



EQS GROUP

Nine Months Report 2022

# Building a **European** **SaaS Champion**

**creating trusted companies**

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# About EQS Group

**EQS Group** is a leading international cloud provider in the areas of **corporate compliance**, **investor relations** and **ESG**.

Thousands of companies across the world use EQS Group's products to build trust by reliably and securely meeting complex regulatory requirements, minimising risks and transparently reporting on business performance and its impact on society and the environment.

EQS Group's products are bundled in the **cloud-based** software **EQS COCKPIT**. This allows compliance processes in the areas of whistleblower protection and case management, policy management and approval processes to be managed just as professionally as business partners, insider lists and reporting obligations.

Listed companies also benefit from a global newswire, investor targeting and contact management, as well as IR websites, digital reports and webcasts for efficient and secure investor communication.

In addition, EQS Group develops software for the management of ESG (environment, social, governance) data, **the fulfilment of human rights due diligence obligations** along corporate supply chains and for rule-compliant sustainability reporting.

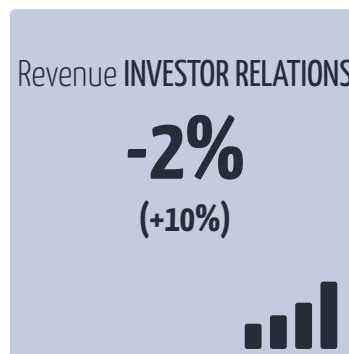
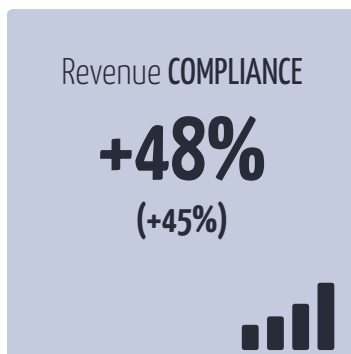
EQS Group was founded in Munich in the year 2000. Today, the group employs around **600 professionals** and is represented in the **world's most important financial centres**.

## Key figures

<b>Key earnings figures</b>	<b>9M 2022</b>	<b>9M 2021</b>	<b>+/-</b>
Revenues	<b>44,968</b>	35,396	27%
EBITDA	<b>2,543</b>	2,272	12%
EBIT	<b>-3,560</b>	-2,709	-31%
Group net income	<b>-2,143</b>	-2,678	20%
Operating cash flow	<b>4,297</b>	2,077	>100%
<b>Key asset figures</b>	<b>Sep. 30, 2022</b>	<b>Dec. 31, 2021</b>	<b>+/-</b>
Balance sheet total	<b>183,816</b>	186,837	-2%
Equity	<b>113,724</b>	70,240	62%
Equity ratio (%)	<b>62%</b>	38%	-
Cash and cash equivalents	<b>7,874</b>	8,653	-9%
<b>Group employees</b>	<b>9M 2022</b>	<b>9M 2021</b>	<b>+/-</b>
Average of the period	<b>583</b>	496	18%
Personnel expenses	<b>28,827</b>	22,407	29%
	<b>Sep. 30, 2022</b>	<b>Sep. 30, 2022</b>	<b>+/-</b>
Earnings per share (EUR)	<b>-0.22</b>	-0.33	33%
Market capitalization (MEUR)	<b>240.58</b>	323.60	-26%

All figures without designation in € thousand (except number of employees)

# Highlights 9M 2022

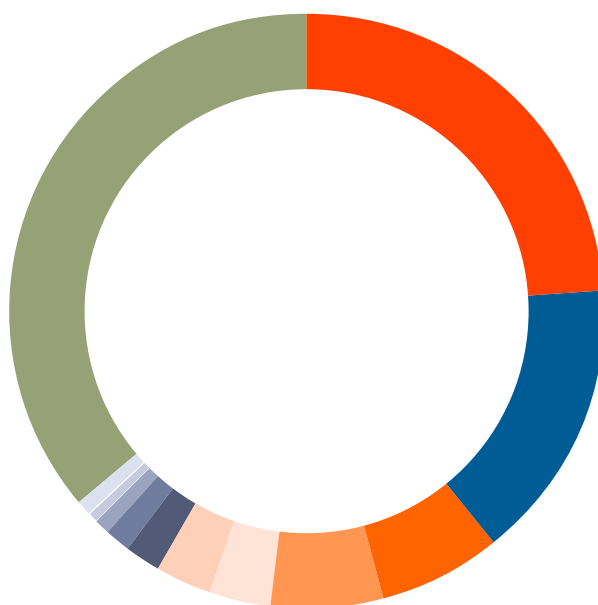


Figures in brackets represent the previous year

# Share price performance



## Shareholder structure of EQS Group AG



- Investmentaktiengesellschaft für langfristige Investoren TGV: 24.0%
- Achim Weick: 15.3%
- Danske Bank A/S: 6.7%
- Gerlin N.V.: 6.0%
- ProfitlichSchmidlin Fonds UI: 3.3%
- Berenberg Europ. Micro: 3.2%
- Rony Vogel: 2.0%
- Robert Wirth: 1.3%
- Christian Pfleger: 0.9%
- André Marques: 0.6%
- Marcus Sultzer: 0.6%
- Free Float: 36.1%

