



q.beyond: strong and profitable growth

Quarterly results Q1 2021
10 May 2021 | Jürgen Hermann, CEO

Disclaimer

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q.beyond posts strong and profitable growth

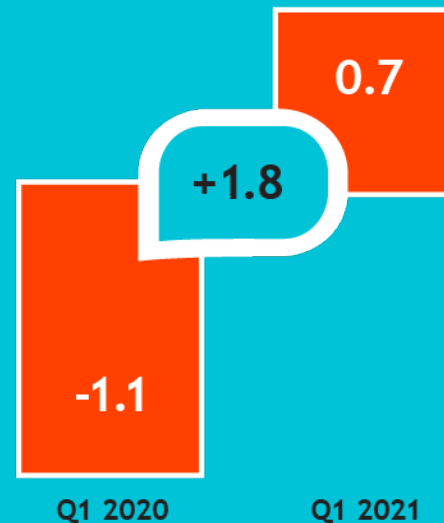
Revenues

in € million



EBITDA

in € million



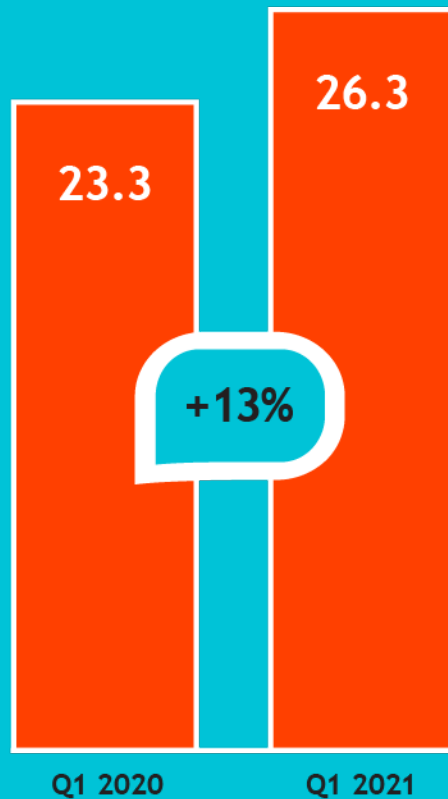
- Q1 2021 shows scalability of business model. The marginal yield amounts to more than 50%
- 76% of revenues in Q1 2021 were recurring
- 68% of revenues came from the focus sectors of retail, manufacturing and energy



Cloud & IoT: revenue growth of 13%

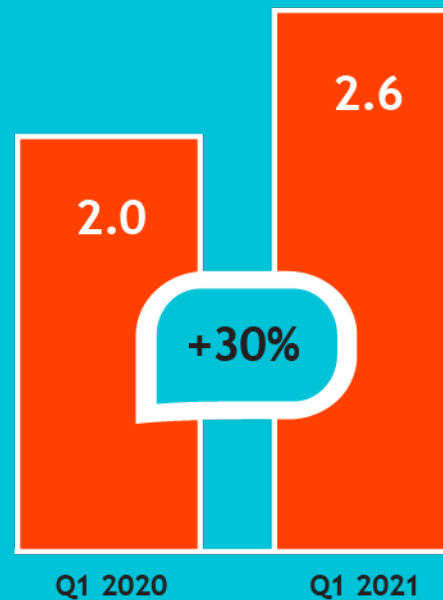
Revenues

in € million



Segment contribution

in € million



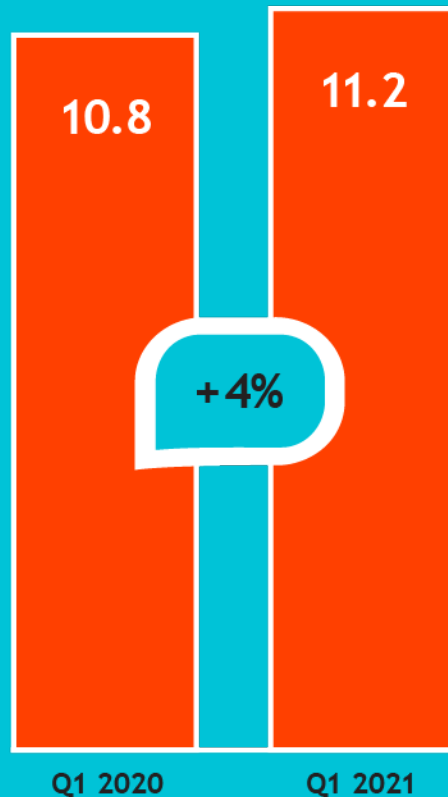
- Revenue drivers: Cloud solutions and digital workplaces
- Disproportionate growth in segment contribution despite ongoing investments in future growth
- Segment margin rises to 10%



