



KPS

HALF-YEAR-REPORT

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KPS

TO THE SHAREHOLDERS

**Ladies and Gentlemen, dear Shareholders,**

The first half of the 2024/2025 financial year continued to be characterized by a challenging economic environment and overall subdued demand in our core markets. Unlike the previous year, we were not affected by one-off special effects such as insolvencies during this period. Nevertheless, project postponements led to a decline in revenue compared to both our expectations and the previous year.

Our largest area, transformation projects, was particularly affected, falling short of both our expectations and the previous year's performance. To counteract this development, we have initiated targeted cost reduction measures.

We were able to significantly improve both EBITDA and EBIT compared to the previous year — even after taking into account the special effects from the prior year. Although the results were below our original plans, a positive trend is emerging. The development of earnings confirms that our strategic realignment towards a project portfolio with smaller volumes is beginning to show success. In the Nordics region, we have already successfully implemented our "Land and Expand" strategy, which is already making a noticeable contribution to revenue and earnings growth there.

In our digital business segment "Digital Customer Interaction" in the DACH region we also exceeded our targets by successfully acquiring new customers and achieved a remarkable business success. In the area of products and licenses, we likewise achieved pleasing results, exceeding both last year's levels and our expectations. Particularly noteworthy is the area of strategy consulting: while the first quarter was still impacted by project delays, we recorded a noticeable increase in revenue and earnings in the second quarter of the current financial year. This development confirms the sustainable recovery and growing momentum in this important business area.

From our perspective, the KPS Group is at the beginning of a solid business development. Initial progress in stabilizing our financial base is already evident. The challenging years behind us have proven the robustness and resilience of our business model. We are continuously and systematically expanding our technological expertise. Expansion and diversification beyond national borders remain a strategic focus of the KPS Group's future development, enabling us to continue responding successfully to changing market conditions.

We thank you for your trust during these challenging times and look forward to continuing our journey together with you in the future.

Unterföhring, in May 2025

The Executive Board

**Leonardo Musso**

## KPS IN THE CAPITAL MARKET IN THE FIRST HALF OF BUSINESS YEAR 2024/2025

### Share price development in the reporting period (1 October 2024 to 31 March 2025)

The KPS AG share recorded an overall decrease of 9.3 % in the first half of financial year 2024/2025. On 4 December 2024, the share reached its absolute low for the period under review at EUR 0.73. The share reached its high for the observation period of EUR 0.94 on 16 December 2024. The closing price on 31 March 2025 was EUR 0.78.

The average daily trading volume of the KPS share on all German trading venues was around 14,749 shares in the reporting period (previous year: 23,363 shares). The market capitalisation of KPS AG on 31 March 2025 was EUR 32.1 million based on 41,153,300 shares in circulation.

**Key data for the share**

Sector	Software (IT-Dienstleister)
ISIN	DE000A1A6V48
Securities Identification Number (WKN)	A1A6V4
Ticker symbol	KSC
First listing	14 July 1999
Number and rype of shares	41,153,300 registered no-par value ordinary shares (no-par shares)
Capital stock	EUR 41,153,300.00
Stock exchanges	Frankfurt, Stuttgart, Hamburg, Berlin-Bremen, Düsseldorf and Munich, and XETRA
Market segment	Regulated market
Transparency level	Prime Standard (from 21 May 2025: General Standard)
Designated Sponsor	Hauck & Aufhäuser Privatbankiers

**Overview of the share**

Opening price (1 October 2024)	EUR 0.89
High (16 December 2024)	EUR 1.05
low (4 Dezember 2024)	EUR 0.73
Closing price (31 March 2025)	EUR 0.78
Trading volume (01 October 2024 bis 31 March 2025, average trading volume)	14,749
Market capitalization (31 March 2025)	EUR 32.1 million

### Shareholder structure

Information based on voting rights notifications received in accordance with the German Securities Trading Act (WpHG) (as of 28 January 2018) and company information; free float as defined by Deutsche Börse with shares of less than 5 % of the share capital.

As at 31 March 2025, the shareholder structure of KPS AG was as follows: Michael Tsifidaris, Chairman of the Supervisory Board, holds 28.7 % of the shares in the company, while Leonardo Musso, CEO of KPS AG, holds 10.1 % of the shares. This means that 38.8 % of the voting shares are held by the current management of KPS AG. They will remain closely associated with KPS AG in the future as anchor shareholders and members of the governance bodies.

Former supervisory Board member Uwe Grünewald holds 9.7 % of the voting share capital. One private investor still holds 6.5 % of the voting rights as at 31 March 2025. The free float amounts to 45.0 %. KPS AG is in constant dialogue with current and potential investors and is striving to expand its shareholder base in a targeted manner.

### Financial calendar

08 May 2025	Publication of the figures for the half-year 2024/2025
30 May 2025	Ordinary Annual General Meeting in Munich

### Analysts' research

The performance of the KPS share is constantly analysed and evaluated by M.M.Warburg.

In its research published on 3 February 2025, Warburg issued a price target of 0.9 EUR (rating: hold) in its commentary on KPS.

### **Investor Relations**

In the first half of business year 2024/2025, KPS AG fulfilled the highest legal and stock exchange disclosure and transparency standards of the Regulated Market as part of its listing in the Prime Standard on the Frankfurt Stock Exchange. The company informed institutional investors, financial analysts and private shareholders without delay about the current development of the business and events of significance to the development of the company's share price.

In addition to publishing financial reports and company announcements in German and English, KPS's capital market communications also included conference calls for analysts to announce the quarterly, half-yearly and annual figures. In addition, the management of KPS has been and continues to be in regular personal dialogue with market participants and strives to carry out further IR activities beyond its legal obligations.

Engaging in direct exchanges with investors continues to be close to the management's heart, which is why, in addition to the conference calls on financial publications, direct discussions with investors and analysts are also held on a regular basis, either virtually or by telephone.

Hauck und Aufhäuser Privatbankiers AG acts as designated sponsor in the provision of binding bid and ask prices to ensure adequate liquidity and corresponding tradability of the KPS share.

### **Change of Stock Market Segment**

KPS AG has submitted an application for the revocation of the admission of its shares to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard) in order to switch to the General Standard.

The change of stock market segment gives the company the opportunity to reduce the additional expenses associated with the Prime Standard listing. The revocation of the admission of the shares to the Prime Standard will become effective at the close of 20 May 2025. The admission of KPS shares to the regulated market (General Standard) remains unaffected by the revocation.

Further information is available to interested investors in the Investor Relations section of the homepage at <https://kps.com/global/en/company/investor-relations/financial-publications.html>.



KPS

INTERIM MANAGEMENT  
REPORT

## 1. ECONOMIC REPORT

### 1.1 Macroeconomic development<sup>1</sup>

#### Global economic development

According to the International Monetary Fund (IMF) Economic Report, the global economy showed stable but disappointing growth in 2024. The World Economic Outlook, published in January 2025, highlighted regional disparities in economic performance for 2024: while the United States recorded robust growth of 2.7 %, China, India, the Euro area, and Japan reported weaker outcomes. Global disinflation continued, but progress stalled in some countries, particularly in the services sector, necessitating a cautious monetary policy easing.