Institutional Investors >3% & Management and Board of directors

As of Nov. 1, 2022

## Purpose

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

# TRUST

## Mission

▶ creating trusted companies

# VALUES



## 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 like owners and act sustainably towards our planet and society

# PRINCIPLES



Put the client first  
(company, result)



Be ambitious and  
humble



Challenge decisions,  
but once they're  
made, commit wholly  
to them



Have integrity and  
demand it from others



Confront brutal facts,  
yet never lose faith



Take responsibility for  
poor results  
("look in the mirror")



Give praise for good  
results ("look out of the  
window")



Make mistakes, but learn  
from them ("fail well")



Support and develop your  
team members




Lead by example



# Corporate structure


from 2000

Parent  
EQS GROUP AG

 Germany

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

 Germany

from 2021

EQS Group doo

 Serbia

from 2021

EQS Group GmbH

 Austria

from 2021

EQS Group RegTech  
S.L.U.

 Spain  
 Portugal



## Results of operations

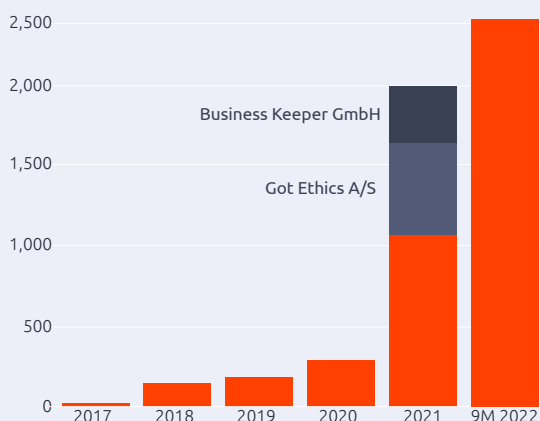
The EQS Group's result of operations is significantly influenced by the **trend of rising regulation in the area of compliance** for companies and organisations. Currently the most important regulation, the **European Whistleblower Directive, has been in effect since December 2021**, but will be implemented first in the vast majority of member countries in the fourth quarter of 2022 or in the year 2023.

In order to optimally position EQS Group for this and achieve the leading market position, we had already decided in year 2017 to consolidate the European market for digital whistleblowing systems. Accordingly, in **January 2018**, we acquired **IntegrityLine AG**, Zurich and **Got Ethics A/S**, Copenhagen, in **January 2021**. We were able to acquire German market leader **Business Keeper GmbH**, Berlin, in **July 2021**. Business Keeper GmbH is **included in the Consolidated Financial Statements from 14 July 2021**.

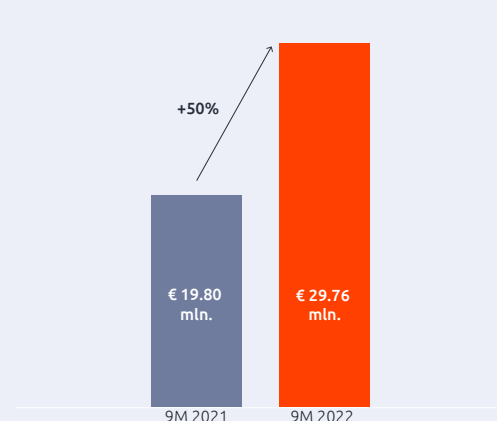
The **Group's revenue** increased in **9M 2022** by **+27%** to **€ 44.97 million** (previous year: € 35.40 million). Together with the acquisition of **Business Keeper GmbH** (base effect on revenue of € 5.65 million), we benefited from significant revenue growth in the **Compliance segment** due to our **whistleblowing software**. However, the **lack of implementation of the EU Whistleblowing Directive** in Germany and other EU countries in the first nine months of the year led to less than planned contract closings.

In **July 2022**, the **German government agreed upon** a corresponding **draft law** transposing the EU Whistleblower Directive (EU Directive 2019/1937) into national law. The law is expected to be passed **in fourth quarter of 2022 by Bundestag and Bundesrat** and come into force with an implementation period of 3 months. We therefore expect an **increased customer acquisition in Q4 2022**. As a result of the associated shift in the recognition of revenue, we are expecting our revenue growth target for 2022 to be at 25% (previously: 30% - 40%).