SAP: segment margin of 13%

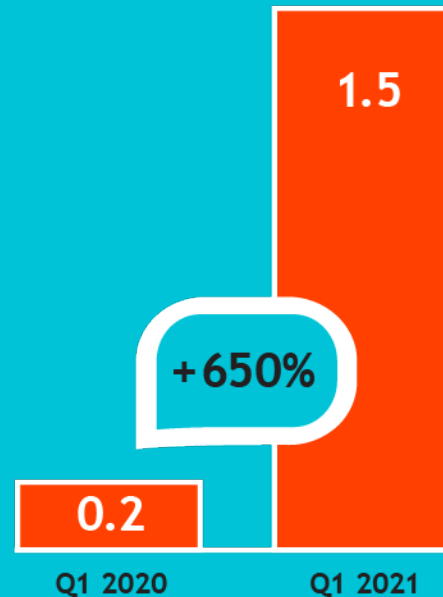
Revenues

in € million



Segment contribution

in € million



- Broad positioning proves its worth: SAP operations and application management continue as usual during in Covid-19 crisis
- Restrictions on contact hold back on-location consulting
- Segment margin rises to 13%



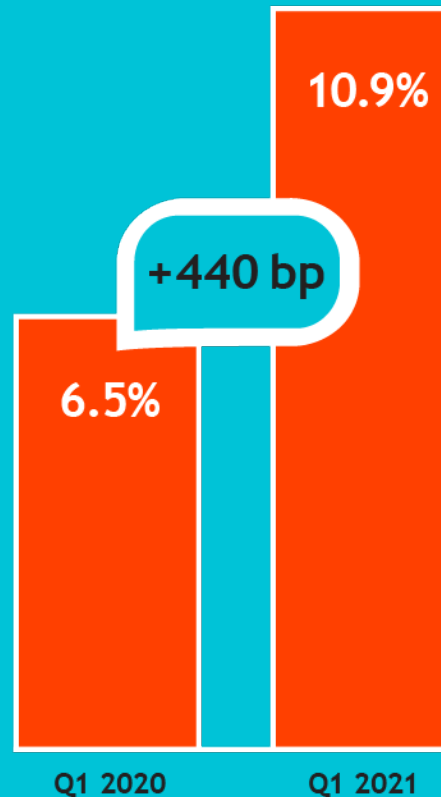
Disproportionate increase in segment margin

Revenues

in € million



Segment margin



- Year-on-year, quarterly segment margins grow far more quickly than revenues
 - q.beyond's business model is scalable
- Double-digit segment margin paves way for sustainable rise in earnings strength



Higher revenues boost earnings strength

In € million	Q1 2020		Q1 2021
Revenues	34.1	↗	37.5
Cost of revenues	(28.6)		(30.6)
Gross profit	5.5	↗	6.9
Sales and marketing expenses	(3.3)		(2.7)
Segment contribution	2.2	↗	4.1
General and administrative expenses	(3.8)		(4.0)
Other operating result	0.4		0.6
EBITDA	(1.1)	↗	0.7
Depreciation	(4.2)		(4.1)
EBIT	(5.3)	↗	(3.4)
Financial result / taxes	(0.2)		(0.1)
Consolidated net income	(5.5)	↗	(3.5)

