



**EQS** GROUP

9 Months Report 2021

# » Building a **European** **SaaS Champion** «

CREATING TRUSTED COMPANIES

# EDITORIAL

**EQS Group successfully completed the acquisition of the company Business Keeper GmbH, Berlin, in July 2021 and becomes Europe's no. 1 for digital whistleblower systems.**

The acquisition of Business Keeper has the same importance for EQS like the acquisition of DGAP in 2005, which started the success story. A new chapter has been added now.

Only a few years after we entered the field of Corporate Compliance in 2017, we now succeeded in achieving the leading market position as European cloud provider for whistleblowing systems.

It provides us with an optimum starting position for implementing the EU Directive from December 2021 which will affect 250,000 companies.



Achim Weick (CEO, EQS Group AG) and Kai Leisering (Managing Director, Business Keeper GmbH)

## » Corporate Profile «

**EQS Group** is a leading international provider of regulatory technology (**RegTech**) in the fields of **corporate compliance** and **investor relations**. In working with EQS Group, thousands of companies worldwide inspire trust by fulfilling complex national and international disclosure obligations, minimizing risks and communicating transparently with stakeholders.

EQS Group's products are pooled in the **cloud-based** software **EQS COCKPIT**. They ensure the professional control of compliance workflows in the fields of whistle blower protection and case management, policy management, insider list management and disclosure obligations. In addition, listed companies benefit from

a global newswire, investor targeting and contact management, IR websites, digital reports and webcasts for efficient and secure investor communications.

EQS Group was founded in 2000 in Munich, Germany. Today the group employs **550 professionals** and has offices in the **world's key financial markets**.

## » Key Figures «

<b>Profit figures</b>	<b>9M 2021</b>	<b>9M 2020</b>	<b>+/-</b>
Revenues	35,396	27,621	28%
EBITDA	2,272	4,295	-47%
EBIT	-2,709	1,331	>-100%
Group net income	-2,678	468	>-100% *
Operating Cash Flow	2,077	6,354	-67% **
<b>Asset figures</b>	<b>Sep. 30, 2021</b>	<b>Dec. 31, 2020</b>	<b>+/-</b>
Balance sheet total	192,074	56,533	>100%
Equity	66,321	32,944	>100%
Equity ratio (%)	35%	58%	-
Liquid funds	7,192	12,074	-40%
<b>Group employees</b>	<b>9M 2021</b>	<b>9M 2020</b>	<b>+/-</b>
Average of the reporting period	496	359	38%
Personnel expenses	22,407	15,273	47%
	<b>Sep. 30, 2021</b>	<b>Sep. 30, 2020</b>	<b>+/-</b>
Earnings per share (EUR)***	-0.33	0.07	>-100%
Market capitalisation (million EUR)	323.60	162.00	100%

Unless expressly otherwise stated, all data are in thousand Euros (except for the number of employees)

\* Prior-year figures adjusted. We refer to Point 2. "Significant accounting and valuation methods" (2.4 Changes in the previous year's figures) of our annual report 2020

\*\* In the interest of a better presentation of the financial situation, net interest income will be reported in Cash flow from financing activities from 2021. The prior-year figures have been adjusted accordingly

\*\*\* Previous year's figure adjusted due to share split in 2020 for better comparability

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» Our **Believe** «

We at EQS believe that  
**Integrity and Transparency**  
create the most important  
corporate capital:

**TRUST**

» Our **Mission** «

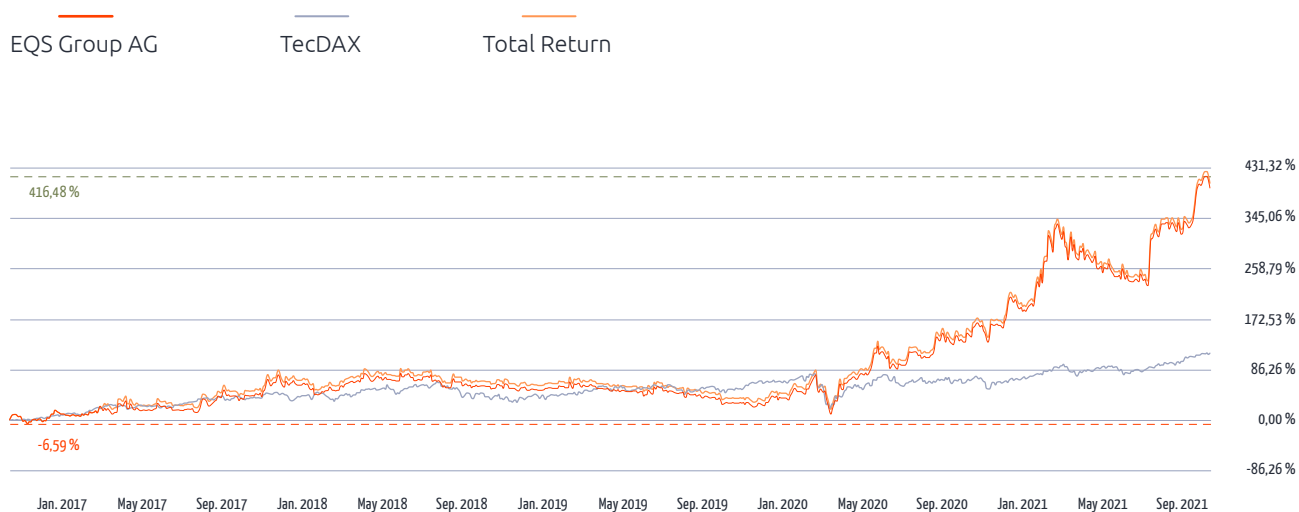
**CREATING TRUSTED COMPANIES**

» **Our Goal** 2025 «

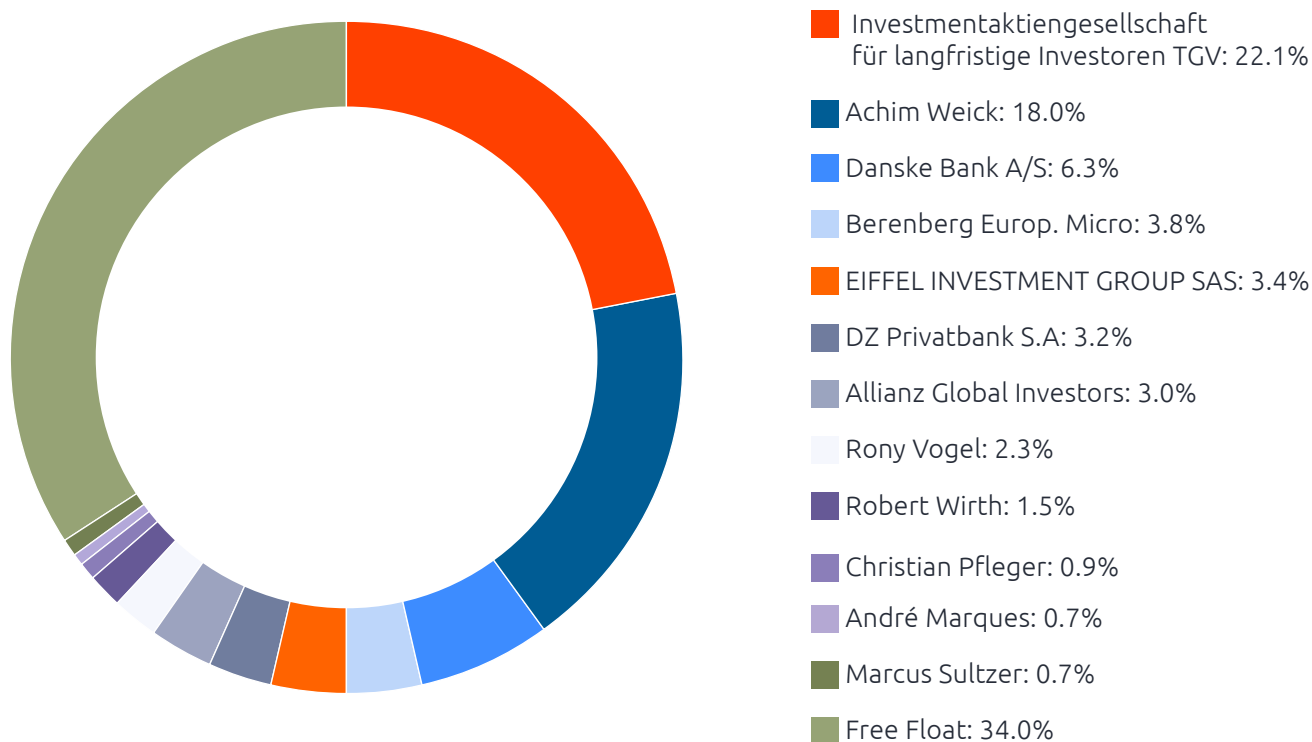
**THE LEADING  
EUROPEAN  
CLOUD PROVIDER  
FOR GLOBAL CORPORATE COMPLIANCE  
& INVESTOR RELATIONS SOLUTIONS**