### Customers in Whistleblowing



### Revenue Cloud Products



The **sales activity of our partners** in the small and medium-sized enterprises sector (SMEs) is also expected to be **significantly stronger** once the law is transposed, as the majority of companies make purchase decisions shortly before and after the implementation of the Directive, which we expect in particular for Q4 2022 and HY1 2023. We expect our new customers target for 2022 to be around 1,000 new customers (previously: 2,500 – 3,500).

In the period of **January to September 2022** already **702 new SaaS customers** were acquired. The **total number of customers** increased significantly in the first nine months of 2022 to **4,786** (previous year: 3,817). At **5.4%**, the annualised **churn rate\*** was below previous year's level (previous year: 6.6%).

At the end of the first nine months of the year, the **"New ARR"** indicator stood at **€ 5.54 million** (previous year: € 5.91 million). With the adoption of the law in Germany, we expect a significant increase in the fourth quarter but assume now an amount of € 9 million (previously: € 11-16 million) for the FY 2022.

Based on the **recurring revenue of € 39.6 million** in 9M 2022, the **ARR growth** was **+14%**. The **share of recurring revenue** in total revenue increased significantly to **88%** (previous year: 86%) on account of the acquisitions and the above-average growth in the cloud products segment.

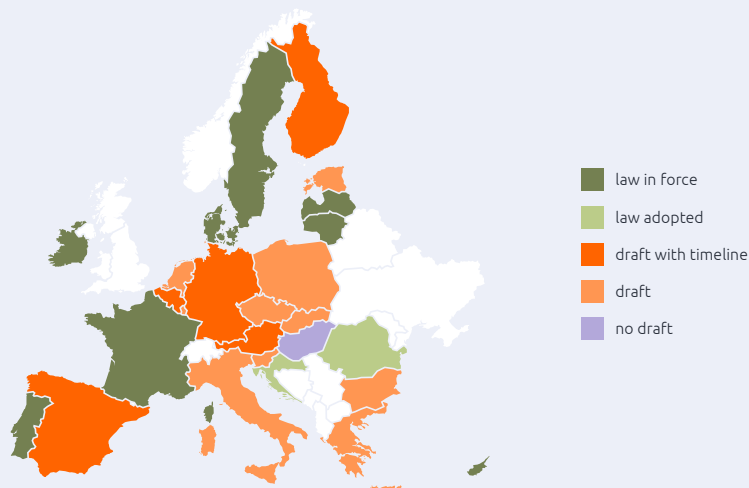
**EBITDA** increased by **+12%** to **€ 2.54 million** (previous year: € 2.27 million) and thus at the lower end of the expectation despite the delay in the transposition of the Whistleblower protection regulation in many EU-Countries. Due to the delay, **investments in marketing and sales were also lower** than planned. We expect EBITDA for the full year 2022 to be around € 6 million (previously: € 6-10 million).

In the first nine months of 2022, **development costs of € 1.69 million** were **capitalised** (previous year: € 1.70 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 income** for the Group as a whole in 9M 2022 stood at **€ 324 thousand** which is similar to the year before (previous year: € 321 thousand\*\*). The largest item here is the reduction of an earn out in connection with the purchase of Got Ethics A/S (€ 188 thousand).

\* Customers who have been inactive or were lost in the last 12 months compared to the beginning of the period

\*\* Previous year figures adjusted. Please refer to section 20.1.4 "Changes in presentation and reclassifications" in our Annual Report 2021.

## Status Quo: EU Whistleblower Directive



## Segments

Segments in 9M 2022	Compliance	YOY	Investor Relations	YOY
Revenue from cloud products	€ 22.27 million	73%	€ 7.49 million	9%
Revenue from cloud service	€ 8.12 million	6%	€ 7.09 million	-11%
SaaS customers	3,451	35%	2,662	15%
Filing customers (annual basis)	4,043	-5%		

### 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, BKMS, Policy Manager, Rulebook and Approval Manager. The goal is to offer in this segment also a **cloud platform**, the **Compliance COCKPIT**.