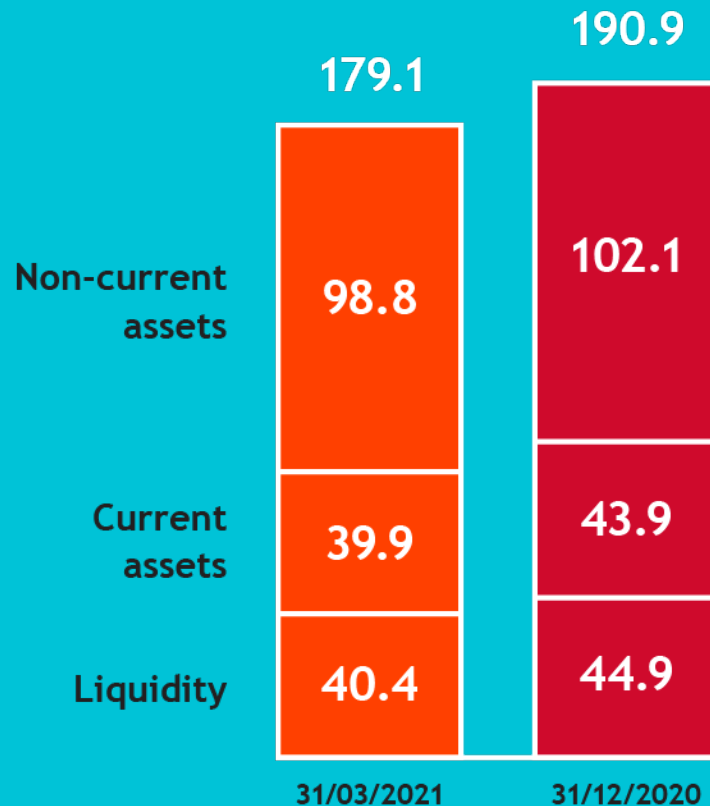
- Revenues grow by 10%
- Gross profit increases by 25%
- Segment contribution improves by 86%
- Sales and administrative expenses at stable levels
- EBITDA, EBIT and consolidated net income improve significantly



q.beyond is very solidly financed ...