The updated World Economic Outlook Summary from April 2025 emphasized the significant impact of recent developments on the forecasts released in January: new US tariffs and retaliatory measures from other countries in April 2025 have significantly tightened global trade conditions. As a result, global growth is now projected at 2.8 % for 2025 and 3.0 % for 2026. Risks to the global economy are clearly tilted to the downside and include the possibility of a further escalation of trade conflicts.<sup>2</sup>

#### Development in Europe

The Kiel Institute for the World Economy (IfW) describes economic growth in the euro area at the end of 2024 as subdued, with real GDP rising by only 0.2 %, below potential output. Private consumption weakened noticeably after being temporarily supported by special events such as the Olympic Games in the third quarter. Investment activity also declined, while both exports and imports slightly decreased. Industrial production fell by 1.1 % in December, significantly below early 2023 levels. Inflation decreased only slowly and stood at 2.4 % in February, driven mainly by rising food prices. The labor market shows initial signs of cooling, although the unemployment rate remains low overall. Particularly in the manufacturing and construction sectors, pessimistic employment expectations are emerging, indicating a likely slowdown in labor market dynamics in the coming months.

The European economy continues to suffer from structural weaknesses, reflected in very low productivity growth.

Overall, the economic development in the Eurozone remained uneven in the fourth quarter of 2024, with clear disparities among member states. While countries like Spain and Portugal experienced strong growth, Germany, France and other industrialized nations recorded declines or stagnating growth rates. France's GDP shrank slightly, partly due to the fading positive effects of the Olympic Games and increased political uncertainty. Italy's growth remained moderate, burdened by declining residential investment following the expiration of the "Superbonus" program. In contrast, Spain continued its strong growth momentum, driven by solid investment activity.

Newly introduced US tariffs and EU retaliatory measures have heightened uncertainty and could dampen future growth and investment. Although defense spending is expected to rise, it is likely to provide only a limited short-term economic stimulus in the euro area.<sup>3</sup>

#### Development in Germany

The German economy has recently shown very slow progress, marked by continued "stop-and-go" dynamics and a downward trend. In the fourth quarter of 2024, economic output fell by 0.2 %, with the

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<sup>1</sup>In the section on overall economic development, information on a quarter refers to the calendar year and not to the financial year of KPS (1 October – 30 September).

<sup>2</sup><https://www.imf.org/en/publications/weo>

overall annual figure for 2024 also showing a 0.2 % decline. The weak performance in the second half of the year was mainly due to a significant drop in exports, while private consumption stagnated. In contrast, government consumption and investment activities increased noticeably. Despite weak economic activity, consumer prices continued to rise strongly, particularly in the services sector, where the core inflation rate exceeded 3 % over the last two quarters. The GDP deflator rose by 3.1 % in 2024. The average unemployment rate in Germany was 6 % in 2024.<sup>4</sup>

## 1.2 Industry-specific framework conditions

According to the Federal Association of German Management Consultants (BDU), the business climate index for the German consulting industry rose slightly in the first quarter of 2025, following a year of continuous decline, and now stands at 87.6 points. Despite the still subdued overall mood, many consultancies believe that the bottom has been reached. 77 % of the companies expect a stable or improved business situation over the next six months.

The situation is viewed most positively by restructuring consultancies, strategy consultancies, and IT consultancies, while HR consultancies and organizational and process consultancies assess the situation less favorably. Strategy consultancies recorded the largest increase in the business climate index (+3.1 points), while restructuring consultancies, despite a slight decline, continue to lead with the highest index value (GCI: 105). Overall, there is a slightly positive trend, particularly among larger consultancies and specialized advisory firms.<sup>5</sup>

## 1.3 Business performance

In the first six months of financial year 2024/2025, the KPS Group achieved sales of EUR 64.7 million, which represents a decline of 14.7 % compared to the first half of 2023/2024 (EUR 75.9 million). The KPS Group recorded a demand situation in the area of transformation projects that remained subdued, in line with expectations. As previously explained, other business areas such as products and licenses and “Digital Customer Interaction” business developed positively. Additionally, the trend toward smaller project volumes continues, accompanied by a relatively slow recovery of the retail sector from stagnation.

The Group’s focus on cost reduction measures is being consistently pursued and is reflected in the development of the key cost drivers in the income statement: material expenses decreased by 19.8 % to EUR 21.5 million, personnel expenses fell by 15.8 % to EUR 32.3 million, and other operating expenses declined by 46.5 % to EUR 6.9 million.

EBITDA rose in the first six months of 2024/2025 to EUR 4.8 million (2023/2024: EUR -1.7 million). EBIT was EUR 1.9 million and thus significantly above the previous year’s figure (2023/2024: EUR -5.3 million).

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<sup>3</sup> <https://www.ifw-kiel.de/de/publikationen/weltwirtschaft-im-fruehjahr-2025-mehr-unruhe-hoehere-risiken-33905/>

<sup>4</sup> <https://www.ifw-kiel.de/de/publikationen/aktuelles/sondervermoegen-wuerde-konjunktur-kraeftig-anschieben/>

<sup>5</sup> [https://www.bdu.de/news/gki-01\\_25/](https://www.bdu.de/news/gki-01_25/)

### 1.3.1 Results of operations for the KPS Group

Income statement of the KPS Group in accordance with IFRS (abbreviated version)

in KEUR	2024/2025	2023/2024
Revenues	64,717	75,892
Own work capitalized	0	14
Other operating income	825	522
Cost of materials	-21,501	-26,806
Personnel expenses	-32,278	-38,327
Other operating expenses	-6,943	-12,980
Operating result before depreciation and amortization (EBITDA)	4,820	-1,686
Depreciation and amortization (M&A adjusted)	-2,767	-3,033
Operating result (EBIT) adjusted	2,053	-4,719
Amortization and depreciation (M&A related)	-156	-538
Operating result (EBIT)	1,897	-5,257
Financial result	-1,517	-1,644
Earnings before income taxes*	380	-6,916
Income tax**	-345	1,948
Earnings after income taxes	35	-4,953

\* corresponds to the result from ordinary activities

\*\*the tax rate for the 2021/2022 financial year was used to determine the tax burden for the first quarter of 2023/2024

#### Revenues

In the first half of 2024/2025, KPS experienced a decline in sales of 14.7 % as projected in the forecast. Sales thus totalled EUR 64.7 million compared to EUR 75.9 million in the first half of 2023/2024.

Sales in Germany in the reporting period totalled EUR 34.0 million. This means that 52.5 % of Group sales were generated in Germany. Outside Germany, sales declined by 21.1 % to EUR 30.7 million, primarily due to the significant decline in sales in the Scandinavian countries as well as in Belgium and the Netherlands. This decline is attributable to the completion of several large-scale projects that concluded during the 2023/2024 financial year. Overall, a gradual recovery in demand can be observed, although it coincides with the maturity phase of existing projects. As a result, the difference in revenue growth compared to the previous period has not yet been fully offset by new projects.