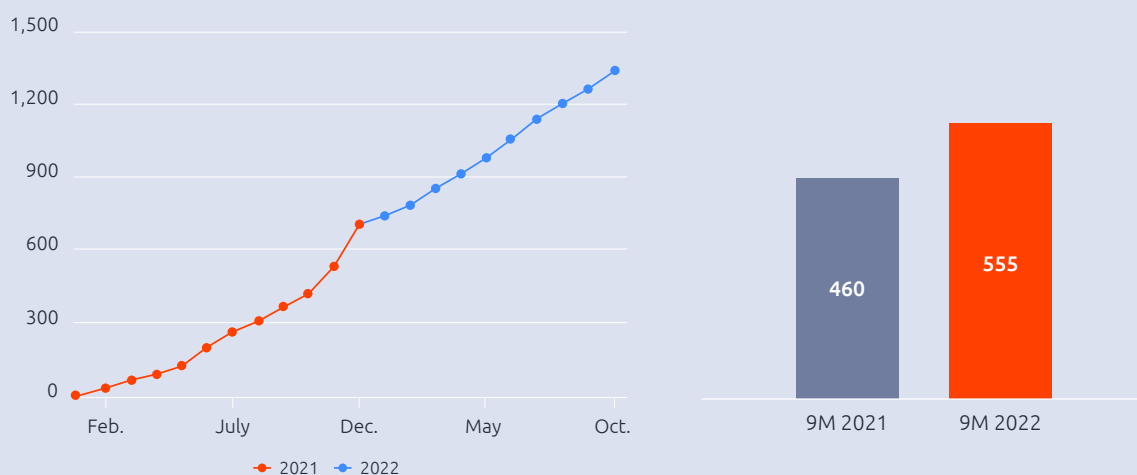
In addition, other **cloud services** are provided in the Filings (XML, ESEF) and LEI area. Since many of those customers do not necessarily use the COCKPIT, they are recognised separately.

In the **Compliance segment**, the **customer base** increased year-on-year by more than **35%** or 895 new customers to a total of **3,451 SaaS customers**. This also includes **263 customers**, which were added by the **takeover of Business Keeper** last year.

In the first nine months of 2022, **555 new SaaS customers** were won **for the whistleblower systems**. While EQS Group was able to further increase its direct customer acquisition, sales through partners **only started in Portugal and Denmark** in the first nine months of the year due to the pending national implementation of the European whistleblower directive. In view of the **draft law agreed upon by the German government in July 2022**, which is expected to enter into force before the end of 2022, we expect a **significant acceleration of customer acquisition** in the course of the fourth quarter.

As a result of strong customer acquisition and the takeover of Business Keeper GmbH, revenue in the **Compliance segment** rose significantly by **+48%** to **€ 30.39 million** (previous year: € 20.57 million). In the case of filing services for ESEF regulation revenue caught up in Q3. Therefore revenue increased in Compliance cloud services in 9M 2022 by +6% compared to last year.

## Newly acquired Customers Whistleblowing since 2021



## 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 as well as the newly developed Roadshow Manager. 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** decreased slightly by **-2%** to **€ 14.58 million** (previous year: € 14.82 million), and was thus below our expectations. While **cloud products grew** as planned due to IR COCKPIT subscription revenue, **no IPOs took place** on the capital markets clouded by inflation and the Ukraine war. This led to a double-digit **decline in cloud services**.

By 30 September 2022, **SaaS contracts** for the new **IR COCKPIT** were signed with **1,032 companies**. The **booked SaaS revenue** was € 4.75 million, up 26% compared to 9M 2021. The number of **new SaaS customers** increased by **350** to 2,662 compared to the previous year.

## Geographic development

<i>Geographic market in 9M 2022</i>	<b>Germany</b>	<i>YOY</i>	<b>International</b>	<i>YOY</i>
Revenue	<b>€ 31.95 million</b>	28%	<b>€ 13.02 million</b>	24%
SaaS customers	<b>2,073</b>	17%	<b>2,713</b>	29%

### Germany

Our **german business** achieved a **+28%** increase in revenue to **€ 31.95 million** in 9M 2022 (previous year: € 24.87 million) which includes a base effect of € 5.65 million from the acquisition of Business Keeper GmbH which is included in the Group's revenue from the time of their first-time consolidation (14 July 2021).

In the first nine months of 2022, **197 new SaaS customers** (excluding individual customers in LEI & Filing) **were added** in Germany. The number of new customers is thus lower than in the previous year (294). This is primarily due to the still pending implementation of the European Whistleblower Directive in Germany. Here we expect a **significant acceleration of customer acquisition** in the course of the fourth quarter of the year.

Taking into account the acquisition of Business Keeper GmbH and C2S2 GmbH, the **number of customers** increased to **2,073**. The churn rate was 5.6%. The above-average churn rate is in particular caused by the product area of press releases with regularly higher fluctuations. In contrast, the churn rate in the Whistleblowing sector is around 4%.

## International

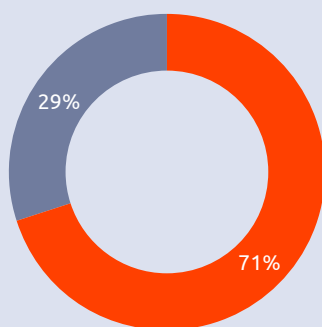
Our **international business** achieved a **+24%** increase in revenue to **€ 13.02 million** during the first nine months of 2022 (previous year: € 10.53 million) and was therefore slightly below our expectations. That was mainly due to the still missing adoption of the Whistleblower Directive in many countries.