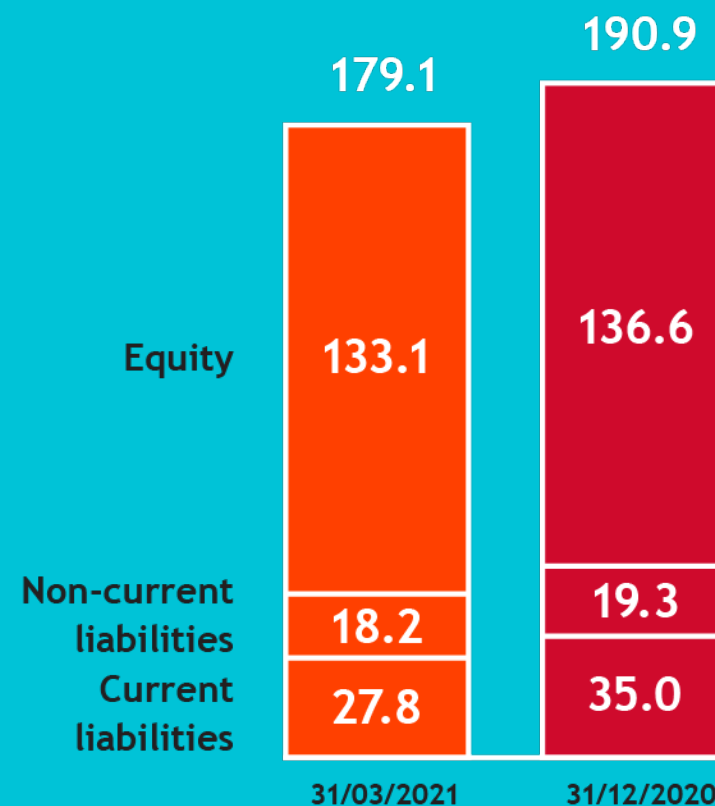
Total assets

in € million



Total equity and liabilities

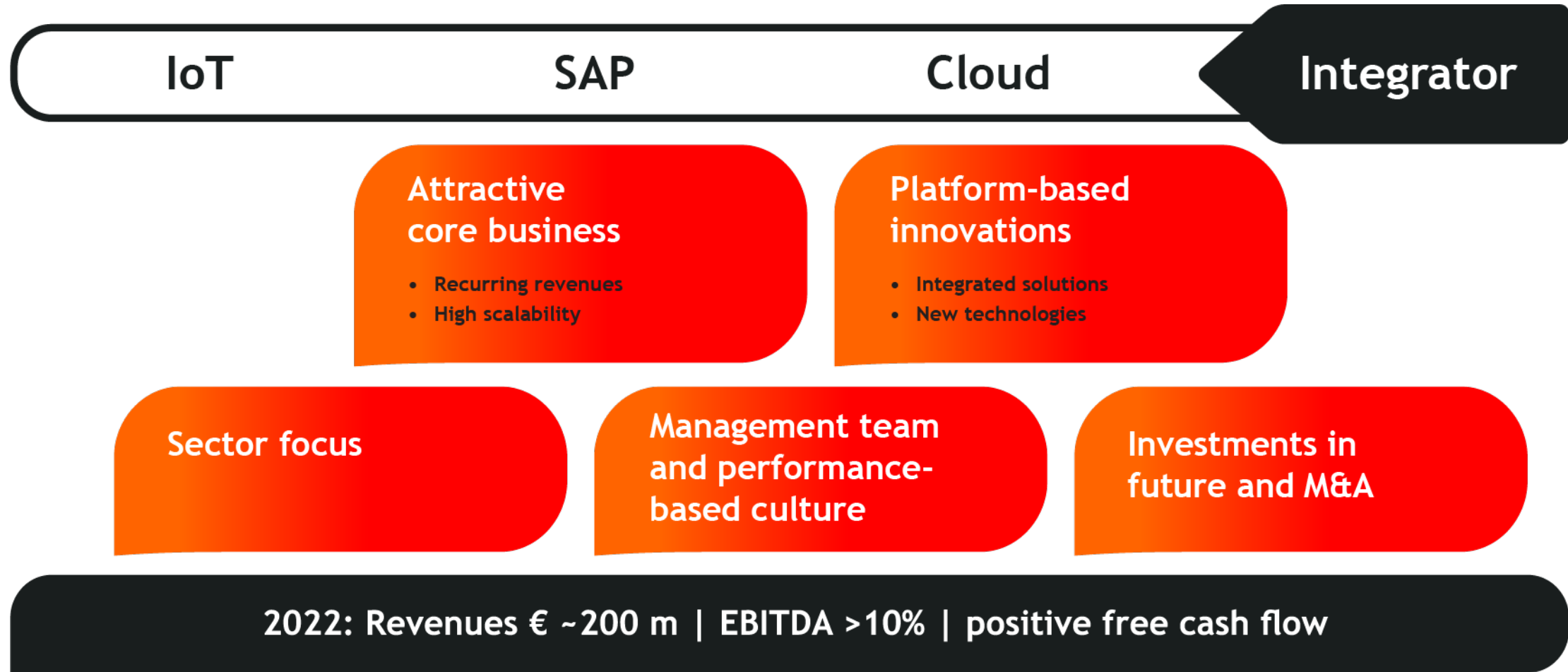
in € million



- Net liquidity of € 40.4 million, as against € 44.9 million at 31.12.2020
→ Free cash flow of € -4.2 million (excluding second tranche of Incloud purchase price)
- Equity ratio rises to 74%



... in order to grow further: our growth strategy



Launch of a fourth focus sector: logistics

- New subsidiary to offer all-round IT services for small and medium-sized logistics companies:
 - Consulting (CargoWise, SAP)
 - Cloud services
 - Data integration services
 - 24/7 helpdesk
- Plus: turnkey solution for digital workplaces anywhere in the world
- q.beyond also to invest in a **logistics software specialist** with the aim of developing sector-specific platform-based innovations



