



**Interim financial statements**

**Q1 2023/2024**

**for the period ending 30 September 2023**

## Purpose of these interim financial statements

On 16 November 2023 VENCORA UK LIMITED, an indirect subsidiary of Constellation Software Inc. (a Canadian-based international provider of software and services whose shares are listed on the Toronto Stock Exchange) and CREALOGIX, a global leader in digital banking technology, jointly announced that they have entered into a definitive transaction agreement, under which VENCORA UK LIMITED agreed to submit an all-cash public tender offer to acquire all publicly held registered shares of CREALOGIX for CHF 60 per share. On 1 December 2023 VENCORA UK LIMITED published its offer prospectus on the public tender offer for all publicly held shares of CREALOGIX. The main offer period started on 18 December 2023 and is expected to end on 18 January 2024.

On the date the acceptance period of the public tender offer expires, the latest published financial statements of CREALOGIX date back more than 6 months and CREALOGIX is thus – pursuant to the constant practice of the Swiss Takeover Board – required to publish these interim financial statements.

## Consolidated income statement

Amounts in thousands of CHF	Notes	Jul-Sep 2023	in %	Jul-Sep 2022	in %
<b>Net sales from goods and services</b>	3	<b>19'896</b>	<b>100.0</b>	<b>20'183</b>	<b>100.0</b>
Other operating income	6	241	1.2	5'995	29.7
Goods and Services purchased		-6'617	-33.3	-6'130	-30.4
Change in inventory of finished and unfinished goods as well as unbilled goods and services		943	4.7	-716	-3.5
Personnel expenses		-9'626	-48.4	-11'375	-56.4
Marketing expenses		-307	-1.5	-80	-0.4
Rent, maintenance and repairs		-584	-2.9	-775	-3.8
Other operating expense		-2'312	-11.6	-1'992	-9.9
<b>EBITDA*</b>	4	<b>1'634</b>	<b>8.2</b>	<b>5'110</b>	<b>25.3</b>
Depreciation on tangible fixed assets		-160	-0.8	-257	-1.3
Amortisation on goodwill		-1'085	-5.5	-1'107	-5.5
Amortisation on other intangible assets		-412	-2.1	-212	-1.1
<b>Operating result</b>		<b>-23</b>	<b>-0.1</b>	<b>3'534</b>	<b>17.5</b>
Financial income		464	2.3	1'520	7.5
Financial expense		-688	-3.5	-2'227	-11.0
<b>Financial result</b>		<b>-224</b>	<b>-1.1</b>	<b>-707</b>	<b>-3.5</b>
<b>Ordinary earnings before tax</b>		<b>-247</b>	<b>-1.2</b>	<b>2'827</b>	<b>14.0</b>
Income tax		-119	-0.6	1	0.0
<b>Consolidated result</b>	4	<b>-366</b>	<b>-1.8</b>	<b>2'828</b>	<b>14.0</b>
Attributable to:					
Shareholders of CREALOGIX Holding AG		-377		2'823	
Minority interest		11		5	
Earnings per share attributable to shareholders in CHF	2				
Undiluted		-0.27		2.03	
Diluted		-0.27		2.03	

\*Operating result excluding depreciation on tangible fixed assets, amortisation on goodwill and amortisation on other intangible assets.

The condensed notes to the consolidated interim financial statements on pages 7 to 14 form an integral part of these consolidated interim financial statements for the first quarter of 2023/2024.