In **the first nine months of 2022**, our foreign subsidiaries were able to acquire **505 new SaaS customers** (previous year: 300). The number of customers increased by **+29%** to **2,713**. This is based on an annualised churn rate of 5.3%. In 9M 2022, **401 new customers** were acquired for the field of **whistleblowing systems**.

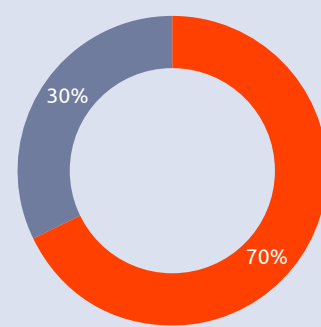
The **foreign share of revenue** in the first nine months of 2022 was **29%**, and thus slightly lower than in 9M 2021 (30%). The foreign share decreased due to the acquisition of Business Keeper GmbH and the associated first-time consolidation from July 2021.

Due to the Ukraine war, we have **stopped new business in Russia** and are currently only **continuing** our **contractual obligations**. We are not currently subject to any sanctions. With a revenue of **€ 831 thousand** (previous year: € 1.00 million) in the first nine months of 2022, the revenue share in the Group was **1.8%**. We are currently looking into various scenarios for the future (including continuation, sale, closure) and will decide depending on further political and economic developments.

Share of revenue 9M 2022




Share of revenue 9M 2021





Germany  
International

# EUROPEAN COMPLIANCE & ETHICS CONFERENCE 2022

  
**4,000 +**  
Attendees

  
**3,300 +**  
Companies

  
**140 +**  
Countries

  
**70 +**  
Speakers

## OVER 7,500 REGISTRATIONS



**Well done to everyone involved – it was a fabulous event and so much to think about. Looking forward to hearing what you have planned for 2023!**



**The best organized conference I have seen in 15 years of practice. TED Talks Level!**



**Thank you. - what a brilliant event - professionally organized and presented! WELL DONE!**



## Development of expenditure

The Group's **operating expenses** (cost of services, personnel expenses, other expenses and expenses from impairment loss of trade receivables) increased during the first nine months of 2022 by **+26%** to **€ 44.44 million** (previous year: € 35.14 million). The increase in operating expenses in the first nine months of the year, which is proportional to the revenue, is due in particular to the **acquisition of Business Keeper GmbH** in 2021 (first-time consolidation on 14 July 2021) as well as extensive **investments in marketing and sales** with a view to the implementation of the European Whistleblower Directive.

The largest expense item for the Group, **personnel expenses**, increased by **+29%** to **€ 28.83 million** (previous year: € 22.41 million). On average during the first nine months, the Group employed 583 people worldwide (previous year: 496).

In the reporting period, **cost of services** increased by **+17%** to **€ 6.52 million** (previous year: € 5.56 million). This is primarily due to the ESEF filing service, where the EQS Group purchases external services.

**Other expenses** rose by **+27%** to **€ 8.79 million** (previous year: € 6.91 million\*) and therefore proportionately to the growth in revenue. In addition to the expected increase in **expenses for marketing and sales**, the capital increase implemented in March in particular led to an increase in **one-time consulting expenses** of **€ 1.36 million** (previous year: € 1.38 million).

The **impairment losses of receivables**, which we have reported separately since 2021, increased to **€ 301 thousand** (previous year: € 266 thousand\*). This is due in particular to the Group requirements for a prudent valuation of receivables, which is now also applied to the portfolio of receivables of the acquired companies. We do not assume that these receivables will actually end up this high.

## Dashboard Compliance COCKPIT





In the first nine months of 2022, **EBITDA** stood at **€ 2.54 million** (previous year: € 2.27 million) and thus at the lower end of expectations. As a result of the delays in the law on Whistleblowers, the **investments in marketing and sales were lower** than planned.

**Depreciation** rose significantly by **+23%** to **€ 6.10 million** (previous year: € 4.98 million) due to the acquisition of Business Keeper GmbH. This includes amortisation of own cost capitalised amounting to € 688 thousand, amortisation of rights of use (IFRS 16) amounting to € 1.55 million and amortisation of customer bases and purchased software amounting to € 3.43 million. All acquired customer bases were amortised on a scheduled basis.

Accordingly, **EBIT** declined year-on-year to **€ -3.56 million** (previous year: € -2.71 million). The **financial result** decreased to **€ -919 thousand** (previous year: € -650 thousand) due to interest expense on loans. At the same time, exchange rate effects from foreign business led to financial income. Earnings before taxes (EBT) stood at € -4.48 million (previous year: € -3.36 million). The capitalisation of a surplus of deferred tax assets of € 2.82 million resulted, after a set-off with current tax expenses, in a tax income of € 2.34 million (previous year: tax income € 681 thousand). Accordingly, a **net loss** was disclosed in 9M 2022 of **€ -2.14 million** (previous year: € -2.68 million).