#### Own work capitalised

In the first half of business year 2024/2025, no own work was capitalized (previous year: EUR 14.0 thousand).

**Other operating income**

In the reporting period, as in the same period of the previous year, other operating income includes income from ancillary operating services. This includes subletting, recharges, income from the reversal of provisions and sales of tangible assets. Other operating income increased slightly to EUR 0.8 million (previous year: EUR 0.5 million). This effect is due to increased subletting of free working space at the Dortmund location.

**Cost of materials**

In the reporting period, cost of materials decreased by 19.8 % or EUR 5.3 million to EUR 21.5 million (previous year: EUR 26.8 million). Accordingly, the cost of materials ratio decreased in the reporting period compared to the previous year from 35.3 % to 33.2 %.

Expenses for external services fell by 23.3 % to EUR 20.0 million in the reporting period (previous year: EUR 26.0 million).

**Personnel expenses**

Personnel expenses were 15.8 % lower at EUR 32.3 million in the reporting period (previous year: EUR 38.3 million). The personnel expense ratio remained almost unchanged at 49.9 % (previous year: 50.5 %). As at 31 March 2025, the KPS Group had 547 employees (same reporting date in the previous year: 637).

**Other operating expenses**

Other operating expenses decreased by 46.5 % to EUR 6.9 million (previous year: EUR 13.0 million). They mainly include travel and vehicle costs, non-project-related external services and operating costs. The decrease in other operating expenses is primarily attributable to special effects in the previous year, in particular to unplanned write-downs of receivables resulting from the insolvencies of the customers KaDeWe and The Body Shop.

In the current reporting half-year, no unplanned impairments or other burdensome special effects were recorded.

**Depreciation and amortisation**

Depreciation of property, plant and equipment and amortisation of intangible assets amounted to EUR 2.9 million, under the level of the same period in the previous year (EUR 3.6 million).

Depreciation and amortisation includes IFRS 16 ("Leasing") related depreciation and amortisation of EUR 2.1 million (previous year: EUR 2.4 million) and M&A-related depreciation and amortisation of EUR 0.2 million (previous year: EUR 0.5 million).

**Financial result**

The financial result of the Group in the first half of business year 2024/2025 was EUR - 1.5 million (previous year: EUR - 1.6 million). The main reason for this development is the risen interest rate over the last two years, which has led to high interest charges on existing short-term money market loans.

**Earnings after income taxes**

KPS achieved earnings after taxes of EUR 35 thousand compared to EUR -5.0 million in the same period of the previous year.

**EBIT**

KPS generated EBIT of EUR 1.9 million in the reporting period. EBIT was significantly above the same period of the previous year (previous year: EUR -5.3 million). The EBIT margin was 2.9 % compared to the negative margin of -6.9 % in the first half of 2023/2024.

**Earnings per share**

Diluted as well as undiluted earnings per share amounted to EUR 0.00 in the first half of business year 2024/2025 compared to EUR -0.12 the previous year.

**1.4 Total assets and capital structure of the KPS Group (abbreviated version)**

in KEUR	31.03.2025	30.09.2024
Non-current assets	86,902	87,748
Current assets	37,917	39,856
<b>Total assets</b>	<b>124,819</b>	<b>127,604</b>
Shareholders equity	48,610	48,397
Non-current liabilities	20,451	18,398
Current liabilities	55,759	60,808
<b>Total liabilities</b>	<b>76,209</b>	<b>79,207</b>
<b>Total shareholders equity and liabilities</b>	<b>124,819</b>	<b>127,604</b>

**Value-based Group controlling**

A monitoring and controlling system is in place at KPS Group that is aimed at increasing the value of the entire Group. Targets are derived from the system and defined for the individual segments and the Group company. Controlling is managed at the Group level and implemented via the segments down to the individual profit centre levels. Periodic controlling is carried out on the basis of the international accounting and valuation principles. Besides sales and EBITDA, specific segment and profit centre indicators are used as measures of performance in controlling.

**Financial position and investments**

Financial management at KPS is fundamentally aimed at ensuring the company's liquidity at all times. It comprises capital structure, cash and liquidity management.

With the results generated in the half year under review as well as the solid balance sheet structure as at 31 March 2025, we have succeeded in providing sufficient liquid funds for the continued operation of KPS.

As at the reporting date of 31 March 2025, cash and cash equivalents amounted to EUR 8.8 million and were thus above the figure as at 30 September 2024 (EUR 12.1 million). There were liabilities to banks in the amount of EUR 31.8 million (30 September 2024: EUR 29.6 million). This results in direct net financial debt calculated on the basis of cash and cash equivalents less liabilities to banks of EUR 22.9 million as at 31 March 2025 (30 September 2024 : EUR 17.6 million).

Cash flow from operating activities in the first half of business year 2024/2025 was EUR -1.8 million compared to EUR -1.1 million the previous year. The main reason for the decline is the increase in taxes paid.

Cash flow from investing activities in the reporting period 2024/2025 amounted to EUR -0.1 million (previous year: EUR -1.3 million). The decrease in cash outflows from investing activities is primarily due to the cash outflows for investments as part of company acquisitions (purchase price payments) in the previous period.

Cash flow from financing activities amounted to EUR -1.4 million in the first half of the year (same period of the previous year: EUR 6.5 million). The amount for the previous period includes the capital increase carried out in the 2023/2024 financial year.

Cash and cash equivalents amounted to EUR 8.8 million as of the reporting date 31 March 2025, compared to EUR 11.1 million as of the reporting date of the previous year end (31 March 2024).

#### **Asset position**

Total assets at the end of the reporting period 31 March 2025 amounted to EUR 124.8 million, which represents a slight increase of 2.2 % (EUR -2,8 million) compared to the reporting date 30 September 2024.

#### **Development of assets**

As at the reporting date of 31 March 2025, non-current assets amounted to EUR 86.9 million (reporting date 30 September 2024: EUR 87.7 million). The right-of-use assets included in this amount from the capitalisation of leases amounted to EUR 19.2 million (30 September 2024: EUR 19.3 million). Non-current assets also include goodwill from company acquisitions by KPS in the amount of EUR 52.3 million (30 September 2024: EUR 52.3 million) and intangible assets in the amount of EUR 7.2 million (September 2024: EUR 7.8 million). Non-current assets accounted for 69.6 % of total assets at the end of the reporting period (30 September 2024: 68.8 %).

Current assets in the amount of EUR 37.9 million as at the reporting date of 31 March 2025 primarily consist of trade receivables and contract assets totalling EUR 22.9 million (30 September 2024: EUR 21.8 million) and cash and cash equivalents amounting to EUR 8.8 million (30 September 2024: EUR 12.1 million).