Good start in logistics with major order

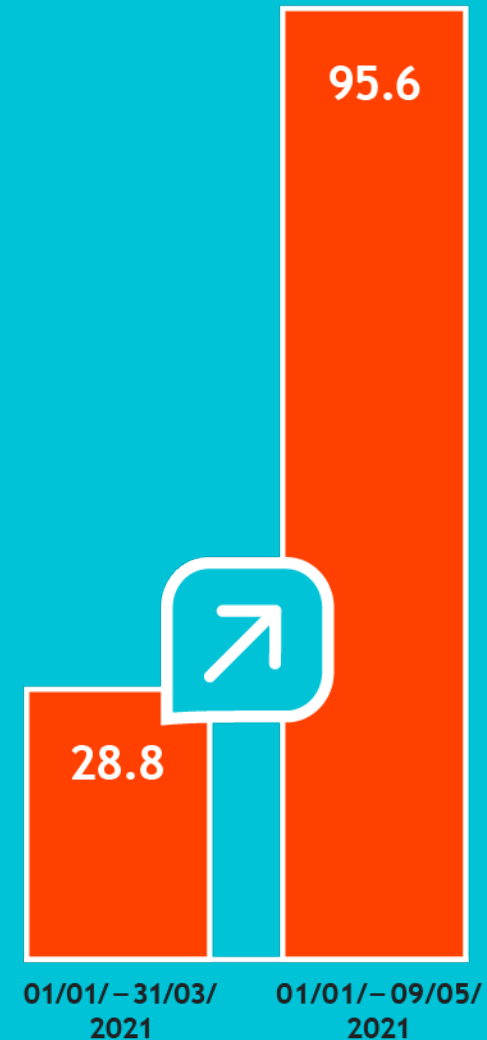
- **Double-digit million-euro order from Röhlig Logistics** - a specialist for intercontinental sea freight, air freight and contract logistics with more than **2,200 employees in 150 offices in 35 countries**
- **Contract to further develop digital strategy has a 5-year term and covers:**
 - IT operations
 - Expanding system platform for contract logistics (CargoWise)
 - SAP finance topics
 - Data analytics



New orders reach € 96 million by May

- More than 90% of orders involve new customers or new projects with existing customers
 - Success above all in focus sectors - concentration is paying off
 - Contracts generally have terms of 3 to 5 years
- Good basis for ongoing strong and profitable growth

New orders
in € million

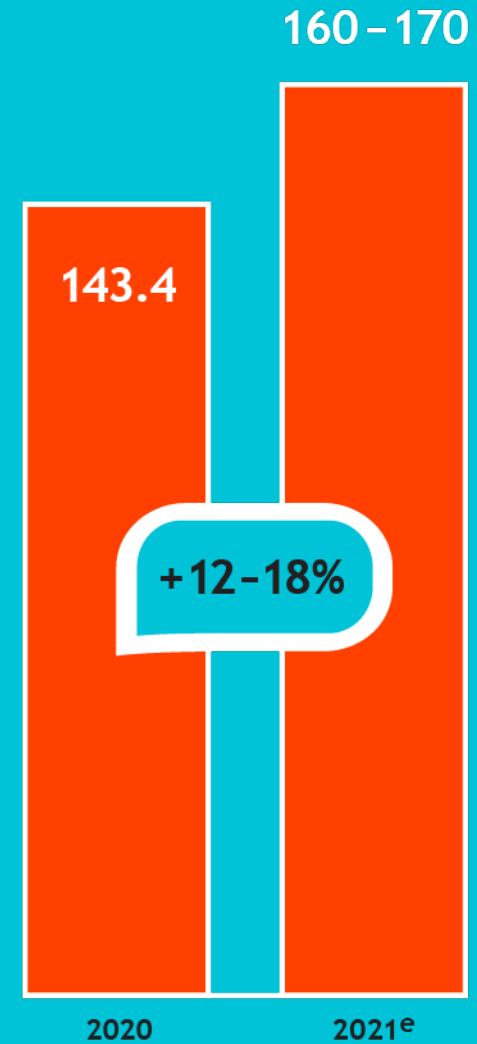


High new orders boost growth momentum

Outlook for 2021 confirmed:

- Revenues to rise to € 160 to 170 million
- Strong growth especially in H2 2021
- EBITDA to grow to € 5 to 10 million
- Free cash flow of € -10 to € -5 million
- Sustainably positive free cash flow from Q4 2021 onwards

Revenues
in € million



No debt

**Net liquidity:
€40 million**

**Equity ratio:
74%**

Growth also driven by targeted acquisitions

Following investment in logistics software specialist, q.beyond plans to acquire further technology companies – with three aspects in focus:

- Extending product portfolio, e.g. towards enterprise software
- Unique technologies in cloud services, data analytics, embedded software, IoT, AI
- Expanding strong position in focus sectors