\* Previous year figures adjusted. Please refer to section 20.1.4 "Changes in presentation and reclassifications" in our Annual Report 2021.

## Development of net assets and financial position

As of 30 September 2022, **total assets** decreased slightly to **€ 183.82 million** (31/12/2021: € 186.84 million).

Compared to the end of the year, **intangible assets** decreased slightly as of 30 September 2022 at **€ 159.64 million** (31/12/2021: € 160.39 million). Intangible assets include acquired customer bases with a carrying amount of € 34.69 million as of 30 September 2022, which are amortised on a straight-line basis over a total term of 15 or 20 years, as well as software acquired against payment and internally developed software amounting to € 27.19 million. The goodwill amounts to € 97.76 million on the reporting date (31/12/2021: € 96.71 million). **Property, plant and equipments** decreased to **€ 5.67 million** (31/12/2021: € 7.35 million) due to depreciation according to IFRS 16.

Compared to the previous year, **trade accounts receivables** rose as of 30 September 2022 by **+14%** to **€ 6.58 million** (30/9/2021: € 5.77 million). Other current and non-current assets were at € 1.82 million (31/12/2021: € 1.95 million).

**Equity** increased significantly as of 30/9/2022 to **€ 113.72 million** (31/12/2021: € 70.24 million) as a result of the capital increase against cash contributions carried out in March 2022. The funds from the capital increase were mainly used for the partial repayment of a bank loan of Commerzbank AG and an interest-free vendor loan of € 17.00 million to finance the purchase of Business Keeper GmbH. The **equity ratio** increased accordingly to **62%** as of the balance sheet date (31/12/2021: 38%).

As of the reporting date, **cash and cash equivalents** have reduced accordingly to **€ 7.87 million** (31/12/2021: € 8.65 million) due to the debt repayment. **Current and non-current financial liabilities declined** significantly compared to the end of the year to **€ 37.13 million** (31/12/2021: € 83.02 million) due to regular and unscheduled repayments. Therefore, the **net debt** (cash and cash equivalents less financial debt) decreased to **€ 29.26 million** (31/12/2021: net debt of € 74.37 million). **Not including the lease liabilities** of € 4.44 million, the **net debt** was **€ 24.81 million** (31/12/2021: net debt of € 68.34 million).



EQS Group AG has restructured the acquisition loan of Commerzbank for the original amount of € 50 million for the acquisition of Business Keeper GmbH under the leadership of Commerzbank. In **October 2022**, the remaining part (€ 25 million) was **successfully refinanced** and extended by € 5 million to **€ 30 million** as long-term loan with installment repayment and adding Deutsche Bank and Kreissparkasse Biberach into the banking consortium.

**Trade accounts payable** remained stable at **€ 2.56 million** as of 30 September 2022 (30/9/2021: € 2.57 million\*). Provisions increased to € 280 thousand (30/9/2021: € 233 thousand\*). Employee benefits of € 1.94 million (30/9/2021: € 2.08 million\*) have been transferred to a separate balance sheet item since 31 December 2021. Advance payments from customers were higher on the balance sheet date than at the end of the year, so that contract liabilities increased to € 12.68 million (31/12/2021: € 9.98 million). Deferred tax liabilities decreased by € 13.84 million (31/12/2021: € 16.61 million) due to the excess of deferred tax assets.

Due to the still low level of revenue in foreign currencies (20%), which are mainly in hard currencies (CHF, DKK, GBP, HKD, USD) and are partly characterised by opposing developments, **no currency hedging transactions** are currently being used. All loans are also denominated in Euros. The Group uses short-term liquidity planning and rolling multi-year liquidity planning to **manage its liquidity**. A hedging was carried out by means of an **interest derivative** for the bank loan for the acquisition of Got Ethics A/S and Business Keeper GmbH which are subject to a variable interest rate.

\* Previous year figures adjusted. Please refer to section 20.1.4 "Changes in presentation and reclassifications" in our Annual Report 2021.