## Consolidated balance sheet

Amounts in thousands of CHF	Notes	30 September 2023	in %	30 June 2023	in %
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents		6'502		3'380	
Receivables from goods and services		17'666		12'037	
Other short-term receivables		456		998	
Prepayments and accrued income		4'683		4'141	
Work in progress/inventories		4'092		5'106	
<b>Total current assets</b>		<b>33'399</b>	<b>39.7</b>	<b>25'662</b>	<b>32.8</b>
<b>Non-current assets</b>					
Financial assets		3'643		3'651	
Tangible fixed assets		3'042		3'211	
Intangible assets		38'337		40'096	
Deferred tax assets		5'616		5'645	
<b>Total non-current assets</b>		<b>50'638</b>	<b>60.3</b>	<b>52'603</b>	<b>67.2</b>
<b>Total ASSETS</b>		<b>84'037</b>	<b>100.0</b>	<b>78'265</b>	<b>100.0</b>
<b>LIABILITIES AND EQUITY</b>					
<b>Current liabilities</b>					
Payables from goods and services		1'999		2'738	
Other short-term liabilities		832		1'165	
Short-term financial liabilities	5	11'900		4'525	
Short-term subordinated loans from shareholders	5	1'000		1'000	
Accrued liabilities and deferred income		20'719		20'368	
Short-term provisions		62		260	
Income tax liabilities		521		533	
<b>Total current liabilities</b>		<b>37'033</b>	<b>44.1</b>	<b>30'589</b>	<b>39.1</b>
<b>Non-current liabilities</b>					
Long-term financial liabilities	5	24'856		24'841	
Long-term provisions		442		364	
Deferred tax liabilities		-		25	
<b>Total non-current liabilities</b>		<b>25'298</b>	<b>30.1</b>	<b>25'230</b>	<b>32.2</b>
<b>Total LIABILITIES</b>		<b>62'331</b>	<b>74.2</b>	<b>55'819</b>	<b>71.3</b>
<b>Shareholders' equity</b>					
Share capital	7	11'238		11'238	
Treasury shares		-150		-1	
Capital reserves		58'714		58'713	
Translation differences		-9'406		-9'180	
Retained earnings		-38'911		-38'535	
<b>Total equity before minorities</b>		<b>21'485</b>	<b>25.6</b>	<b>22'235</b>	<b>28.4</b>
Minority interests		221		211	
<b>Total SHAREHOLDERS' EQUITY</b>		<b>21'706</b>	<b>25.8</b>	<b>22'446</b>	<b>28.7</b>
<b>Total LIABILITIES AND EQUITY</b>		<b>84'037</b>	<b>100.0</b>	<b>78'265</b>	<b>100.0</b>

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## Statement of changes in equity

Amounts in thousands of CHF	Share capital	Treasury shares	Capital reserve	Translation differences	Retained earnings	Total equity before minority interests	Minority interests	Total equity
<b>on 30 June 2022</b>	<b>11'187</b>	<b>-806</b>	<b>58'411</b>	<b>-8'123</b>	<b>-38'559</b>	<b>22'110</b>	<b>206</b>	<b>22'316</b>
Currency translation of foreign entities	-	-	-	-655	-	-655	-	-655
Consolidated result	-	-	-	-	2'823	2'823	5	2'828
Share-based compensation	-	-	-64	-	-	-64	-	-64
Change in treasury shares	-	-233	-31	-	-	-264	-	-264
<b>on 30 September 2022</b>	<b>11'187</b>	<b>-1'039</b>	<b>58'316</b>	<b>-8'778</b>	<b>-35'736</b>	<b>23'950</b>	<b>211</b>	<b>24'161</b>
Currency translation of foreign entities	-	-	-	159	-	159	-	159
Consolidated result	-	-	-	-	1'109	1'109	4	1'113
Share-based compensation	-	-	-31	-	-	-31	-	-31
Change in treasury shares	-	948	-466	-	-	482	-	482
<b>on 31 December 2022</b>	<b>11'187</b>	<b>-91</b>	<b>57'819</b>	<b>-8'619</b>	<b>-34'627</b>	<b>25'669</b>	<b>215</b>	<b>25'884</b>
Increase from convertible bond	51	-	749	-	-	800	-	800
Currency translation of foreign entities	-	-	-	-561	-	-561	-	-561
Consolidated result	-	-	-	-	-3'908	-3'908	-4	-3'912
Share-based compensation	-	-	166	-	-	166	-	166
Change in treasury shares	-	90	-21	-	-	69	-	69
<b>on 30 June 2023</b>	<b>11'238</b>	<b>-1</b>	<b>58'713</b>	<b>-9'180</b>	<b>-38'535</b>	<b>22'235</b>	<b>211</b>	<b>22'446</b>
Currency translation of foreign entities	-	-	-	-226	-	-226	-	-226
Consolidated result	-	-	-	-	-376	-376	10	-366
Change in treasury shares	-	-149	1	-	-	-148	-	-148
<b>on 30 September 2023</b>	<b>11'238</b>	<b>-150</b>	<b>58'714</b>	<b>-9'406</b>	<b>-38'911</b>	<b>21'485</b>	<b>221</b>	<b>21'706</b>

The condensed notes to the consolidated interim financial statements on pages 7 to 14 form an integral part of these consolidated interim financial statements for the first quarter of 2023/2024.