# » Share price performance «



# » Shareholder structure of EQS Group AG «



Institutional Investors >3% & Management and Board of directors

# » Values that lead us «



## TEAM SPIRIT

We have empathy and support/respect each other



## PASSION

We love what we do and are driven to achieve



## TRANSPARENCY

We are open-minded and actively share information



## TRUST

We are honest, trust each other and value a flat hierarchy



## OWNERSHIP

We think/act like owners and take responsibility for our tasks



# » Highlights 9M 2021 «

SaaS Customers

**3,871\***  
(2,516)



New SaaS Customers

**594**  
(209)



New ARR

**€ 5.91 mln.**  
(€ 4.03 mln.)



Revenue COMPLIANCE

**+45%**  
(+12%)



Revenue INVESTOR RELATIONS

**+10%**  
(+29%)

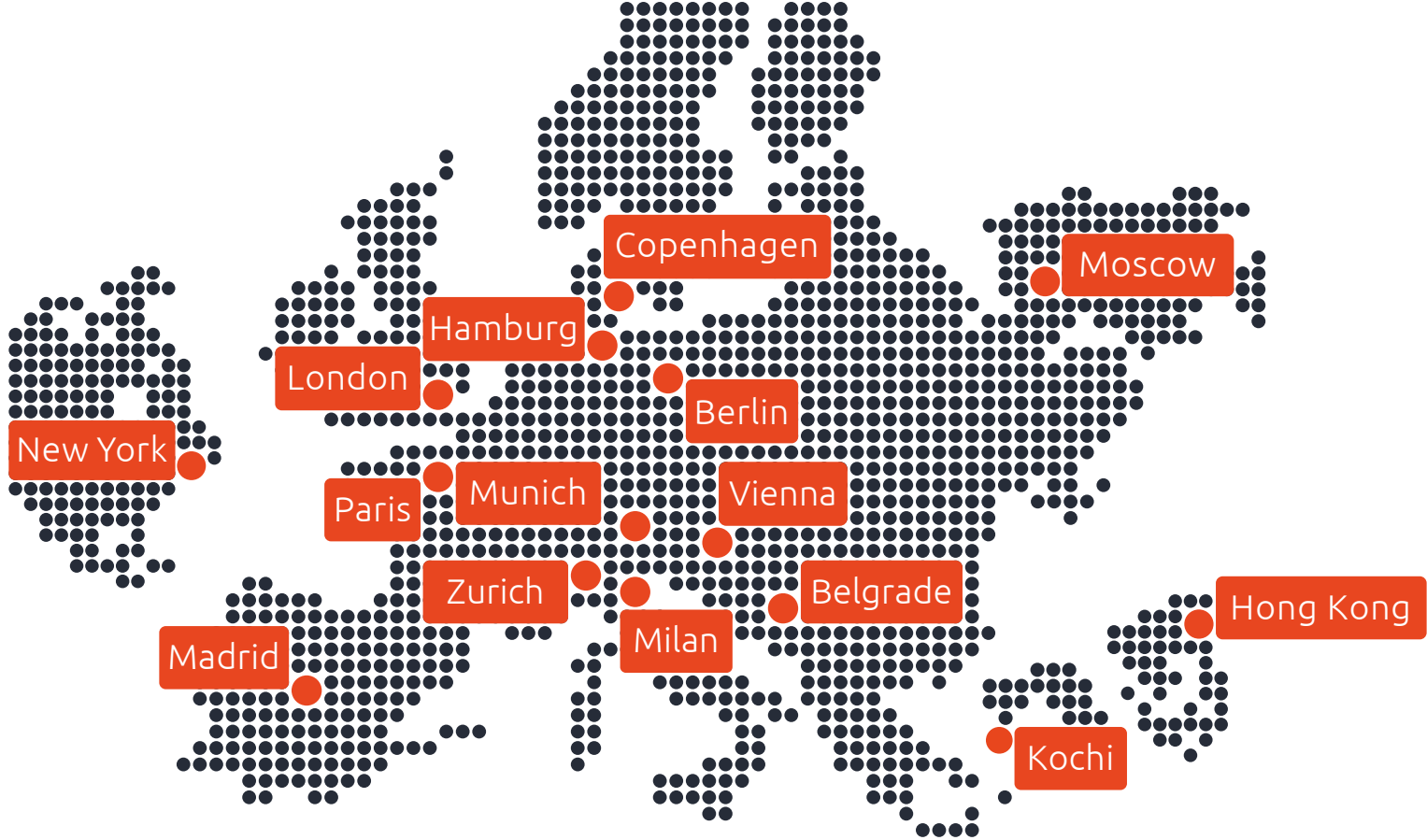


EBITDA

**€ 2.27 mln.**  
(€ 4.30 mln.)





*\*including existing customer base from Business Keeper GmbH, Got Ethics A/S and C2S2 GmbH*



## » Corporate structure «


Parent

**EQS Group AG**  
(from 2000)

 Germany  
 Austria




from 2006

**EQS GROUP AG**

 Switzerland

from 2007

**EQS Financial  
Markets & Media GmbH**

 Germany  
 Austria  
 Switzerland



from 2008

**EquityStory RS, LLC**

 Russia

from 2013

**EQS Asia Ltd.**  
(EQS TodayIR)

 SAR Hong Kong  
 China

from 2013

**EQS Web  
Technologies Pvt. Ltd.**

 India

from 2015

**EQS Group Ltd.**

 UK





from 2015

**EQS Group Inc.**

 USA

from 2017

**EQS Group SAS**

 France  
 Belgium  
 Netherlands  
 Luxembourg

from 2021

**EQS Group A/S**

 Denmark  
 Finland  
 Norway  
 Sweden




from 2021

**EQS Group S.R.L.**

 Italy

from 2021

**Business Keeper GmbH  
(ICS Group GmbH)**

 Germany  
 Spain  
 Portugal

from 2021

**EQS Group doo**

 Serbia

from 2021

**EQS Group GmbH**

 Austria

# MANAGEMENT REPORT

# » Result of Operations «

The trend towards further **increasing regulations in the area of compliance** for companies and organisations is concretised in the **European Whistleblower Directive** coming into effect in **December 2021**. To position the EQS Group perfectly for this and to achieve the leading market position, we have decided to also grow inorganically through acquisitions. As a result, a purchase agreement was already signed for 100% of the shares in **Got Ethics A/S**, Denmark, also a leading SaaS provider of digital whistleblowing systems, in Q4 of 2020. The share acquisition became **effective** upon payment of the base purchase price in **January 2021** and was **accounted** for accordingly. A purchase agreement for 100% of the shares in **Business Keeper GmbH**, Berlin (ICS Group GmbH), the German market leader for digital whistleblowing systems, was also signed in June 2021. Business Keeper GmbH will be **accounted for from 14 July 2021**.

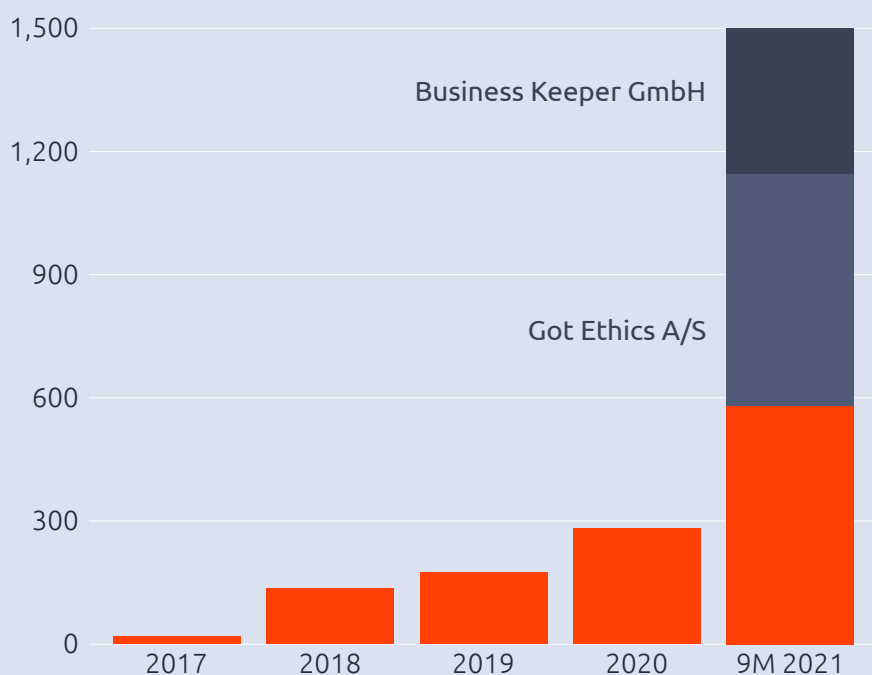
Furthermore, an investment agreement and option agreement on the remaining shares in **C2S2 GmbH, Bonn**, an innovative SaaS provider for policy management, was signed in December 2020. This became effective in January 2021 when the purchase price was paid and

the option was exercised in April 2021. As a result of the existing possibility of control through the option, C2S2 GmbH will be **accounted for from 1 January 2021** in accordance with the IFRS.

**Consolidated revenues** increased by **+28%** to **€35.40 million in the first nine months of 2021** (previous year: €27.62 million) and are in line with the expectation for FY 2021. At the same time, with the **acquisitions of Business Keeper GmbH, Got Ethics A/S and C2S2 GmbH** (total revenue contributions €4.10 million), we benefitted from significant revenue increases in the area of **compliance products**, from growth momentum from the new **ESEF regulation** (obligation for listed companies to submit financial reports for the first time in April 2021) in **compliance services**, and from the scheduled **migration** of existing customers to the **new IR COCKPIT**.