Climate neutrality as new growth opportunity



Climate neutral by 2025



CO₂ reductions in electricity, business travel and vehicle pool



Since 2018: 100% green electricity at data centres

q.beyond to become climate neutral by 2025

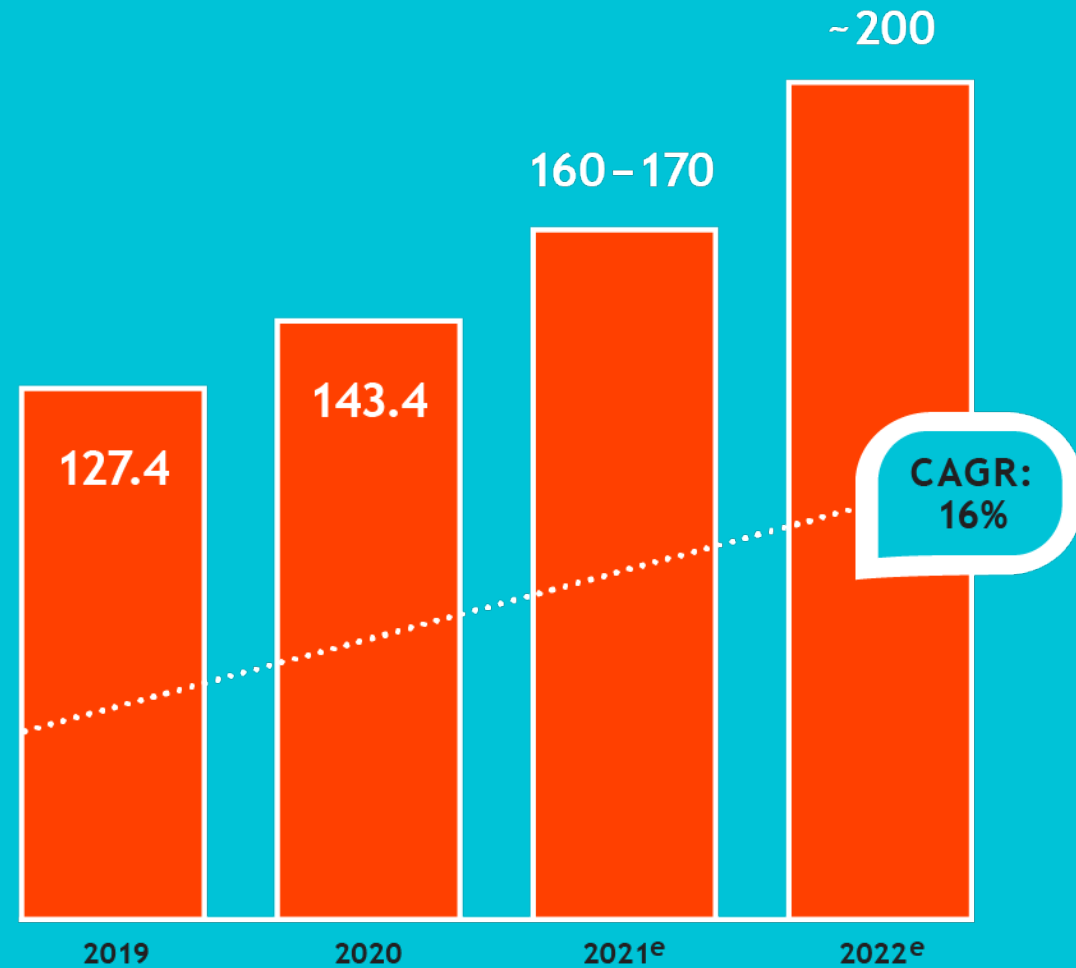
- Gradual reduction in CO₂ emissions by at least 40% compared with 2019; other emissions to be offset
- CO₂ balance sheet already strong, as data centres are 100% powered by green electricity
- Climate neutrality as competitive advantage: customers increasingly expect climate-neutral IT services and corresponding portfolio



€ 200 million revenues in 2022

- Consistently strong and profitable growth creates good foundation for 2022
- High volume of new orders broadens revenue base
- Scalable business model leads to rising EBITDA margin (2022: >10%)
- Sustainably positive free cash flow from Q4 2021

Revenues
in € million



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