## Consolidated cash-flow statement

Amounts in thousands of CHF	Notes	Jul-Sep 2023	Jul-Sep 2022
<b>Cash-flow from operating activities</b>			
Consolidated result		-366	2'828
Income tax		119	-1
Depreciation/amortisation		1'657	1'576
Profit on sale of subsidiary	6	-	-5'574
Financial result		224	707
Change in receivables from goods and services, other receivables and other non-cash flow related positions		-5'636	3'811
Change in work in progress/inventories		1'012	-135
Change of payables from goods and services, and other payables		-625	-10'006
Change in provisions		-265	-114
Interest paid		-188	-185
Tax paid		-	1
<b>Total cash-flow from operating activities</b>		<b>-4'068</b>	<b>-7'092</b>
<b>Cash-flow from investing activities</b>			
Purchase of tangible fixed assets		-8	-102
Disposal of tangible fixed assets		13	2
Purchase of intangible assets		-31	-547
Proceeds from sale of subsidiary, net of cash	6	-	4'549
<b>Total cash-flow from investing activities</b>		<b>-26</b>	<b>3'902</b>
<b>Cash-flow from financing activities</b>			
Proceeds from borrowings		7'375	-
Purchase of treasury shares		-149	-264
<b>Total cash-flow from financing activities</b>		<b>7'226</b>	<b>-264</b>
Effects from exchange rate changes		-10	-159
<b>Net change in cash and cash equivalents</b>		<b>3'122</b>	<b>-3'613</b>
<b>Cash and cash equivalents at beginning of period</b>		<b>3'380</b>	<b>14'087</b>
<b>Cash and cash equivalents at end of period</b>		<b>6'502</b>	<b>10'474</b>

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# Condensed notes to the consolidated interim financial statements

## 1 Basic information & Significant accounting and valuation policies

CREALOGIX Holding AG and its subsidiaries form the CREALOGIX Group. CREALOGIX globally markets its extensive product range for tomorrow's digital bank. The CREALOGIX Group is a stock corporation headquartered in Switzerland. The address of its registered office is Maneggstrasse 17, 8041 Zurich. The Group's registered shares (CLXN) are traded on the SIX Swiss Exchange under identification number 1 111 570. The convertible bond (CLX19) issued on 6 November 2019 is traded on the SIX Swiss Exchange under Swiss security number 41 904 722.

These unaudited consolidated interim financial statements for the first quarter of 2023/2024 for the period ending 30. September 2023 have been prepared in accordance with Swiss GAAP FER 31 Interim Financial Reporting and are reported in Swiss francs (CHF). As these interim financial statements represent an update of the consolidated annual financial statements for the year that ended on 30 June 2023, they should be read in conjunction with these annual financial statements. These interim financial statements for the first quarter of 2023/2024 were approved by the Board of Directors on 22 December 2023.

CREALOGIX operates in markets which are not subject to seasonal market fluctuations. However, no conclusions can be drawn from the interim quarterly result to the annual result, particularly in view of the revenue generation.

The following foreign exchange rates were applied:

	Quarter-end rates (balance sheet)		Average rates (income statement)	
	30 Sep 2023	30 Sep 2022	Jul-Sep 2023	Jul-Sep 2022
EUR	0.97	0.97	0.97	0.98
CAD	0.68	0.71	0.67	0.74
USD	0.91	0.98	0.89	0.97
GBP	1.12	1.11	1.13	1.15
SAR	0.24	0.26	0.24	0.25
SGD	0.66	0.68	0.66	0.69

## 2 Earnings per share

Amounts in thousands of CHF	Jul-Sep 2023	Jul-Sep 2022
Consolidated profit attributable to Shareholders of CREALOGIX Holding AG (in CHF thousand)	-377	2'823
Weighted average number of shares outstanding	1'402'593	1'387'600
<b>Earnings per share - undiluted in CHF</b>	<b>-0.27</b>	2.03
Maximum number of new shares (convertible bonds)*	193'160	199'560
Dilutive effect of conversion of convertible bonds in TCHF (interest)	n/a	72
<b>Earnings per share - diluted in CHF</b>	<b>-0.27</b>	2.03

\*Represents the maximum dilutive shares as per balance sheet date which might have an impact on the diluted earnings per share calculation. The shares are non-dilutive.

## 3 Net sales from goods and services & Segment information

Up to the date of disposal in August 2022, Swiss Learning Hub AG generated net sales from goods and services of CHF 0.6 million in Q1 2022/2023.

The CREALOGIX Group globally markets its extensive product range for the digital bank of tomorrow. All Group companies are managed based on a uniform business strategy with a central decision-making structure. The key element of the CREALOGIX strategy is a uniform business model.