#### **Development of equity**

The equity of the KPS Group increased by EUR 0.2 million compared to the reporting date 30 September 2024 and amounted to EUR 48.6 million as at 31 March 2025 (30 September 2024: EUR 48.4 million). The company's Articles of Association contain Authorised Capital 2021, which authorises the Executive Board to increase the company's share capital with the approval of the Supervisory Board by up to a nominal amount of EUR 14,964,850.00 in return for cash and/or non-cash contributions by issuing up to 14,964,850 new no-par value registered shares (no-par value shares) on one or more occasions by 20 May 2026 (Authorised Capital 2021).

The equity ratio at the end of the reporting period on 31 March 2025 was 38.9 % compared to 37.9 % on 30 September 2024.

#### **Development of liabilities**

As at 31 March 2025, non-current liabilities increased by EUR 2.1 million to EUR 20.5 million compared to 30 September 2024. At EUR 14.1 million (30 September 2024: EUR 14.0 million), the largest part within non-current liabilities was non-current lease liabilities. Besides non-current lease liabilities, non-current liabilities include bank loans in the amount of EUR 1.9 million (30 September 2024: EUR 0.0 million) as well as a shareholder loan of EUR 1.5 million (30. September 2024: EUR 1.5 million).

Current liabilities decreased by EUR 5.0 million compared to the reporting date 30 September 2025 to EUR 55.8 million (30 September 2024: EUR 60.8 million) compared to 30 September 2024. The main reason for this development is the decrease in other liabilities and income tax liabilities.

Trade payables amounted to EUR 6.9 million as at the reporting date (30 September 2024: EUR 6.9 million). Current financial liabilities remained unchanged by EUR 29.8 million (30.09.2024: EUR 29,6 million).

### **1.5 Alternative performance measures**

KPS AG uses alternative performance measures (APMs) that are not defined in accordance with IFRS as part of its regular and mandatory publications. The definitions of the alternative performance measures have been made publicly available on the website at <https://kps.com/global/en/company/investor-relations.html>.

### **1.6 Employees**

#### **Supplementary report on personnel**

Our employees impress our clients with their in-depth specialised knowledge and outstanding commitment to performance. This requires a high level of professional qualification as well as continuous training of our employees. We also apply these standards when recruiting new staff. Our main guiding principles are the best possible customer orientation, a pronounced willingness to perform, safeguarding and improving our quality standards, and a positive working environment.

As at 31 March 2025, the KPS Group employed 547 people. As at the reporting date 30 September 2024, the number of employees was 577 and as at the reporting date 31 March 2024, 637.

In Germany, KPS employed 346 people (30 September 2024: 365). This represents a share of 63.3 % (30 September 2024: 63.3 %) in the overall Group.

**Employees at the KPS Group**

	31.03.2025	30.09.2024	Change
<b>Employees by region</b>			
Germany	346	365	-19
Spain	85	87	-2
Great Britain	82	86	-4
Denmark	11	13	-2
Switzerland	2	2	0
Austria	0	0	0
Sweden	3	3	0
Norway	3	6	-3
Netherlands	4	3	1
Belgium	11	12	-1
<b>Total</b>	<b>547</b>	<b>577</b>	<b>-30</b>
<b>Employees by function</b>			
Executive Board	1	1	0
Managing Directors	10	10	0
Consultants	430	453	-23
Administration	99	106	-7
Apprentices	7	7	0
<b>Total</b>	<b>547</b>	<b>577</b>	<b>-30</b>

Besides the Managing Directors mentioned in the table above, the Executive Board member of KPS AG, Leonardo Musso, has also been appointed Managing Director (in total of thirteen companies). Thus, eleven persons are active as Managing Directors in the KPS Group as at 31 March 2025.

**1.7 Supplementary Report****Reportable events**

No reportable events or changes have occurred up until the date of preparation of this Group Management Report that affect the Group's situation as conveyed in these Consolidated Financial Statements for the reporting period 1 October 2024 to 31 March 2025.

**Changes in the asset, financial and earnings positions**

No events of particular significance have occurred since 31 March 2025 that are expected to have an impact on the asset, financial or earnings positions of the situation presented in the Consolidated Financial Statements for the reporting period 1 October 2024 to 31 March 2025.

**Executive Board's assessment of the development in the reporting period 1 October 2024 to 31 March 2025**

In the first six months of the business year 2024/2025, the KPS Group generated sales amounting to EUR 64.7 million. This corresponds to a decline of 14.7 % compared to the first half of 2023/2024 (EUR 75.9 million). The main reason for this development is the continued reluctance to invest in the retail sector, particularly with regard to transformation projects. The financial result is estimated to be at the lower end of the published revenue forecast and reflects the ongoing caution in an overall challenging market environment.

**Executive Board's assessment of developments for the period after 1 April 2025**

Demand from new customers is developing positively, creating expectations that the revenue decline can be partially offset by new projects. In the first half of the year further measures to improve efficiency and reduce costs were advanced in order to achieve a satisfactory result despite the decline in revenue.

## 2. OPPORTUNITY AND RISK REPORT

The economic development in Germany as well as in our most important European markets and the resulting change in investment behaviour have a major impact on the financial and earnings position as well as the net assets of the KPS Group. As part of our research activities, we regularly evaluate studies and forecasts by economic institutes in order to obtain the necessary overview of the probable development of the economy in the markets relevant to us.

For the presentation and assessment of further individual risks, we refer to the detailed report in the 2024/2025 Annual Report.

## 3. FORECAST REPORT

### 3.1 Macroeconomic forecast

After a prolonged period of severe disruptions, the global economy initially showed signs of stabilization with weak but steady growth. However, the situation has since deteriorated as governments worldwide have reordered their policy priorities and uncertainties have increased significantly. Forecasts for global growth have been significantly revised downward compared to the January 2025 edition of the World Economic Outlook, mainly due to historically high tariffs and an unpredictable environment. The outlook is dominated by the risk of further deterioration, driven by escalating trade tensions and adjustments in financial markets. An escalation of the trade war and declining international cooperation could severely impact both short- and long-term growth prospects.<sup>6</sup>

### 3.2 Forecast for the European economy

Since 12 March 2025, the United States has imposed additional tariffs of 25 % on steel and aluminum products, to which the EU Commission responded with retaliatory tariffs on US goods effective April 1, 2025. The direct effects of these measures on EU production and consumer prices are expected to remain limited due to the relatively small volume of affected trade. However, the risk of an escalation of the trade conflict is increasing, particularly concerning key export goods such as automobiles and pharmaceutical products. Countries with a high share of industry and strong export orientation towards the United States, such as Germany and Italy, would be particularly affected. Initial negative impacts on business expectations are already evident in the Purchasing Managers' Indices (PMIs). Further tariffs could not only dampen economic activity but also noticeably influence inflation in Europe. At the same time, many euro area countries are increasing their defense spending due to the new security policy situation, although only limited short-term economic effects are expected. Germany and France could benefit more strongly from this development, while new credit guarantees totaling EUR 150 billion and amendments to European fiscal rules are planned to finance these expenditures.<sup>7</sup>

