



We Create Digital Leaders

Annual Report

2021/2022

2021/2022 Annual Report



2021/2022 Annual Report

| | |
|------------------------|---|
| Group Key Figures | 3 |
| Letter to Shareholders | 4 |

Corporate Governance

| | |
|--|----|
| Group structure and Shareholders CREALOGIX Group | 10 |
| Capital structure | 13 |
| Board of Directors | 15 |
| Executive Board | 22 |
| Compensation and share-based payments | 24 |
| Shareholder participation rights | 25 |
| Change in control and defensive measures | 26 |
| Auditor | 26 |
| Blackout period | 27 |
| Information policy | 27 |
| Share | 28 |
| Distribution to Shareholders | 29 |

Remuneration Report

| | |
|--|----|
| Introduction | 32 |
| Remuneration principles | 32 |
| Remuneration policy | 33 |
| Remuneration system | 34 |
| Remuneration of the Board of Directors and Executive Management | 36 |
| Shareholdings of the Board of Directors and Executive Management | 37 |
| Report of the statutory auditor on the remuneration report 2021/2022 | 38 |

CREALOGIX Group Financial Report

| | |
|--|----|
| Group Key Figures | 42 |
| Consolidated Income Statement | 43 |
| Consolidated Balance Sheet | 44 |
| Consolidated Statement of Changes in Equity | 45 |
| Consolidated Cash Flow statement | 46 |
| Notes to the consolidated financial statements | 47 |
| Report of the statutory auditor on the consolidated financial statements | 78 |

CREALOGIX Holding AG Financial Report

| | |
|---|----|
| Income statement | 86 |
| Balance Sheet | 87 |
| Notes to the financial statements | 88 |
| Proposal of the Board of Directors to the Shareholders' meeting | 98 |
| Report of the statutory auditor on the financial statements | 99 |

| | |
|------------------------|-----|
| Additional Information | 103 |
|------------------------|-----|

| | |
|---------------------------|-----|
| Important Group companies | 104 |
|---------------------------|-----|

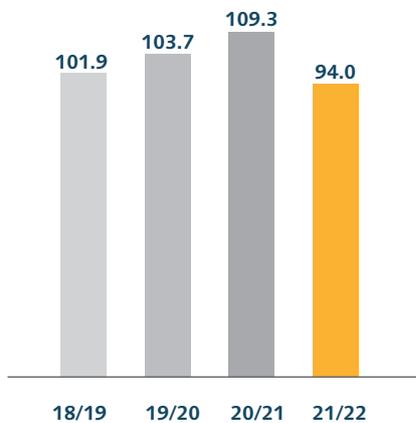
Group Key Figures

International presence



Sales

(CHF millions)



EBITDA*

(CHF millions)



Adjusted Earnings/loss per Share**

(CHF millions)



Recurring revenue



51.3%

SaaS/Hosting



27.8%

Annual Recurring Revenue



CHF 52 mio

* Non-GAAP measure. More information with respect to the use of and differences between the non-GAAP financial measures and the most directly comparable SWISS GAAP FER measures is provided on page 42 of the financial report.

** Adjusted earnings/loss per share is calculated as consolidated net result (attributable to shareholders of Crealogix Holding AG) before goodwill amortization, divided by the weighted average number of outstanding shares according to note 19 of the financial report.

Shareholders' Letter



Oliver Weber, Chief Executive Officer, Bruno Richle, Chairman

Dear shareholders

In 2021/22, a difficult financial year, CREALOGIX recorded a fall in sales amounting to 14% year on year. The high level of capital investment in the expansion and development of new products led to a negative EBITDA of CHF -9.3 million. The elevated one-off investments in the development of a new platform for the strategically important market of the development banks in Europe had a particular impact in this respect. The portfolio of products and services has been further streamlined and consolidated according to strategic realignment criteria. The proportion of recurring sales amounts to 51% of total sales.

Transformation in organisation and product landscape now concluded

In the past financial year, the focus was on the completion of the strategic initiatives from the previous year. CREALOGIX invested a significant amount, over 31% of sales, in the development of the new "One Platform" Digital Hub and of the Funding portal. The latter is now operating under a longterm SaaS contract at eight German development banks. The successful implementation and rollout of the Funding Portal represents the achievement of an important objective in product development and the conclusion of 90% of the investments in the past financial year.

As a result of standardisation, implementation efforts were increasingly covered by partners, so sales fell in the area of services. There was also a fall in the sales of non-strategic products and services.

Focussing on our core business of digital banking with its new strategic products and the consolidation of the product and service portfolio enables economies of scale and increased efficiency. These are translated into cost savings which are already taking effect in the fourth quarter of the financial year 2021/22 and will become fully effective in 2022/23. The number of employees fell by 17% to 524, a reduction of 107 employees year on year. However, the majority of cost reductions in the HR sector are accounted for by external employees.

Successful customer projects

In addition to the major project of the Funding Portal for development banks, a large number of other projects were successfully implemented in 2021/22. In the Middle East, a new digital banking solution was implemented at what is the biggest Arabian bank in terms of assets. At the same time, a solution for rapid, simple and fully digital consumer lending in retail banking, the "Lending Origination Hub", was very successfully launched in the region. In Asia, a solution for hybrid asset management advice was put into operation at a Thai bank, which is one of the biggest in the market there. Consequently, it doubled its efficiency in the field of asset management consultancy. In Switzerland, one of our major customers in the private banking environment chose to push ahead with the global implementation of the CREALOGIX platform. In the past financial year, CREALOGIX was once again chosen for awards as an innovation leader. IBM named CREALOGIX as its Innovation Partner of the Year, Goodacre UK Systems gave it the City Award for the Best Strategic Partnership for a Client Portal and, on the product side, it received awards for the Best Customer Experience and the Onboarding solution. In addition to which, Forrester placed CREALOGIX as a "strong performer" in The Forrester Wave™: Digital Wealth Management Platforms.

Higher sales in the second half of the year, recurring sales stable

At CHF 94.0 million, sales in the financial year 2021/22 were down by CHF 15.2 million on the previous year. In addition to converting the licence model, the planned transfer of service revenue to implementation partners, exchange rate effects (CHF 1.6 million) and the weaker sales of payment devices all contributed to the drop in sales. In the second half of the financial year 2021/22 sales recovered slightly, increasing by 6.9% compared with the first six months.

Recurring sales of 51.3% – albeit at a slightly lower level – once again passed the 50% mark in spite of exchange rate effects (2020/2021: 50.3%). Consequently, the majority of the drop in sales was incurred in the non-strategic area of goods, licences and services. The 11.9% fall in revenues in software maintenance corresponded to expectations and is in part attributable to the consolidation of the product portfolio.

SaaS/hosting fell slightly as a result of exchange rate effects and a reduction in service subscriptions packages. SaaS/hosting revenues now amounted to 27.8% in terms of total sales, compared with 27.3% in the previous year.

In financial year 2021/22 CREALOGIX achieved a negative operating result (EBITDA) of CHF -9.3 million (previous year: CHF +3.3 million). The greatly increased product investments, amounting to 31% of sales, compared to 22% in the previous year, resulted in a one-off hit to profitability but contributed to successful rollouts and customer acquisitions. The fall in sales volume and inflation in the production countries also had a negative effect on the EBITDA and could not be offset by means of additional cost savings and price increases.

The corporate loss before goodwill amortisation amounted to CHF -12.2 million, compared with a profit of CHF 0.8 million in the previous year. This means that CREALOGIX shows a negative, adjusted loss per share of CHF -8.76 (2020/2021: CHF 0.61).

As in the previous year, free cash flow was impacted by the strategic investment in the product portfolio, amounting to CHF -22.3 million compared with CHF -7.0 million in the previous year. This negative cash flow was financed from the existing cash and cash equivalents and an increased use of the available credit facilities. The cash available at the end of the financial year amounted to CHF 14.1 million, compared with CHF 27.7 million in the previous year, and net liabilities amounted to CHF -24.2 million (previous year: CHF 0.8 million). The equity ratio was 22.6% (previous year 38.0%) – with a conservative accounting policy according to which development spending is charged directly to the income statement and goodwill from previous acquisitions is constantly amortised, as well as adverse exchange rate effects arising from the consolidation of CHF 5.0 million. According to the terms of the convertible bond, CREALOGIX may not fall below an equity ratio of 25%. In particular due to the strong drop in the EUR/CHF exchange rate, this was temporarily not met at the end of the financial year. However, this has been remedied in the meantime with various measures that have already been announced, including the partial sale of Swiss Learning Hub AG. Accordingly, the temporary deviation of the equity ratio has no consequences for the convertible bond.



Outlook

The first two months of the new financial year 2022/23 were marked by a continuing focus on the digital banking business: The sale of two thirds of the subsidiary Swiss Learning Hub AG was announced in August 2022.

The difficult financial year was characterised by a series of one-off effects, in particular high capital investment for the development banks. Capacities which were tied up for development and implementation are now once again available for important customer projects and initiatives. The greatly improved cost situation will take us back to profitability. At an adjusted comparison level (deconsolidation of Swiss Learning Hub AG), we do not yet expect higher sales for the financial year 2022/23, in particular because of the uncertainties with the euro exchange rate and the continuing switch to multi-year contracts. On the other hand, we do expect to return to a positive EBITDA in the first half of the financial year 2022/23.

We are grateful and proud that we can count on the support and commitment of our employees, as well as our customers and suppliers. In the name of the Board of Directors and of the Executive Management team, we would also like to thank you for your valuable support and your continuing confidence in CREALOGIX.



Bruno Richle
Chairman of the Board of Directors



Oliver Weber
Chief Executive Officer

Corporate Governance



Corporate Governance

| | |
|--|----|
| Group structure and Shareholders CREALOGIX Group | 10 |
| Capital structure | 13 |
| Board of Directors | 15 |
| Executive Board | 21 |
| Compensation and share-based payments | 24 |
| Shareholder participation rights | 24 |
| Change in control and defensive measures | 26 |
| Auditor | 26 |
| Blackout period | 27 |
| Information policy | 27 |
| Share | 28 |
| Distributions to shareholders | 29 |

Management and controlling at the highest corporate levels at CREALOGIX are conducted in accordance with the principles and rules of the Swiss Code of Best Practice of *economiesuisse* and the SIX Swiss Exchange.

The information required to be published in accordance with the Swiss Exchange Corporate Governance Directive is presented below in the prescribed sequence and numbering.

1 Group structure and Shareholders of the CREALOGIX Group

CREALOGIX Holding AG is a corporation with headquarters in Zurich (Switzerland). The registered shares of the corporation are traded on the SIX Swiss Exchange under the identification number 1 111 570 and ISIN CH0011115703. On 30 June 2022, market capitalisation was CHF 89.5 million.

1.1 Group structure

The participations held by the CREALOGIX Holding AG in the different subsidiary companies are listed in detail on page 48 (scope of consolidation on 30 June 2022) of the Annual Report.

In the year under review, following changes in the Group structure have been made:

- In December 2021, the liquidation of Winchester based Crealogix UK Ltd. started. All assets and liabilities had been transferred to related companies. It is expected, that the liquidation procedures will be completed in the first half-year of the upcoming business year.
- The share capital of Crealogix MBA Ltd has been increased in the amount of GBP 2 348 thousand.
- The share capital of the Singapore based Crealogix PTE Ltd. has been increased in the amount of SGD 9 500 thousand.

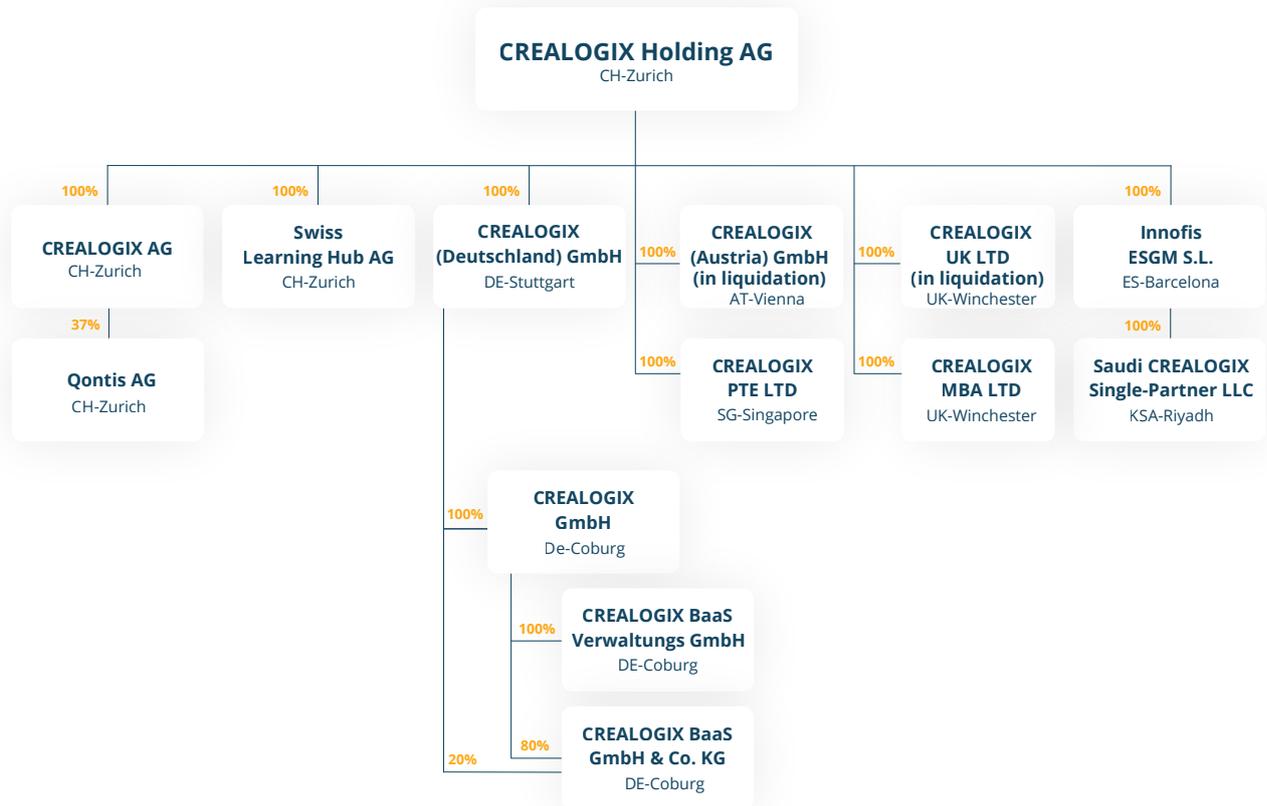
1.2 Significant shareholders

Current disclosures made in accordance with Article 20 of the Federal Act on Stock Exchanges and Securities Trading are published on the disclosures platform of the Disclosure Office of SIX Swiss Exchange (<https://www.six-exchange-regulation.com/en/home/publications/significant-shareholders.html>).

On 30 June 2022, the following shareholders each had a proportion of votes of more than three per cent:

| Shareholders | Proportion of votes | Number of shares |
|---|---------------------|------------------|
| Dr. Richard Dratva | 17.79% | 248 758 |
| Bruno Richle | 16.48% | 230 442 |
| Daniel Hiltbrand | 8.16% | 114 100 |
| Mayfin Management Services S.I. | 8.80% | 123 110 |
| Werner Dubach, Anne Keller Dubach | 4.72% | 66 037 |
| Long Path Smaller Companies Master Fund, Ltd. | 7.23% | 101 067 |
| Noser Management AG | 3.09% | 43 225 |

The first three shareholders together with Peter Süsstrunk (and their family members – henceforth named "Founder Shareholders") have in place a shareholder pooling agree-



ment. Members of the Funding Shareholders own in total 612700 shares (44.3% of the total). Under the terms of their shareholder pooling agreement, they undertake to exercise their voting rights jointly in all substantive items of business transacted at the Shareholders' Meeting of CREALOGIX Holding AG (voting trust). Upon the sale of shares in the company to a third party by a Founding Shareholder, the other Founding Shareholders have the right of first refusal on the conditions offered by the third party (right of first refusal). In the event of the sale of at least 30 per cent of the share capital of the company to a third party by two or three Founding Shareholders, the remaining Founding Shareholders are entitled to request that their shares be simultaneously tendered for sale at the same conditions (take-along rights).

As of January 2018, David Moreno owns shares via Mayfin Management Services S.I. The two major shareholders (Dr. Richard Dratva and Bruno Richte) entered into an agreement with David Moreno setting forth tag-along rights for David Moreno and drag-along rights for Dr. Richard Dratva and Bruno Richte, which entered into force with the issuance and allocation of the new shares in January 2018.

For further information related to significant shareholders, see www.six-exchange-regulation.com.

1.3 Cross-shareholdings

There are not any cross-shareholdings with other enterprises.

2 Capital structure

2.1 Capital

As of 30 June 2022, CREALOGIX Holding AG had the following share capital at its disposal:

| | |
|------------------|---|
| Ordinary capital | CHF 11 186 736 Divided into 1 398 342 registered shares with a par value of CHF 8 per share. |
|------------------|---|

2.2 Authorised and conditional capital

| | |
|---------------------|---|
| Authorised capital | CHF 2 400 000 Divided into 300 000 registered shares with a par value of CHF 8 per share. Issue due to expire on 27 October 2023. |
| Conditional capital | CHF 2 396 480 Divided into 299 560 registered shares with a par value of CHF 8 per share. |

Authorised capital

The Board of Directors is authorised to waive the subscription right of shareholders regarding the issuance of authorised capital either in whole or in part and to grant that right to third parties if the new shares concerned are (1) to be used to acquire companies by an exchange of shares or (2) to finance the acquisition of companies or parts of them or participations or new investment projects, or (3) for a share placement on the capital market. Shares for which subscription rights are granted, but not exercised, are to be used by the Board of Directors in the interest of the company or allowed to lapse. The share capital may be increased by the conversion of freely disposable shareholders' equity pursuant to Art. 652d OR.

The timing of a particular issue and the issued amount, together with the timing of the entitlement to a dividend and the nature of the contributions, will be determined by the Board of Directors (Art. 3a of the Articles of Association).

Conditional capital

Conditional capital can be used to raise share capital by exercising warrants and/or conversion rights related to the issuance of convertible bonds, warrant bonds or other financial market instruments. Shareholders do not have subscription rights for conditional capital (Art. 3b of the Articles of Association).

2.3 Changes in capital

In the period under review, a fraction of the convertible bond were converted into 440 shares (previous year: none shares). The share capital increased by CHF 4 thousand (previous year: none shares) to CHF 11 187 thousand.

2.4 Shares and participation certificates

On 30 June 2022, 1398342 fully paid registered shares of CREALOGIX Holding AG with a nominal value of CHF 8 per share were outstanding. CREALOGIX Holding AG owned 8534 shares of treasury stock on 30 June 2022, equivalent to 0.5% of outstanding share capital. A registered share entitles the holder to one vote at the Shareholders' Meeting (one share, one vote). All shares are entitled to dividends. CREALOGIX Holding AG has not issued any participation certificates.

2.5 Dividend-right certificates

CREALOGIX Holding AG has not issued any dividend-right certificates.

2.6 Limitations on transferability of shares and nominee registration

Registered shares of CREALOGIX Holding AG can be transferred without restrictions. The registration in the CREALOGIX Holding AG Register of Shareholders of purchasers who hold shares for their own account is not restricted.

The Registration of individuals who in their registration application do not expressly declare that shares are held for their own account ("nominees") are governed by the Group's Regulation Regarding Registration of Nominees in the Register of Shareholders adopted by the Board of Directors on 18 September 2006. The Board of Directors can register nominees in the Register of Shareholders with a maximum of three per cent of total voting rights. The Board of Directors can enter nominees in the Register of Shareholders as shareholders with more than three per cent of voting rights, provided that the nominee discloses the name, address and stock of shares of the person in whose account shares are held and an agreement regarding reporting obligations and so forth is established with the nominee.

