



Quarterly Statement Q1 2025

At a Glance

Key Figures

€ million	2024 01/01/ – 31/03/	2025 01/01/ – 31/03/
Revenues	47.1	46.4
Managed Services	32.9	31.6
Consulting	14.2	14.8
Gross profit	8.2	8.9
Managed Services	7.1	6.9
Consulting	1.2	2.0
EBITDA	2.0	2.3
Depreciation and amortisation ^{1,2}	3.1	2.7
EBIT	(1.1)	(0.4)
Consolidated net income	(1.1)	(0.3)
Earnings per share ³ (in €)	(0.01)	0.00
Capital expenditure ⁴	0.7	0.5
Free cash flow	0.6	0.8
Net liquidity	39.1 ⁶	39.9 ⁷
Net liquidity per share (in €)	0.31 ⁶	0.32 ⁷
Shareholders' equity	94.6 ⁶	94.3 ⁷
Equity ratio (in %)	61.9 ⁶	62.3 ⁷
Xetra closing price ⁵ (in €)	0.57	0.80
Number of shares ⁵	124,579,487	124,579,487
Market capitalisation ⁵	71.0	99.7
Number of employees ⁵	1,109	1,118

¹ Including share-based remuneration.

² Including depreciation of right-of-use assets (IFRS 16).

³ Diluted and basic.

⁴ Not accounting for IFRS 16.

⁵ As of 31 March.

⁶ As of 31 December 2024.

⁷ As of 31 March 2025.

Our earnings and financial strength rose again in the first quarter of 2025 despite the ongoing weak economic backdrop. EBITDA improved by 15% to € 2.3 million.

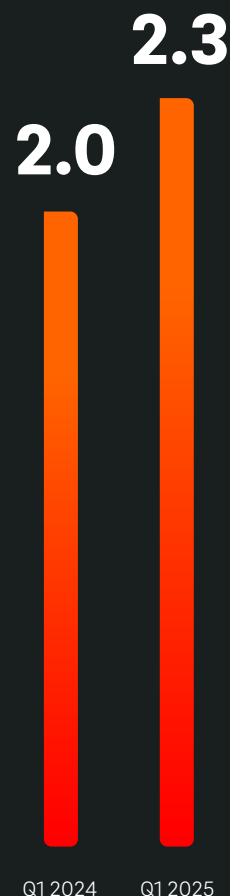
Gross profit

Quarterly gross profit rose year-on-year by € 0.7 million to € 8.9 million. The gross margin reached 19%.

Consolidated net income

This key figure improved by € 0.8 million to € -0.3 million in Q1 2025. Sustainably positive consolidated net income is planned for the full year.

EBITDA in € million



Summary of first quarter of 2025

Executive Summary

Greater earnings and financial strength in first quarter of 2025

Despite the ongoing weak economic backdrop in Germany, our company boosted its earnings strength in the first quarter of 2025 and can thus report a good start to the new financial year. Based on revenues of € 46.4 million (Q1 2024: € 47.1 million), quarterly EBITDA grew year-on-year by € 0.3 million to € 2.3 million; EBIT improved by € 0.7 million to € -0.4 million, and consolidated net income by € 0.8 million to € -0.3 million. The increase in the company's earnings strength was primarily driven by its focus on profitable solutions and services, as well as by the sustainable efficiency improvements resulting from consistent implementation of the "2025 Strategy". q.beyond's financial strength also grew again, with free cash flow rising from € 0.6 million in the first quarter of 2024 to € 0.8 million. Net liquidity at our company, which has no debt, now totals € 39.9 million, corresponding to € 0.32 per q.beyond share.