# Outlook 2022\*

New SaaS Customers

**1,000**



Revenue Growth

**25%**



New ARR

**€ 9 mln.**



EBITDA

**€ 6 mln.**



Net Promoter Score

**Stable**



Employee Satisfaction

**Constant Level**



\*Updated as of Sep. 30, 2022

# CONSOLIDATED FINANCIAL STATEMENTS

# Consolidated income statement from Jan. 1 to Sep. 30, 2022

	9M 2022 EUR '000	9M 2021 EUR '000
<b>Continuing business operations</b>		
Revenues	44,968	35,396
Other income	324	321 *
Own cost capitalised	1,688	1,697
Cost of Services	-6,524	-5,563
Personnel expenses	-28,827	-22,407
Other expenses	-8,785	-6,905 *
Expenses/income from valuation allowance for trade receivables	-301	-266 *
<b>EBITDA</b>	<b>2,543</b>	<b>2,272</b>
Depreciation & amortisation	-6,103	-4,981
<b>Operating result (EBIT)</b>	<b>-3,560</b>	<b>-2,709</b>
Financial income	1,703	232
Financial expenses	-2,622	-882
Net Financial Result	-919	-650
Earnings before tax (EBT)	-4,480	-3,359
Income taxes	2,337	681
<b>Group net income</b>	<b>-2,143</b>	<b>-2,678</b>
- thereof attributable to the owner of the company	-2,143	-2,673
- thereof attributable to non-controlling interests	-	-5
<b>Items that will be reclassified to the consolidated statement of comprehensive income in the future under certain conditions:</b>		
Currency translations	280	76
Revaluation IAS 19	-	-
Other comprehensive income	280	76
<b>Comprehensive income</b>	<b>-1,862</b>	<b>-2,602</b>
- thereof attributable to the owner of the company	-1,863	-2,596
- thereof attributable to non-controlling interests	1	-5
Earnings per share attributable to shareholders of the parent company (basic and diluted)	-0.22	-0.33

\* Previous year's figures adjusted. Please refer to section 20.1.4 "Changes in presentation and reclassifications" in our Annual Report 2021.

# Consolidated balance sheet as of Sep. 30, 2022

## Assets

	Sep. 30, 2022 EUR '000	Dec. 31, 2021 EUR '000
<b>Non-current assets</b>		
Intangible assets	61,881	63,675
Goodwill	97,755	96,711
Property, plant and equipments	5,673	7,351
Long-term financial assets	1,389	685
Other long-term assets	52	46
	<b>166,750</b>	<b>168,468</b>
<b>Current assets</b>		
Trade accounts receivables	6,576	7,018
Contract assets	426	78
Tax refund claims	138	278
Current financial assets	286	434
Other current assets	1,766	1,907
Cash and cash equivalents	7,874	8,653
	<b>17,066</b>	<b>18,369</b>
<b>Total assets</b>	<b>183,816</b>	<b>186,837</b>

## Equity and liabilities

	Sep. 30, 2022 EUR '000	Dec. 31, 2021 EUR '000
<b>Equity</b>		
Issued capital	10,024	8,659
Treasury shares	-3	-11
Capital surplus	107,003	63,140
Retained earnings	-3,564	-1,532
Other Reserves	263	-17
Non-controlling interests	1	-
	<b>113,724</b>	<b>70,240</b>
<b>Non-current liabilities</b>		
Long-term employee benefits	695	733
Non-current provisions	160	159
Non-current financial liabilities	5,792	9,927
Deferred tax liabilities	13,840	16,607
	<b>20,487</b>	<b>27,426</b>
<b>Current liabilities</b>		
Current provisions	120	33
Trade account payable	2,559	3,197
Contract liabilities	12,675	9,978
Current financial liabilities	31,338	73,095
Income tax liabilities	544	214
Short-term employee benefits	1,247	1,494
Other current liabilities	1,122	1,161
	<b>49,605</b>	<b>89,171</b>
<b>Total equity and liabilities</b>	<b>183,816</b>	<b>186,837</b>

# Consolidated statement of changes in equity from Jan. 1 to Sep. 30, 2022

	Issued capital EUR '000	Treasury shares EUR '000	Capital surplus EUR '000	Retained earnings EUR '000	Other Reserves EUR '000	Total EUR '000	Non-controlling interests EUR '000	Total equity EUR '000
<b>As of Jan. 1, 2021</b>	<b>7,525</b>	<b>-7</b>	<b>20,891</b>	<b>4,706</b>	<b>-171</b>	<b>32,944</b>	<b>-</b>	<b>32,944</b>
Capital increase	1,135	-	42,542	-50	-	43,627	-	43,627
Change of treasury shares	-	-4	-504	-	-	-508	-	-508
Share-based payment for employees	-	-	211	-	-	211	-	211
Initial consolidaton of subsidiaries	-	-	-	441	-	441	-	441
Group net income 2021	-	-	-	-6,629	-	-6,629	-	-6,629
Other comprehensive income 2021	-	-	-	-	154	154	-	154
<b>As of Dec. 31, 2021</b>	<b>8,659</b>	<b>-11</b>	<b>63,140</b>	<b>-1,532</b>	<b>-17</b>	<b>70,240</b>	<b>-</b>	<b>70,240</b>