## The road to market leadership

### Customers in Whistleblowing



The acquisitions significantly increased the customer base. The **total number of customers** rose to **3,871**. The annualized **churn rate** decreased to **6.6%** (previous year: 8%) once more customers signed the SaaS licence agreement for the new IR COCKPIT. In terms of the most important indicator for us in 2021, the number of **new customers**, we were able to almost triple it with **594 SaaS customers**, 506 of them from EQS Group AG and 88 from Business Keeper GmbH (previous year: 209).

While we are in line with **expectation in the area of customer acquisition, sales through partners have not started yet** in view of the pending national implementation of the European Whistleblower Directive. This affects the acquisition of small and medium-sized enterprises (SMEs).

For example, we expect the largest market, Germany, to be implemented after the new federal government takes office and therefore anticipate a shift in the number of acquired SME customers to the first half of 2022. For the **2021** financial year, we are now expecting **900 new SaaS customers** (previously: 1,750-2,250). Our medium-term goal of reaching a total of **5,000 whistleblowing customers** in the next few years still applies.

However, this has little impact on the newly added ARR indicator, as the ARR contribution of SME clients is significantly lower than average. Accordingly, we are in line with our expectation with a **newly added ARR** of **€5.91**

**million** (previous year: €4.03 million) in the first nine months of 2021. With the announcement of the acquisition of Business Keeper GmbH, the forecast for the whole of 2021 was increased to €9.0 million new ARR.

Based on the **recurring revenue** in the first 9 months of 2021 (pro forma inclusion of Business Keeper GmbH since 1 January) of **€34.90 million**, the **ARR growth** was **+16%**. The share of recurring revenues in total revenues increased further to **86%** with the acquisitions (previous year: 84%).

In product development, the focus in the first nine months of 2021 was also on expanding the **Policy Manager** and **Approval Manager** compliance solutions and improving the existing applications in the **new IR COCKPIT**. **Costs** of **€1.70 million** were **capitalised** (previous year: €1.28 million). The introduction of new cloud products is associated with an expansion of subscription revenues and a further increase in the share of recurring revenues.

**Other operating income** for the Group as a whole was higher in 9M 2021 than the previous year with **€580k** (previous year: €462k). This is mainly due to the reversal of a provision (€229k) following the settlement of a legal dispute with a former managing director of a subsidiary abroad and the waiver of a government development loan in the USA (€136k).

## Over 100 Salespartnerships



# » Segment revenues «

The grouping of our products into the two segments **Compliance** and **Investor Relations** is in line with the sales markets.

<i>Segments in first 9 months of 2021</i>				
	<b>Compliance</b>	YOY	<b>Investor Relations</b>	YOY
Revenues from cloud products	<b>€12.89 million</b>	60%	<b>€6.90 million</b>	21%
Revenues from cloud services	<b>€7.68 million</b>	26%	<b>€7.92 million</b>	2%
SaaS customers (formerly "corporations")	<b>2,556</b>	93%	<b>2,312</b>	8%
Filing customers (annual basis)	<b>4,275</b>	1%		

## Compliance Segment

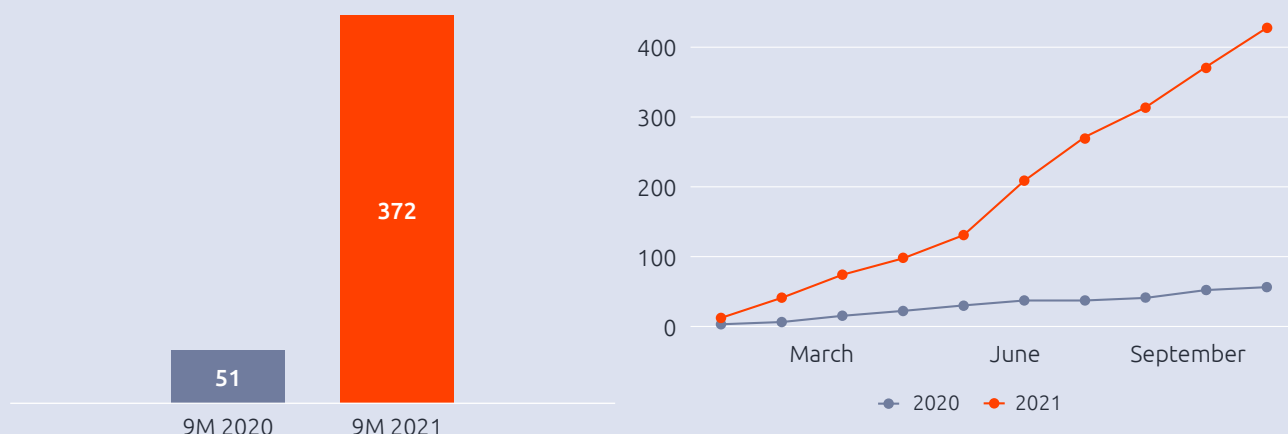
The **Compliance segment** comprises all products required to **fulfil a regulatory obligation**. This includes the **cloud products** for reporting obligations in News (Disclosure), Insider Manager, Integrity Line, Policy Manager and Approval Manager, as well as Rulebook and Third Party Manager since 2021, which are in the **COCKPIT cloud platform**. We also provide other **cloud services** in the form of filings (XML, XBRL) and LEI. Since many customers do not necessarily use the COCKPIT, they are recognised separately.

In the **Compliance segment** the **customer base** doubled in the first nine months by **1,202 to 2,556 SaaS customers** in total due to two acquisitions in the compliance cloud products segment. In addition to the **835 customers** acquired through the **takeover of Business Keeper GmbH, Got Ethics A/S and C2S2 GmbH, 372 new customers for whistleblowing systems** were sold in the first 9 months of 2021, 285 of

them at EQS Group AG and 87 at Business Keeper GmbH. This corresponds to a quadrupling of the number of new customers in this product area compared to the whole of 2020.

While we are on target with **direct customer acquisition, sales through partners have not started yet** in view of the pending national implementation of the European Whistleblower Directive. We expect that with the announcement of a concrete timetable for implementation, there will also be a strong increase in customer acquisition through partners. As a result of the new customer acquisitions and takeovers, **revenue** in the Compliance segment rose by **+45%** to **€20.57 million** (previous year: €14.19 million). In addition to the planned growth in **compliance cloud products**, there was also significant growth in **compliance cloud services** with filing services due to the new ESEF regulation and stronger than expected demand for the LEI issuance service.