2.7 Convertible bonds and options

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 30 June 2022, a total liability of CHF 24.9 million is outstanding. There are no options in existence.

In October 2020, the founding shareholders have placed 750 000 public tradable call warrants on 75 000 CREALOGIX registered shares. The founder intend these CREALOGIX shares to become free float if the call warrants are exercised. The call warrants (symbol CREAHB) with a subscription ratio of 10 call warrants per CREALOGIX registered share have an exercise period of three years and an exercise price of CHF 135.

3 Board of Directors

The Board of Directors is currently composed of one executive member (in dual office as Vice Chairman and Chief Strategy Officer) and four non-executive members.

Executive members

The dual office of the Chief Strategy Officer and Vice Chairman of the Board of Directors has proven advantageous as the Board of Directors are able to make use of the profound expertise and market knowledge of the Vice Chairman/Chief Strategy Officer for its decisions.

Non-executive members

As of 1 January 2016, Bruno Richle (Chairman) has held position of acting non-executive member of the Board of Directors. Prior to this, Bruno Richle was operated as Chairman and Chief Executive Officer in a dual office. None of the other three non-executive Board members have previously exercised an executive function within the CREALOGIX Group or have a critical business relationship with the Company.

3.1 Members of the Board of Directors



Bruno Richle

Chairman of the Board of Directors at CREALOGIX Group since 2016
Swiss citizen, 1957

Professional history

| | |
|--------------|--|
| 1996 to 2015 | Founding Member and CEO of the CREALOGIX in Zurich, Switzerland |
| 1990 to 1996 | Executive Management and Technical Director with Teleinform AG in Bubikon, Switzerland |
| 1986 to 1989 | Head of the Department of Electronic Engineering with Oerlikon Aerospace in Montreal, Canada |

Education

| | |
|------|--|
| 1985 | Electrical Engineer Major in Computer Science and Communications Engineering, Hochschule Rapperswil, Switzerland |
|------|--|

Other activities and functions

| |
|---|
| Board Member of Yachtwerft Portier AG in Meilen, Switzerland |
| Board Member of Elektrizitätswerk Jona-Rapperswil AG, Switzerland |



Richard Dratva

Vice President of the Board of Directors, Chief Strategy Officer and Member of the Executive Board at CREALOGIX Group since 1996
Swiss citizen, 1964

Professional history

| | |
|-----------------|--|
| 1996 to present | Founding Member, Vice Chairman of the Board of Directors, Chief Strategy Officer and Member of the Executive Board at CREALOGIX in Zurich, Switzerland |
| 1995 to 1996 | Consultant at Teleinform AG in Bubikon, Switzerland |
| 1992 to 1994 | Research Associate at the Institute of Information Management at the University of St. Gallen, Switzerland |
| 1987 to 1991 | Internal Consultant with the Swiss Bank Corporation (today UBS AG) in Zurich, Switzerland |

Education

| | |
|------|---|
| 1995 | Ph.D. in Economics and Finance from the University of St Gallen, St Gallen, Switzerland |
| 1987 | Lic. en sc. écon. HEC at the University of Lausanne, Switzerland |

Other activities and functions

No further activities or functions



Rudolf "Ruedi" Noser

Member of the Board of Directors
at CREALOGIX Group since 2018
Swiss citizen, 1961

Professional history

| | |
|-----------------|--|
| 2015 to present | Liberal Member of the Council of State, representing the Canton of Zurich, Switzerland |
| 2003 to 2015 | Elected Member of the Swiss Parliament |
| 1996 to present | Owner and Member of the Board of Directors of Noser Group Management AG, Switzerland |

Education

| | |
|------|--|
| 1995 | Business Administration at the University of St. Gallen, Switzerland |
| 1992 | Business Administration at the University of Zurich, Switzerland |
| 1985 | Electrical Engineer Major in Computer Science at the University of Applied Sciences Rapperswil |

Other activities and functions

| | |
|-----------------|--|
| 2017 to present | Board Member of Credit Suisse Asset Management (Schweiz) AG in Zurich, Switzerland |
| 2015 to present | Member Steering Committee of the "digitalswitzerland" Association |
| 2013 to present | Board Member of Bucher + Suter Inc. (Noser Gruppe) in Boston, USA |
| 2012 to present | Board Member of AMC International Alfa Metalcraft Corporation AG in Risch, Switzerland |



Christoph Schmid

Member of the Board of Directors
at CREALOGIX Group since 2000
Swiss citizen, 1954

Professional history

| | |
|-----------------|---|
| 2018 to present | Board Member of avobis Group AG |
| 1989 to present | Partner at Wenger & Vieli AG in Zurich, Switzerland |

Education

| | |
|------|--|
| 1985 | Attorney at law |
| 1982 | Dr. iur at the University of Zurich, Switzerland |
| 1978 | Master of laws degree from the University of Zurich, Switzerland |

Other activities and functions

Main Board Memberships

| | |
|-----------------|--|
| 2013 to present | Vice Chairman of the Board of Directors Neue Zürcher Zeitung Mediengruppe in Zurich, Switzerland |
| 1998 to present | Board Member of Robert Bosch Internationale Beteiligungen AG in Zuchwil, Switzerland |
| 1996 to present | Board Member of Kessler & Co AG in Zurich, Switzerland |
| 1993 to present | Chairman of the Board of Directors EBS Services Company Limited in Zurich, Switzerland |

Member of the Board of charitable Swiss Foundations



Ralph Mogenicato

**Member of the Board of Directors
at CREALOGIX Group since 2016
Swiss/Italian citizen, 1963**

Professional history

| | |
|-----------------|---|
| 2012 to present | Independent Senior Advisor, Professional Board Member and Angel Investor in ICT and fintech start-ups |
| 2012 to present | Owner of Hixon AG, Zurich, Switzerland |
| 2011 to present | Lecturer at the University of Zurich and Kalaidos University of Applied Sciences in Zurich, Switzerland |
| 1996 to 2012 | Founding Member and CEO at Synpulse (formerly Solution Providers) in Zurich, Switzerland |

Education

| | |
|------|---|
| 1999 | Swiss Finance Institute Executive Program |
| 1989 | Master of Arts, Economics and Computer Science at the University of Zurich, Switzerland |

Other activities and functions

| | |
|-----------------|--|
| 2021 to present | Member of the Advisory Board of Kaspar& in St. Gallen, Switzerland |
| 2019 to present | Member of the Advisory Board of LEND in Zurich, Switzerland |
| 2019 to present | Board Member of Inacta, Zug, Switzerland |
| 2018 to present | Board Member of Enterprise Bot in Zug, Switzerland |
| 2018 to present | Board Member of Imburse in Zurich, Switzerland |
| 2017 to present | Board Member of Apiax in Zurich, Switzerland |
| 2014 to present | Member of the Advisory Board of unblu. in Basel, Switzerland |
| 2014 to present | Vice President Swiss ICT Investor Club in Zurich, Switzerland |
| 2012 to present | Member Advisory Board PureFacts Financial Solutions in Toronto, Canada |
| 2012 to present | Guest lecturer at IFZ, University of St. Gallen and Swiss Finance Institute, Switzerland |
| 2011 to present | Board Member of its business AG in Bern, Switzerland |

3.2 Other activities and vested interests

Information on other activities and vested interests is disclosed together with the curricula vitae on pages 15 to 18.

The law firm of Wenger&Vieli AG provides consulting services for the CREALOGIX Group. In addition, the consulting company Hixon AG provides consulting services with respect to business development. Furthermore, management services were provided by Mayfin Management Services S.I.

The compensation is listed in the remuneration report starting on page 31.

3.3 Allowed number of mandates

According to article 31 of the Articles of Association, a member of the Board of Directors may simultaneously hold on a maximum of 13 mandates outside the CREALOGIX Group, of which only three may be in listed companies and not more than ten in non-listed companies. If the mandates held relate to legal entities that belong to the same group or are similarly related in terms of management, these mandates are considered to be a single mandate. There are no restrictions on the number of mandates held in legal entities that are directly or indirectly controlled by the CREALOGIX Group or in related legal entities where the mandate is exercised as part of the mandate for CREALOGIX Group.

Mandates exercised in associations, non-profit organisations, foundations, trusts or pension funds are not part of the above mentioned limitations; a maximum of eight such mandates is allowed.

3.4 Election and terms of office

The members of the Board of Directors and the Nomination and Compensation Committee were elected by the Shareholders' Meeting ("SM") held on 27 October 2021 for a new term of office of one financial year following the entry into force of the new Ordinance against Excessive Compensation with respect to Listed Stock Corporations (VegüV). Re-election is allowed.

Information concerning the term of office of the current members of the Board of Directors is listed in the following table:

| | Function | Elected since SM |
|----------------------|---------------|------------------|
| Bruno Richle | Chairman | 1996 |
| Dr. Richard Dratva | Vice Chairman | 1996 |
| Dr. Christoph Schmid | Member | 2000 |
| Ralph Mogenicato | Member | 2016 |
| Rudolf Noser | Member | 2018 |

3.5 Internal organisation

Responsibilities and competencies

The Board of Directors convenes as often as required by business, but at a minimum of four times per year. In the financial year 2021/2022 the Board met four times for meetings of four to five hours each. Five additional meetings by Board of Directors were conducted as a conference call respectively strategy workshop. The CEO, CFO and other members of the Executive Board took part as required in the meetings.

The Board of Directors has a quorum if the majority of its members are present. The Board makes its decisions with the majority of votes cast. In case of a tie, the Chairman's vote is decisive. The Board of Directors is responsible for defining corporate strategy, supervision of the corporation and the establishment of its organisation, the appointment and recall of members of the Executive Board as well as the policies of accounting, financial planning and financial controlling. The Board decides on acquisitions and sets annual targets as well as the annual and investment budget for the Group.

The Annual Report 2021/2022 was passed at the meeting of the Board of Directors on 9 September 2022.

Committees

The Board of Directors has formed an Audit Committee which supports and advises the Board of Directors on financial reporting, internal controlling, composition of half-year and annual reports as well as collaboration with and evaluation of the services of the Group auditor. The Audit Committee is composed of non-executive members of the Board of Directors. Ralph Mogenicato (Chairman) and Ruedi Noser currently form the Audit Committee. The Audit Committee convenes at least three times a year. The CFO, Daniel Bader, is present during the meetings. In financial year 2021/2022, the Audit Committee met three times for meetings of two to three hours each. Representatives of the auditor were present at all meetings.

The Nomination and Compensation Committee, which is elected by the Shareholder's Meeting, is responsible for the formulation of recommendations to the Board of Directors regarding the compensation of the members of the Board of Directors and the Executive Board as well as the allotment of share-based payments. The Committee also holds responsibility for human resource planning on the level of the Board of Directors and the Executive Board. This includes the definition of criteria for the selection of candidates and the preparation of the selection process as well as succession planning and promotion of deserving employees. The committee is composed of the following non-executive members: Bruno Richle (Chairman) and Dr. Christoph Schmid. The Nomination and Compensation Committee convenes at least twice a year. In the 2021/2022 financial year, the committee met three times for meetings of two to three hours each.

In all cases, resolutions remain reserved to the Board of Directors.

3.6 Definition of areas of responsibility

To the extent allowed by law and the Articles of Association, the Board of Directors delegates the entire business execution and responsibility to the Executive Board.

In particular, the following responsibilities are delegated to the Executive Board regarding the operative organisation and leadership of the CREALOGIX Group:

- Monitoring of on-going business
- Keeping of accounts and establishment of the budget
- Implementation and maintenance of the internal control system (ICS)
- Establishing governance structures for the leadership organisation of the Group's entities and for the interaction between the Executive Board and the management bodies of business units
- Engagement and dismissal of personnel, in as much as this is not reserved for the Board of Directors
- Preparation and execution of the resolutions and directives of the Board of Directors
- Development of the basis for decisions for the attention of the Board of Directors concerning acquisitions, significant investments, cooperation, etc.
- Reporting on the course of business for the attention of the Board of Directors
- Observance and fulfilment of legal publication obligations pertinent to the stock exchange.

3.7 Information and controlling tools vis-à-vis the Executive Board

The Board of Directors ensures that the Executive Board establishes and maintains an internal control system (ICS), tailored to the structure of the CREALOGIX Group and the risks involved in its business activities. The external auditors review the existence of the ICS as part of the annual audit and submit an annual report to the Board of Directors. Internal Audit is conducted by a mix of internal employees and external auditors.

The Executive Board reports to the Board of Directors on a monthly basis regarding the current business circumstances. The information is based on the internal management reports and includes the current and budget data as well as regular projections based on current trends and expectations. This written report is supplemented at each Board meeting by oral reports from the Executive Board.

In the case of extraordinary events, the Chief Executive Officer promptly informs the Board of Directors regarding the specific issue in writing and/or orally. The Chairman of the Board of Directors also maintains regular contact with the Chief Executive Officer and the Chief Financial Officer regarding on ongoing business transactions and matters of fundamental importance. Each member of the Board can request information from the Executive Board at any time with regard to the course of business and, with authorisation from the Chairman, information regarding individual transactions.

Furthermore the Board of Directors is assured of receiving information immediately due to one member of the Executive Board serving on the Board of Directors.

4 Executive Board

4.1 Members of the Executive Board

The Executive Board assumes the operational responsibilities and represents the CREALOGIX Group externally. As of 30 June 2022, the Executive Board consists of four members, one of whom serves as executive member of the Board of Directors.

As of 30 June 2022, beside Richard Dratva (Chief Strategy Officer, see page 16) the members of the Executive Board are:



Oliver Weber

President of the Executive Board and Chief Executive Officer at CREALOGIX Group since 2020
German citizen, 1966

Professional history

| | |
|-----------------|---|
| 2020 to present | Chief Executive Officer and President of the Executive Board at CREALOGIX in Zurich, Switzerland |
| 2018 to 2020 | Executive Vice President Digital Banking Switzerland at CREALOGIX in Zurich, Switzerland |
| 2016 to 2018 | COO Arcplace AG in Zurich, Switzerland |
| 2014 to 2016 | General Manager Global Professional Services at Wincor Nixdorf in Utrecht Area, Netherlands |
| 2011 to 2013 | President and CEO at Wincor Nixdorf in Austin, Texas USA |
| 2007 to 2011 | CFO/COO at Wincor Nixdorf in Austin, Texas USA |
| 2003 to 2007 | Director Corporate Controlling, Audit and Risk Management at Wincor Nixdorf in Paderborn, Germany |
| 1999 to 2003 | Manager at Accenture in Zurich, Switzerland |
| 1995 to 1999 | Financial Controller at ABB in Baden, Switzerland and London, U.K. |

Education

| | |
|------|---|
| 1997 | Master's degree in Finance from INSEEC in Paris, France |
| 1996 | Economics at the University Kassel, Germany |
| 1994 | Diploma in Marketing from the Claude Bernard University in Lyon, France |

Other activities and functions

No further activities or functions



Daniel Bader

Chief Financial Officer and Member of the Executive Board at CREALOGIX Group since 2019
Swiss citizen, 1972

Professional history

| | |
|-----------------|---|
| 2019 to present | Chief Financial Officer and Member of the Executive Board at CREALOGIX in Zurich, Switzerland |
| 2015 to 2019 | Group CFO at Swisslog Holding AG in Buchs, Switzerland |
| 2007 to 2015 | Head of Group Controlling/Accounting at Swisslog Holding AG in Buchs, Switzerland |
| 2002 to 2007 | Audit Manager at PwC in Zurich, Switzerland |
| 1999 to 2002 | Senior Auditor at Arthur Andersen in Zurich, Switzerland |

Education

| | |
|------|---|
| 2008 | CFA Level 1 at the CFA Institute |
| 2003 | Swiss Graduate Auditor of the Swiss Chamber of Commerce |
| 2001 | Certified Information System Auditor CISA at ISACA |
| 1999 | Business Administration at the University of Applied Science in Zurich, Switzerland |

Other activities and functions

No further activities or functions



David Moreno

Executive Vice President Spain and Member of the Executive Board at CREALOGIX Group since 2018
 Spanish citizen, 1974

Professional history

| | |
|-----------------|---|
| 2018 to present | Executive Vice President Spain and Member of the Executive Board at CREALOGIX in Zurich, Switzerland |
| 2012 to present | Partner at Mayfin MS in Barcelona, Spain |
| 2012 to 2018 | CEO Innofis in Barcelona, Spain (integration of the company into CREALOGIX Group in 2018) |
| 2004 to 2012 | Banking and Insurance Director at Thales, Spain |
| 1993 to 2004 | Several positions in Risk, Sales and Marketing within Retail and Corporate Banking at Caixa Sabadell, Spain |

Education

| | |
|------|---|
| 2002 | MBA at the ESADE Business School in Spain |
| 1996 | Management and Business Administration at Universidad of Aut3noma de Barcelona, Spain |

Other activities and functions

No further activities or functions

4.2 Other activities and vested interests

Additional activities and commitments of interest for Dr. Richard Dratva, Chief Strategy Officer, are disclosed on page 16. No other members of the Executive Board had reportable activities or commitments of interest.

4.3 Allowed number of mandates

According to article 31 of the Articles of Association, a member of the Executive Board may simultaneously take on a maximum of four mandates outside the CREALOGIX Group, of which no more than two may be in listed companies and no more than two in non-listed companies. If the mandates held relate to legal entities that belong to the same group or are similarly related in terms of management, these mandates are considered to be a single mandate. There are no restrictions on the number of mandates held in legal entities that are directly or indirectly controlled by the CREALOGIX Group or in related legal entities where the mandate is exercised as part of the mandate for CREALOGIX Group.

Mandates exercised in associations, non-profit organisations, foundations, trusts or pension funds are not part of the above mentioned limitations; a maximum of six such mandates is allowed.

4.4 Management contracts

As of January 2021, CREALOGIX Group replaced the employment contract of David Moreno with a management contract with Mayfin Management Services S.I.

5 Compensation and share-based payments

Compensation to related persons or parties is disclosed in the remuneration report from page 31 onwards.

6 Shareholder participation rights

Participation and custody rights of shareholders comply with the stipulations of Swiss stock corporation law.

6.1 Voting rights restrictions and representation

See Articles of Association, Art. 14.

There are no restrictions on voting rights. Every shareholder is entitled to have shares represented by proxy at the Shareholders' Meeting by another person, even if the latter is not a shareholder), with written power of attorney or by the independent proxy designated by the Board of Directors. Corporate bodies and depositaries may no longer serve as proxies pursuant to Art. 8 and 30 of the Ordinance against Excessive Compensation with respect to Listed Stock Corporations (VegüV).

6.2 Statutory quorum

See Articles of Association, Art. 15.

The Shareholders' Meeting votes and passes its resolutions with the absolute majority of the attendant and proxy share votes to the extent that legal regulations or the Articles of Association do not mandate a qualified majority for passage of a resolution as mandatory.

The Articles of Association of CREALOGIX Holding AG require no special quorum above and beyond the stipulations of stock corporation law.

6.3 Convening the Shareholders' Meeting

See Articles of Association, Art. 9 and Art. 29.

The Shareholders' Meeting is convened by the Board of Directors. The meeting must be called at the latest 20 days before the date of the Shareholders' Meeting.

The invitation to shareholders occurs through publication in the Swiss Official Gazette of Commerce. The Board of Directors can designate other mediums of communication. Provided that the names and addresses of all shareholders are known to the company and legal regulations or Articles of Association do not stipulate other mandatory procedures, the invitation to shareholders can also be legally binding as a letter to all the addresses listed in the Register of Shareholders. In this case, a publication in the Swiss Official Gazette of Commerce can be omitted.

6.4 Inclusion of items on the agenda

See Articles of Association, Art. 9, 10.