Business Performance

"2025plus Strategy" paves the way for profitable growth

q.beyond's growing earnings and financial strength documents the success of its far-reaching transformation over the past two years. Our company now has a focused business model, a lean organisational structure, and an effective go-to-market approach. The 2025plus Strategy presented in March 2025 will in particular raise our earnings strength further. The target here is to double the EBITDA margin from 5% at present to at least 10% in the medium term. As we become the IT service leader, we will particularly boost the technological skills critical to our success, such as artificial intelligence (AI) and security, among teams at our domestic and international locations, increasingly internationalise the customer business, and expand our sector expertise.

q.beyond's growing earnings and financial strength documents the success of its far-reaching transformation over the past two years.

Launch of AI platform from proprietary data centres

Our company is already acting decisively to seize the opportunities harboured by AI. In early April 2025, we began marketing "Private Enterprise AI", a customised solution for small and medium-sized companies that wish to exploit the full potential of AI but prefer not to store their sensitive company data in a public cloud. This internally developed platform provides a secure environment in which important company information can be processed in a protected and compliance-conformant manner. It offers all functionalities available in customary generative AI environments and large language models (LLM) and can be used both at q.beyond's high-security data centres and at customers' own data centres. Our company is one of the first providers to have an AI solution of this kind in Europe in its portfolio. That is a genuine competitive advantage and proof of our innovative strength.

q.beyond is one of Germany's TOP 100 innovators

The pioneering role played by our company in new developments is underlined by its ranking among Germany's "TOP 100" innovators. This competition analyses the innovative power of participating companies by reference to five categories: climate of innovation, innovative processes and organisation, innovation-friendly senior management, outward-looking/open innovation, and successful innovations. In this competition, q.beyond asserted itself against numerous other SMEs.

Rising share of nearshoring and offshoring activities boosts earnings strength

One core component of our strategy is the continuous expansion in nearshoring and offshoring activities. Our subsidiary logineer USA LLC launched operations in the first quarter of 2025. Our company and its subsidiaries now have four foreign locations on three continents – in Latvia, Spain, India, and the USA. The nearshoring and offshoring quota rose from 14% at the end of 2024 to 16% in the past quarter. By the end of the year, the share of employees working at our nearshoring and offshoring locations is set to rise to 20%.

16%

nearshoring and offshoring quota at the end of March. This is set to rise to 20% by the end of 2025.

Premature extension of Management Board contracts

At the end of March, the Supervisory Board decided to prematurely extend the contracts with the two members of the Management Board, Thies Rixen (CEO) and Nora Wolters (CFO), by three years in either case. It thus honoured their success in restructuring the company and repositioning it with a sector focus to the benefit of its customers. Thies Rixen has been CEO since April 2023. His contract now runs until 30 September 2028. Nora Wolters has been CFO since the beginning of 2023 and has now received a contract running until 31 December 2028.

Earnings Performance

Focus on profitable solutions and services pays off

Revenues amounted to € 46.4 million in the first quarter of 2025, compared with € 47.1 million in the previous year. This change reflects the company's focus on profitable solutions and services in agreement with its customers. Profitability has priority over growth. Of the company's revenues in the past quarter, 73% were of a recurring nature while 70% were attributable to the five focus sectors of retail, logistics, manufacturing, banking and insurance, and the public sector.

73%

share of recurring revenues in Q1 2025.

Cost of revenues fell year-on-year by € 1.4 million to € 37.5 million in the quarter under report. This line item has also been positively influenced by the company's growing efficiency. As a result, gross profit rose by € 0.7 million to € 8.9 million in the first quarter of 2025. The quarterly gross margin rose year-on-year by 2 percentage points to 19%.

Sales and marketing expenses amounted to € 3.4 million in the first quarter of 2025, as against € 2.9 million in the previous year. General and administrative expense fell to € 3.4 million, down from € 3.7 million in the first quarter of the previous year. Accounting for the other operating result of € 0.2 million (Q1 2024: € 0.4 million), EBITDA grew to € 2.3 million, compared with

€ 2.0 million in the first quarter of 2024. A customer insolvency requiring the recognition of an individual allowance of € 0.3 million prevented EBITDA from rising even further.