## New customers Whistleblowing



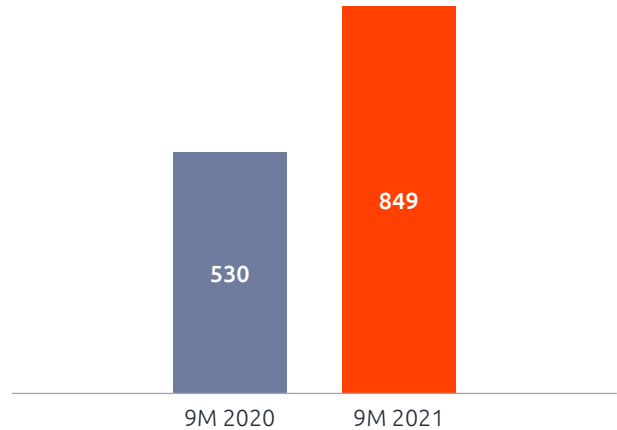
## Investor Relations Segment

The **Investor Relations segment (IR)** includes the products on offer in voluntary **Investor and Corporate Communication**. The **COCKPIT cloud platform** bundles the **cloud products** Newswire, Investors (investor data), CRM and Mailing. Outside of the platform, there are other **cloud services** such as websites, tools, reports, webcasts, virtual AGM and media.

In the **Investor Relations** segment, revenue increased by **+10%** to **€14.82 million** (previous year: €13.43 million) and was therefore also within the forecast range (8% to 18%). The **successful migration** of existing customers to the **new IR COCKPIT** provided significant growth momentum.

By 30 September 2021, we were able to sign **SaaS contracts** for the new IR COCKPIT with a total of **849 companies**. The **booked SaaS revenue** was **€3.77 million**, up 65% compared to 9M 2020. While we benefited from an increase in initial public offerings (**IPO**) in **IR cloud services**, revenue from virtual Annual General Meetings declined. The **number of SaaS customers** increased by **158** to **2,312** in 9M 2021.

## NEW IR COCKPIT Customers



## Excerpt New Customers

### Whistleblowing 2021


### IPOs 2021




# » Geographical revenues «

Geographic market in the first 9 months of 2021

	Domestic	YOY	International	YOY
Revenue	€24.87 million	27%	€10.53 million	30%
SaaS customers	1,769	44%	2,102	63%

## Domestic

The **domestic business** recorded an increase in revenue of **+27%** to **€24.87 million** for the Group as a whole in the first nine months of 2021 (previous year: €19.51 million), which includes €2.45 million in revenue from Business Keeper GmbH and C2S2 GmbH consolidated for the first time. Organic growth was +15% and therefore **at the upper end of our expectations**. Due to the acquisitions, we also benefited from revenue increases in the **Compliance COCKPIT**, strong new customer business in Filing (ESEF) and LEI for **Compliance cloud services**, and the migration of existing customers to the new **IR COCKPIT** as planned.

In the first 9 months of 2021, **294 SaaS customers** (excluding individual LEI & Filing customers) were also **acquired**, which represents several times the number in the first 9 months of 2020 (69). Taking into account the acquisition of Business Keeper GmbH and C2S2 GmbH, the **number of customers** increased to **1,769**. The churn rate was 5%. As of 30 September 2021, **194 customers** were acquired for **whistleblowing systems**.

## International

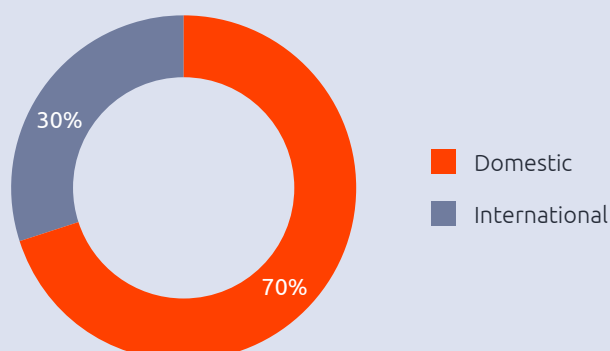
Due to the acquisition of Got Ethics A/S, our **international business** achieved a significant **increase in revenue of +30%** to **€10.53 million** in the first nine months of 2021, as expected (previous year: €8.11 million). Organic growth was +10% and therefore below our expectations. This is primarily due to the fact that average selling prices are still too low.

(565), the **number of customers** increased significantly by **+63%** to **2,102**. This is based on an annualised churn rate of 8%. As of 30 September 2021, **178 new customers** were acquired for **whistleblowing systems**.

In **9M 2021**, our foreign subsidiaries added **300 SaaS customers**. This represents an increase of almost 100% compared to the previous year (138). Taking into account Got Ethics A/S' existing customers that were taken over

The **foreign share** of revenues in the first nine months of 2021 was almost at the same level as in the previous year at **30%** (previous year: 29%). Due to the acquisition of Business Keeper GmbH and the associated consolidation for the first time from Q3 2021, this will shift in the coming quarters, too.

## Share of revenues 9M 2021



# » European Compliance & Ethics Conference 2021 «

Building a unique Compliance community



## OVER 5,500 REGISTRATIONS



A brilliantly organized conference in terms of the variety of topics, diversity of speakers, and the quality of discussions! Well done!! Congratulations!



Best compliance conference that I have been to this year! Congratulations and thank you to the org team and the panelists.



Best online format I've been to in forever! Well done!



## » Development of **expenditure** «

**The Group's operating expenses**, i.e. purchased services, personnel expenses and other operating expenses, increased by **+41%** to **€35.40 million** in the first 9 months of 2021 (previous year: €25.06 million). The disproportionate increase in expenses compared to revenues is due to the **acquisitions** (first-time consolidation of Business Keeper, Got Ethics and C2S2) **as well as** extensive **investments in sales and marketing** in view of the implementation of the European Whistleblower Directive.