In convening the Shareholders' Meeting, the items of discussion as well as the proposals of the Board of Directors and of the shareholders that require a Shareholders' Meeting to be held must be made known. Furthermore, items of discussion and proposals must be placed on the agenda if, pursuant to CO Art. 699 (3), they were submitted in writing to the Board of Directors before the meeting was called by shareholders who jointly represent at least ten per cent of the share capital or a nominal value of at least one million Swiss francs.

6.5 Registration of shares

See Articles of Association, Art. 5.

The Board of Directors administers a Register of Shareholders in which the owners and benefactors are listed with name and address or with company name and headquarters location. Only those persons registered as shareholders in the Register of Shareholders are recognised as shareholders or beneficiaries in relation to the corporation.

The Register of Shareholders will be closed ten days before the Shareholders' Meeting. Shareholders not listed in the register by this date have no voting rights at the Shareholders' Meeting.

7 Change in control and defensive measures

7.1 Obligation to announce a public takeover offer

The Articles of Association of CREALOGIX Holding AG contain neither an opting-out nor an opting-up clause. Whoever acquires more than one-third (33 ⅓ per cent) of the share capital of the corporation is required in accordance with Art. 135 of the Financial Market Infrastructure Act (FinfraG) to submit a public takeover offer for the remaining shares.

7.2 Change-in-control clauses

No change-in-control clauses have been incorporated into agreements with members of the Board of Directors, members of the Executive Board or other members of management (no 'golden parachutes').

8 Auditor

8.1 Duration of mandate and term of office of lead auditor

PricewaterhouseCoopers AG in Zurich has served as the auditor of CREALOGIX Holding AG since 2 November 2009. The lead auditor since 31 October 2016 is Oliver Kuntze. The lead auditor rotation plan requires rotation after seven years in compliance with Swiss laws. Each auditor is elected by the annual Shareholders' Meeting for one year. The work of the auditor is conducted in accordance with applicable legal requirements as well as the principles of the profession.

8.2 Auditing fees

In the 2021/2022 financial year, the agreed audit fees for PricewaterhouseCoopers AG in Zurich amounted to CHF 257 thousand (previous year: CHF 257 thousand).

8.3 Additional fees

In the 2021/2022 financial year, PricewaterhouseCoopers AG provided further services valued at CHF 82 thousand (previous year: CHF 267 thousand), related to tax and legal advice outside of the regular audit.

8.4 Information tools of external auditors

The auditors inform the Executive Board and Board of Directors on a regular basis concerning findings and suggestions for improvement, especially in respect of the annual financial statements and the internal control system.

At least once a year, a meeting of the Audit Committee takes place in which representatives of the auditing company take part to provide information on its findings, particularly those regarding the annual financial statements. The Audit Committee then informs the Board of Directors of these findings.

The Audit Committee assesses the performance of the auditor based on, among other parameters, criteria such as punctuality, efficiency in collaboration and clarity of statements, and it reports these matters to the Board of Directors as appropriate.

9 Blackout Period

Group Insiders of CREALOGIX are subject to blackout periods. During these blackout periods, no trading of CREALOGIX shares is allowed. The blackout period for the annual reporting starts 60 days before publication and ends after publication; the blackout period for the half-year reporting starts 45 days before publication and ends after publication. In the period under review, the blackout periods were from 31 January 2022 to 15 March 2022 (noon) and 16 July 2022 to 13 September 2022 (noon). Other trading prohibition periods are imposed ad-hoc in case a project reaches a share sensitive stage.

10 Information policy

CREALOGIX Holding AG informs its shareholders and the capital markets openly, promptly and with the greatest possible transparency. The most important vehicles of information are the Annual and Half-Year Report, the website (crealogix.com), press releases, the presentation of the annual results for journalists and analysts as well as the Shareholders' Meeting. As an exchange-listed company, CREALOGIX Holding AG is obligated to publish information relevant to its stock price (Ad hoc publicity, Art. 73, Listing Rules). The Listing Rules of the SIX Swiss Exchange can be found under <https://www.ser-ag.com/dam/downloads/regulation/listing/listing-rules/LR-en.pdf>.

Inquiries about CREALOGIX can be addressed to the following persons responsible for Investor Relations:

Daniel Bader
Chief Financial Officer
T +41 58 404 80 00
daniel.bader@crealogix.com

Dr. Richard Dratva
Board of Directors Vice President and Chief Strategy Officer
T +41 58 404 80 00
richard.dratva@crealogix.com

Share

Key figures – shares

| | |
|--|------------|
| Share capital in CHF | 11 186 736 |
| Total number of outstanding shares | 1 398 342 |
| of which publicly traded | 1 398 342 |
| in % | 100.00% |
| Equity (carrying amount) per share in CHF | 16.0 |
| Earnings per share in CHF, undiluted | -12.18 |
| Share prices in CHF | |
| 30 June 2022 | 64.00 |
| High (07 January 2021) | 125.50 |
| Low (27 June 2022) | 62.00 |
| on issue day (7 September 2000) | 200.00 |
| Market capitalisation in CHF million^{*)} | |
| 30 June 2022 | 89.5 |
| High (07 January 2021) | 175.5 |
| Low (27 June 2022) | 86.7 |
| on issue day (7 September 2000) | 279.7 |
| Market capitalisation (30 June 2021) | |
| in % of operating revenue | 95.2 |
| in % of equity | 401.0 |
| Trading volume in CHF million | |
| 1 July 2021 to 30 June 2022 | 11.5 |

^{*)} Market capitalisation disclosed is calculated with the total number of outstanding shares as per 30 June 2022 and the share price at respective day.

Trading platform and ticker symbols

Registered shares (at nominal value CHF 8) of CREALOGIX Holding AG have been listed on the SIX Swiss Exchange since 7 September 2000 under the identification number 1 111 570.

| | |
|-----------------------|---------|
| Ticker symbols | |
| Telekurs | CLXN |
| Reuters | CLXN.S |
| Bloomberg | CLXN:SW |

Dividend

The Board of Directors will propose to the Shareholders' Meeting of 26 October 2022 that no dividend or share premium be distributed for the 2021/2022 financial year.

Articles of Association

The Articles of Association can be accessed under: <https://files.crealogix.com/group/corporate-governance/CREALOGIX-Articles-of-Association.pdf>

Share price from 1 July 2020 to 30 June 2021

All amounts in CHF



| Symbols | High | Low | Year-on-year % change |
|------------|-----------|-----------|-----------------------|
| CLXN | 125.50 | 62.00 | -48.00 (-42.86%) |
| SPI (SXGE) | 16 610.35 | 13 353.73 | -1'549.26 (-10.07%) |

Distribution to Shareholders

| | 2019/2020 | 2020/2021 | 2021/2022 |
|--|-----------|-----------|-----------|
| Distribution of share premium per share in CHF | 0.00 | 0.00 | 0.00 |
| Total distribution to shareholders in CHF thousand | 0 | 0 | 0 |

Remuneration Report



Remuneration Report

| | |
|--|----|
| Introduction | 32 |
| Remuneration principles | 32 |
| Remuneration policy | 33 |
| Remuneration system | 34 |
| Remuneration of the Board of Directors and Executive Management | 36 |
| Shareholdings of the Board of Directors and Executive Management | 37 |
| Report of the statutory auditor on the remuneration report 2021/2022 | 38 |

Remuneration Report

1 Introduction

The remuneration report states the remuneration principles for the Board of Directors and Executive Board of the Group, describes the remuneration policy and remuneration system and discloses information on the remuneration paid in the 2021/2022 financial year.

The report complies with the Ordinance against Excessive Compensation with respect to Listed Stock Corporations (VegüV) and the requirements of the Directive Corporate Governance of SIX Swiss Exchange and contains the disclosures required by Art. 663b and 663c of the Swiss Code of Obligations.

2 Remuneration principles

Our employees are key drivers of CREALOGIX's value and success. This fact makes it particularly important for the Group to attract, motivate and retain the best talent over the long-term in a highly competitive labour market. The remuneration system should support these fundamental goals.

It is based on the following principles:

- Remuneration is competitive since it is comparable to the remuneration paid by other (competitor) companies.
- Remuneration is affected by individual performance and the company's performance.
- The share ownership programmes reflect the company's performance, strengthen the managers' long-term loyalty and align their interests with those of the shareholders.
- Managers are protected from risk by pension and insurance plans.

The remuneration of the non-executive members of the Board of Directors consists of a fixed fee and fixed compensation per meeting in the Board of Directors committees, reported both as annual fixed compensation.

The remuneration of the Executive Board contains a variable part based on sales and earnings before depreciation, interest and taxes (EBITDA).

3 Remuneration policy

The Nomination and Compensation Committee (NCC) assists the Board of Directors (BoD) with all tasks and responsibilities related to human resources policies, among others:

- Regular review of the remuneration system and fringe benefits
- Annual review of the remuneration of the individual members of the Executive Board
- Annual assessment of the individual members of the Executive Board
- Succession planning and nomination of the members of the Executive Board

Approval system

| Decision on | CEO | NCC | BoD |
|--|----------|----------|---------|
| Remuneration of BoD Chairman, BoD members, CEO | | Proposes | Decides |
| Remuneration of members of the Executive Board (except CEO) | Proposes | Proposes | Decides |
| Share-based payments for BoD Chairman, BoD members, CEO | | Proposes | Decides |
| Share-based payments for members of the Executive Board (except CEO) and other eligible recipients | Proposes | Proposes | Decides |

The NCC consists of non-executive members of the Board of Directors who are proposed to the Shareholders' Meeting as candidates for election in accordance with VegüV.

During the period under review, the NCC consisted of Bruno Richle (Chairman), and Dr. Christoph Schmid.

The NCC Chairman can invite the CEO, CFO and Human Resources specialists to the meetings.

The entire Board of Directors may review the minutes of the NCC meeting.

The NCC meets at least twice per financial year. Three meetings were held during the period under review.

4 Remuneration system

4.1 Board of Directors

The remuneration of the non-executive members of the Board of Directors consisted of a fixed fee, a fixed amount in shares (if any) and a fixed compensation per meeting in the Board of Directors committees. The fixed compensation per meeting is reported within the annual fixed compensation.

In lieu of receiving their fee in cash, they have the right to receive up to 90 per cent of their fee, but no more than the equivalent of CHF 50 thousand, in CREALOGIX Holding AG shares at a sales price of 70 per cent of the average closing price from the last five trading days preceding the definitive share allocation date with a vesting period of three years.

The remuneration of the executive member of the Board of Directors (Vice President) is covered by the remuneration paid to him as the Chief Strategy Officer.

4.2 Executive Board

The remuneration of the Executive Board is outlined in a policy approved by the Board of Directors. It includes the following components:

- Base salary
- Variable cash remuneration
- Share ownership plans
- Pension and additional benefits

Base salary

Base salary depends on the responsibilities, market value, qualifications and experience of the position-holder. It is paid monthly in cash.

Variable cash remuneration

The variable cash remuneration of the Executive Board, depending on the position, is linked to the achievement of annual financial targets (Sales, EBITDA) for the respective division and/or Group. It ranges from 35 to 61 per cent of the base salary when the targets are achieved. The level of achievement of the Group EBITDA targets defines the size of the Group bonus pot. If the minimum level of 40 per cent is not reached, no variable cash remuneration is paid – even if some of the other targets have been achieved. Above the minimum level of 40 per cent target achievement, the size of the bonus pot is a linear function of the level of achievement of the Group EBITDA targets. The bonus pot is capped at 150 per cent target achievement.

The performance targets are jointly defined and agreed at the start of each financial year. The variable cash remuneration is paid after the consolidated financial statements have been audited by the auditor.

Share ownership plans

Members of the Board of Directors and Executive Board as well as other employees can purchase shares with a maximum value of CHF 50 thousand per year through a 3 years employee share ownership plan ("3 Years Plan"). The sales price for a CREALOGIX share is 70 per cent of the average closing price from the last five trading days preceding the definitive share allocation date with a vesting period of three years.

At the end of the vesting period of 3 years, the shares can be voluntarily subjected to an additional three-year vesting period at the discretion of the Board of Directors ("6 Years Plan"). If the member of the Executive Board or employee is still employed with the Group by the end of the additional vesting period, he or she receives one additional share for every employee share that he or she voluntarily subjects to the additional three-year vesting period.

In the 2021/2022 financial year, 3 329 employee shares (previous year: 4 598) were purchased under for the 3 Years Plan at a price of CHF 122.10 (previous year: CHF 115.70). The discount per share was calculated as the difference between the sales price and the average closing price of the last five trading days prior to the cut-off date and amounted to CHF 36.63 (previous year: CHF 34.71).

In December 2021, no bonus shares (previous year: 2 353) were provided to employees and members of the Board of Directors as additional shares under the 6 Years Plan.

In June 2022, no shares (previous year: CHF 70 thousand) were issued to the members of the Board of Directors at face value.

Pension and additional Benefits

The members of the Executive Board participate in the regular company pension scheme, along with the other employees in Switzerland. CREALOGIX pays for one half of this mandatory basic plan, which covers base salaries up to CHF 85 thousand with age-related contributions. The employees pay the other half.

There is also a management pension fund with a voluntary plan to insure base salaries in excess of CHF 85 thousand.

In addition, every member of the Executive Board is entitled to a company car and a fixed entertainment allowance in accordance with the expense policies in the respective countries.

Employment conditions

All members of the Executive Board have employment contracts with a six-month notice period with the exception of David Moreno who has a consultancy agreement via Mayfin Management Services S.l. in place since January 2021 (see also paragraph 5). They are not entitled to severance payments.

5 Remuneration of the Board of Directors and Executive Board

| July – June 2021/2022 | Annual fixed compensation | Annual variable compensation | Share-based payments | | Social insurance contribution | Fringe Benefits | Total |
|--|---------------------------|------------------------------|----------------------|--------------|-------------------------------|-----------------|--------------|
| | | | 3 years plan | 6 years plan | | | |
| Board of Directors | | | | | | | |
| Bruno Richle, Chairman | 112 | 0 | 0 | 0 | 9 | 0 | 121 |
| Dr. Richard Dratva, Vice Chairman and CSO | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Dr. Christoph Schmid, Member | 31 | 0 | 0 | 0 | 2 | 0 | 33 |
| Ralph Mogenicato, Member | 31 | 0 | 0 | 0 | 3 | 0 | 34 |
| Noser Ruedi, Member | 31 | 0 | 0 | 0 | 3 | 0 | 34 |
| Total Board of Directors | 205 | 0 | 0 | 0 | 17 | 0 | 221 |
| Executive Board | 969 | 0 | 0 | 0 | 187 | 52 | 1 208 |
| Total | 1 174 | 0 | 0 | 0 | 204 | 52 | 1 429 |
| <i>Highest compensation to Oliver Weber, CEO</i> | 450 | 0 | 0 | 0 | 82 | 20 | 552 |

| July – June 2020/2021 | Annual fixed compensation | Annual variable compensation | Share-based payments | | Social insurance contribution | Fringe Benefits | Total |
|--|---------------------------|------------------------------|----------------------|--------------|-------------------------------|-----------------|--------------|
| | | | 3 years plan | 6 years plan | | | |
| Board of Directors | | | | | | | |
| Bruno Richle, Chairman | 146 | 0 | 42 | 86 | 12 | 0 | 286 |
| Dr. Richard Dratva, Vice Chairman and CSO | 0 | 0 | 10 | 0 | 0 | 0 | 10 |
| Dr. Christoph Schmid, Member | 43 | 0 | 21 | 0 | 4 | 0 | 68 |
| Ralph Mogenicato, Member | 43 | 0 | 16 | 0 | 4 | 0 | 63 |
| Noser Ruedi, Member | 38 | 0 | 21 | 0 | 3 | 0 | 62 |
| Total Board of Directors | 270 | 0 | 110 | 86 | 23 | 0 | 489 |
| Executive Board (active member) | 1 042 | 92 | 11 | 86 | 161 | 71 | 1 463 |
| Executive Board (former member) | 150 | 37 | 0 | 0 | 28 | 0 | 215 |
| Total | 1 462 | 129 | 121 | 172 | 212 | 71 | 2 167 |
| <i>Highest compensation to Richard Dratva, Vice Chairman and CSO</i> | 319 | 0 | 11 | 86 | 52 | 7 | 475 |

The following annual maximum total compensations have been approved by the ordinary Shareholders' Meeting of 27 October 2021:

- Board of Directors: CHF 560 thousand
- Executive Board: CHF 2 550 thousand

In the year under review, the annual variable compensation is zero because the target achievement was below the pay-out threshold.

There were no further claims or commitments to/from persons in key management positions as of 30 June 2022 (previous year: none). No long-term payments or severance payments were made in the year under review (previous year: none). Services for legal consultation were provided by Wenger & Vieli AG, a law firm closely related to Dr. Christoph Schmid, a member of the Board of Directors. Wenger & Vieli's fees for legal advice totalled CHF 42 thousand (previous year: CHF 5 thousand).

David Moreno, member of the Executive Board, was employed by CREALOGIX until 31 December 2020. Starting from 1 January 2021, management services were provided by Mayfin Management Services S.I. which is fully owned by David Moreno. Mayfin Management Services S.I. provided services for total CHF 299 thousand (previous year: 144 thousand for the period of January until June).

6 Shareholdings of the Board of Directors and Executive Board

On 30 June 2022, members of the Board of Directors, the Executive Board as well as major shareholders owned CREALOGIX Holding AG shares as follows:

| | CREALOGIX shares | | thereof blocked | |
|--|------------------|--------------|-----------------|--------------|
| | 30 June 2022 | 30 June 2021 | 30 June 2022 | 30 June 2021 |
| Board of Directors | | | | |
| Bruno Richle, Chairman | 230 442 | 230 442 | 2 244 | 2 448 |
| Dr. Richard Dratva, Vice Chairman and CSO | 248 758 | 248 758 | 2 244 | 2 448 |
| Dr. Christoph Schmid, Member | 7 433 | 7 433 | 1 048 | 1 248 |
| Ralph Mogenicato, Member | 666 | 666 | 173 | 173 |
| Ruedi Noser, Member | 43 225 | 43 225 | 322 | 322 |
| Members of the Executive Board | | | | |
| Oliver Weber, member of the Executive Board and CEO | 550 | 550 | 495 | 550 |
| Daniel Bader, member of the Executive Board and CFO | 450 | 450 | 450 | 450 |
| David Moreno, member of the Executive Board and Ex- ecutive Vice President Spain | 123 110 | 132 911 | 54 684 | 109 367 |
| Total | 654 634 | 664 435 | 61 660 | 117 006 |



Report of the statutory auditor to the General Meeting of
Crealogix Holding AG, Zürich

Report of the statutory auditor on the remuneration report 2021/2022

We have audited the remuneration report of Crealogix Holding AG for the year ended 30 June 2022. The audit was limited to the information according to articles 14–16 of the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance) contained in the tables on pages 36 to 37 of the remuneration report.

Board of Directors' responsibility

The Board of Directors is responsible for the preparation and overall fair presentation of the remuneration report in accordance with Swiss law and the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance). The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's responsibility

Our responsibility is to express an opinion on the remuneration report. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report complies with Swiss law and articles 14–16 of the Ordinance.

An audit involves performing procedures to obtain audit evidence on the disclosures made in the remuneration report with regard to compensation, loans and credits in accordance with articles 14–16 of the Ordinance. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material mis-statements in the remuneration report, whether due to fraud or error. This audit also includes evaluating the reasonableness of the methods applied to value components of remuneration, as well as assessing the overall presentation of the remuneration report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the remuneration report of Crealogix Holding AG for the year ended 30 June 2022 complies with Swiss law and articles 14–16 of the Ordinance.