Depreciation and amortisation decreased year-on-year from € 3.1 million to € 2.7 million in the quarter under report. As a result, operating earnings (EBIT) improved by € 0.7 million to € -0.4 million in the first quarter of 2025. Quarterly consolidated net income rose year-on-year by € 0.8 million to reach € -0.3 million.

Earnings Performance by Segment

Managed Services generates stable margin of 22%

Revenues in the "Managed Services" segment stood at € 31.6 million in the first quarter of 2025, compared with € 32.9 million in the previous year's period. As outlined above, this change resulted from the discontinuation of less profitable business in agreement with the respective customers. Chiefly because of this, cost of revenues fell by € 1.2 million to € 24.6 million. Gross profit reached € 6.9 million, as against € 7.1 million in the previous year. The gross margin remained unchanged at 22%.

Consulting posts significant increase in margin to 14%

Revenues in the "Consulting" segment rose to € 14.8 million in the first quarter of 2025, up from € 14.2 million in the previous year. The focusing of sales activities on marketing the company's consulting and development services is having a

noticeable positive effect. In parallel, measures to enhance efficiency, above all to optimise team capacity utilisation, had an even more pronounced impact than in the previous year. Despite growing revenues, it was possible to reduce cost of revenues in the past quarter by € 0.2 million to € 12.8 million. This made it possible for gross profit to rise by € 0.8 million to € 2.0 million. The gross margin showed a significant improvement, rising from 8% in the first quarter of 2024 to 14%.

Financial and Asset Position

Net liquidity rises to € 39.9 million

Our company has no liabilities to banks and finances itself exclusively from its own liquidity. As of 31 March 2025, we had net liquidity of € 39.9 million compared with € 39.1 million as of 31 December 2024.

Based on our definition, free cash flow corresponds to the change in net liquidity excluding payments for acquisitions and distributions in the period under report. No such payments arose in the first quarter of 2025. Free cash flow amounted to € 0.8 million, as against € 0.6 million one year earlier.

€ 0.8 million

of free cash flow in Q1 2025.

Traditionally solid balance sheet

q.beyond traditionally has a solid balance sheet in which non-current assets are fully financed by equity. Total non-current assets rose from € 58.4 million at the end of 2024 to € 60.2 million as of 31 March 2025. This was chiefly due to increased leasing activities, with right-of-use assets rising to € 11.2 million as of 31 March 2025 (31.12.2024: € 8.4 million).

Total current assets decreased to € 91.3 million as of 31 March 2025, compared with € 94.5 million as of 31 December 2024. While liquid funds grew further, trade receivables fell to € 32.8 million as of 31 March 2025 (31.12.2024: € 35.2 million).

Equity ratio of 62%

As consolidated net income still remained marginally negative, equity decreased from € 94.6 million at the balance sheet date at the end of 2024 to € 94.3 million as of 31 March 2025. The equity ratio was unchanged at 62%.

Non-current liabilities rose by € 3.0 million compared with the 2024 balance sheet date to € 14.0 million, with this being due in particular to an increase in lease liabilities from € 4.6 million at the end of 2024 to € 7.8 million. Current liabilities decreased to € 43.1 million as of 31 March 2025, down from € 47.3 million at the end of 2024. Trade payables and other liabilities alone fell by € 6.1 million to € 27.4 million.

Opportunity and Risk Report

No material changes in opportunity and risk situation

There are currently no material changes compared with the opportunities and risks presented in the 2024 Annual Report. Just like other risks or erroneous assumptions, however, all of the risks listed there could lead future actual earnings to deviate from q.beyond's expectations. Unless they constitute historic facts, all disclosures in this unaudited quarterly statement represent forward-looking statements. They are based on current expectations and forecasts concerning future events and may therefore change over time.

