1st quarter 2020/2021	1st quarter 2019/2020	+ / –
Revenues	36.3	44.7	-19 %
EBITDA	5.3	5.9	-11 %
Operating result (EBIT)	3.3	4.1	-20 %
Financial result	-0.1	-0.1	25 %
Earnings before income taxes	3.2	4.0	-21 %
Income taxes *	-1.1	-1.2	-12 %
Earnings after income taxes	2.1	2.8	-25 %
Earnings per share (in euros)	0.06	0.08	-0.02

\* The tax rate determined for the annual financial statements as at 30 September 2020 was used to calculate the tax charge for the first quarter of 2020/2021.

## BUSINESS PERFORMANCE

In the first quarter of Quartal 2020/2021 (1 October to 31 December 2020), the KPS Group generated sales amounting to 36.3 million euros. In line with expectations, this meant that they lagged 19 % behind the sales for the comparable year-earlier period (44.7 million euros) owing to the sustained impacts arising from the COVID-19 pandemic. It should be noted here that the first quarter in the previous year (1 October to 31 December 2019) was still not influenced by the COVID-19 pandemic. Key drivers for the sales development continued to be the impacts of the COVID-19 pandemic on the business situation of a number of customers. Individual customers continued to ask for project breaks and project postponements.

### **KPS with robust EBITDA amounting to 5.3 million euros in the first quarter of 2020/2021**

In the currently challenging environment, KPS succeeded in performing comparatively well and generated an EBITDA amounting to 5.3 million euros in the quarter under review. This corresponds to a fall compared with the year-earlier period of 11.0 %. Once more, this demonstrated that the business model of KPS has effective stabilizers anchored in place, such as flexible cost structures and the capability to respond quickly to changed market conditions. The EBITDA margin improved from 13.2 % in first quarter of 2019/2020 to 14.6 % in the reporting period under review.

## RESULTS OF OPERATIONS, FINANCIAL POSITION, AND ASSET SITUATION

### **Results of operations**

On the basis of unaudited IFRS Group figures, sales fell back by 19 % to 36.3 million euros in the first quarter of 2020/2021. The fall results overwhelmingly from the responses of portfolio customers to the coronavirus pandemic. Overall, a number of customers continued to exercise restraint in starting new, high-volume projects. In addition, individual customers requested project breaks. The demand for smaller projects and particularly e-commerce projects underwent gratifying development.

During the reporting period, EBITDA was reduced by 11.0 % to 5.3 million euros. Hence the fall in sales could be partly compensated by strict cost management.

In the first quarter of 2020/2021, KPS achieved EBIT amounting to 3.3 million euros (-20 % compared with the year-earlier period). The EBIT margin remains virtually unchanged at 9.1 % (Q1 2019/2020: 9.2 %) compared with the year-earlier period.

Earnings before income taxes amounted to 3.2 million euros (-21 % by comparison with Q1 2019/2020) and earnings after income taxes were 2.1 million euros (-25 % compared with Q1 2019/2020).

### **Asset situation**

The balance sheet total was reduced from 174.0 million euros to 167.5 million euros as at 31 December 2020 by comparison with the balance sheet date of 30 September 2020. This is primarily due to the reduction in liabilities from “earn-out” agreements.

**Financial position**

Equity increased from 66.3 million euros on 30 September 2020 to 68.5 million euros on 31 December 2020. The equity ratio rose from 38.1 % to 40.9 %. Long-term borrowing decreased from 43.9 million euros to 41.9 million euros, primarily as a result of the reduction of liabilities from bonus agreements and a planned partial repayment of a loan. Current liabilities came down from 63.9 million euros to 57.1 million euros and this is primarily due to the reduction in liabilities from earn-out agreements. Current financial liabilities to banks amounted to 23.7 million euros. On the balance sheet date of 30 September 2020, current financial liabilities amounted to 23.3 million euros.

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

No events occurred after the end of the reporting period which exerted a significant influence on the results of operations, asset situation or financial position.

**OPPORTUNITIES AND RISK REPORT**

The opportunities and risk situation has not changed significantly since the presentation in the Annual Report 2019/2020. Detailed information on the risk management system and the risk situation of the KPS Group is included in the Annual Report 2019/2020 from page 42.

**OUTLOOK 2020/2021****Sales and EBITDA forecast**

The Executive Board and Management of KPS AG estimate that revenues generated in the business year 2020/2021 will be at a comparable level to the business year 2019/2020. Furthermore, generation of a moderately increasing EBITDA is planned. The Supervisory Board and the Executive Board of KPS AG are continuing to drive forward the strategy of innovation, industrialization, and internationalization.

The forecast contains forward-looking statements which are based on certain assumptions and estimates made by the company management of KPS AG. Even if the company management is of the opinion that these assumptions and estimates are appropriate, the actual future development and the actual future results may deviate substantially from these assumptions and estimates on account of a variety of different factors. These factors may include, for example, changes in the macroeconomic situation, exchange rates, interest rates, and changes in market development and changes in the competitive situation. KPS AG does not guarantee that the actual results achieved in future will be in accordance with the assumptions and estimates made in this interim release and does not assume any liability in this respect.

Unterföhring, 12 February 2021

KPS AG  
The Executive Board

## INVESTOR RELATIONS

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## ABOUT KPS

KPS is Europe's leading partner for companies who require a radical realignment of their business model to fulfil their customer requirements and simultaneously wish to implement innovative digital processes and technologies in their business. KPS provides everything, from strategy consulting to industry-specific process chains and the implementation of the latest technology. KPS's team advises companies end-to-end and integrates merchandise management, B2B and B2C e-commerce with marketing and sales processes. In a digital world with the customer in focus, the ability to implement projects rapidly is a significant competitive advantage. The KPS Rapid-Transformation® method accelerates projects by up to 50 percent. The experience and industry knowledge KPS consultants possess ensures the success of every project. With around 1,300 consultants in 14 countries, KPS is continuously expanding its global market position via cutting edge projects in digital and technological change.