PricewaterhouseCoopers AG



Oliver Kuntze
Audit expert
Auditor in charge



Fabian Stalder
Audit expert

Zürich, 9 September 2022

Financial Report



| | |
|--|----|
| CREALOGIX Group Financial Report | |
| Group key figures | 42 |
| Consolidated income statement | 43 |
| Consolidated balance sheet | 44 |
| Consolidated statement of changes in equity | 45 |
| Consolidated cash flow statement | 46 |
| Notes to the consolidated financial statements | 47 |
| Report of the statutory auditor on the consolidated financial statements | 78 |

Group key figures

| Amounts in thousands of CHF | July – June 2021/2022 | July – June 2020/2021 |
|---|--------------------------|--------------------------|
| Net sales from goods and services | 94 020 | 109 263 |
| CHF sales growth | -14.0% | 5.4% |
| Sales growth in local currencies | -12.5% | 6.4% |
| EBITDA | -9 254 | 3 267 |
| in % of net sales from goods and services | -9.8% | 3.0% |
| Free cash flow | -22 331 | -7 005 |
| Full-time employees | 524 | 631 |
| | 30 June 2022 | 30 June 2021 |
| Balance sheet total | 98 546 | 115 888 |
| Equity ratio | 23% | 38% |

Non-GAAP Financial Measures

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

| Sales growth in local currencies | July – June 2021/2022 | July – June 2020/2021 | Growth |
|--|--------------------------|--------------------------|--------|
| Net sales from goods and services | 94 020 | 109 263 | -14% |
| FX impact of the period | 1 624 | | |
| Sales from goods and services in local currencies | 95 644 | 109 263 | -12% |

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.

| Free cash flow | July – June 2021/2022 | July – June 2020/2021 |
|-------------------------------------|--------------------------|--------------------------|
| Cash flow from operating activities | -12 969 | 642 |
| Purchase of tangible fixed assets | -1 488 | -2 901 |
| Disposal of tangible fixed assets | 7 | 127 |
| Purchase of intangible assets | -7 881 | -4 873 |
| Adjusted free cash flow | -22 331 | -7 005 |

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.

Consolidated income statement

| Amounts in thousands of CHF | Notes | July – June 2021/2022 | % | July – June 2020/2021 | % |
|---|-------|--------------------------|--------------|--------------------------|-------|
| Net sales from goods and services | 5 | 94 020 | 100.0 | 109 263 | 100.0 |
| Other operating income | | 1 791 | 1.9 | 1 416 | 1.3 |
| Goods and Services purchased | | -37 516 | -39.9 | -36 515 | -33.4 |
| Change in inventory of finished and unfinished goods as well as unbilled goods and services | | -694 | -0.7 | 2 181 | 2.0 |
| Personnel expenses | 17 | -54 034 | -57.5 | -62 421 | -57.1 |
| Marketing expenses | | -1 273 | -1.4 | -1 391 | -1.3 |
| Rent, maintenance and repairs | | -2 769 | -2.9 | -3 304 | -3.0 |
| Other operating expense | | -8 779 | -9.3 | -5 962 | -5.5 |
| EBITDA *) | | -9 254 | -9.8 | 3 267 | 3.0 |
| Depreciation on tangible fixed assets | 9 | -1 040 | -1.1 | -1 076 | -1.0 |
| Amortisation on goodwill | 10 | -4 749 | -5.1 | -4 902 | -4.5 |
| Amortisation on other intangible assets | 10 | -863 | -0.9 | -820 | -0.8 |
| Operating result | | -15 906 | -16.9 | -3 531 | -3.2 |
| Financial income | 18 | 1 249 | 1.3 | 817 | 0.7 |
| Financial expense | 18 | -1 302 | -1.4 | -1 073 | -1.0 |
| Financial result | | -53 | -0.1 | -256 | -0.2 |
| Ordinary earnings before tax | | -15 959 | -17.0 | -3 787 | -3.5 |
| Income tax | 14 | -945 | -1.0 | -39 | 0.0 |
| Consolidated result | | -16 904 | -18.0 | -3 826 | -3.5 |
| Attributable to: | | | | | |
| Shareholders of CREALOGIX Holding AG | | -16 947 | -18.0 | -4 054 | -3.7 |
| Minority interest | | 43 | 0.0 | 228 | 0.2 |
| Earnings per share attributable to shareholders in CHF | 19 | | | | |
| Undiluted | | -12.18 | | -2.92 | |
| Diluted | | -12.18 | | -2.92 | |

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

The notes to the consolidated financial statements on pages 47 to 77 constitute an integral part of these consolidated financial statements.

Consolidated balance sheet

| Amounts in thousands of CHF | Notes | 30 June 2022 | % | 30 June 2021 | % |
|---|-------|---------------|--------------|----------------|--------------|
| ASSETS | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | 6 | 14 087 | | 27 741 | |
| Receivables from goods and services | 7 | 14 236 | | 17 480 | |
| Other short-term receivables | | 2 078 | | 1 234 | |
| Prepayments and accrued income | | 4 223 | | 3 327 | |
| Work in progress/inventories | 8 | 7 398 | | 7 976 | |
| Total current assets | | 42 022 | 42.6 | 57 758 | 49.8 |
| Non-current assets | | | | | |
| Financial assets | | 1 799 | | 1 654 | |
| Tangible fixed assets | 9 | 3 886 | | 3 507 | |
| Intangible assets | 10 | 45 102 | | 46 392 | |
| Deferred tax assets | 14 | 5 737 | | 6 577 | |
| Total non-current assets | | 56 524 | 57.4 | 58 130 | 50.2 |
| Total ASSETS | | 98 546 | 100.0 | 115 888 | 100.0 |
| LIABILITIES AND EQUITY | | | | | |
| Current liabilities | | | | | |
| Payables from goods and services | | 7 386 | | 8 987 | |
| Other short-term liabilities | | 2 432 | | 3 926 | |
| Short-term financial liabilities | 13 | 13 966 | | 4 400 | |
| Accrued liabilities and deferred income | 11 | 25 672 | | 24 730 | |
| Short-term provisions | 12 | 183 | | 2 277 | |
| Income tax liabilities | | 423 | | 282 | |
| Total current liabilities | | 50 062 | 50.8 | 44 602 | 38.5 |
| Non-current liabilities | | | | | |
| Long-term financial liabilities | 13 | 25 447 | | 25 194 | |
| Long-term provisions | 12 | 613 | | 1 720 | |
| Deferred tax liabilities | 14 | 108 | | 302 | |
| Total non-current liabilities | | 26 168 | 26.6 | 27 216 | 23.5 |
| Total LIABILITIES | | 76 230 | 77.4 | 71 818 | 62.0 |
| Shareholders' equity | | | | | |
| Share capital | 16 | 11 187 | | 11 183 | |
| Treasury shares | 16 | -806 | | -922 | |
| Capital reserves | | 58 411 | | 58 341 | |
| Translation differences | | -8 123 | | -3 083 | |
| Retained earnings | | -38 559 | | -21 612 | |
| Total equity before minorities | | 22 110 | | 43 907 | |
| Minority interests | | 206 | | 163 | |
| Total SHAREHOLDERS' EQUITY | | 22 316 | 22.6 | 44 070 | 38.0 |
| Total LIABILITIES AND EQUITY | | 98 546 | 100.0 | 115 888 | 100.0 |

The notes to the consolidated financial statements on pages 47 to 77 constitute an integral part of these consolidated financial statements.

Consolidated 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 |
|--|---------------|-----------------|-----------------|-------------------------|-------------------|--|--------------------|---------------|
| <i>on 30 June 2020</i> | 11 183 | -1 021 | 58 298 | -5 056 | -14 220 | 49 184 | -3 483 | 45 701 |
| Purchase of minority stake | 0 | 0 | 0 | 0 | -161 | -161 | 161 | 0 |
| Distribution to minority interest | 0 | 0 | 0 | 0 | -3 177 | -3 177 | 3 177 | 0 |
| Currency translation of foreign entities | 0 | 0 | 0 | 1 973 | 0 | 1 973 | 80 | 2 053 |
| Consolidated result | 0 | 0 | 0 | 0 | -4 054 | -4 054 | 228 | -3 826 |
| Share-based compensation | 0 | 0 | -58 | 0 | 0 | -58 | 0 | -58 |
| Change in treasury shares | 0 | 99 | 101 | 0 | 0 | 200 | 0 | 200 |
| <i>on 30 June 2021</i> | 11 183 | -922 | 58 341 | -3 083 | -21 612 | 43 907 | 163 | 44 070 |
| Increase from convertible bond | 4 | 0 | 48 | 0 | 0 | 52 | 0 | 52 |
| Currency translation of foreign entities | 0 | 0 | 0 | -5 040 | 0 | -5 040 | 0 | -5 040 |
| Consolidated result | 0 | 0 | 0 | 0 | -16 947 | -16 947 | 43 | -16 904 |
| Share-based compensation | 0 | 0 | -20 | 0 | 0 | -20 | 0 | -20 |
| Change in treasury shares | 0 | 116 | 42 | 0 | 0 | 158 | 0 | 158 |
| on 30 June 2022 | 11 187 | -806 | 58 411 | -8 123 | -38 559 | 22 110 | 206 | 22 316 |

The notes to the consolidated financial statements on pages 47 to 77 constitute an integral part of these consolidated financial statements.

Consolidated cash flow statement

| Amounts in thousands of CHF | Notes | July – June 2021/2022 | July – June 2020/2021 |
|--|-------|--------------------------|--------------------------|
| Consolidated result | | -16 904 | -3 826 |
| Income tax | 14 | 945 | 40 |
| Depreciation/amortisation | 9/10 | 6 652 | 6 798 |
| Financial result | 18 | 53 | 265 |
| Change of receivables from goods and services, other receivables and other non-cash flow related positions | | 1 359 | -2 635 |
| Change in work in progress/inventories | | 307 | -2 508 |
| Changes in payables from goods and services and other payables | | -402 | 5 929 |
| Changes in provisions | | -3 193 | -2 567 |
| Interest received | | 0 | 524 |
| Interest paid | | -1 137 | -721 |
| Tax paid | | -649 | -657 |
| Cash flow from operating activities | | -12 969 | 642 |
| Investing activities | | | |
| Purchase of tangible fixed assets | 9 | -1 488 | -2 901 |
| Disposal of tangible fixed assets | 9 | 7 | 127 |
| Purchase of intangible assets | 10 | -7 881 | -4 873 |
| Acquisition of organisations, net of cash | | 0 | -324 |
| Cash flow from investing activities | | -9 362 | -7 971 |
| Financing activities | | | |
| Proceeds from borrowings | 13 | 19 303 | 4 400 |
| Repayment of loans | 13 | -9 737 | -5 500 |
| Purchase of treasury shares | | -1 523 | -2 064 |
| Sale of treasury shares | | 1 474 | 1 762 |
| Cash flow from financing activities | | 9 517 | -1 402 |
| Effects from exchange rate changes | | -840 | 513 |
| Net change in cash and cash equivalents | | -13 654 | -8 218 |
| Cash and cash equivalents at beginning of period | | 27 741 | 35 959 |
| Cash and cash equivalents at end of period | | 14 087 | 27 741 |

The notes to the consolidated financial statements on pages 47 to 77 constitute an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

1 Basic information

CREALOGIX Holding AG (the 'Company') and its subsidiaries make up 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, CH-8041 Zurich. The Group's registered shares (CLXN) are traded on the SIX Swiss Exchange under identification number 1111570.

The consolidated financial statements were approved for issue by the Board of Directors on 9 September 2022 and proposed for adoption at the Shareholders' Meeting on 26 October 2022. The consolidated financial statements are reported in Swiss francs (CHF).

The following foreign exchange rates were applied:

| | Year-end rates (balance sheet) | | Average rates (income statement) | |
|-----|--------------------------------|--------------|----------------------------------|-----------------------|
| | 30 June 2022 | 30 June 2021 | July – June 2021/2022 | July – June 2020/2021 |
| EUR | 1.00 | 1.10 | 1.05 | 1.09 |
| USD | 0.96 | 0.92 | 0.93 | 0.91 |
| GBP | 1.16 | 1.28 | 1.24 | 1.23 |
| SGD | 0.69 | 0.68 | 0.68 | 0.67 |

On 30 June 2022, the following companies were included in the scope of consolidation:

| Company | Activity | Capital | Ownership interest | Proportion of voting rights |
|--|--|----------------|--------------------|-----------------------------|
| CREALOGIX AG, Zurich, Switzerland | Digital Banking software products and services | CHF 100 000 | 100% | 100% |
| Swiss Learning Hub AG, Zurich, Switzerland | Provider of educational platforms and sophisticated learning media | CHF 100 000 | 100% | 100% |
| CREALOGIX (Deutschland) GmbH, Stuttgart, Germany | Digital Banking software products and services | EUR 100 000 | 100% | 100% |
| CREALOGIX BaaS GmbH & Co. KG, Coburg, Germany | Hosting Solutions and Data Center Services in the banking environment | EUR 10 200 | 100% | 100% |
| CREALOGIX BaaS Verwaltungs GmbH, Coburg, Germany | Management of companies related to the ELAXY Groups | EUR 25 000 | 100% | 100% |
| CREALOGIX GmbH, Coburg, Germany | Holding and administration of participating interests in companies | EUR 471 800 | 100% | 100% |
| CREALOGIX UK Ltd, Winchester, UK | Holding and administration of participating interests in companies | GBP 1 | 100% | 100% |
| CREALOGIX MBA Ltd, Winchester, UK | Digital Banking software products and services | GBP 2 372 777 | 100% | 100% |
| CREALOGIX PTE. Ltd, Singapore, Singapore | Digital Banking software products and services | SGD 11 100 000 | 100% | 100% |
| CREALOGIX (Austria) GmbH, Vienna, Austria | Digital Banking software products and services | EUR 35 000 | 100% | 100% |
| Innofis ESGM S.L, Barcelona, Spain | Digital Banking software products and services | EUR 100 000 | 100% | 100% |
| Saudi CREALOGIX Single-Partner LLC Riyadh, Kingdom of Saudi Arabia | Digital Banking software products and services | SAR 20'000 | 100% | 100% |
| Qontis AG ^{*)} , Zurich, Switzerland | Establishment and operation of a highly automated independent multibank Personal-Finance-Management (PFM)-Platform | CHF 100 000 | 37% | 37% |

*) Since January 2019, the Group took over control over Qontis AG. By gaining control, CREALOGIX began to consolidate Qontis AG as of January 2019. The minority interests of 62.75% are disclosed in the consolidated statement of changes in equity.

In the year under review, following changes in the Group structure have been made:

- In December 2021, the liquidation of Winchester based Crealogix UK Ltd. started. All assets and liabilities had been transferred to related companies. It is expected, that the liquidation procedures will be completed in the first half-year of the upcoming business year.
- The share capital of Crealogix MBA Ltd has been increased in the amount of GBP 2 348 thousand.
- The share capital of the Singapore based Crealogix PTE Ltd. has been increased in the amount of SGD 9 500 thousand.

2 Summary of significant accounting and valuation policies

The significant accounting and valuation policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of CREALOGIX Holding AG have been prepared in accordance with all the Swiss GAAP FER standards, Swiss law and the requirements of SIX Swiss Exchange.

The consolidated financial statements have been prepared under the historical cost accounting convention except for marketable securities and participations under 20% which are valued at fair value. The preparation of consolidated financial statements in agreement with Swiss GAAP FER requires estimates. Furthermore, the application of Groupwide accounting and valuation methods requires assessments by the management. Areas with more room for judgement and higher complexity or areas where assumptions and estimates are crucial for the consolidated financial statements are listed in Note 4.

In tables, monetary values are presented in CHF thousands if not mentioned otherwise. Due to roundings, the sum of the figures given in this report may not precisely equal the stated totals and percentages may not be exact in some cases.

2.2 Consolidation

a) Subsidiaries

Subsidiaries consist of all entities over which the Group has the power to govern financial and operating policies; in general, the Group would also have acquired more than one-half of the entity's voting rights. When assessing whether or not the Group controls another entity, the existence and effect of potential voting rights that are currently exercisable or convertible are considered. Subsidiaries are fully consolidated in the consolidated financial statements once control is transferred to the Group; however, they are deconsolidated as soon as that control ceases to exist.

The purchase method of accounting is used to account for organisations that have been acquired by the Group. The cost of an acquisition is measured as the aggregate of the fair values of assets given, the equity instruments issued by the acquirer, and the liabilities incurred or assumed on the date of transaction, plus any costs directly attributable to the acquisition. Identifiable assets, liabilities and contingent liabilities assumed in a business combination are initially measured at fair value on the acquisition date, regardless of the extent of any minority interest. The excess of the cost of the acquisition over the Group's interest in the net assets recognised at fair value, capitalised as goodwill and amortised over 5 to 15 years (see Note 2.10 for further criteria applied).

If the net assets of the acquired organisation recognised at fair value exceed the cost of the acquisition, the difference (negative goodwill) is recognised as a provision that is released to profit or loss over the term.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction shows evidence of an impairment of the transferred asset. Accounting and valuation policies of subsidiaries have been revised where necessary in order to ensure consistency with the policies adopted by the Group.

b) Associates

Associates are all entities over which the Group has significant influence but not control, and is in possession of 20 to 50 per cent of the voting rights. Investments in associates are accounted for under the equity method and are initially recognised at cost.

The Group's share of the profits and loss of associates is recognised in the income statement on acquisition, and its share of changes in reserves is recognised in the consolidated reserves. The cumulative post-acquisition changes in profit or loss are booked against loan receivable from the associate, provided there is any, or investment in the associate otherwise.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction shows evidence of impairment of the transferred asset. Accounting and valuation policies of associates have been revised where necessary to ensure consistency with the policies adopted by the Group.

2.3 Segment reporting

The CREALOGIX Group globally markets its extensive product range for the digital bank of tomorrow, worldwide under the term 'Digital Banking Hub'.

All Group companies are managed based on an 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 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.

The income statement disclosures in the notes contain a breakdown of net sales from goods and services by geographical markets and categories.

2.4 Foreign currency translation

a) Functional currency and reporting currency

Items included in the financial statements for each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (functional currency).

The consolidated financial statements are reported in Swiss francs (CHF), the Company's reporting currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency at the average monthly exchange rate prevailing at the time of the transaction. Gains and losses resulting from the execution of such transactions as well as from the translation at the closing rate of foreign currency denominated assets and liabilities are recorded in the income statement of the corresponding Group entity.

c) Goodwill

The capitalised goodwill for Group companies whose functional currency is not the reporting currency is translated to the reporting currency at the closing rate for each balance sheet date.

d) Group companies

The results and balance sheet items of all Group entities (none of which have the currency of a hyperinflationary economy) that have a functional currency differing from the reporting currency are translated into the reporting currency as follows:

- Assets and liabilities are translated at the closing rate on the relevant balance sheet date
- Income and expenses as recorded in each income statement are translated at average exchange rates of the corresponding financial year.
- All resulting translation differences are recognised separately in shareholders' equity.
- Equity like loans are recognised in shareholders' equity.

2.5 Cash, cash equivalents and securities

Cash and cash equivalents comprise cash on hand, bank account deposits and other short-term, highly liquid financial assets with a residual term to maturity of three months or less.

Current account overdrafts are disclosed in the balance sheet as liabilities due to banks under short-term financial liabilities.

Marketable securities are recognised at their fair value, whereby fair value changes are shown in the income statement under the item 'financial result'.

2.6 Receivables from goods and services and other short-term receivables

Receivables from goods and services are recognised at nominal value less an allowance for doubtful accounts. An impairment is recognised for receivables from goods and services when the Group has objective evidence that it is not in a position to realise the full amount of the claim. No general bad debt provisions are recognised.

2.7 Work in progress/inventories

Work in progress (projects) is recognised using the valuation method outlined in Note 2.19. Inventories are measured at the lower of cost and net realisable value. Cost includes all purchase costs, costs of conversion and all other costs incurred in reaching out the current status quo, but excluding any borrowing costs. The net realisable value is the estimated selling price attainable in the ordinary course of business, less the estimated variable costs necessary to make the sale.