### 3.3 Forecast for the German economy

According to the current forecast, the German economy will continue to stagnate in 2025, mainly due to structural weaknesses and the burdens caused by the protectionist trade policy of the United States. A noticeable economic recovery is not expected until 2026, when GDP is projected to grow by 1.5 %. A major contribution to this is expected from an expansive fiscal policy with increased government spending and investments, which should stimulate economic activity. After several years of decline, a turnaround in investment activity is also forecasted, supported by a less restrictive monetary policy and additional government incentives. Private consumption, however, is expected to grow only weakly this year, as demographic developments increasingly limit labor force growth. The general government deficit is

<sup>6</sup> <https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024>

<sup>7</sup> <https://www.ifw-kiel.de/de/publikationen/weltwirtschaft-im-fruehjahr-2024-dynamik-bleibt-verhalten-32633/>

expected to rise to 3.4 % of GDP in 2026, after standing at 2.3 % in 2025, which would push the debt level to around 65.4 % of GDP. Export prospects remain subdued, particularly due to new US tariffs and heightened uncertainty in international trade. Inflation is also expected to ease only slowly, as the services sector continues to exert upward pressure on prices. Overall, the economic momentum remains weak, and the hoped-for recovery in 2026 will depend heavily on government impulses and an improvement in external economic conditions.<sup>8</sup>

### 3.4 Industry-specific forecast

According to the Federal Association of German Management Consultants (BDU), most consultancies believe that the bottom of the downturn has been reached. Restructuring consultancies are developing particularly positively, leading both in terms of the current situation and business expectations. Strategy consultancies and IT consultancies are also experiencing an upswing in sentiment, whereas HR consultancies and organizational and process consultancies show somewhat weaker results. The largest gains in the business climate index were recorded among strategy consultancies, while restructuring consultancies continue to hold the top position despite a slight decline. Consultancies with revenues between EUR 10 million and EUR 50 million are particularly optimistic about the future, while smaller consultancies are seeing a slight decline in business climate sentiment. Larger consulting firms also show moderate improvements. Overall, current developments indicate a gradual recovery in the consulting sector, although momentum remains modest.<sup>9</sup>

### 3.5 Forecast for financial year 2024/2025

In the first half of the 2024/2025 financial year, demand in KPS AG's key target industries has remained subdued, although there is a cautiously optimistic trend. The business climate in the retail sector – a central segment for KPS – has slightly improved but remains at a low level overall. As a result, a noticeable market recovery has not yet materialized. Revenue development remains within the communicated forecast range but is moving toward the lower end of the range. Although KPS has recorded increasing demand from new customers, this is currently not sufficient to fully offset declining revenues.

The forecast is based on the facts known at the time of preparation and on assumptions about future economic and business developments. Unforeseeable changes in the anticipated economic conditions affecting the current order backlog or other external or internal factors could negatively impact revenue and earnings expectations, meaning that the estimates presented in this report might not be achieved.

Unterföhring, May 2025  
The Executive Board

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<sup>8</sup> Ibid.

<sup>9</sup> <https://www.bdu.de/news/prognose-umsaetze-steigen-in-2024-auf-mehr-als-50-milliarden-euro/>



KPS

INTERIM FINANCIAL  
STATEMENTS

**KPS AG Group Interim Financial Statements in accordance with IFRS**  
**INCOME STATEMENT**  
**For the period from 1 October 2024 to 31 March 2025**

in KEUR		2024/2025	2023/2024
1	Revenues	64,717	75,892
2	Own work capitalized	0	14
3	Other operating income	825	522
4	Cost of materials	-21,501	-26,806
5	Personnel expenses	-32,278	-38,327
6	Other operating expenses	-6,943	-12,980
<b>7</b>	<b>Operating result before depreciation and amortization (EBITDA)</b>	<b>4,820</b>	<b>-1,686</b>
8	Depreciation and amortization (M&A adjusted) *	-2,767	-3,033
<b>9</b>	<b>Operating result (EBIT) adjusted *</b>	<b>2,053</b>	<b>-4,719</b>
10	Depreciation and amortization (M&A related)	-156	-538
<b>11</b>	<b>Operating result (EBIT)</b>	<b>1,897</b>	<b>-5,257</b>
12	Financial income	16	18
13	Financial expenses	-1,533	-1,662
<b>14</b>	<b>Financial result</b>	<b>-1,517</b>	<b>-1,644</b>
<b>15</b>	<b>Earnings before income taxes **</b>	<b>380</b>	<b>-6,901</b>
16	Income tax	-345	1,948
<b>17</b>	<b>Earnings after income taxes</b>	<b>35</b>	<b>-4,953</b>
	Number of shares in thousands - basic/diluted weighted average	41,153	41,153
<b>in euros</b>			
<b>Earnings per share</b>			
	– basic	0.00	-0.12
	– diluted	0.00	-0.12

\* adjusted by depreciation and amortization on the assets disclosed as part of company mergers and on the acquired customer relationships (M&A related)

\*\* corresponds to earnings from ordinary activities

**KPS AG Group Interim Financial Statements in accordance with IFRS**  
**COMPREHENSIVE INCOME STATEMENT**  
**for the period from 01 October 2024 to 31 March 2025**

in KEUR	31.03.2025	31.03.2024
Earnings after income taxes	-4,987	-4,953
Actuarial gains and losses arising from defined benefit pension commitments and similar obligations	0	0
Foreign currency translation adjustment for foreign subsidiary companies	162	110
<b>Comprehensive income</b>	<b>-4,825</b>	<b>-4,843</b>

**INDICATORS FOR THE INCOME STATEMENT**

in KEUR	31.03.2025	31.03.2024
Revenues	64,717	75,892
EBITDA	4,820	-1,701
EBITDA margin	7.4%	-2.2%
EBIT	1,897	-5,272
EBIT margin	2.9%	-6.9%

**KPS AG Consolidated Financial Statements in accordance with IFRS**  
**GROUP BALANCE SHEET**  
as of 31 March 2025

**ASSETS**

in KEUR	31.03.2025	30.09.2024
<b>ASSETS</b>		
<b>A. NON-CURRENT ASSETS</b>		
I. Property, plant and equipment	1,412	1,518
II. Goodwill	52,303	52,303
III. Other intangible assets	7,188	7,850
IV. Rights of use from leasing contracts	19,181	19,259
V. Deferred tax assets	6,818	6,818
	<b>86,902</b>	<b>87,748</b>
<b>B. CURRENT ASSETS</b>		
I. Contractual assets	287	342
II. Trade receivables	22,606	21,409
III. Other receivables and financial assets	3,738	3,367
IV. Entitlements to income tax rebates	2,497	2,657
V. Cash and cash equivalents	8,789	12,080
	<b>37,917</b>	<b>39,856</b>
<b>Total assets</b>	<b>124,819</b>	<b>127,604</b>