	Issued capital EUR '000	Treasury shares EUR '000	Capital surplus EUR '000	Retained earnings EUR '000	Other Reserves EUR '000	Total EUR '000	Non-controlling interests EUR '000	Total equity EUR '000
<b>As of Jan. 1, 2022</b>	<b>8,659</b>	<b>-11</b>	<b>63,140</b>	<b>-1,532</b>	<b>-17</b>	<b>70,240</b>	<b>-</b>	<b>70,240</b>
Capital increase	1,365	-	43,672	-48	-	44,988	-	44,988
Change of treasury shares	-	8	-68	-	-	-60	-	-60
Share-based payment for employees	-	-	259	-	-	259	-	259
Adjustment of profit carried forward Subsidiaries previous year	-	-	-	154	-	154	-	154
Deconsolidation of subsidiaries	-	-	-	4	-	4	-	4
Group net income 9M 2022	-	-	-	-2,143	-	-2,143	1	-2,143
Other comprehensive income 9M 2022	-	-	-	-	281	281	-	281
<b>As of Sep. 30, 2022</b>	<b>10,024</b>	<b>-3</b>	<b>107,003</b>	<b>-3,564</b>	<b>263</b>	<b>113,724</b>	<b>1</b>	<b>113,724</b>

# Consolidated cash flow statement from Jan. 1 to Sep. 30, 2022

	9M 2022 EUR '000	9M 2021 EUR '000
<b>Operating Cash flow</b>		
Group earnings	-2,143	-2,678
Income tax recognized in profit or loss	-2,337	-653
Interest expenses(- Income) recognized in profit or loss	2,051	784
Loss/profit on disposals of property, plant and equipment recognized in profit or loss	1	-
Other non-cash expenses (- Income)	-1,089	282 *
Depreciation and amortisation on fixed assets	6,103	4,981
Change in provisions	18	-38 *
Change in trade receivables and other assets not attributable to investing or financing activities	742	-75
Change in trade accounts payable and other liabilities not attributable to investing or financing activities	948	-320 *
Income taxes paid on income and earnings	3	-206
<b>Cash flow from operating activities</b>	<b>4,297</b>	<b>2,077</b>
<b>Cash flow from investment activities</b>		
Purchase of property, plant and equipment	-263	-204
Proceeds from disposals of property, plant and equipment	1	-
Purchase of intangible assets	-1,944	-2,070
Proceeds from disposals of financial assets	-	- **
Payments for additions of financial assets	-15	- **
Cash outflows from the acquisition of consolidated companies and other business units less acquired cash and cash equivalents	-	-93,429
Proceeds from deconsolidated companies and other business units	4	-
<b>Cash flow from investing activities</b>	<b>-2,217</b>	<b>-95,703 **</b>
<b>Cash flow from financing activities</b>		
Cash payments to owners and minority shareholders (dividends, redemption of shares, other distributions)	-	- ***
Proceeds from additions to equity (capital increases)	44,988	35,969 ***
Cash payments for purchase of treasury shares as part of share-based payments	-78	-140 ***
Proceeds from sale of treasury shares as part of share-based payments	18	22 ***
Proceeds from (financial) loans	245	57,035
Cash payments for the repayment of (financial) loans	-45,339	-2,101
Proceeds from grants received	-	139
Cash outflows for the repayment of lease liabilities	-1,596	-1,331
Cash payments from loans issued	-372	-150 **
Proceeds from loans issued	58	33 **
Interest paid	-1,077	-838
Interest received	14	9
<b>Cash flow from financing activities</b>	<b>-3,139</b>	<b>88,647 **</b>
Change in cash funds from cash relevant transactions	-1,059	-4,979
Cash funds at the beginning of period	8,654	12,074
Change in cash funds from exchange rate movements	279	97
<b>Cash funds at the end of period</b>	<b>7,874</b>	<b>7,192</b>

\* Previous year's figures adjusted. Please refer to section 20.1.4 "Changes in presentation and reclassifications" in our Annual Report 2021.

\*\*/\*\* In the interests of better presentation of the investment and financial position, cash inflows and outflows from employee loans are reported in cash flows from financing activities from Q3/2022. Purchases and sales of treasury shares for the employee share ownership program are reported in separate lines within cash flows from financing activities from Q3/2022. The prior-year figures have been adjusted accordingly.

# Financial Calendar

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November 11, 2022	Publication quarterly statement (call-date Q3)
November 15, 2022	Munich Capital Markets Conference
November 28, 2022	German Equity Forum

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## Stock exchange data

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Share	<b>EQS Group AG</b>
WKN	<b>549416</b>
ISIN	<b>DE0005494165</b>
Ticker Symbol	<b>EQS</b>
Type of Shares	<b>Registered shares</b>
Sector	<b>ESG Tech</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>10,024,212 Units</b>
Amount of Nominal Capital	<b>10,024,212 Euro</b>
Designated Sponsor	<b>Baader Bank AG, Unterschleißheim</b>

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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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