Costs are measured using the weighted average cost method.

Prepayments from customers on work in progress are disclosed as "Payments received in advance (for long-term contracts)" under "Accrued liabilities and deferred income" wherever the prepayments exceed the degree of completion.

Cash discounts are treated as reductions in costs.

2.8 Financial assets and investments in associates

Financial assets are valued at purchasing cost less any value impairments.

Investments in associates are carried at cost. Losses from investments in associates are directly charged against the loan extended to the associate, if there are any. Gains are applied to the loan until the nominal value is reached. Any further gains are added to investments in associates.

If no loans are granted, gains and losses are added to investments in associates.

2.9 Tangible fixed assets

Tangible fixed assets are stated at historical cost less any accumulated depreciation.

Costs include all expenses directly attributable to the acquisition.

Subsequent costs are only included in the tangible fixed assets' costs or recognised as separate tangible fixed assets, as appropriate, if it is likely that future economic benefits associated with the item will flow to the Group and these subsequent costs of the tangible fixed assets can be reliably measured. Repair and maintenance costs are recognised as expenses in the income statement in the financial year in which they were incurred.

Tangible fixed assets are depreciated using the straight-line method, with the acquisition cost being depreciated to the residual book value over the expected useful life of the tangible fixed assets, as follows:

| | Years |
|--|-------|
| Furniture and fixed installations | 10 |
| IT and communication system | 2 |
| Office machines and other office equipment | 5 |
| Vehicles | 5 |
| Property | 40 |

The residual book values and useful lives are reviewed and if necessary, adjusted at each balance sheet date.

Gains and losses arising from the disposal of tangible fixed assets are determined as the difference between the net proceeds and the carrying amount of the disposed item and are recognised in profit or loss.

2.10 Intangible assets

Intangible assets are amortised under the item "Amortisations" using the straight-line method, with the acquisition cost being amortised over the expected useful life of the asset, as follows:

| | Years |
|-------------------------|---------|
| Software acquired | 4 to 5 |
| Trademarks and licences | 5 |
| Goodwill | 5 to 15 |

a) Software acquired

The cost of software licences and developed software by third parties integrated into CREALOGIX products are capitalised on the basis of the purchase price and any costs directly attributable to preparing the asset for its intended use.

b) Trademarks and licences

Trademarks and licences (other than software licenses) are recognised at historical cost. Trademarks and licences have clearly defined useful lives and are valued at cost less accumulated amortisation.

c) Goodwill

Any excess of the cost of the acquisition over the Group's interest in the net assets recognised at fair value, is capitalised as goodwill and amortised over 5, 10 or 15 years. The amortisation period is determined as follows, based on the investment case of the acquisition:

- Acquisition mainly due to product range: 5 years
 - Acquisition due to product range and existing customer base: 10 years
 - Acquisition due to product range, existing customer base and new market: 15 years.
- Deferred conditional purchase price obligations from acquisitions that will be paid in the future are based on management estimates. The estimates are reviewed annually, and any adjustments are recognised in equity.

d) Badwill (negative goodwill)

If the net assets of the acquired organisation recognised at fair value exceed the cost of the acquisition, the difference is recognised as a provision that is released to profit or loss over 5 to 15 years. For criteria used to determine the duration, refer to the list under Note 2.10 lit c).

e) Research and development costs

Research and development costs for our proprietary software and devices are expensed when incurred.

2.11 Impairment of assets

All assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

If there are indications of impairment, the recoverable amount is calculated in an impairment test. An impairment is recognised in the income statement in the amount by which the asset's carrying value exceeds its recoverable amount. The recoverable

amount is the greater of the asset's market value less disposal costs and its value in use. Value-in-use calculations are based on cash flows forecasts for the next five years and extrapolated values starting with the sixth year.

2.12 Deferred taxes

Deferred taxes are recognised, using the balance sheet method and the effective tax rate, for all temporary differences arising between the tax bases of any assets or liabilities and their carrying amounts in the Swiss GAAP FER financial statements. Deferred taxes are determined using tax rates (and laws) that apply or have essentially been enacted on the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be offset.

Deferred tax liabilities arising from temporary differences in connection with investments in subsidiaries are recognised, except where the Group can influence the realisation date of the temporary differences and it is unlikely that it will realise the temporary differences in the foreseeable future. A deferred tax liability is only recognised on investments if their sale is foreseeable.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset the tax receivables against the current tax liabilities and if deferred taxes are levied by the same tax authority.

2.13 Liabilities

Current liabilities are recorded at nominal value.

Financial liabilities are classified as current liabilities unless the Group has the unconditional right to postpone settlement of the debt until twelve months after the balance sheet date or later. Non-current liabilities are discounted at the current local risk-free interest rate. The resulting annual interest expense is recognised as a financial expense in the income statement.

Issued convertible bonds are split into a debt component and an equity component upon first recognition. The debt component is obtained by discounting the future coupon payments and the repayment of the principal amount at the maturity date by a discount rate appropriate to a comparable straight bond. This discount rate is higher than the effective interest rate for the convertible bond since the latter includes a discount for the conversion right received. The equity component, in turn, reflects the conversion right for the bond. The debt portion is measured at amortised cost using the effective interest rate method. The interest accrued on the principal amount of 100 per cent of the convertible bond over the entire term is recognised in the income statement.

2.14 Leases

Leases are classified as operating leases if the lessor retains a substantial portion of the risks and rewards of ownership for the leased item. Payments in connection with an operating lease (net of reductions conceded by the lessor) are recognised in the income statement on a straight-line basis over the term of the lease.

2.15 Employee benefit plans

a) Pension obligations

The Group companies operate a number of pension plans that conform to the legal regulations and provisions in force in the respective countries. An economic obligation is recognised as a liability if the requirements for the recognition of a provision according to Swiss GAAP FER 16.7 are met. An economic benefit is capitalised provided that it is permitted and intended to be used for future Group pension contributions. Freely available employer contribution reserves are capitalized.

The pension fund organisations (separate legal entities) are financed through employee and employer contributions of the affiliated Group companies with respect to the recommendations of independent, qualified actuaries.

b) Share-based payments

The Group has set up share-based payment models comprising a 3 years ownership plan and a 6 years ownership plan. Under the terms of the 6 years ownership plan, a defined number of shares are granted to managers and employees. The total amount to be expensed is recognised in capital reserves as of the balance sheet date. The amount is equal to the number of bonus shares promised, but not yet transferred to employees as of the balance sheet date, multiplied by the pro-rata value of the CLXN share. The change in valuation during the reporting period is shown as personnel expenses over the whole service period.

c) Bonus plans

Bonus payments are dependent on financial performance (net sales from goods and services, operating profit). The Group recognises an expense and a liability for bonus payments based on the relevant financial performance indicators in cases of contractual obligations or where a de facto obligation exists due to past business practices.

2.16 Provisions

Provisions are made to cover guarantees, project risks, restructuring, litigation and other costs that are uncertain with respect to amount and date of occurrence. Such provisions are recognised if the Group is subject to present legal or de facto obligations that resulted from a past event, payment is probable, and the amount can be reliably estimated. Provisions are recorded at discounted present value if the expected cash outflow for discharging the liability is expected later than one year after the balance sheet date. Restructuring provisions include payments for pre-term lease cancellations and employee severance payments.

2.17 Contingent liabilities

Contingent liabilities are valued on the balance sheet date. Contingent liabilities are reported in the notes if they represent possible future obligations or present obligations where payment is improbable or not reliably measurable.

2.18 Shareholders' equity

Ordinary shares are classified as shareholders' equity. Costs directly attributable to the issuance of new shares or options are disclosed in shareholders' equity, net of tax, as a deduction from the proceeds of the issue. Costs directly attributable to the issuance of new shares or incurred directly in connection with the acquisition of a company are included in the acquisition cost as part of the consideration paid for the acquisition.

When any Group company purchases the Company's equity (treasury shares), the consideration paid, including any directly attributable additional costs (net of taxes), is deducted from the shareholders' equity in the Company until the shares are re-called, reissued or disposed of. When such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax, is recognised in the shareholders' equity of the Company.

2.19 Operating revenue recognition

A. Net sales from goods and services

CREALOGIX generates net sales from goods and services primarily from licences and services. The Company focuses on the design and production of highly sophisticated applications. These applications are developed and supported according to the "plan-build-run" model.

Net sales from goods are recognised on delivery of the goods and, where contractually stipulated, on acceptance by the buyer. Net sales from services are usually recognised in the income statement on delivery, with the exception of major projects not completed at balance sheet date. In such cases, net sales from services are recognised according to the percentage-of-completion method.

Net sales from goods and services are realised only if the client is deemed "credit-worthy". Each project is recognised individually. In the event of agency transactions, only the value of the service rendered by CREALOGIX itself is recognised. CREALOGIX distinguishes among different types of contracts:

- Software as a service (SaaS)
- Licence and maintenance contracts
- Fixed-price contracts
- Contracts based on agreed hourly work rates

a) Software as a Service contracts (SaaS)

The consideration given under these contracts consists of periodic subscription fees that cover software use, maintenance and hosting. In these cases, the net sales from goods and services is calculated by multiplying the contractual subscription fee by the number of software users in the period.

b) *Licence and maintenance contracts*

Net sales from licence sales are recognised when the right to use the software is made available to the customer; i.e. net sales from licences contract are recognised at one single point in time. Release versions set to end of life, i.e. not supported any longer, can be extended by acquiring extension licenses which are recognized at a point of time as well. Net sales from maintenance fees are recognised pro rata on an accrual basis according to the economic substance of the relevant agreements.

c) *Recognition of net sales from goods and services for contracts based on hourly work rates*

For this type of contract, CREALOGIX receives an agreed fixed fee per hour of work performed.

Net sales from goods and services from such transactions is recognised with reference to the number of hours of work performed as of the balance sheet date. The total number of hours of work performed is recognised and billed on a monthly basis.

d) *Recognition of net sales from goods and services for fixed-price contracts*

As soon as reliable estimates can be made regarding the profitability of an order, net sales from goods and services resulting from the transaction are recognised according to the percentage-of-completion method and the percentage completed is reported as of the balance sheet date. The percentage of completion is measured as the ratio of the number of hours of work performed to date to the total number of hours of work estimated to fulfill the performance obligation as per the contract. The profitability of the transaction can be reliably estimated when the following criteria are fully met:

- A contract exists
- The amount of sales expected from the order can be reliably measured
- The amount of net sales from goods and services expected from the order can be reliably measured
- An organisation has the capability to fulfill the long-term contract
- The percentage of completion of the transaction at the balance sheet date can be reliably measured
- The costs already incurred for the transaction and the costs to complete the transaction can be reliably measured

If no reliable estimates on the outcome of a project can be made:

- Net sales from goods and services are recognised only to the extent of the recognised expenses that are recoverable
- These expenses are recognised as expenses in the period in which they were incurred

As soon as losses appear imminent in the course of a long-term contract (imminent losses), a value adjustment is recognised for the full amount regardless of the degree of completion. If the value adjustments exceed the current value of the asset for the corresponding contract, a provision is recognised for the amount of the difference. Provisions are immediately recognised for any losses that can be identified upon the conclusion of the contract, even if no expenses have been incurred.

B. Other operating income

This item includes, without limitation, freight charges, profits from the sale of organisations and other operating income that cannot be allocated to net sales from goods and services.

2.20 Financial income and expenses

a) Interest income and expense

Both interest income and expenses incurred from interest-bearing assets and liabilities, including interest paid on trade assets, are included in this item. If the value of a receivable declines, the Group writes down the book value to the recoverable amount (i.e. the sum of expected future payment streams discounted at the initial effective interest rate) and releases the interest income over the corresponding period.

Interest income from impaired receivables is recognised, depending on the circumstances, either when payment is received or when costs are incurred.

b) Net income/expense – trade assets

Realised and unrealised gains and losses from trade assets are recognised at the actual profit realised, which is based on the market price at the balance sheet date.

c) Other financial income/expenses

Other financial income and other financial expenses consist of all financial income or expenses that cannot be classified as interest or trading income or expenses. Included in this category is dividend income. Dividend income is recognised when the right to receive payment has been established.

2.21 Dividend distributions

Dividend distributions to the Company's shareholders are recognised as a liability when the dividend distribution has been approved by the Shareholder's Meeting.

3 Internal control system and risk management

The Group operates an internal control system (ICS) with the objective of ensuring the effectiveness and efficiency of operations, the reliability of financial reporting and adherence to the law. In compliance with the provisions of the Swiss Code of Obligations, it is integrated, documented and applied throughout the controlling and reporting process.

The risk management process is managed by the CLX Risk-Management-Concept. Whereas, all known business risks are identified. Management of risks that could have a material impact on the assessment of the financial statements are prioritised and periodically brought to the attention of the Executive Management and Board of Directors. The risk management process is repeated at regular intervals, at least bi-annually.

3.1 Financial risk management

The nature of the Group's activities exposes it to various financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk, and liquidity risk. The comprehensive Group risk-management system focuses on the unpredictability of financial market developments and aims at minimising potential negative impacts on the Group's financial position. It is at the discretion of the Group Finance Department to use derivative financial instruments to hedge against financial risks.

Risk management is conducted by the Group Finance Department in accordance with guidelines adopted by the Board of Directors. The Group Finance Department identifies, assesses and hedges against financial risks in close cooperation with the Group's operating units. Financial risks (including concentration risks) are quantified by means of scenario planning and compared with the risk competence and risk tendency of the Group.

Financial risk management remains unchanged from the prior year.

3.2 Financial risk factors

a) Market risks

i) Foreign exchange risks

As the Group operates internationally, it is exposed to foreign exchange risks arising from fluctuations in the exchange rates of various foreign currencies, primarily the Euro. Foreign exchange risks arise from future transactions and recognised assets and liabilities denominated in a currency other than the entity's functional currency, as well as from investments in foreign operations. To hedge against risks from anticipated future transactions and recognised assets and liabilities, derivative instruments can be employed.

Foreign exchange risks of the net assets of foreign business operations are primarily reduced through the direct settlement of cash flow in foreign currencies and are further decreased at Group level based on a risk assessment system.

To hedge against risks from anticipated future transactions and recognised assets and liabilities, hedging instruments can be finalised.

ii) Interest rate risks

Since the Group has interest-bearing assets and liabilities, interest income and expenses is dependent on the movement of market interest rates. On the balance sheet, this affects cash and cash equivalents, securities, financial assets and financial liabilities.

Financial assets with variable interest rates expose the Group to cash flow risks, and assets with fixed interest rates subject the Group to fair value risks.

The Group analyses the interest rate risk on a regular basis based on the future fixed and variable interest rates and shifting financial assets accordingly.

iii) Price risks

The Group is subject to risks arising from fluctuations in the market prices of securities (recognised at fair value through profit or loss) it holds. According to the Group's guidelines, such investments are restricted to marketable securities with excellent ratings, diversified by invested in various products and institutions and monitored through continuous performance analyses.

b) Credit risks

Since the Group holds financial assets as well as trade and other receivables, and therefore, it is subject to the risk that a counterparty defaults leading to a financial loss. To minimize credit risk on receivables, the Group adheres to fundamental principles and processes that ensure that transactions are only conducted with customers having an acceptable credit history. Investments in financial assets such as cash and cash equivalents as well as transactions involving financial derivatives or cash are executed with prime financial institutions only. The maximum default risk is in most cases limited to the book value of the corresponding financial assets.

c) Liquidity risks

To avoid any risks of encountering difficulties meeting its financial liabilities (liquidity risk), the Group's Liquidity management involves maintaining sufficient reserves of cash, cash equivalents, and marketable securities, the possibility of financing through adequate available credit lines, and the ability to issue capital stock (authorised and conditional capital). In addition, the Group Finance Department bases its liquidity management on contractually fixed payment terms as well as cautious estimates regarding expected deferrals. There is no concentration risk with respect to liquidity since the Group works with several different banks.

3.3 Capital resource management

The objectives of capital resource management are as follows:

- To ensure the Group's operation as a going concern
- To achieve an adequate interest yield on equity

To achieve these objectives, the optimal amount of equity is determined in relation to the risks the Group faces and necessary adjustments are implemented by means such as dividend policy, repayment of capital, increases in capital, or the sale of assets for subsequent debt repayments.

In general, the Group targets an equity ratio of at least 30 per cent. In addition, the Group has obligations to third parties to comply with market standard covenants tied to its outstanding convertible bond.

Capital resource management remains unchanged from the prior year.

4 Critical accounting estimates and assumptions

The financial report contains forward-looking statements regarding CREALOGIX that are inherently susceptible to risk and uncertainty. The actual future results may vary from these statements. Forward-looking statements are projections of possible developments. All forward-looking statements are based on information available to CREALOGIX at the time the financial report was prepared. They are continually revised and are based on past experience as well as on other factors, including expectations of future events deemed reasonable under the given circumstances.

Those estimates and assumptions entailing significant risks in the form of substantial adjustments to the carrying value of assets and liabilities over the course of the next financial year are discussed below.

a) Recognition of net sales from goods and services

As outlined in Note 2.19 a), net sales from services are recognised according to the degree of completion at the balance sheet date. Remaining expenses up to completion, from degree of completion is derived, are estimated as accurately as possible. If actual expenses were to differ significantly from the estimates, the differences would require recognition in subsequent accounting periods.

b) Capitalisation of tax losses

The amount of the capitalised deferred tax assets resulting from loss carryforward was estimated on the basis of the expected future taxable profit of the respective Group entity as budgeted. Should the entities develop differently than expected, the impact will be felt on future tax expenses.

c) Goodwill and deferred conditional purchase price obligations

Deferred conditional purchase price obligations from acquisitions are based on a management estimate. The estimate is reviewed annually and any adjustments are recognised in equity.

Goodwill is capitalised and amortised over 5 to 15 years, whereby the amortisation period is set as close to useful life as possible. Useful life is determined on the scope of acquisition (see Note 2.10). In addition, Goodwill is tested for impairment by calculating values in use at the acquiree level, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. To determine whether impairment exists, estimates are made of the future expected cash flows to calculate value-in-use (see Note 2.11). Actual cash flows may differ from the discounted future cash flows based on these estimates.

5 Segment information

5.1 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).

| Net sales from goods and services | July – June 2021/2022 | July – June 2020/2021 |
|-----------------------------------|--------------------------|--------------------------|
| Switzerland | 34 623 | 36 985 |
| Europe | 37 237 | 53 896 |
| Rest of World | 22 160 | 18 382 |
| Total Group | 94 020 | 109 263 |

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

5.2 Net sales from goods and services by category

| Net sales from goods and services | July – June 2021/2022 | July – June 2020/2021 |
|--|--------------------------|--------------------------|
| Hosting and SaaS services | 26 146 | 29 855 |
| Maintenance | 22 089 | 25 085 |
| Total recurring revenue | 48 235 | 54 940 |
| Sales from services | 32 349 | 36 348 |
| Sales of goods | 4 099 | 7 207 |
| Licence sales | 9 337 | 10 768 |
| Total net sales from services, goods and licences | 45 785 | 54 323 |
| Total sales from goods and services | 94 020 | 109 263 |

Net sales from Hosting and SaaS services and maintenance services are recurring net sales. For the year under review, recurring net sales share amounted to 51% (previous period: 50%).

6 Cash and cash equivalents

| Cash and cash equivalents | 30 June 2022 | 30 June 2021 |
|--|---------------|---------------|
| Cash on hand and bank accounts | 14 087 | 27 741 |
| Total cash and cash equivalents | 14 087 | 27 741 |

For more information on movements in cash and cash equivalents account, refer to the Cash Flow Statement (page 46).

CREALOGIX AG has pledged CHF 36 thousand in bank deposits to UBS AG.