The Board of Directors and Executive Management manage the CREALOGIX Group based on the financial statements of the individual Group companies as well as the condensed consolidated financial statement. Due to the economic similarity of the companies, the uniform strategy and the central management of the Group by Executive Management, CREALOGIX presents a summary of its business activities as a single segment, applying Swiss GAAP FER 31.



### 3.1 Geographical segments

The Group's primary operating segments fall into three geographical locations: Switzerland, where the Group is headquartered, Europe, and Rest of World (mainly Middle East and Asia).

Amounts in thousands of CHF	Jul-Sep 2023	Jul-Sep 2022
<b>Net sales from goods and services</b>		
Switzerland	4'757	5'638
Europe	11'473	10'110
Rest of World	3'666	4'435
<b>Total net sales from goods and services</b>	<b>19'896</b>	<b>20'183</b>

Net sales from goods and services are assigned to the country where the client is domiciled.

### 3.2 Net sales from goods and services by category

Amounts in thousands of CHF	Jul-Sep 2023	Jul-Sep 2022
<b>Net sales from goods and services</b>		
Hosting and SaaS services	4'573	5'293
Maintenance	5'514	4'630
<b>Total recurring revenue</b>	<b>10'087</b>	<b>9'923</b>
Sales from services	5'506	6'542
Sales of goods	135	586
Licence sales	4'168	3'132
<b>Total net sales from services, goods and licences</b>	<b>9'809</b>	<b>10'260</b>
<b>Total net sales from goods and services</b>	<b>19'896</b>	<b>20'183</b>

Net sales from Hosting and SaaS services and maintenance services are recurring net sales. For the period under review, recurring net sales share amounted to 51% (previous period: 49%).

## 4 EBITDA & consolidated result

Up to the date of disposal in August 2022, Swiss Learning Hub AG generated an EBITDA and a consolidated result of CHF 0.1 million in Q1 2022/2023.

## 5 Financial liabilities

On 6 November 2019, CREALOGIX Holding AG issued a convertible bond (CLX19) with a face value of CHF 25 million, a term of 5 years and an issue placement price of 100 per cent. The coupon was fixed at 1.5 per cent (payable annually on 6 November) and the conversion price at CHF 125. As per balance sheet date of the period under review all financial covenants were fully met.

Financial liabilities are recorded and valued at their present value.

### 30 September 2023

Amounts in thousands of CHF	Present value	Nominal value	Due Date	Interest rate
Short-term financial liabilities	375	375	2023	1.5%
Short-term financial liabilities	11'525	11'525	2023	2.0%-3.7%
Short-term subordinated loan from shareholders	1'000	1'000	2023	8.0%
<b>Total short-term financial liabilities</b>	<b>12'900</b>	<b>12'900</b>		
Convertible bond (CLX19)	23'818	24'145	2024	1.5%
Other financial liabilities	1'038			
<b>Total long-term financial liabilities</b>	<b>24'856</b>			
Unused credit limits	-	925		

### 30 June 2023

Amounts in thousands of CHF	Present value	Nominal value	Due Date	Interest rate
Short-term financial liabilities	375	375	2023	0.0%-1.5%
Short-term financial liabilities	4'150	4'150	2023	3.5%-3.9%
Short-term subordinated loan from shareholders	1'000	1'000	2023	8.0%
<b>Total short-term financial liabilities</b>	<b>5'525</b>	<b>5'525</b>		
Convertible bond (CLX19)	23'818	24'145	2024	1.5%
Other financial liabilities	1'023			
<b>Total long-term financial liabilities</b>	<b>24'841</b>			
Unused credit limits	-	8'300		

## 6 Business divestments

On 17 August 2022, CREALOGIX sold a stake of 67% of the Zurich-based Swiss Learning Hub AG. The majority acquisition by a Swiss investor group took place within the framework of a management buy-out. Up to the date of disposal, Swiss Learning Hub AG generated net sales of CHF 0.6 million and an operating profit of CHF 0.1 million which was included in the consolidated income statement of Q1 2022/2023. In Q1 2022/2023 the total profit on sale of subsidiaries amounted to CHF 5.6 million (recorded in other operating income). The net proceeds in cash amounted to CHF 4.5 million.

The full-year effect of this transaction in the financial year 2022/2023 amounted to CHF 7.5 million.