The largest expense item for the Group as a whole, **personnel expenses**, increased by **+47%** to **€22.41 million** (previous year: €15.27 million). On average, the Group employed 496 people worldwide (previous year: 359). As a result of the acquisition of Business Keeper GmbH, the number of employees was 578 as of 30 September 2021.

We procure third-party services for our ESEF filings service, which led to an increase in **purchased services** in the first 9 months of 2021. At the same time, third-party services for virtual Annual General Meetings declined as a result of lower demand in the second quarter. In total, purchased services increased by **+11%** to **€5.56 million in 9M 2021** (previous year: €4.99 million).

**Other operating expenses** rose by **+55%** to **€7.43 million** (previous year: €4.81 million) and therefore disproportionately to the growth in sales. In addition to the expected increase in **expenses for online sales and marketing support**, in view of the pending implementation of the European Whistleblower Directive, the acquisition of Business Keeper GmbH in particular led to **extraordinary consulting expenses** of €468k.

**EBITDA** in accordance with IFRS fell to **€2.27 million** as a result of investments (previous year: €4.30 million), but was therefore above our expectations for the first nine months. This is primarily due to the even lower than planned sales and marketing and expenses from January to September 2021. The European Whistleblower Directive had not yet been implemented at national level (deadline 17 December 2021) by a large number of EU member states, including Germany, as of the end of October. Investments were also accordingly made to a lesser extent. Adjusted for the additional sales and marketing expenses (€2.43 million), **EBITDA clean** was **€4.70 million**.

**Depreciation** rose significantly by **+68%** to **€4.98 million** due to acquisitions (previous year: €2.96 million). This includes amortisation of own work capitalised amounting to €630k, amortisation of rights of use (IFRS 16) amounting to €1.30 million and amortisation of acquired customer bases and acquired software amounting to €2.68 million. All acquired customer bases were amortised on a scheduled basis. Accordingly, **EBIT** declined year-on-year to **€-2.71 million** (previous year: €1.33 million).

**Financial expenses** rose due to the acquisition-related increase in new debt to €-650k (previous year: €-369k). The pre-tax loss was €-3.36 million (previous year: income of €962k).

Deferred tax liabilities resulted in a disproportionate tax income of €681k (previous year: expense €-495k\*). An **annual net loss of €-2.68 million** was recognised in the consolidated result in the first 9 months of 2021 (previous year: net income for the year of €468k\*).

\* Previous year figures adjusted. We refer to bullet point 2 "Significant accounting and valuation methods" (2.4 Amendments to the previous year's figures) in our 2020 annual report.

# » Our platforms «

## IR COCKPIT

Everything IR managers need for their day-to-day work in one place.

Comprehensive, intuitive and secure.



## COMPLIANCE COCKPIT

All compliance solutions and workflows in one platform, all compliance data in one place.



## » Development of **net assets and financial position** «

As a result of the acquisitions of Business Keeper GmbH, Got Ethics A/S and C2S2 GmbH as well as a capital increase in February 2021 and in July 2021, **total assets** increased significantly as of 30 September 2021 to **€192.07 million** (Dec. 31, 2020: €56.53 million).

Due to the first-time consolidation of the acquisitions, **property, plant and equipment** increased to **€7.56 million** (Dec. 31, 2020: €7.22 million), although the planned depreciation according to IFRS 16 counteracted this.

Compared to the end of the year, **intangible assets** increased to **€168.04 million** as a result of the first-time consolidation of the acquired Business Keeper GmbH, Got Ethics A/S and C2S2 GmbH (Dec. 31, 2020: €31.02 million). Intangible assets include acquired customer bases with a carrying amount of €59.82 million as of 30 September 2021, which are amortised on a straight-line basis over a total term of 15 years, respective 20 years, as well as purchased software and internally generated software amounting to €28.09 million.

Compared to the previous year, **trade receivables** increased significantly compared to sales by **+94%** to **€5.77 million** (Sep. 30, 2020: €2.98 million). This is due in particular to the first-time consolidation of Business Keeper GmbH and Got Ethics A/S.

**Other assets** of **€1.97 million** (Dec. 31, 2020: €1.37 million) increased as a result of higher advance invoice payments and acquisitions compared to the beginning of the year.

**Equity** doubled to **€66.32 million** as a result of the two capital increases against cash contributions as of 30 September 2021 (Dec. 31, 2020: €32.94 million). As a result of the net loss, **the balance sheet profit** fell to **€1.97 million** (Dec. 31, 2020: €4.71 million). The **equity ratio** decreased to **35%** as of the balance sheet date as a result of taking out a new loan to purchase companies (Dec. 31, 2020: 58%).

As of the reporting date, **cash and cash equivalents** amounted to **€7.19 million** (Dec. 31, 2020: €12.07 million). **Financial liabilities** increased significantly to **€86.38 million** due to the loan taken out for the purchase of Business Keeper GmbH and Got Ethics A/S (Dec. 31, 2020: €10.92 million). Accordingly, there is a **net debt** (cash and cash items less financial debt) of **€79.18 million** as of 30 September 2021 (Dec. 31, 2020: net liquidity of €1.16 million). **Adjusted** for **leasing liabilities** of **€6.19 million**, the **net debt** was **€73.00 million** (Dec. 31, 2020: net liquidity of €7.28 million). **Deferred tax liabilities** also increased significantly to **€23.81 million** (Dec. 31, 2020: €2.52 million).

**Trade payables** were **€1.82 million** as of 30 September 2021 due to the first-time consolidation of Business Keeper GmbH (Sep. 30, 2020: €1.47 million). **Provisions** decreased by **-20%** to **€2.43 million** compared to the year end (Dec. 31, 2020: €3.04 million). Higher customer prepayments as well as the first-time consolidation of the acquired companies again led to a strong increase in **other liabilities** of **€11.11 million** (Dec. 31, 2020: €5.30 million).

Due to the low level of sales in foreign currencies (~25%), which are mainly in hard currencies (CHF, DKK, GBP, HKD, USD) and partly characterised by mutually opposing developments, **currency hedging transactions** are currently not being used. The Group uses short-term liquidity planning and rolling multi-year liquidity planning to **manage its liquidity**. In addition, the subsidiaries plan their liquidity in coordination with the parent company.

# » Outlook 2021 «

New SaaS Customers\*

900



Revenue Growth

30% – 40%



New ARR

€ 9 mln.