7 Receivables from goods and services

| Receivables from goods and services | 30 June 2022 | 30 June 2021 |
|---|---------------|---------------|
| Current | 12 247 | 10 378 |
| Overdue 1–30 days | 661 | 2 842 |
| Overdue 31–90 days | 1 147 | 963 |
| Overdue more than 90 days | 346 | 3 453 |
| Total receivables from goods and services (gross) | 14 401 | 17 636 |
| Less: value adjustment of receivables from goods and services | –165 | –156 |
| Total receivables from goods and services (net) | 14 236 | 17 480 |

| Impairment of receivables from goods and services | July – June 2021/2022 | July – June 2020/2021 |
|---|-----------------------|-----------------------|
| At beginning of period | –156 | –64 |
| Value adjustment for doubtful accounts | –70 | –123 |
| Use of impairment for doubtful accounts | 53 | 5 |
| Write-off of impairment for doubtful accounts | 0 | 27 |
| Currency translation differences | 8 | –1 |
| At end of period | –165 | –156 |

Carrying values of receivables from goods and services are denominated in the following currencies:

| Currencies of book values of receivables from goods and services | 30 June 2022 | 30 June 2021 |
|---|---------------|---------------|
| CHF | 4 829 | 3 608 |
| EUR | 4 570 | 8 700 |
| USD | 3 809 | 3 786 |
| GBP | 269 | 371 |
| Other currencies | 924 | 1 171 |
| Total currencies of book values of receivables from goods and services | 14 401 | 17 636 |

As the Group has a broad international client base, there is no concentration of credit risks with respect to receivables from goods and services.

The amounts on the balance sheet are not secured. The maximum credit default risk corresponds to the stated carrying values.

During the financial year, the Group recognised an expense of CHF 70 thousand (previous year: CHF 123 thousand) on its impairment for receivables. The change is recorded under 'other operating expenses' in the income statement.

8 Work in progress/inventories

| Work in progress/inventories | 30 June 2022 | 30 June 2021 |
|--|---------------------|--------------|
| Work in progress (projects) | 4 473 | 5 812 |
| Value adjustment for work in progress (projects) | -345 | -607 |
| Total work in progress | 4 128 | 5 205 |
| Inventories | 3 276 | 2 778 |
| Value adjustment on inventories | -6 | -7 |
| Total inventories | 3 270 | 2 771 |
| Total work in progress/inventories | 7 398 | 7 976 |

Work in progress (for project business) is accounted for according to the valuation methods described in Note 2.19. Prepayments received in advance for (long-term) projects were netted with the work in progress balance as per business year-end and amounted to CHF 8210 thousand (previous year: CHF 9045 thousand). The amount of revenue recognised in the period under review from long-term contracts accounted for under the percentage of completion method was CHF 11 341 thousand (previous year: CHF 13 827 thousand).

In the year under review, risk for imminent losses on projects that are accounted for under the percentage of completion method totaled to CHF 29 thousand (previous year: CHF 107 thousand) and are recognised within short-term provisions (see Note 12).

Inventories are measured at cost, either as purchasing cost or production cost. They are recognised as an expense when the related revenue has been realised. In the period under review, total expense amounting to CHF 1378 thousand (previous year: CHF 2550 thousand) has been recorded under cost of goods sold. Inventories comprise mainly trading goods (photo TANs, slip scanners and PayEyes).

9 Tangible fixed assets

| July – June 2021/2022 | Furniture & fixed installations | Office machines | IT & commu- nications systems | Vehicles | Property | Total |
|---|---------------------------------------|--------------------|-------------------------------------|----------|--------------|---------------|
| <i>Cost</i> | | | | | | |
| Value at start of period | 7 296 | 327 | 8 589 | 3 | 2 244 | 18 459 |
| Translation differences on opening balance | -379 | -9 | -530 | 0 | -204 | -1 122 |
| Additions | 1 180 | 2 | 271 | 0 | 35 | 1 488 |
| Disposals | -347 | -8 | -27 | 0 | 0 | -382 |
| Derecognition of tangible fixed assets no longer in use | -752 | 0 | -21 | 0 | 0 | -773 |
| Translation differences on effect of movement | 44 | 0 | -2 | -2 | -2 | 38 |
| <i>Value at end of period</i> | <i>7 042</i> | <i>312</i> | <i>8 280</i> | <i>1</i> | <i>2 073</i> | <i>17 708</i> |
| <i>Accumulated depreciation</i> | | | | | | |
| Value at start of period | 4 724 | 207 | 7 878 | 3 | 2 140 | 14 952 |
| Translation differences on opening balance | -363 | -9 | -494 | 0 | -195 | -1 061 |
| Depreciation | 445 | 40 | 528 | 0 | 27 | 1 040 |
| Disposals | -340 | -8 | -27 | 0 | 0 | -375 |
| Derecognition of tangible fixed assets no longer in use | -752 | 0 | -7 | 0 | 0 | -759 |
| Translation differences on effect of change | 37 | 0 | -10 | -2 | | 25 |
| <i>Value at end of period</i> | <i>3 751</i> | <i>230</i> | <i>7 868</i> | <i>1</i> | <i>1 972</i> | <i>13 822</i> |
| 30 June 2022 | | | | | | |
| <i>Net book values</i> | | | | | | |
| Value at start of period | 2 572 | 120 | 711 | 0 | 104 | 3 507 |
| Value at end of period | 3 291 | 82 | 412 | 0 | 101 | 3 886 |

| July – June 2020/2021 | Furniture & fixed installations | Office machines | IT & commu- nications systems | Vehicles | Property | Total |
|--|---------------------------------------|--------------------|-------------------------------------|----------|--------------|---------------|
| <i>Cost</i> | | | | | | |
| Value at start of period | 4 912 | 273 | 7 844 | 174 | 2 146 | 15 349 |
| Translation differences on opening balance | 163 | 6 | 248 | 2 | 81 | 500 |
| Additions | 2 246 | 48 | 494 | 96 | 17 | 2 901 |
| Disposals | -25 | 0 | 0 | -268 | 0 | -293 |
| Translation differences on effect of change | 0 | 0 | 3 | -1 | 0 | 2 |
| <i>Value at end of period</i> | <i>7 296</i> | <i>327</i> | <i>8 589</i> | <i>3</i> | <i>2 244</i> | <i>18 459</i> |
| <i>Accumulated depreciation</i> | | | | | | |
| Value at start of period | 4 297 | 166 | 6 939 | 147 | 2 033 | 13 582 |
| Translation differences on opening balance | 143 | 5 | 228 | 2 | 77 | 455 |
| Depreciation | 284 | 36 | 707 | 21 | 28 | 1 076 |
| Disposals | -2 | 0 | 0 | -167 | 1 | -168 |
| Translation differences on effect of change | 2 | 0 | 4 | 0 | 1 | 7 |
| <i>Value at end of period</i> | <i>4 724</i> | <i>207</i> | <i>7 878</i> | <i>3</i> | <i>2 140</i> | <i>14 952</i> |
| 30 June 2021 | | | | | | |
| <i>Net book values</i> | | | | | | |
| Value at start of period | 615 | 107 | 905 | 27 | 113 | 1 767 |
| Value at end of period | 2 572 | 120 | 711 | 0 | 104 | 3 507 |

10 Intangible assets

| July – June 2021/2022 | Software | Goodwill | Other ¹⁾ | Total |
|---|---------------|---------------|---------------------|----------------|
| <i>Cost</i> | | | | |
| Value at start of period | 14 266 | 85 515 | 7 238 | 107 019 |
| Translation differences on opening balance | -567 | -6 183 | -248 | -6 998 |
| Additions | 7 876 | 0 | 5 | 7 881 |
| Translation differences on effect of change | -21 | 0 | 0 | -21 |
| <i>Value at end of period</i> | <i>21 554</i> | <i>79 332</i> | <i>6 995</i> | <i>107 881</i> |
| <i>Accumulated amortisation</i> | | | | |
| Value at start of period | 9 145 | 44 740 | 6 742 | 60 627 |
| Exchange differences on opening balance | -528 | -2 473 | -203 | -3 204 |
| Amortisation | 610 | 4 749 | 253 | 5 612 |
| Translation differences on effect of change | -8 | -235 | -13 | -256 |
| <i>Value at end of period</i> | <i>9 219</i> | <i>46 781</i> | <i>6 779</i> | <i>62 779</i> |
| 30 June 2022 | | | | |
| <i>Net book values</i> | | | | |
| Value at start of period | 5 121 | 40 775 | 496 | 46 392 |
| Value at end of period | 12 335 | 32 551 | 216 | 45 102 |

¹⁾ Other intangible fixed assets include capitalised software development costs and service or production contracts which were recognised following business acquisitions. These intangible assets have definable useful lives over which they are amortised.

| July – June 2020/2021 | Software | Goodwill | Other ¹⁾ | Total |
|---|---------------|---------------|---------------------|----------------|
| <i>Cost</i> | | | | |
| Value at start of period | 9 158 | 82 744 | 7 121 | 99 023 |
| Translation differences on opening balance | 231 | 2 771 | 117 | 3 119 |
| Additions | 4 874 | 0 | 0 | 4 874 |
| Translation differences on effect of change | 4 | 0 | 0 | 4 |
| <i>Value at end of period</i> | <i>14 266</i> | <i>85 515</i> | <i>7 238</i> | <i>107 019</i> |
| <i>Accumulated amortisation</i> | | | | |
| Value at start of period | 8 445 | 38 831 | 6 313 | 53 589 |
| Exchange differences on opening balance | 216 | 943 | 86 | 1 245 |
| Amortisation | 481 | 4 902 | 339 | 5 722 |
| Translation differences on effect of change | 3 | 64 | 4 | 71 |
| <i>Value at end of period</i> | <i>9 145</i> | <i>44 740</i> | <i>6 742</i> | <i>60 627</i> |
| 30 June 2021 | | | | |
| <i>Net book values</i> | | | | |
| Value at start of period | 713 | 43 913 | 808 | 45 434 |
| Value at end of period | 5 121 | 40 775 | 496 | 46 392 |

¹⁾ Other intangible fixed assets include capitalised software development costs and service or production contracts which were recognised following business acquisitions. These intangible assets have definable useful lives over which they are amortised.

11 Accrued liabilities and deferred income

| Accrued liabilities and deferred income | 30 June 2022 | 30 June 2021 |
|--|---------------|---------------|
| Deferred expenses | 5 745 | 6 721 |
| Accruals regarding maintenance contracts | 10 914 | 11 427 |
| Payments received in advance (for long-term contracts) | 6 944 | 3 966 |
| Accruals/deferrals for vacation, overtime | 2 069 | 2 616 |
| Total accrued liabilities and deferred income | 25 672 | 24 730 |

Changes within accrued liabilities and deferred income result from normal day-to-day operations, client prepayments and project status.

12 Short-/long-term provisions

| July – June 2021/2022 | Restructuring provisions | Other provisions | Total |
|--|-----------------------------|------------------|------------|
| Value at start of period | 3 684 | 313 | 3 997 |
| Translation differences on opening balance | 0 | -14 | -14 |
| Additional provisions | 0 | 26 | 26 |
| Used in year under review | -1 107 | 0 | -1 107 |
| Release of unused provisions | -1 964 | -148 | -2 112 |
| Effect of changes in foreign exchange | 0 | 6 | 6 |
| Value at end of period | 613 | 183 | 796 |
| Thereof long-term | 613 | 0 | 613 |

| July – June 2020/2021 | Restructuring provisions | Other provisions | Total |
|--|-----------------------------|------------------|--------------|
| Value at start of period | 6 056 | 3 674 | 9 730 |
| Translation differences on opening balance | 0 | 28 | 28 |
| Additional provisions | 134 | 83 | 217 |
| Used in year under review | -1 942 | -2 499 | -4 441 |
| Release of unused provisions | -517 | -968 | -1 485 |
| Effect of changes in foreign exchange | -47 | -5 | -52 |
| Value at end of period | 3 684 | 313 | 3 997 |
| Thereof long-term | 1 720 | 0 | 1 720 |

In the year under review, the value adjustments recognised for imminent losses in the project business totalled CHF 29 thousand (previous year: CHF 107 thousand).

The valuation of short-term provision is based on management estimates of potential risks (claims or disputes) for the upcoming periods.

13 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, the consolidated equity shown by the consolidated balance sheet has not met the equity ratio required by the financial covenant of the convertible bond. However, events after the balance sheet date have mitigated the event before the approval of the consolidated financial statements by the Board of Director on 9 September 2022. The company received a waiver from the bank.

Financial liabilities are recorded and valued at present value.

During the period under review, the Group increased the short-term credit line by total CHF 9 566 thousand due in 2022 in a range of 0.5% and 1.5% interest rate. At the balance sheet date, two COVID loans were outstanding in the amount of CHF 500 thousand and CHF 2 883 thousand due in 2022 at a 0% and 0.5% interest rate.

July–June 2021/2022

Short-term financial liabilities

| Amounts in thousands of CHF | Present value | Nominal value | Due date | Interest rate |
|----------------------------------|---------------|---------------|----------|---------------|
| Short-term financial liabilities | 500 | 500 | 2022 | 0.0% |
| Short-term financial liabilities | 13 466 | 13 466 | 2022 | 0.5%-1.5% |
| Total | 13 966 | 13 966 | | |

Long-term financial liabilities

| | | | | |
|-----------------------------|---------------|--------|------|------|
| Convertible bond (CLX19) | 24 365 | 24 945 | 2024 | 1.5% |
| Other financial liabilities | 1 082 | | | |
| Total | 25 447 | | | |
| Unused credit limits | 0 | 0 | | |

July–June 2020/2021

Short-term financial liabilities

| Amounts in thousands of CHF | Present value | Nominal value | Due date | Interest rate |
|----------------------------------|---------------|---------------|----------|---------------|
| Short-term financial liabilities | 500 | 500 | 2022 | 0.0% |
| Short-term financial liabilities | 3 900 | 3 900 | 2022 | 0.5% |
| Total | 4 400 | 4 400 | | |

Long-term financial liabilities

| | | | | |
|-----------------------------|---------------|--------|------|------|
| Convertible bond (CLX19) | 24 169 | 25 000 | 2024 | 1.5% |
| Other financial liabilities | 1 025 | | | |
| Total | 25 194 | | | |
| Unused credit limits | 0 | 8 000 | | |

14 Taxes

| Deferred Taxes | 30 June 2022 | 30 June 2022 | 30 June 2022 | 30 June 2021 | 30 June 2021 | 30 June 2021 |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Assets | Liabilities | Net | Assets | Liabilities | Net |
| Loss carryforwards | 5 586 | 0 | 5 586 | 5 957 | 0 | 5 957 |
| Receivables | 36 | 122 | -86 | 7 | 484 | -477 |
| Work in progress/ inventories | 0 | 229 | -229 | 0 | 326 | -326 |
| Financial assets | 63 | 0 | 63 | 579 | 0 | 579 |
| Tangible fixed assets | 55 | 3 | 52 | 70 | 11 | 59 |
| Intangible assets | 401 | 0 | 401 | 6 | 25 | -19 |
| Liabilities | 0 | 158 | -158 | 749 | 221 | 528 |
| Other | 0 | 0 | 0 | 10 | 36 | -26 |
| Total deferred taxes | 6 141 | 512 | 5 629 | 7 378 | 1 103 | 6 275 |
| Netting | -404 | -404 | 0 | -801 | -801 | 0 |
| Deferred taxes | 5 737 | 108 | 5 629 | 6 577 | 302 | 6 275 |

The Group has tax loss carryforwards. Deferred tax assets for these tax loss carryforwards are recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. The Group determines these gains based on the budget as well as on corresponding general and realisable tax strategies.

The existing tax loss carryforwards can be used as follows:

| Expiry of loss carryforwards | 30 June 2022 | 30 June 2021 |
|--|---------------|---------------|
| Expiry in next 3 years | 0 | 0 |
| Expiry in 4–7 years | 41 690 | 9 777 |
| No expiry date | 30 946 | 27 948 |
| Total tax losses | 72 636 | 37 725 |
| Thereof tax losses for which deferred tax assets were recorded | 24 811 | 24 204 |
| Recorded deferred tax assets | 5 737 | 5 957 |
| Tax losses for which no deferred tax assets were recorded | 47 825 | 13 521 |
| Unrecorded deferred tax assets | 9 381 | 2 666 |

| Income tax | July – June 2021/2022 | July – June 2020/2021 |
|-------------------------|--------------------------|--------------------------|
| Current tax | -655 | -678 |
| Deferred tax | -290 | 639 |
| Total income tax | -945 | -39 |

The income tax calculated on the ordinary earnings before tax differs from the theoretical tax expense, which is based on the ordinary earnings before tax using the domestic rate where the Group is domiciled, as follows:

| Income tax | July – June 2021/2022 | July – June 2020/2021 |
|---|--------------------------|--------------------------|
| Ordinary earnings before tax | -15 959 | -3 787 |
| Group's average domestic tax rate | 21.10% | 22.50% |
| Expected income taxes | 3 367 | 852 |
| Cause for variance: | | |
| Non-tax-deductible expenses | -1 169 | -1 179 |
| Tax losses from current year for which no deferred tax assets were recognised | -2 875 | -114 |
| Adjusted tax charges/relief | 144 | 209 |
| Translation and other adjustments | -413 | 193 |
| Total income tax | -945 | -39 |

15 Employee benefit plans

The plan assets of the pension funds are held in separate legally independent foundations. To cover the insurance benefits for death, disability and longevity risks, reinsurance cover has been taken out with a collective insurer.

| Economic benefit/economic obligation and pension benefit expenses in thousands of CHF | Surplus/deficit | Economical part of the organisation | Change to prior year period recognised in the current result of the respective period | Contributions concerning the business period | Pension benefit expenses within personnel expenses | |
|---|-----------------|-------------------------------------|---|--|--|--------------------------|
| | 30 June 2022 | 30 June 2022 | 30 June 2021 | | July – June 2021/2022 | July – June 2020/2021 |
| Pension institutions with surplus | 0 | 0 | 0 | 0 | 1 886 | 2 039 |
| Total | 0 | 0 | 0 | 0 | 1 886 | 2 039 |

The information on the economic benefit as of 30 June 2022 is based on the provisional calculation of the VZ pension fund. As of 30 June 2022, the VZ pension fund reported a coverage rate of 130.3% (previous year: 127.5%), resulting in a surplus of CHF 4 352 thousand (previous year: 4 083).

Contributions matched pension expenses during the relevant reporting period.

As of 30 June 2022 and as of 30 June 2021 there is no employer's contribution reserve.

16 Share capital

| July – June 2021/2022 | Number of shares | | | Capital in thousands of CHF | | |
|---|------------------|---------------|------------------|-----------------------------|-------------|---------------|
| | Issued | Treasury | Outstanding | Issued | Treasury | Outstanding |
| At beginning of period | 1 397 902 | -7 681 | 1 390 221 | 11 183 | -922 | 10 261 |
| Treasury shares purchased ¹⁾ | 0 | -14 716 | -14 716 | 0 | -1 523 | -1 523 |
| Treasury shares sold ²⁾ | 0 | 13 863 | 13 863 | 0 | 1 639 | 1 639 |
| Increase of capital due to conversion of convertible bond | 440 | 0 | 440 | 4 | 0 | 4 |
| At end of period | 1 398 342 | -8 534 | 1 389 808 | 11 187 | -806 | 10 381 |
| July – June 2020/2021 | | | | | | |
| At beginning of period | 1 397 902 | -10 023 | 1 387 879 | 11 183 | -1 021 | 10 162 |
| Treasury shares purchased | 0 | -24 411 | -24 411 | 0 | -2 064 | -2 064 |
| Treasury shares sold | 0 | 26 753 | 26 753 | 0 | 2 163 | 2 163 |
| Increase of capital due to conversion of convertible bond | 0 | 0 | 0 | 0 | 0 | 0 |
| At end of period | 1 397 902 | -7 681 | 1 390 221 | 11 183 | -922 | 10 261 |

¹⁾ In the year under review, CREALOGIX Holding AG purchased 14 716 (previous year: 24 411 shares) registered treasury shares at an average price of CHF 103.49 (previous year: CHF 84.55).