Outlook

Significantly higher EBITDA of € 12 million to € 15 million planned for 2025

Following a good start to the year, we can confirm the full-year forecast for 2025 published at the beginning of March. We have planned for EBITDA to rise to between € 12 million and € 15 million, for sustainably positive consolidated net income, and for sustainably positive free cash flow built on revenues of between € 184 million and € 190 million. This outlook is based on the assumption that the German economy emerges from recession in the further course of the year. Consistent with the company's plans, revenues will rise in the second half of the year. By analogy with the past quarter,

having discontinued less profitable activities we expect revenues in the second quarter of 2025 to fall slightly short of the previous year's figure. Earnings, by contrast, should once again exceed the previous year's figure.

Further Information

About this quarterly statement

This document should be read in conjunction with the 2024 Annual Report, which can be found at [+ www.qbeyond.de/en/ir-publications](https://www.qbeyond.de/en/ir-publications). Unless they are historic facts, all disclosures in this quarterly statement constitute forward-looking statements. These are based on current expectations and forecasts concerning future events and may therefore change over time.

About q.beyond

q.beyond AG is the key to successful digitalisation. We help our customers find, implement, and operate the best digital solutions for their businesses. Our strong team of 1,100 specialists accompanies SMEs reliably as they tackle their digital transformation. Customers benefit here from our all-round expertise in cloud, applications, AI, and security. With locations across Germany and in Latvia, Spain, India, and the USA, as well as its own certified data centres, q.beyond is one of Germany's leading IT service providers.

Interim Consolidated Financial Statements

Consolidated Statement of Comprehensive Income (unaudited)

€ 000s	2025 01/01/ – 31/03/	2024 01/01/ – 31/03/
Revenues	46,397	47,110
Cost of revenues	(37,451)	(38,861)
Gross profit	8,946	8,249
Sales and marketing expenses	(3,368)	(2,903)
General and administrative expenses	(3,448)	(3,707)
Depreciation and amortisation (including share-based remuneration)	(2,711)	(3,102)
Other operating income	322	397
Other operating expenses	(123)	(40)
Operating earnings (EBIT)	(382)	(1,106)
Financial income	212	277
Financial expenses	(78)	(74)
Income from associates	-	(65)
Earnings before taxes	(248)	(968)
Income taxes	(83)	(144)
Consolidated net income	(331)	(1,112)
Other comprehensive income		
Line items that are not reclassified in the income statement		
Currency translation	(8)	1
Other comprehensive income after taxes	(8)	1
Total comprehensive income	(339)	(1,111)
Attribution of consolidated net income		
Owners of the parent company	(495)	(1,369)
Non-controlling interests	164	257
Attribution of consolidated net income	(331)	(1,112)
Attribution of total comprehensive income		
Owners of the parent company	(503)	(1,368)
Non-controlling interests	164	257
Attribution of total comprehensive income	(339)	(1,111)
Earnings per share (basic) in €	0.00	(0.01)
Earnings per share (diluted) in €	0.00	(0.01)

Consolidated Balance Sheet

€ 000s	31/03/2025 (unaudited)	31/12/2024 (audited)
ASSETS		
Non-current assets		
Property, plant and equipment	12,014	12,490
Land and buildings	15,046	15,225
Goodwill	13,720	13,720
Right-of-use assets	11,220	8,429
Other intangible assets	4,043	4,368
Trade receivables	1,375	1,375
Prepayments	1,086	1,208
Other non-current assets	1,648	1,616
Non-current assets	60,152	58,431
Current assets		
Trade receivables	32,848	35,218
Prepayments	7,025	9,384
Inventories	86	85
Other current assets	11,476	10,680
Cash and cash equivalents	39,852	39,088
Current assets	91,287	94,455
TOTAL ASSETS	151,439	152,886