EBITDA

€2.0 mln. – €3.0 mln.



Net Promoter Score

Stable



Employee Satisfaction

Constant Level



\* adjusted from 1,750-2,250 customers due to expected delay in implementation of the EU-Whistleblowing law

# » Case Study «

## Fair play: why PUMA opted for a digital whistleblowing channel



### Why did PUMA opt for a digital whistleblowing system?

*"The telephone hotline was used very rarely. After discussions with colleagues from other international companies and additional research, we came to the conclusion that digital whistleblowing systems are more effective and appropriate for our target group, given the young average age of PUMA employees."*

Kristina Schmieg, Senior Manager Compliance bei PUMA SE

Openness, honesty and lawful conduct are traits which carry great weight at PUMA. In the interests of guaranteeing "fair play" in the company, the German sporting goods manufacturer has explicitly included whistleblowing in its own Code of Ethics.

PUMA employees have for some time been able to report violations of corporate principles via a group-wide telephone hotline and email address. However, in mid 2018, the PUMA compliance team decided to question their existing approach to whistleblowing. In particular, the discussion focused on whether the company should continue to rely on a telephone hotline or whether another solution would better meet the company's needs.

PUMA felt that any new reporting channel should be made accessible to as many employees as possible. In addition, they wanted the system to be intuitive, user-friendly and guarantee a high level of data security. After weighing up all factors PUMA's compliance team decided to implement a digital whistleblowing system. Following this PUMA set about comparing digital whistleblowing system providers.

EQS Integrity Line stood out with its user-friendly interface, broad variety of functions, secure anonymous communication and integrated case management. For internal communication purposes PUMA christened the system PUMA SpeakUp! Platform.

### Lessons learnt with the PUMA SpeakUp! Platform

It has been two years since PUMA implemented its digital whistleblowing system and the results have been positive. The team received numerous reports via the PUMA SpeakUp! platform during the first months and this trend has continued. Reports have been received from different countries and different departments, with most whistleblowers opting to report anonymously. Thanks to the system's encrypted messaging feature, the compliance team was still able to contact these whistleblowers without breaching anonymity and resolve these queries easily.



**SECTOR:**  
sporting goods manufacturer



**EMPLOYEES:**  
14,300



**ANNUAL SALES:**  
€5.23 billion



**LOCATIONS:**  
25+



**EBITDA:**  
€209 million



**FOUNDING YEAR:**  
1948

Status: 2020



# **CONSOLIDATED FINANCIAL STATEMENTS**

# » Consolidated income statement

Jan. 1 to Sep. 30, 2021 «

	9M 2021 EUR	9M 2020 EUR
Revenues	35,395,799	27,620,772
Other income	580,331	462,496
Own cost capitalised	1,696,622	1,276,574
Cost of Services	-5,563,476	-4,986,616
Personnel expenses	-22,406,779	-15,272,892
Other expenses	-7,430,241	-4,805,157
<b>EBITDA</b>	<b>2,272,256</b>	<b>4,295,177</b>
Depreciation & amortisation	-4,981,177	-2,964,046
<b>Operating result (EBIT)</b>	<b>-2,708,921</b>	<b>1,331,132</b>
Interest income	11,721	102,693
Interest expenses	-796,144	-214,329
Other financial income	134,649	-257,129
Profit before tax (EBT)	-3,358,695	962,367
Income taxes	680,685	-494,547 *
<b>Group net income</b>	<b>-2,678,011</b>	<b>467,821 *</b>
- thereof attributable to the owner of the company	-2,672,619	483,840 *
- thereof attributable to non-controlling interests	-5,391	-16,019
Items that may be reclassified subsequently to profit or loss:		
Currency translations	76,465	24,611 *
Revaluation IAS 19	0	-17,898 *
Other comprehensive income	76,465	6,714 *
Comprehensive income	-2,601,546	474,534 *
- thereof attributable to the owner of the company	-2,596,172	490,575 *
- thereof attributable to non-controlling interests	-5,374	-16,041
Earnings per share - basis and diluted	-0.33	0.07 **

\* Prior-year figures adjusted. We refer to Point 2. "Significant accounting and valuation methods" (2.4 Changes in the previous year's figures) of our annual report 2020

\*\* Previous year's figure adjusted due to share split in 2020 for better comparability

# » Consolidated balance sheet as of Sep. 30, 2021 «

## Assets

	Sep. 30, 2021 EUR	Dec. 31, 2020 EUR
<b>Non-current assets</b>		
Intangible assets	87,914,076	14,118,018
Goodwill	80,126,885	16,898,283
Tangible assets	7,564,972	7,215,884
Long-term financial assets	643,729	732,863
Other long-term assets	489,053	481,683
	<b>176,738,716</b>	<b>39,446,730</b>
<b>Current assets</b>		
Trade accounts receivables	5,774,420	3,923,150
Construction contracts	86,609	25,864
Tax assets	342,964	31,817
Current financial assets	457,442	138,363
Other current assets	1,481,643	892,586
Cash and cash equivalents	7,192,445	12,074,462
	<b>15,335,522</b>	<b>17,086,241</b>
<b>Total assets</b>	<b>192,074,238</b>	<b>56,532,971</b>

## Equity and Liabilities

	Sep. 30, 2021 EUR	Dec. 31, 2020 EUR
<b>Equity</b>		
Issued capital	8,472,251	7,524,890
Treasury shares	-1,532	-7,361
Capital surplus	55,752,513	20,667,300
Retained earnings	1,973,487	4,706,320
Currency translation	129,548	53,083
Non-controlling interests	-5,362	12
	<b>66,320,904</b>	<b>32,944,243</b>
<b>Non-current liabilities</b>		
Non-current provisions	1,048,715	1,050,881
Non-current financial liabilities	63,603,719	7,641,043
Deferred tax liabilities	23,807,221	2,516,219
	<b>88,459,654</b>	<b>11,208,143</b>
<b>Current liabilities</b>		
Current provisions	1,381,246	1,990,433
Trade account payable	1,819,021	1,650,656
Liabilities from percentage-of-completion	74,400	109,300
Current financial liabilities	22,772,956	3,275,962
Income tax liabilities	138,804	55,947
Other current liabilities	11,107,252	5,298,287
	<b>37,293,680</b>	<b>12,380,586</b>
<b>Total equity and liabilities</b>	<b>192,074,238</b>	<b>56,532,971</b>