**KPS AG Consolidated Financial Statements in accordance with IFRS**  
**GROUP BALANCE SHEET**  
as of 31 March 2025

**LIABILITIES AND SHAREHOLDERS' EQUITY**

in KEUR	31.03.2025	30.09.2024
<b>A. SHAREHOLDERS EQUITY</b>		
<b>Share in equity attributable to shareholders of KPS AG</b>		
I. Subscribed capital	41,153	41,153
II. Capital reserve	-8,720	-8,884
III. Retained earnings	663	663
IV. Other comprehensive income	492	478
V. Group net profit	15,022	14,987
<b>Total equity</b>	<b>48,610</b>	<b>48,397</b>
<b>LIABILITIES</b>		
<b>B. NON-CURRENT LIABILITIES</b>		
I. Non-current provisions	1,234	1,229
II. Other non-current liabilities	0	0
III. Non-current financial liabilities	3,448	1,502
IV. Non-current leasing liabilities	14,083	13,993
V. Deferred tax liabilities	1,686	1,674
	<b>20,451</b>	<b>18,398</b>
<b>C. CURRENT LIABILITIES</b>		
I. Trade liabilities	6,870	6,935
II. Financial liabilities	29,820	29,643
III. Contract liabilities	514	608
IV. Other provisions	10,465	11,259
V. Other liabilities	4,077	7,249
VI. Current leasing liabilities	4,013	4,203
VII. Income tax liabilities	-1	911
	<b>55,759</b>	<b>60,808</b>
<b>Total liabilities</b>	<b>76,209</b>	<b>79,207</b>
<b>Total shareholders equity and liabilities</b>	<b>124,819</b>	<b>127,604</b>
<b>Equity ratio</b>	<b>38.9%</b>	<b>37.9%</b>

**KPS AG Group Interim Financial statements in accordance with IFRS**  
**CONSOLIDATED CASH FLOW STATEMENT**  
**for the period from 1 October 2024 to 31 March 2025**

in KEUR	31.03.2025	31.03.2024
<b>A. Current business operations</b>		
Earnings before interest and income tax (EBIT)	1,897	-5,257
Depreciation of fixed assets	2,923	3,571
Change in current assets	-1,513	7,453
Change in provisions	-790	-3,172
Other non-cash expenses and income	64	229
Change in other liabilities	-3,332	-4,138
Losses from asset disposals	2	190
Taxes paid	-1,083	58
<b>Cash inflow/outflow from current business operations</b>	<b>-1,832</b>	<b>-1,066</b>
<b>B. Investment activities</b>		
Investments in property, plant and equipment	-106	-85
Investments in intangible assets	0	-18
Investments in the acquisition of Infront Consulting & Management GmbH	0	0
Investments in the acquisition of KPS digital Ltd.	0	-1,197
Investments in the acquisition of Graphyte B.V.	0	0
Interest received	16	18
<b>Cash inflow/outflow from investment activities</b>	<b>-90</b>	<b>-1,282</b>
<b>C. Financial activities</b>		
Interest paid	-1,568	-927
Interest paid leasing liabilities	-139	-91
Cash receipts from taking out loans	33,268	34,100
Payments for the settlement of loans	-31,145	-28,266
Payments for the settlement of leasing liabilities	-1,785	-2,607
Capital increase	0	4,302
<b>Cash inflow/outflow from financial activities</b>	<b>-1,369</b>	<b>6,511</b>
<b>D. Net change in cash funds</b>	<b>-3,291</b>	<b>4,163</b>
<b>E. Cash funds at the beginning of the period</b>	<b>12,080</b>	<b>6,900</b>
<b>F. Consolidation-related change in cash funds</b>	<b>0</b>	<b>0</b>
<b>G. Cash funds at the end of the period</b>	<b>8,789</b>	<b>11,063</b>

**Composition of cash and cash equivalents in the consolidated cash flow statement**

in KEUR	31.03.2025	30.09.2024
Cash in hand and bank balances	8,789	12,080
Cash funds	8,789	12,080

**KPS AG CONSOLIDATED FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AT KPS - IFRS**

in KEUR	Subscribed capital	Treasury shares	Total of subscribed capital	Capital reserve	Retained earnings OCI	Accumulated other comprehensive income			Equity
						Currency translation differences	Pension commitments	Group net profit	
<b>30.09.2023</b>	<b>37,412</b>	<b>0</b>	<b>37,412</b>	<b>-9,897</b>	<b>663</b>	<b>-344</b>	<b>784</b>	<b>38,358</b>	<b>67,184</b>
Disposal of treasury shares	0	0	0	0	0	0	0	0	0
	3,741	0	3,741	561	0	0	0	0	4,302
Dividend payout	0	0	0	0	0	0	0	0	0
Changes recognized without affecting income	0	0	0	0	0	-110	0	0	-110
Share-based payment management	0	0	0	148	0	0	0	0	148
Group earnings	0	0	0	0	0	0	0	-4,953	-4,953
<b>31.03.2024</b>	<b>41,153</b>	<b>0</b>	<b>41,153</b>	<b>-8,980</b>	<b>663</b>	<b>-454</b>	<b>784</b>	<b>33,405</b>	<b>66,571</b>
Disposal of treasury shares	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0
Dividend payout	0	0	0	0	0	0	0	0	0
Changes recognized without affecting income	0	0	0	0	0	310	-162	0	0
Share-based payment management	0	0	0	0	0	0	0	0	221
Group earnings	0	0	0	0	0	0	0	-18,418	-18,418
<b>30.09.2024</b>	<b>41,153</b>	<b>0</b>	<b>41,153</b>	<b>-8,884</b>	<b>663</b>	<b>-144</b>	<b>622</b>	<b>14,987</b>	<b>48,397</b>
Disposal of treasury shares	0	0	0	0	0	0	0	0	0
Capital increase	0	0	0	0	0	0	0	0	0
Dividend payout	0	0	0	0	0	0	0	0	0
Changes recognized without affecting income	0	0	0	0	0	13	0	0	13
Share-based payment management	0	0	0	164	0	0	0	0	164
Group earnings	0	0	0	0	0	0	0	35	35
<b>31.03.2025</b>	<b>41,153</b>	<b>0</b>	<b>41,153</b>	<b>-8,720</b>	<b>663</b>	<b>-131</b>	<b>622</b>	<b>15,022</b>	<b>48,610</b>



KPS

SELECTED EXPLANATORY  
NOTES

## 1. INFORMATION ON THE COMPANY AND THE GROUP

KPS AG is an internationally positioned stock corporation based in Germany with its registered office at Beta-Straße 10h, 85774 Unterföhring, Germany. The company is registered with the Munich Local Court under the registration number HRB 123013.

KPS AG is an established company for business transformation consulting and process optimisation in the retail and consumer goods sector. The company successfully advises its clients on strategy, process, and technology matters and implements comprehensive solutions that sustainably enhance their performance.