²⁾ In the year under review, CREALOGIX Holding AG sold 13 863 (previous year: 26 753 shares) registered treasury shares at an average price of CHF 85.77 (previous year: CHF 80.85).

The total number of issued registered shares amounts to 1 398 342 (previous year: 1 397 902). In the period under review, a fraction of the convertible bond were converted into 440 shares (previous year: none shares). The share capital increased by CHF 4 thousand (previous year: none shares) to CHF 11 187 thousand.

The shareholders' equity comprises non-distributable reserves of total CHF 2 237 thousand (previous year: CHF 2 237 thousand).

Since 1 March 2007, each share has a nominal value of CHF 8.

In November 2019, the conditional capital of the organisation was renewed and consists of 300 thousand registered shares with a nominal value of CHF 8 per share to be used in connection with the issuance of convertible bonds, warrant-linked bonds or other financial market instruments. As per 30 June 2022, 300 thousand registered shares (June 2021: 300 thousand shares) were outstanding.

Since 27 October 2021, the Board of Directors is authorised to increase share capital by as much as CHF 2 400 000 by issuing up to 300 thousand registered shares with a nominal value of CHF 8 each until 27 October 2023. As per 30 June 2022, 300 thousand registered shares were outstanding

Transactions with treasury shares resulted in a net change of CHF 116 thousand (previous year: CHF 99 thousand) which was accounted for in shareholders' equity. Any bought shares are held as treasury shares. The Company is entitled to resell these treasury shares in the future.

All treasury shares are directly held by CREALOGIX Holding AG.

17 Personnel expenses

| Personnel expenses | July – June 2021/2022 | July – June 2020/2021 |
|---------------------------------------|--------------------------|--------------------------|
| Wages and salaries | -45 626 | -51 424 |
| Social security costs | -6 198 | -6 612 |
| Pension fund costs | -1 886 | -2 039 |
| Expenses for share-based compensation | -158 | -475 |
| Other personnel expenses | -166 | -1 871 |
| Total personnel expenses | -54 034 | -62 421 |
| Full-time employees | 523.7 | 631.0 |

18 Financial result

| Financial result | July – June 2021/2022 | July – June 2020/2021 |
|---------------------------------------|--------------------------|--------------------------|
| Interest income | 2 | 523 |
| Foreign exchange gain | 1 247 | 294 |
| Total financial income | 1 249 | 817 |
| Interest expense | -635 | -561 |
| Foreign exchange loss | -90 | -352 |
| Bank fees and other financial expense | -577 | -160 |
| Total financial expense | -1 302 | -1 073 |
| Total Financial result | -53 | -256 |

Interest expenses in 2021/2022 mainly include 12 months of interest and other expenses for the convertible bond (1.5 per cent) of CHF 534 thousand (previous year: CHF 561 thousand). See Note: 13.

Other financial expenses 2021/2022 include the discounted amount of the issue costs of the convertible bond (CHF 130 thousand; previous year: CHF 135 thousand), other smaller finance costs such as agency fees and option fees (CHF 275 thousand; previous year: CHF 0).

19 Earnings per share

| | July – June 2021/2022 | July – June 2020/2021 |
|--|--------------------------|--------------------------|
| Consolidated profit attributable to Shareholders of CREALOGIX Holding AG (in CHF thousand) | -16 947 | -4 054 |
| Weighted average number of shares outstanding | 1 391 772 | 1 390 714 |
| Maximum number of new shares (convertible bonds) ^{*)} | 199 560 | 200 000 |
| Earnings per share - undiluted in CHF | -12.18 | -2.92 |
| Dilutive effect of conversion of convertible bonds in CHF | n/a | n/a |
| Earnings per share - diluted in CHF | -12.18 | -2.92 |

*) Represents the maximum dilutive shares as per balance sheet date which might have an impact on the diluted earnings per share calculation. Since the share price traded below the conversion price of CHF 125, no conversions were made. Consequently, there is no dilution effect.

20 Obligations

Operating lease obligations

The Group rents office space and vehicles under non-cancellable operating lease agreements. The lease agreements are subject to various conditions, rental increase clauses and extension options. The lease and rental expenses were recognised in the income statement for the current year.

The future aggregate minimum lease payments required under non-cancellable operating leases are as follows:

| Future minimum lease payments | 30 June 2022 | 30 June 2021 |
|---------------------------------|---------------|---------------|
| Due within 1 year | 3 466 | 3 542 |
| Due between 1 and 5 years | 8 839 | 8 671 |
| Due > 5 years | 5 773 | 7 316 |
| Total future liabilities | 18 078 | 19 529 |

21 Contingent liabilities

At the balance sheet date, the Group does not have any liabilities of a contingent nature (previous year: none).

22 Related-party disclosures

Related parties include members of the Board of Directors, the Executive Board as well as friends and family members of the aforementioned persons, major shareholders and companies controlled by them, associated companies, and the Group's pension funds.

a) Majority shareholders

The Group is significantly influenced by Bruno Richle, Dr. Richard Dratva, Daniel Hiltbrand and Peter Süssstrunk, who together have a 44.3% shareholding in CREALOGIX Holding AG. The four shareholders (founder shareholders) have concluded a shareholder pooling agreement.

Since January 2018, David Moreno owns 8.8% of the issued shares via Mayfin Management Services S.I. The two major shareholders (Dr. Richard Dratva and Bruno Richle) entered into an agreement with David Moreno setting forth the tag-along rights of David Moreno and drag-along rights of Dr. Richard Dratva and Bruno Richle which entered into force with the issuance and the allocation of the new shares in January 2018.

Since September 2021 Long Path Smaller Companies Master Fund, Ltd. increased their stake to 7.2%.

The remaining 39.6% of shares are in free float.

b) Group companies and associates

Note 1 provides an overview of the Group companies and associates. Transactions between the parent company and its subsidiaries and those between Group companies have been eliminated in the consolidated financial statements.

c) Members of the Management

The Board of Directors and Executive Board are composed as follows:

| Board of Directors | Executive Board |
|----------------------|--------------------------|
| Bruno Richle | Oliver Weber (CEO) |
| Dr. Richard Dratva | Dr. Richard Dratva (CSO) |
| Ralph Mogenicato | Daniel Bader (CFO) |
| Dr. Christoph Schmid | David Moreno |
| Ruedi Noser | |

d) Remuneration and shareholdings of the Board of Directors and Executive Board

The remuneration report starting on page 31 of the annual financial statements of CREALOGIX Holding AG contains the disclosures required by Swiss law regarding remuneration and ownership of shares and options for the Board of Directors and the Executive Board.

There were no claims or commitments to/from persons in key management positions on 30 June 2022 (previous year: none).

Services for legal consultation were provided by Wenger & Vieli AG, a law firm closely related to Dr. Christoph Schmid, a member of the Board of Directors. Wenger & Vieli's fees for legal advice totalled CHF 42 thousand (previous year: CHF 5 thousand).

David Moreno, member of the Executive Board, was employed by CREALOGIX until 31 December 2020. Starting from 1 January 2021, management services were provided by Mayfin Management Services S.I. which is fully owned by David Moreno. Mayfin Management Services S.I. provided services for total CHF 299 thousand for the period of January until June 2021 (previous year: CHF 144 thousand for the period of January until June).

23 Events after the balance sheet date

On 17 August 2022, CREALOGIX sold a stake of 67% of the Zürich-based Swiss Learning Hub AG. The majority acquisition by a Swiss Investor group took place within the framework of a management buy-out.

The subsidiary contributed revenue of CHF 8.2 million and total assets of CHF 2.4 million in financial year 21/22. The sale led to a significant one-time gain in the operational result and cash-in flow in August 2022.

Report of the statutory auditor to the General Meeting
of CREALOGIX Holding AG, Zurich

Report of the statutory auditor on the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Crealogix Holding AG and its subsidiaries (the Group), which comprise the consolidated income statement for the year ended 30 June 2022, the consolidated balance sheet as at 30 June 2022, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting and valuation policies.

In our opinion, the consolidated financial statements (pages 43 to 77) give a true and fair view of the consolidated financial position of the Group as at 30 June 2022 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Swiss GAAP FER and comply with Swiss law.

Basis for opinion

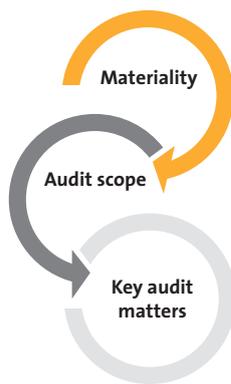
We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report.

We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach

Overview

Overall Group materiality: CHF 940'000



We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

As key audit matter the following area of focus has been identified:

Goodwill valuation (intangible asset)

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the consolidated financial statements as a whole.

| | |
|--|---|
| Overall Group materiality | CHF 940'000 |
| Benchmark applied | Net sales from goods and services |
| Rationale for the materiality benchmark applied | We chose net sales from goods and services as the benchmark because, in our view, it is the benchmark against which the performance of the Group is measured, and it is a generally accepted benchmark. |

We agreed with the Audit Committee that we would report to them misstatements above CHF 94'000 identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

Audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The Group financial statements are a consolidation of 14 Group companies. We identified five Group companies that, in our view, require an audit of their complete financial information due to their size or risk characteristics. For three of these Group companies (CREALOGIX (Deutschland) GmbH, CREALOGIX BaaS GmbH & Co. KG and Innofis EGSM S.L), we worked very closely with the component audit teams in Germany and Spain. Our involvement included setting the materiality, having conference calls to discuss the risk assessment and the planned and performed audit procedures as well as receiving and reviewing the full scope reporting. The Group audit team performed analytical procedures over further major locations to achieve comfort over material balances. Further, the Group audit team performed specific audit procedures over the Group consolidation. In order to exercise the appropriate direction and supervision over the work of the component auditors, the Group engagement team held several conference calls with the component auditors.

Report on key audit matters based on the circular 1/2015 of the Federal Audit Oversight Authority

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Goodwill valuation (intangible asset)

| Key audit matter | How our audit addressed the key audit matter |
|--|---|
| <p>Goodwill is a significant balance sheet position amounting to CHF 32'551'000 as at 30 June 2022.</p> | <p>We obtained, understood and evaluated management's impairment assessment. In particular, the following audit procedures were performed:</p> |
| <p>Goodwill is capitalised and amortised over the expected useful life using the straightline method. Goodwill is tested for impairment by calculating the values in use at the acquiree level whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.</p> | <ul style="list-style-type: none"> – We compared the forecasted cash flows with the reconciliation to the Board approved budget. |
| <p>We focused on this area because of the magnitude of the position and the level of judgement inherent in management's impairment assessment.</p> | <ul style="list-style-type: none"> – We assessed the revenue growth rates by comparing them to budgeted revenue targets, as well as to expectations from market analysts. We further assessed the reliability of management's prior period assumptions through a comparison with actual performance in the reporting period. |
| <p>Management calculated the value-in-use amount at the acquiree level based on forecasted cash flows for the next five years and extrapolated values starting with the sixth year. Management makes judgements on certain key inputs, the most judgmental of which are discount rates and revenue growth rates because comparatively small changes can have a material impact on the impairment assessment.</p> | <ul style="list-style-type: none"> – With the support of our internal valuation expert, we assessed the reasonableness of the WACC (weighted average cost of capital) used in the discount rate calculation by comparing it to peer group companies as well as considering territory specific factors. |
| <p>Refer to note 10 (Intangible assets).</p> | <ul style="list-style-type: none"> – We tested the mathematical accuracy of the calculation of the impairment assessment model. |
| | <p>Based on the audit work performed, management's impairment assessment was supportable and the key assumptions used by management were within a reasonable range.</p> |

Responsibilities of the Board of Directors for the consolidated financial statements

The Board of Directors is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with Swiss GAAP FER and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and Swiss Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located at the website of EXPERTsuisse: <http://expertsuisse.ch/en/audit-report-for-public-companies>. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG



Oliver Kuntze
Audit expert
Auditor in charge



Fabian Stalder
Audit expert

Zürich, 9 September 2022

CREALOGIX Holding AG Financial Report



CREALOGIX Holding AG Financial Report

| | |
|---|----|
| Income statement | 86 |
| Balance Sheet | 87 |
| Notes to the financial statements | 88 |
| Proposal of the Board of Directors to the Shareholders' meeting | 98 |
| Report of the statutory auditor on the financial statements | 99 |

Income statement

Amounts in thousands of CHF

| | July – June 2021/2022 | July – June 2020/2021 |
|--|--------------------------|--------------------------|
| Net proceeds from sales of goods and services | 710 | 1 080 |
| Staff costs | -169 | -473 |
| Other operational costs | -236 | -278 |
| Financial income | 542 | 863 |
| Financial costs | -12 042 | -1 164 |
| Valuation adjustments on shareholdings | -12 128 | 0 |
| Financial costs and financial income | -23 628 | -301 |
| Direct taxes | -132 | -146 |
| Annual profit | -23 455 | -118 |

Balance Sheet

| Amounts in thousands of CHF | Notes | 30 June 2022 | % | 30 June 2021 | % |
|--|-------|----------------|--------------|----------------|--------------|
| ASSETS | | | | | |
| Cash, cash equivalents and current assets with a quoted market price | | 1 343 | | 2 328 | |
| Other current receivables | | 17 | | 6 | |
| Accounts receivable from Group companies | 2.1 | 2 361 | | 7 589 | |
| Accrued income and prepaid expenses | | 325 | | 461 | |
| Current Assets | | 4 046 | 3.9 | 10 329 | 9.2 |
| Loans from Group companies with subordination statement | 2.1 | 4 500 | | 7 964 | |
| Loans to Group companies | 2.1 | 24 661 | | 36 002 | |
| Shareholdings | 2.2 | 71 576 | | 58 452 | |
| Non-current assets | | 100 737 | 96.1 | 102 473 | 90.8 |
| Total ASSETS | | 104 783 | 100.0 | 112 802 | 100.0 |
| LIABILITIES AND EQUITY | | | | | |
| Trade creditors | | 53 | | 55 | |
| Other current liabilities | | 114 | | 114 | |
| Short-term interest-bearing liabilities | 2.3 | 6 027 | | 0 | |
| Accounts payable to Group companies | 2.1 | 5 935 | | 55 | |
| Deferred income and accrued expenses | | 521 | | 463 | |
| Current liabilities | | 12 649 | 12.1 | 687 | 0.6 |
| Long-term interest-bearing liabilities | 2.3 | 24 945 | | 25 000 | |
| Long-term loans from Group companies | 2.1 | 5 500 | | 2 100 | |
| Non-current liabilities | | 30 445 | 29.1 | 27 100 | 24.0 |
| Shareholder capital | 6 | 11 187 | | 11 183 | |
| Statutory capital reserves | | 60 406 | | 60 354 | |
| Statutory retained earnings | | 250 | | 250 | |
| <i>Profit / Loss brought forward</i> | | 14 149 | | 14 166 | |
| <i>Profit for the period</i> | | -23 455 | | -118 | |
| <i>Result from treasury shares</i> | | -42 | | 101 | |
| Voluntary retained earnings | | -9 348 | | 14 149 | |
| Treasury shares | 5 | -806 | | -921 | |
| Shareholders' equity | | 61 689 | 58.9 | 85 015 | 75.4 |
| Total LIABILITIES AND EQUITY | | 104 783 | 100.0 | 112 802 | 100.0 |

Notes to the financial statements

1 Accounting policies adopted in the annual financial statements

These annual financial statements were prepared in accordance with the accounting provisions of the Swiss Code of Obligations (OR).

The following disclosures are not made pursuant to Art. 961d (1) OR:

- Additional disclosures in the notes (auditor's fee; disclosures on non-current interest-bearing liabilities)
- Cash flow statement
- Management report

All the values in the annual financial statements are reported in thousands of Swiss francs (CHF thousand) unless otherwise indicated.

The main balance sheet items are accounted for as follows:

1.1 Cash, cash equivalents and current assets with a quoted market price

Cash and cash equivalents comprise cash on hand, bank account deposits and other short-term, highly liquid financial assets with a residual term to maturity of three months or less. Current account overdrafts are disclosed in the balance sheet as liabilities due to banks under current financial liabilities.

The appropriate quoted market price is used for current assets. Changes to the values of such financial assets recognised through profit or loss are shown in the income statement under the item 'Financial expense and financial income'.

1.2 Receivables from Group companies

Receivables from Group companies are recognised at nominal value less an allowance for doubtful accounts. An impairment is recognised when the Group has objective evidence that it is not in a position to realise the full amount of the claim.

1.3 Loans to Group companies

Loans to Group companies are recognised at nominal value less an allowance for doubtful accounts. An impairment is recognised when the Group has objective evidence that it is not in a position to realise the full amount of the claim.

1.4 Shareholdings

Shareholdings are recognised at cost.

Shareholdings are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If there are indications of impairment, the recoverable amount is calculated in an impairment test.

1.5 Recognition of net proceeds from goods and services

Net proceeds from goods and services includes all sales from services provided by CREALOGIX Holding AG. Net proceeds from goods and services for services are determined on the basis of the services provided for the customer during the year under review.

1.6 Exchange rates

The exchange rates used in the balance sheet are the closing rates at 30 June. For transactions, exchange rates applicable at the transaction date are used. The exchange rates used in the income statements are the average rates for the 2021/2022 and 2020/2021 financial years.

| | Year-end rates (balance sheet) | | Average rates (income statement) | |
|-----|--------------------------------|--------------|----------------------------------|-----------------------|
| | 30 June 2022 | 30 June 2021 | July – June 2021/2022 | July – June 2020/2021 |
| EUR | 1.00 | 1.10 | 1.05 | 1.09 |
| USD | 0.96 | 0.92 | 0.93 | 0.91 |
| GBP | 1.16 | 1.28 | 1.24 | 1.23 |
| SGD | 0.69 | 0.68 | 0.68 | 0.67 |

2 Disclosures, breakdown and explanatory notes to the annual financial statements

CREALOGIX Holding AG is legally domiciled in Zurich.

The number of full-time positions does not exceed ten employees on average over the year.