# » Consolidated Cash flow statement

Jan. 1 to Sep. 30, 2021 «

	9M 2021 EUR '000	9M 2020 EUR '000
Group earnings	-2,678	468 *
Income taxes	-653	494 *
Interest expenses	796	214
Interest income	-12	-103
Other non-cash expenses	1,063	1,457
Depreciation on fixed assets	4,981	2,964
Change in provisions	-1,986	-733
Change of inventories, trade accounts receivables and other assets not attributable to investment or financing activities	-75	-1
Change of trade payables and other liabilities not attributable to investment or financing activities	847	1,769
Interest expenses paid	0	0 **
Interest income received	0	0 **
Income tax paid	-206	-175
<b>Operating Cash flow</b>	<b>2,077</b>	<b>6,354 **</b>
Purchase of property, plant and equipment	-204	-196
Purchase of intangible assets	-2,070	-1,277
Payments from additions of financial assets	-150	-300
Proceeds from disposals of financial assets	33	36
Acquisition of subsidiaries and business units	-93,429	0
Proceeds from deconsolidated companies	0	2,246
<b>Cash flow from investment activities</b>	<b>-95,820</b>	<b>509</b>
Cash payments to owners and minority shareholders (dividends, acquisition of entity's shares, redemption of shares, other distributions)	-423	-1
Proceeds from additions to equity (capital increases, sale of treasury shares)	36,274	0
Cash proceeds from issuing bonds/loans and short or long-term borrowings	57,035	226
Cash repayments of bonds/loans or short or long-term borrowings	-2,101	-4,265
Interest expenses paid	-838	-177 **
Interest income received	9	99 **
Proceeds from grants received	139	0
Decrease of liabilities from finance-lease	-1,331	-1,362
<b>Cash flow from financing activities</b>	<b>88,764</b>	<b>-5,480 **</b>
Change in cash funds from cash relevant transactions	-4,979	1,383
Cash funds at the beginning of period	12,074	1,184
Change in cash funds from exchange rate movements	97	-165
<b>Cash funds at the end of period</b>	<b>7,192</b>	<b>2,402</b>

\* Prior-year figures adjusted. We refer to Point 2. "Significant accounting and valuation methods" (2.4 Changes in the previous year's figures) of our annual report 2020

\*\* In the interest of a better presentation of the financial situation, net interest income will be reported in Cash flow from financing activities from 2021. The prior-year figures have been adjusted accordingly

# » Consolidated statement of changes in equity

## Jan. 1 to Sep. 30, 2021 «

	<i>Issued capital EUR '000</i>	<i>Treasury shares EUR '000</i>	<i>Capital surplus EUR '000</i>	<i>Retained earnings EUR '000</i>	<i>Currency translations EUR '000</i>	<i>Attributable to owners of the parent EUR '000</i>	<i>Non-controlling interests EUR '000</i>	<i>Total equity EUR '000</i>
<b>As of Dec. 31, 2019</b>	<b>1,435</b>	<b>-2</b>	<b>17,899</b>	<b>5,610</b>	<b>269</b>	<b>25,211</b>	<b>-35</b>	<b>25,176</b>
Capital increase	6,090	0	3,010	-14	0	9,086	0	9,086
Change of treasury shares	0	-5	-165	0	0	-170	0	-170
Share-based payment for employees	0	0	132	0	0	132	0	132
Adjustment profit carried forward previous year subsidiarys	0	0	0	-24	0	-24	0	-24
Comprehensive income 2020	0	0	0	-866	0	-866	35	-831
Other comprehensive income 2020	0	0	-209	0	-216	-425	0	-425
<b>As of Dec. 31, 2020</b>	<b>7,525</b>	<b>-7</b>	<b>20,667</b>	<b>4,706</b>	<b>53</b>	<b>32,944</b>	<b>0</b>	<b>32,944</b>
Capital increase	947	0	35,053	-28	0	35,972	0	35,972
Change of treasury shares	0	5	-126	0	0	-121	0	-121
Share-based payment for employees	0	0	159	0	0	159	0	159
Initial consolidation of subsidiaries	0	0	0	-28	0	-28	0	-28
Adjustment profit carried forward previous year subsidiarys	0	0	0	-4	0	-4	0	-4
Comprehensive income 9M 2021	0	0	0	-2,673	0	-2,673	-5	-2,678
Other comprehensive income 9M 2021	0	0	0	0	77	77	0	77
<b>As of Sep. 30, 2021</b>	<b>8,472</b>	<b>-2</b>	<b>55,753</b>	<b>1,973</b>	<b>130</b>	<b>66,326</b>	<b>-5</b>	<b>66,321</b>

## » Financial Calendar of EQS Group AG «

Nov. 12, 2021	Publication of Quarterly Financial Statements 9M
Nov. 22 - Nov. 24, 2021	German Equity Forum
Dec. 7 - Dec. 8, 2021	mkk - Munich Capital Market Conference

## » Stock exchange data of EQS Group AG «

Share	<b>EQS Group AG</b>
WKN	<b>549416</b>
ISIN	<b>DE0005494165</b>
Ticker Symbol	<b>EQS</b>
Type of Shares	<b>Ordinary shares</b>
Sector	<b>RegTech</b>
Initial listing	<b>June 8, 2006</b>
Stock Exchange Listing	<b>Open Market, Frankfurter Wertpapierbörse m:access, Börse München</b>
Market segment	<b>Scale</b>
Company headquarter	<b>Munich</b>
Number of Shares	<b>8,472,251 Units</b>
Amount of Nominal Capital	<b>8,472,251 Euro</b>
Designated Sponsor	<b>Baader Bank AG, Unterschleißheim</b>

The official version of the EQS Group annual report is in German. The English translation is provided as a convenience to our shareholders. While we strive to provide an accurate and readable version of our report in English, the technical nature of a report often yields awkward phrases and sentences. We understand this can cause confusion. So, please always refer to the German report for the authoritative version.

**Register court:**

Amtsgericht Munich

**Register number:**

HRB 131048

Tax Identification Number in accordance with Section 27a  
Umsatzsteuergesetz  
[German Sales Tax Law]:  
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Marcus Sultzer, CRO