## 7 Share capital of the organisation

The total number of issued registered shares amounts to 1 404 742 (September 2022: 1 398 342). In the period under review, no fractions of the convertible bond were converted to shares (in Q1 2022/2023: none). Since 1 March 2007, each share has a nominal value of CHF 8.

## 8 Events after the balance sheet date

On 16 November 2023 VENCORA UK LIMITED, an indirect subsidiary of Constellation Software Inc. (a Canadian-based international provider of software and services whose shares are listed on the Toronto Stock Exchange) and CREALOGIX, a global leader in digital banking technology, jointly announced that they have entered into a definitive transaction agreement, under which VENCORA UK LIMITED agreed to submit an all-cash public tender offer to acquire all publicly held registered shares of CREALOGIX for CHF 60 per share. On 1 December 2023 VENCORA UK LIMITED published its offer prospectus on the public tender offer for all publicly held shares of CREALOGIX. The main offer period started on 18 December 2023 and is expected to end on 18 January 2024.

Since the balance sheet date of 30 September 2023, there were no other significant events that would have had a financial impact on the period under review.

## Group key figures

Amounts in thousands of CHF	Jul-Sep 2023	Jul-Sep 2022
<b>Net sales from goods and services</b>	<b>19'896</b>	<b>20'183</b>
Net sales growth	-1.4%	-2.7%
Adjusted sales growth in local currencies	2.3%	9.0%
<b>EBITDA</b>	<b>1'634</b>	<b>5'110</b>
in % of net sales from goods and services	8.2%	25.3%
<b>Free cash-flow</b>	<b>-4'095</b>	<b>-3'190</b>
<b>Adjusted earnings per share</b>	<b>0.50</b>	<b>2.83</b>
Amounts in thousands of CHF	30 September 2023	30 June 2023
<b>Balance sheet total</b>	<b>84'037</b>	<b>78'265</b>
<b>Equity ratio</b>	<b>25.8%</b>	<b>28.7%</b>
<b>Full-time employees</b>	<b>365</b>	<b>451</b>

## Non-GAAP financial measures

CREALOGIX supplements its SWISS GAAP FER results with the following non-GAAP financial measures:

### Adjusted local currency sales growth

Amounts in thousands of CHF	Jul-Sep 2023	Jul-Sep 2022	Growth
Net sales from goods and services	19'896	20'183	-1.4%
Impact deconsolidation Swiss Learning Hub AG	-	-587	
FX impact of the period	159	-	
<b>Adjusted local currency sales from goods and services</b>	<b>20'055</b>	<b>19'596</b>	<b>2.3%</b>

CREALOGIX defines local currency sales growth as sales growth excluding the effect of currency exchange rate fluctuations that result from translating activity outside of Switzerland into Swiss Francs. CREALOGIX believes local currency information provides a helpful assessment of business performance and a useful measure to compare results between periods. The adjustment excludes the net sales from Swiss Learning Hub AG for the periods in comparison.

## Adjusted earnings per share

Amounts in thousands of CHF	Jul-Sep 2023	Jul-Sep 2022
Consolidated profit attributable to Shareholders of CREALOGIX Holding AG	-377	2'823
Goodwill amortisation, net of tax	1'085	1'107
<b>Adjusted consolidated profit</b>	<b>708</b>	<b>3'930</b>
Weighted average number of shares outstanding	1'402'593	1'387'600
<b>Adjusted earnings per share in CHF</b>	<b>0.50</b>	<b>2.83</b>

CREALOGIX defines adjusted earnings per share as diluted earnings per share excluding goodwill amortisation, net of tax. CREALOGIX believes that adjusted earnings per share constitutes important information because it excludes a charge that is not directly related to current ongoing operations and is not included in the expenses of other international accounting standards. It therefore helps to compare ongoing operating performance.

## Free cash-flow

Amounts in thousands of CHF	Notes	Jul-Sep 2023	Jul-Sep 2022
Cash-flow from operating activities		-4'068	-7'092
Disposal/(Purchase of tangible and intangible assets)		-26	3'902
Free cash-flow		-4'094	-3'190

CREALOGIX defines free cash flow as cash flow from operating activities including purchase and disposal of tangible and intangible assets and before acquisition cost payments. CREALOGIX believes that free cash flow constitutes important information because it represents the cash CREALOGIX generates from operations after required investment in its asset base are done and therefore available for distribution to security holders. While the operating cash-flow improved year-on year, the free cash-flow decreased as a result of the Swiss Learning Hub disposal, generating cash-inflow of CHF 4.5 million in 2022.