## 2. PRINCIPLES AND METHODS OF PREPARATION OF THE FINANCIAL STATEMENTS

The condensed consolidated half-year financial statements of KPS AG for the period from 1 October 2024 to 31 March 2025 were prepared in accordance with the International Financial Reporting Standards (IFRS), in particular IAS 34 "Interim Financial Reporting." Consequently, these financial statements do not include all the information and disclosures required by IFRS for consolidated financial statements at the end of the business year. Therefore, these interim consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended 30 September 2024.

The condensed consolidated interim financial statements and interim Management Report have not been audited or reviewed by the auditor. In the opinion of the Executive Board, these financial statements imply all adjustments necessary for a fair presentation of the asset and earnings position for the interim result. The results achieved in the first half of business year 2024/2025 do not necessarily allow conclusions to be drawn regarding the development of the further course of business.

## 3. SCOPE OF CONSOLIDATION AND SHAREHOLDINGS

Besides the legal and economic parent company of the Group, the consolidated financial statements include all domestic and foreign subsidiaries in which KPS AG has control over the financial and business policies in order to be able to derive appropriate benefits from them.

In addition to KPS AG as the legal parent company, the scope of consolidation includes the following companies in which KPS AG has a direct or indirect interest and which are included in the consolidated financial statements on the basis of full consolidation.

Shareholding	Registered office	Voting share	
		31.03.2025 in %	30.09.2024 in %
KPS Consulting GmbH	Unterföhring	100	100
KPS Consulting AG	Zürich/Switzerland	100	100
KPS Transformation GmbH	Unterföhring	100	100
KPS Consulting A/S	Virum/Denmark	100	100
KPS B.V.	Amsterdam/Netherlands	100	100
KPS Strategie-, Prozess- und IT-Consulting GmbH	Vienna/Austria	100	100
KPS Business and Digital Transformation S.L.U.	Barcelona/Spain	100	100
Infront Consulting & Management GmbH	Hamburg	100	100
KPS Digital Ltd.	London/United Kingdom	100	100
KPS Consulting AS	Lysaker/Norwegen	100	100
KPS Sweden AB	Stockholm/Schweden	100	100
KPS Transformation B.V.	Antwerp/Belgium	100	100

#### 4. CHANGES IN ACCOUNTING AND VALUATION METHODS AND UNCERTAINTIES DUE TO ESTIMATES

At the beginning of the business year on 1 October 2021, various amendments to the accounting and valuation methods of current standards came into force, which had no significant impact on the accounting of the interim consolidated financial statements, either on their own or in combination with other standards. Consequently, these condensed interim consolidated financial statements essentially contain the consistent accounting and valuation methods of the consolidated financial statements for business year 2023/2024.

The interim consolidated financial statements require management to make certain assumptions and estimates that can have a significant effect on the presentation of the financial position and performance. Estimates are based on experience and other assumptions that are believed to be reasonable under the circumstances. They are reviewed on an ongoing basis, but can differ from the actual values.

The estimates used in the consolidated financial statements as at 30 September 2024 for the main areas of application:

- Definition of useful life for non-current assets
- Calculation of completion status of fixed-price projects
- Calculation of discounted cash flows in the context of impairment tests and conditional purchase price obligations and purchase price allocations (fair value)
- Formation and valuation of non-current provisions
- Valuation of receivables

were also made for these interim consolidated financial statements.

Additional information can be found in the consolidated financial statements as at 30 September 2024. These can also be accessed on the Internet at <https://kps.com/global/en/company/investor-relations/financial-publications.html> and form the basis for these interim financial statements.

## 5. NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION AND THE CONSOLIDATED INCOME STATEMENT

### 5.1 Revenues

Charges for deliveries and services – reduced by sales reductions and discounts – billed to customers are recognised in revenues.

Revenues derived from the provision of services and maintenance are recognised on a time-period basis, while the sale of software and hardware is realised at a defined point in time. Customers are generally only commercial end users and, to a limited extent, public-sector contracting authorities.

All revenues shown result exclusively from contracts with customers.

Please refer to the segment report regarding the allocation of revenues to individual segments.

### 5.2 Subscribed capital

The subscribed capital of KPS AG totalled EUR 41,153,300 on the reporting date (previous year: EUR 37,412,100) and was divided into a total of 41,153,300 shares (previous year: 41,153,300 shares), each with a nominal value of EUR 1. The share capital is fully paid up.

The company's Articles of Association contain Authorised Capital 2021, which authorises the Executive Board to increase the company's share capital with the approval of the Supervisory Board by up to a nominal amount of EUR 14,964,850.00 in return for cash and/or non-cash contributions by issuing up to 14,964,850 new no-par value registered shares (no-par value shares) on one or more occasions by 20 May 2026 (Authorised Capital 2021).

### 5.3 Treasury shares

The resolution adopted by the Annual General Meeting on 21 May 2021 and the substitution of the resolution by the Annual General Meeting on 25 September 2020 provided the authorisation to acquire and dispose of its own shares with the right to exclude subscription or other option to offer shares. According to this, the Executive Board is authorised, with the approval of the Supervisory Board, to acquire and dispose of its own shares up to a total amount of 10 % of the share capital existing at the time of the resolution. This resolution is effective from the Annual General Meeting and ends at the end of 20 May 2026. The conditions for acquisition, appropriation and exclusion of subscription rights were explicitly regulated.

No portfolio of treasury shares was held on the balance sheet date, and no shares were purchased or sold in the period under review.

## 6. EXPLANATORY NOTES TO THE SEGMENT REPORTING

The KPS consulting portfolio can be classified into the following three reportable segments, which are subject to regular assessment by the Executive Board. The segmentation is carried out exclusively on the basis of business areas in accordance with the internal alignment.

A distinction is made between the following segments:

### 6.1 Management consulting / Transformation consulting

This segment is concerned with “transformation consulting,” where the KPS Group occupies a leading position in the consulting market. Transformation consulting involves providing support for customers in the implementation of complex corporate initiatives and developing concepts and solutions taking into account process-related, organisational, logistical, financial and system-related framework conditions. The consulting offer closes the existing gap between traditional strategy and process consultants on the one hand and implementation partners and system integrators on the other. This consulting segment also comprises implementation consulting and the service portfolio of the KPS Group as an SAP consulting partner.

### 6.2 System integration

The focus of this consulting segment is on process and implementation consulting in the technology sector. The KPS Group covers both the field of non-SAP technologies as well as SAP technologies. The main focus in the SAP technology area is on the subject areas of SOA and Netweaver, and in the non-SAP area on the topics of high-availability, security and storage solutions. Since a secure and highly available system landscape forms the basis for successful companies, the KPS Group uses dedicated solutions to ensure the seamless integration of all processes in the heterogeneous system environment. The Group supports customers in analysing the actual situation and setting up an IT infrastructure where all operational function areas are transparent.