2.1 Receivables and liabilities with Group companies

CREALOGIX Holding AG has the following receivables from and liabilities to Group companies:

| | 30 June 2022 | 30 June 2021 |
|---|---------------|---------------|
| Receivables from Group companies | | |
| CREALOGIX AG, Zurich | 0 | 4 739 |
| CREALOGIX (Deutschland) GmbH | 26 661 | 33 660 |
| CREALOGIX GmbH | 2 500 | 0 |
| CREALOGIX (Austria) GmbH | 0 | 1 694 |
| CREALOGIX UK Ltd | 0 | 6 960 |
| CREALOGIX MBA Ltd | 0 | 1 119 |
| CREALOGIX PTE Ltd | 1 993 | 2 137 |
| CREALOGIX BaaS GmbH & Co. KG | 0 | 445 |
| CREALOGIX BaaS Verwaltungs GmbH | 62 | 0 |
| Innofis EGSM S.L., Barcelona | 2 | 1 |
| Swiss Learning Hub AG, Switzerland | 304 | 800 |
| Total receivables from group companies | 31 522 | 51 555 |
| <i>Thereof short-term receivables</i> | <i>2 361</i> | <i>7 589</i> |
| <i>Thereof long-term loans</i> | <i>24 661</i> | <i>36 002</i> |
| <i>Thereof with subordination statement</i> | <i>4 500</i> | <i>7 964</i> |
| Liabilities to Group companies | | |
| CREALOGIX (Deutschland) GmbH | 1 153 | 55 |
| Swiss Learning Hub AG, Switzerland | 2 100 | 2 100 |
| CREALOGIX AG, Zurich | 6 613 | 0 |
| CREALOGIX BaaS GmbH & Co. KG | 38 | 0 |
| CREALOGIX GmbH | 1 524 | 0 |
| CREALOGIX MBA Ltd | 7 | 0 |
| Total liabilities to Group companies | 11 435 | 2 155 |
| <i>Thereof short-term liabilities</i> | <i>5 935</i> | <i>55</i> |
| <i>Thereof long-term loans</i> | <i>5 500</i> | <i>2 100</i> |

2.2 Shareholdings

30 June 2022

| Company | Company Capital | Ownership interest | Votes |
|---|-----------------|--------------------|-------|
| Direct held shareholdings | | | |
| CREALOGIX AG, Zurich, Switzerland | CHF 100 000 | 100% | 100% |
| CREALOGIX (Deutschland) GmbH, Stuttgart, Germany | EUR 100 000 | 100% | 100% |
| CREALOGIX UK Ltd, Winchester, UK | GBP 1 | 100% | 100% |
| CREALOGIX PTE. Ltd, Singapore, Singapore | SGD 11 100 000 | 100% | 100% |
| CREALOGIX (Austria) GmbH, Vienna, Austria | EUR 35 000 | 100% | 100% |
| Innofis EGSM S.L., Barcelona | EUR 100 000 | 100% | 100% |
| Swiss Learning Hub AG, Zurich, Switzerland | CHF 100 000 | 100% | 100% |
| CREALOGIX MBA Ltd, Winchester, UK | GBP 2 372 777 | 100% | 100% |
| Indirect held shareholdings | | | |
| CREALOGIX BaaS GmbH & Co. KG, Coburg, Germany | EUR 10 200 | 100% | 100% |
| CREALOGIX BaaS Verwaltungs GmbH, Coburg, Germany | EUR 25 000 | 100% | 100% |
| CREALOGIX GmbH, Coburg, Germany | EUR 471 800 | 100% | 100% |
| Saudi CREALOGIX Single-Partner LLC Riyadh, Kingdom of Saudi Arabia | SAR 20'000 | 100% | 100% |
| Qontis AG, Zurich, Switzerland | CHF 100 000 | 37% | 37% |

In the year under review, following changes in the Group structure have been made:

- In December 2021, the liquidation of Winchester based Crealogix UK Ltd. started. All assets and liabilities had been transferred to related companies. It is expected, that the liquidation procedures will be completed in the first half-year of the up-coming business year.
- The share capital of Crealogix MBA Ltd has been increased in the amount of GBP 2 348 thousand.
- The share capital of the Singapore based Crealogix PTE Ltd. has been increased in the amount of SGD 9 500 thousand.

30 June 2021

| Company | Company Capital | Ownership interest | Votes |
|--|-----------------|--------------------|-------|
| Direct held shareholdings | | | |
| CREALOGIX AG, Zurich, Switzerland | CHF 100 000 | 100% | 100% |
| CREALOGIX (Deutschland) AG, Stuttgart, Germany | EUR 100 000 | 100% | 100% |
| CREALOGIX UK Ltd, Winchester, UK | GBP 1 050 000 | 100% | 100% |
| CREALOGIX PTE. Ltd, Singapore, Singapore | SGD 1 600 000 | 100% | 100% |
| CREALOGIX (Austria) GmbH, Vienna, Austria | EUR 35 000 | 100% | 100% |
| Innofis EGSM S.L., Barcelona | EUR 100 000 | 100% | 100% |
| Swiss Learning Hub AG, Zurich, Switzerland | CHF 100 000 | 100% | 100% |
| Indirect held shareholdings | | | |
| CREALOGIX MBA Ltd, Winchester, UK | GBP 25 000 | 100% | 100% |
| CREALOGIX BaaS GmbH & Co. KG, Coburg, Germany | EUR 10 200 | 100% | 100% |
| CREALOGIX BaaS Verwaltungs GmbH, Coburg, Germany | EUR 25'000 | 100% | 100% |
| CREALOGIX GmbH, Coburg, Germany | EUR 471 800 | 100% | 100% |
| Saudi CREALOGIX Single-Partner LLC Riyadh, Kingdom of Saudi Arabia | SAR 20 000 | 100% | 100% |
| Qontis AG, Zürich, Switzerland | CHF 100 000 | 37% | 37% |

2.3 Long-term interest-bearing 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.

In the period under review, fractions of the convertible bond were converted into 440 shares (previous year: 0 shares). The share capital increased by CHF 4 thousand to 11 187.

As per balance sheet date, the consolidated equity shown by the consolidated balance sheet has not met the equity ratio required by the financial covenant of the convertible bond. However, events after the balance sheet date have mitigated the event before the approval of the consolidated financial statements by the Board of Director on 9 September 2022. The company received a waiver from the bank.

Financial liabilities are recorded and valued at present value.

During the period under review, CREALOGIX Holding increased the short-term credit line by total CHF 6 028 thousand due in 2022 in a range of 0.5% and 1.5% interest rate.

3 Contingent liabilities

3.1 Contingent liabilities due to legal disputes

CREALOGIX Holding AG is not involved in any legal disputes, tax administration investigations or other legal matters.

3.2 Contingent liabilities due to guarantees

CREALOGIX Holding AG is providing a guarantee to CREALOGIX Switzerland AG in favor of third parties of CHF 5 000 thousand (prior year: CHF 2 000 thousand).

3.3 Joint and several liabilities for debt from value added tax

The CREALOGIX companies in Switzerland are treated as a single taxable entity for VAT purposes (group taxation, art. 13 VAT law). If one of the Group companies is unable to meet its payment obligations to the Federal tax authorities, the other Group companies are jointly and severally liable.

4 Significant shareholders

On 30 June 2022, each of the following significant shareholders held more than three per cent of the voting rights:

| Shareholders | Share of votes | | Number of shares | |
|---|----------------|--------------|------------------|--------------|
| | 30 June 2022 | 30 June 2021 | 30 June 2022 | 30 June 2021 |
| Dr. Richard Dratva | 17.79% | 17.80% | 248 758 | 248 758 |
| Bruno Richle | 16.48% | 16.48% | 230 442 | 230 442 |
| Daniel Hildebrand | 8.16% | 8.16% | 114 100 | 114 100 |
| Mayfin Management Services S.I. | 8.80% | 9.51% | 123 110 | 132 911 |
| Werner Dubach, Anne Keller Dubach | 4.72% | 4.72% | 66 037 | 66 037 |
| Long Path Smaller Companies Master Fund, Ltd. | 7.23% | 3.81% | 101 067 | 53 286 |
| Noser Management AG | 3.09% | 3.09% | 43 225 | 43 225 |

5 Treasury shares including shares held in subsidiaries

| | July – June 2021/2022 | | July – June 2020/2021 | |
|-------------------------|--------------------------|------------|--------------------------|-------------|
| | Quantity | Value | Quantity | Value |
| on 1 July | 7 681 | 922 | 10 023 | -1 021 |
| Purchases ¹⁾ | 14 716 | 1 523 | 24 411 | -2 064 |
| Sales ²⁾ | -13 863 | -1 639 | -26 753 | 2 163 |
| on 30 June | 8 534 | 806 | 7 681 | -922 |

¹⁾ In the year under review, CREALOGIX Holding AG purchased 14 716 (previous year: 24 411 shares) registered treasury shares at an average price of CHF 103.49 (previous year: CHF 84.55).

²⁾ In the year under review, CREALOGIX Holding AG sold 13 863 (previous year: 26 753 shares) registered treasury shares at an average price of CHF 85.77 (previous year: CHF 80.85).

Treasury shares are purchased and sold at market prices.

6 Share capital

| | 30 June 2022 | 30 June 2021 |
|---------------------------|--------------|--------------|
| Conditional share capital | 2 396 480 | 2 400 000 |
| Authorised share capital | 2 400 000 | 2 400 000 |

In October 2019, the conditional capital of the organisation was renewed and consists of 300 thousand registered shares with a nominal value of CHF 8 per share to be used in connection with the issuance of convertible bonds, warrant-linked bonds or other financial market instruments. As per 30 June 2022, 300 thousand registered shares (June 2021: 300 thousand shares) were outstanding.

Shareholders do not have subscription rights (Art. 3b of the Articles of Association)

The general assembly determined at its general meeting on 27 October 2021 an authorised share capital of CHF 2400 thousand. This capital authorises the Board of Directors to increase the share capital by the respective amount. As per June 2022, 300 thousand registered shares were outstanding.

7 Remuneration of the Board of Directors and Executive Board

| July – June 2021/2022 | Annual fixed compensation | Annual variable compensation | Share-based payments | | Social insurance contribution | Fringe Benefits | Total |
|--|---------------------------|------------------------------|----------------------|--------------|-------------------------------|-----------------|--------------|
| | | | 3 years plan | 6 years plan | | | |
| Board of Directors | | | | | | | |
| Bruno Richle, Chairman | 112 | 0 | 0 | 0 | 9 | 0 | 121 |
| Dr. Richard Dratva, Vice Chairman and CSO | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Dr. Christoph Schmid, Member | 31 | 0 | 0 | 0 | 2 | 0 | 33 |
| Ralph Mogenicato, Member | 31 | 0 | 0 | 0 | 3 | 0 | 34 |
| Noser Ruedi, Member | 31 | 0 | 0 | 0 | 3 | 0 | 34 |
| Total Board of Directors | 205 | 0 | 0 | 0 | 17 | 0 | 221 |
| Executive Board | 969 | 0 | 0 | 0 | 187 | 52 | 1 208 |
| Total | 1 174 | 0 | 0 | 0 | 204 | 52 | 1 429 |
| <i>Highest compensation to Oliver Weber, CEO</i> | 450 | 0 | 0 | 0 | 82 | 20 | 552 |

| July – June 2020/2021 | Annual fixed compensation | Annual variable compensation | Share-based payments | | Social insurance contribution | Fringe Benefits | Total |
|--|---------------------------|------------------------------|----------------------|--------------|-------------------------------|-----------------|--------------|
| | | | 3 years plan | 6 years plan | | | |
| Board of Directors | | | | | | | |
| Bruno Richle, Chairman | 146 | 0 | 42 | 86 | 12 | 0 | 286 |
| Dr. Richard Dratva, Vice Chairman and CSO | 0 | 0 | 10 | 0 | 0 | 0 | 10 |
| Dr. Christoph Schmid, Member | 43 | 0 | 21 | 0 | 4 | 0 | 68 |
| Ralph Mogenicato, Member | 43 | 0 | 16 | 0 | 4 | 0 | 63 |
| Noser Ruedi, Member | 38 | 0 | 21 | 0 | 3 | 0 | 62 |
| Total Board of Directors | 270 | 0 | 110 | 86 | 23 | 0 | 489 |
| Executive Board (active member) | 1 042 | 92 | 11 | 86 | 161 | 71 | 1 463 |
| Executive Board (former member) | 150 | 37 | 0 | 0 | 28 | 0 | 215 |
| Total | 1 462 | 129 | 121 | 172 | 212 | 71 | 2 167 |
| <i>Highest compensation to Richard Dratva, Vice Chairman and CSO</i> | 319 | 0 | 11 | 86 | 52 | 7 | 475 |

The amounts were adapted to conform with the Ordinance against Excessive Compensation with respect to Listed Stock Corporations (VegüV). The social security contributions include the employer's contributions to occupational and non-occupational accident insurance and daily sickness benefit insurance.

Out-of-pocket expenses are not disclosed separately since the tax administration has approved the payment of a fixed entertainment allowance to cover out-of-pocket expenses.

a) Compensation for members of the Board of Directors and Executive Board

For discharging their duties, the non-executive members of the Group's Board of Directors receive a fixed fee, a fixed amount in shares (if any) and a compensation per meeting related to their committee membership. In lieu of receiving their fee in cash, they have the right to receive up to 90 per cent of their fee, but no more than the equivalent of CHF 50 thousand, in unvested CREALOGIX shares.

The executive members of the Group's Board of Directors and members of the Executive Board receive contractually agreed compensation for their role in the Company's operations. The fixed compensation includes an annual salary and lump-sum expense reimbursements. The variable compensation consists of a bonus based on Group's performance.

b) Share-based payments

As disclosed in the remuneration report starting on page 31, an employee share ownership programme is in place for the Board of Directors and selected members of the Executive Board, senior staff and employees. The valuation of expenditures recorded in the income statement relating to employee share ownership programme based on the fair value of the allocated shares.

c) Social security contributions

Social security contributions consist of the actual regulatory premiums paid to social security institutions during the current financial year.

d) Other compensation and credits

There were no further claims or commitments to/from persons in key management positions on 30 June 2022 (previous year: none). No long-term payments or severance payments were made in the year under review (previous year: none).

Services for legal consultation were provided by Wenger & Vieli AG, a law firm closely related to Dr. Christoph Schmid, a member of the Board of Directors. Wenger & Vieli's fees for legal advice totalled CHF 42 thousand (previous year: CHF 5 thousand).

David Moreno, member of the Executive Board, was employed by CREALOGIX until 31 December 2020. Starting from 1 January 2021, management services were provided by Mayfin Management Services S.I. which is fully owned by David Moreno. Mayfin Management Services S.I. provided services for total CHF 299 thousand (previous year: 144 thousand for the period of January until June).

5) Shareholdings

The members of the Board of Directors and the Executive Board held the following shares from CREALOGIX Holding AG as of 30 June 2022:

| | CREALOGIX shares | | thereof blocked | |
|--|------------------|--------------|-----------------|--------------|
| | 30 June 2022 | 30 June 2021 | 30 June 2022 | 30 June 2021 |
| Board of Directors | | | | |
| Bruno Richle, Chairman | 230 442 | 230 442 | 2 244 | 2 448 |
| Dr. Richard Dratva, Vice Chairman and CSO | 248 758 | 248 758 | 2 244 | 2 448 |
| Dr. Christoph Schmid, Member | 7 433 | 7 433 | 1 048 | 1 248 |
| Ralph Mogenicato, Member | 666 | 666 | 173 | 173 |
| Ruedi Noser, Member | 43 225 | 43 225 | 322 | 322 |
| Members of the Executive Board | | | | |
| Oliver Weber, member of the Executive Board and CEO | 550 | 550 | 495 | 550 |
| Daniel Bader, member of the Executive Board and CFO | 450 | 450 | 450 | 450 |
| David Moreno, member of the Executive Board and Ex- ecutive Vice President Spain | 123 110 | 132 911 | 54 684 | 109 367 |
| Total | 654 634 | 664 435 | 61 660 | 117 006 |

8 Events after the balance sheet date

On 17 August 2022, CREALOGIX sold a stake of 67% of the Zürich-based Swiss Learning Hub AG. The majority acquisition by a Swiss Investor group took place within the framework of a management buy-out.

The subsidiary contributed revenue of CHF 8.2 million and total assets of CHF 2.4 million in financial year 21/22. The sale led to a significant one-time gain in the operational result and cash-in flow in August 2022.

Proposal of the Board of Directors to the Shareholders' Meeting

| Available earnings | July – June 2021/2022 | July – June 2020/2021 |
|--|--------------------------|--------------------------|
| Retained profit carried forward | 14 149 | 14 166 |
| Profit for the period | -23 455 | -118 |
| Result from treasury shares | -42 | 101 |
| Available for distribution by the Shareholders' Meeting | -9 348 | 14 149 |
| Available earnings | -9 348 | 14 149 |
| Appropriation to statutory retained earnings | 0 | 0 |
| Appropriation to voluntary retained earnings | 0 | 0 |
| Carried forward to next accounting period | -9 348 | 14 149 |
| Distribution of dividends | 0 | 0 |

The Board of Directors will propose to the Shareholders' Meeting of 26 October 2022 that no dividend or share premium be distributed for the 2021/2022 financial year.



Report of the statutory auditor to the General Meeting
of CREALOGIX Holding AG, Zurich

Report of the statutory auditor on the financial statements

Opinion

We have audited the financial statements of Crealogix Holding AG, which comprise the income statement for the year ended 30 June 2022, the balance sheet as at 30 June 2022 and notes to the financial statements for the year then ended, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 86 to 98) as at 30 June 2022 comply with Swiss law and the company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the entity in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

| | |
|--|--|
| Overall materiality | CHF 600'000 |
| Benchmark applied | Total assets |
| Rationale for the materiality benchmark applied | We chose total assets as the benchmark because, in our view, it is the most appropriate benchmark for this holding company which has limited operating activities and which mainly holds investments in subsidiaries and intercompany loans. |

We agreed with the Audit Committee that we would report to them misstatements above CHF 60'000 identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the entity, the accounting processes and controls, and the industry in which the entity operates.

Report on key audit matters based on the circular 1/2015 of the Federal Audit Oversight Authority

We have determined that there are no key audit matters to communicate in our report.

Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and Swiss Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the website of EXPERTsuisse: <http://expertsuisse.ch/en/audit-report-for-public-companies>. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG



Oliver Kuntze
Audit expert
Auditor in charge



Fabian Stalder
Audit expert

Zürich, 9 September 2022

Additional information



Important dates

26 October 2022
Ordinary Shareholders' Meeting

14 March 2023
Presentation of 2022/2023 Half-Year Results



Caution concerning forward-looking statements

This annual report contains forward-looking statements regarding CREALOGIX that are inherently susceptible to risk and uncertainty. The reader must be aware that the actual future results may vary from these statements. Forward-looking statements are projections of possible developments. All forward-looking statements are based on information available to CREALOGIX at the time the annual report was prepared.

You can read the entire annual report of the CREALOGIX Group online at:



Contact addresses

CREALOGIX Investor Relations
CREALOGIX Holding AG
Daniel Bader, Chief Financial Officer
Maneggstrasse 17 | 8041 Zurich | SWITZERLAND
+41 58 404 80 00 | daniel.bader@crealogix.com



[crealogix.com/en/about-us/
investor-relations](https://crealogix.com/en/about-us/investor-relations)



Publication details

Published by: CREALOGIX Holding AG, Zurich
Concept: CREALOGIX Corporate Communications, Zurich
Financial report: CREALOGIX Investor Relations, Zurich
Design: BSSM Werbeagentur AG, Basel
Coverphoto: CREALOGIX Corporate Communications, Zurich
Prepress: Neidhart-Schön AG, Zurich

Important Group companies

CREALOGIX Holding AG
Headquarters
Maneggstrasse 17, P.O. Box
8041 Zurich
T + 41 58 404 80 00
contact-ch@crealogix.com



Austria

CREALOGIX (Austria) GmbH
c/o Regus
Ausstellungsstrasse 50/2 2nd floor
1020 Vienna
contact-at@crealogix.com
T +43 1 377 1212



Spain & Middle East

CREALOGIX | Innofis S.L.
Balmes 150
08008 Barcelona
T +34 936 671855

**Saudi CREALOGIX
Single-Partner LLC**
Cooperative Company Tower
Floor 16
King Fahd Road
Riyadh 11432
T +966 55 197 7775



Switzerland

CREALOGIX AG
Maneggstrasse 17, P.O. Box
8041 Zurich
T + 41 58 404 80 00

Swiss Learning Hub AG
Maneggstrasse 17, P.O. Box
8041 Zurich
Tel: +41 58 404 88 70



United Kingdom

CREALOGIX MBA Ltd.
Staple House, Staple Gardens
Winchester, Hampshire, SO23 8SR
T: +44 1962 841494



Singapore

CREALOGIX PTE Ltd.
5 Shenton Way
UIC Building, #10-01
Singapore 068808
T +65 9632 2804



Germany

CREALOGIX (Deutschland) GmbH
Breitscheidstrasse 10
70174 Stuttgart
T +49 711 614160

CREALOGIX (Deutschland) GmbH
Mühlenstrasse 18
26441 Jever

**CREALOGIX BaaS
GmbH & Co. KG**
Am Hofbräuhaus 1
96450 Coburg