Consolidated Balance Sheet

€ 000s	31/03/2025 (unaudited)	31/12/2024 (audited)
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Issued capital	124,579	124,579
Capital reserve	144,382	144,382
Other reserves	(783)	(775)
Accumulated deficit	(176,124)	(175,629)
Equity attributable to owners of parent company	92,054	92,557
Non-controlling interests	2,216	2,053
Shareholders' equity	94,270	94,610
Liabilities		
Non-current liabilities		
Lease liabilities	7,780	4,627
Other financial liabilities	2,253	2,254
Accrued pensions	2,129	2,191
Other provisions	898	898
Deferred tax liabilities	976	1,015
Non-current liabilities	14,036	10,985
Current liabilities		
Trade payables	27,434	33,457
Lease liabilities	3,719	4,081
Other financial liabilities	1,514	1,514
Other provisions	2,531	2,656
Tax provisions	4,867	4,812
Deferred income	3,068	771
Current liabilities	43,133	47,291
Liabilities	57,169	58,276
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	151,439	152,886

Consolidated Statement of Cash Flows (unaudited)

€ 000s	2025 01/01/ – 31/03/	2024 01/01/ – 31/03/
Cash flow from operating activities		
Earnings before taxes	(248)	(968)
Depreciation and amortisation of non-current assets	1,668	2,187
Depreciation of right-of-use assets (IFRS 16)	1,043	915
Other non-cash income and expenses	(77)	341
Profit from retirement of assets	-	(6)
Income taxes paid	(68)	-
Income taxes received	-	51
Interest received	205	273
Interest paid in connection with leases (IFRS 16)	(78)	(74)
Net financing income	(134)	(203)
Income from associates	-	65
Changes in provisions	(188)	(193)
Changes in trade receivables	2,452	3,789
Changes in trade payables	(6,959)	(808)
Changes in other assets and liabilities	4,886	(3,284)
Cash flow from operating activities	2,502	2,085
Cash flow from investing activities		
Payments for purchase of property, plant and equipment	(688)	(726)
Proceeds from sale of property, plant and equipment	-	9
Cash flow from investing activities	(688)	(717)
Cash flow from financing activities		
Repayments of convertible bonds	(1)	(1)
Repayments of lease liabilities	(1,044)	(762)
Cash flow from financing activities	(1,045)	(763)
Change in cash and cash equivalents due to changes in exchange rates	(5)	-
Change in cash and cash equivalents	764	605
Cash and cash equivalents as of 1 January	39,088	37,642
Cash and cash equivalents as of 31 March	39,852	38,247

Segment Reporting (unaudited)

€ 000s	Managed Services	Consulting	Group
01/01/ – 31/03/2025			
Revenues	31,564	14,833	46,397
Cost of revenues	(24,621)	(12,830)	(37,451)
Gross profit	6,943	2,003	8,946
Sales and marketing expenses			(3,368)
General and administrative expenses			(3,448)
Depreciation and amortisation (including share-based remuneration)			(2,711)
Other operating income			322
Other operating expenses			(123)
Operating earnings (EBIT)			(382)
Financial income			212
Financial expenses			(78)
Income from associates			-
Earnings before taxes			(248)
Income taxes			(83)
Consolidated net income			(331)

€ 000s	Managed Services	Consulting	Group
01/01/ – 31/03/2024			
Revenues	32,872	14,238	47,110
Cost of revenues	(25,820)	(13,041)	(38,861)
Gross profit	7,052	1,197	8,249
Sales and marketing expenses			(2,903)
General and administrative expenses			(3,707)
Depreciation and amortisation (including share-based remuneration)			(3,102)
Other operating income			397
Other operating expenses			(40)
Operating earnings (EBIT)			(1,106)
Financial income			277
Financial expenses			(74)
Income from associates			(65)
Earnings before taxes			(968)
Income taxes			(144)
Consolidated net income			(1,112)



expect the next

Calendar

Annual General Meeting
22 May 2025

Half-Year Financial Report 2025
11 August 2025

Quarterly Statement Q3 2025
10 November 2025

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