### 6.3 Products / Licenses

The KPS Group rounds off its spectrum of services by selling software licences, maintenance contracts and hardware components as a certified systems house or certified sales partner in certain areas. These are products from major manufacturers, in particular SAP, Spryker and OpenText. The Group has been working with these companies for many years and is linked with them through various consulting and sales partnerships.

The breakdown of the asset and income situation in accordance with IFRS 8 is shown in the following table and corresponds to the internal reporting structure:

Presentation by business areas in Keuros	Management-consulting/		System Integration		Products/ Licenses		Other		Total	
	31.03.2025	Prev. Year	31.03.2025	Prev. Year	31.03.2025	Prev. Year	31.03.2025	Prev. Year	31.03.2025	Prev. Year
Earnings position										
Sales	58,231	70,792	468	734	6,018	4,366	0	0	64,717	75,892
Production costs	-39,225	-49,111	-336	-420	-3,514	-2,827	0	0	-43,074	-52,358
Business development	-2,920	-3,712	0	0	-98	-172	-30	0	-3,048	-3,884
Operating costs	-9,075	-15,224	4	10	-41	-378	-4,663	-5,745	-13,774	-21,337
EBITDA	7,011	2,746	137	323	2,365	989	-4,693	-5,745	4,820	-1,687
Depreciation and amortization	-2,471	-2,746	-7	-9	-41	-40	-404	-775	-2,923	-3,571
EBIT	4,540	0	129	314	2,325	949	-5,096	-6,520	1,897	-5,258
Interest	-149	-114	0	0	0	0	-1,368	-1,531	-1,517	-1,644
Income tax	-796	0	-23	-116	-408	-352	881	2,416	-345	1,948

## 7. OTHER NOTES AND DISCLOSURES

### 7.1 Contingent liabilities

The subordination agreed in the business year 2019/2020 and 2020/2021 with KPS Strategie- Prozess- und IT-Consulting GmbH, Vienna, Austria, in the total amount of EUR 450 thousand continues to exist. In addition, the subordination in favor of KPS Sweden AB, Stockholm, Sweden, amounting to EUR 400 thousand and the subordination agreed with KPS Transformation GmbH, Unterföhring, Germany, amounting to EUR 6,000 thousand in the business year 2020/2021 continue to exist. On 20 December 2024, KPS AG agreed a letter of comfort and a letter of subordination in favor of KPS Consulting A/S, Copenhagen, with a funding obligation of up to EUR 6,000 thousand and a time limit until 31 December 2025.

KPS Consulting GmbH has issued a maximum amount guarantee of EUR 30,000 thousand (previous year: EUR 30,000 thousand) to secure current account and money market credit lines at Landesbank Baden-Württemberg. As at the balance sheet date, current account and money market liabilities at Landesbank Baden-Württemberg amounted to EUR 28,300 thousand (previous year: EUR 28,500 thousand).

The company made a commitment to KPS Transformation GmbH and KPS Consulting GmbH as part of exemption in accordance with Article 264 para. 3 of the German Commercial Code (HGB) to guarantee all of the current obligations of these companies in respect of their creditors up until 30 September 2023. This duty to assume liability is valid until 30 September 2025.

A control and profit transfer agreement was concluded with Infront Consulting & Management GmbH on 22 March 2022.

### 7.2 Acquisitions and foundings after the end of the interim reporting period

There were no acquisitions and no foundings after the end of the interim reporting period.

**7.3 Divestments and assets held for sale**

There were no divestments and assets held for sale in the current business year.

**7.4 Significant events after the end of the interim reporting period**

There are no events of particular significance after the end of the interim reporting period that will have a significant impact on the business performance of the KPS Group.

**7.5 Related party disclosures**

For related party disclosures, please refer to the consolidated financial statements as at 30 September 2024. As at 31 March 2025, no significant changes have taken place.

**7.6 Corporate Governance**

The Executive Board and the Supervisory Board of KPS AG have issued the Declaration of Compliance with the German Corporate Governance Code required pursuant to Section 161 of the German Stock Corporation Act (AktG) and made it permanently available to shareholders on the company's website (<https://kps.com/global/en/company/investor-relations/corporate-governance.html>).

**7.7 Deviations**

An English translation of the consolidated half-year report is also available. If any deviations are identified, the German version of the consolidated half-year report shall take precedence over the English translation.

The rounding of amounts and percentages can lead to minor deviations owing to commercial rounding.

**7.8 Responsibility statement by the legal representatives**

The Executive Board of KPS AG hereby declares to the best of its knowledge, and in accordance with the principles to be applied for interim financial reporting, that the interim consolidated financial statements present a true and fair view of the asset, financial and earnings position of the Group corresponding to the actual circumstances, and that the Consolidated Interim Management Report presents a true and fair view of the performance of the business including the business results and the position of the Group is presented such that an appropriate view of the actual circumstances is conveyed, and that the significant opportunities and risks of the expected development of the Group in the remaining business year are described.

Unterföhring, May 2025

KPS AG

The Executive Board

KPS AG Group

DEVELOPMENT OF THE FIXED ASSETS (GROSS PRESENTATION)

in KEUR	ACQUISITION OR PRODUCTION COSTS						ACCUMULATED DEPRECIATION						BOOK VALUE	
	01.10.2024	Additions	Additions from company merges	Disposals	Transfers	31.03.2025	01.10.2024	Additions	Additions from company merges	Disposals	Transfers	31.03.2025	31.03.2025	30.09.2024
<b>I.) INTANGIBLE ASSETS</b>														
1. Concessions, industrial property rights and similar rights and assets, and licences in such rights and assets														
a.) if acquired	15,751	0	0	0	0	15,751	14,745	270	0	0	0	15,014	737	1,006
b.) if internally generated	14,025	0	0	0	0	14,025	7,181	392	0	0	0	7,573	6,451	6,843
2. Advance payments made	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3. Goodwill	84,282	0	0	0	0	84,282	31,979	0	0	0	0	31,979	52,303	52,303
<b>Intangible assets</b>	<b>114,058</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>114,058</b>	<b>53,905</b>	<b>816</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>54,566</b>	<b>59,491</b>	<b>60,152</b>
<b>II.) PROPERTY, PLANT AND EQUIPMENT</b>														
1. Business and office equipment	3,685	21	0	0	407	4,116	2,168	122	0	0	413	2,703	1,412	1,517
2. Low-value assets	0	407	0	0	-407	0	0	413	0	0	-413	0	0	0
3. Advance payments received	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Property, plant and equipment</b>	<b>3,685</b>	<b>21</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,116</b>	<b>2,168</b>	<b>193</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,703</b>	<b>1,412</b>	<b>1,517</b>
<b>Total fixed assets</b>	<b>117,743</b>	<b>428</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>118,174</b>	<b>56,073</b>	<b>1,197</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>57,269</b>	<b>60,903</b>	<b>61,669</b>

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The logo for KPS AG, featuring the letters 'KPS' in a bold, blue, sans-serif font. The letter 'P' has a small orange dot above it, and the letter 'S' has a small orange dot at its top right end.