

An aerial photograph showing a complex multi-level highway interchange with several overpasses and ramps. The highway is surrounded by lush green hills and a river. In the foreground, a large building is under construction, with its steel frame and concrete slabs visible. The sky is blue with some light clouds.

# Annual Results 2021/22

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CREALOGIX Group  
13 September 2022

# Agenda



**Oliver Weber**  
**Chief Executive Officer**

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Summary FY 2021/22  
Outlook



**Daniel Bader**  
**Chief Financial Officer**

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Financial results  
FY 2021/22



**Richard Dratva**  
**Chief Strategy Officer**

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Strategy update  
with Thomas Roth, CTO &  
Yannick Decaumont, VP  
Group Product Management

# Summary FY 2021/22

Oliver Weber, Chief Executive Officer

# Key Messages

- Investment peaked while market demand slowed down
- High investment in Funding Portal completed for pole position
- Cost structure trimmed to revenue baseline
- Product portfolio consolidated and innovation delivered
- Customer successes as foundation for growth

→ **Back to profitability and positive Cash Flow in FY2022/23**

# Key Figures FY 2021/22



Revenue  
**-14%**  
(LC -12.5%)



Profitability  
(EBITDA) at  
**CHF -9.3**  
million



R&D invest at  
**31%**  
of revenue



Personnel  
**-17%**



Recurring revenue  
contributed with  
**51%**  
to total revenue

# Market Leadership in Germany, ready for expansion



# Customer success



# Awards and recognition in FY 2021/22



Goodacre UK Systems in the City award for the **Best Strategic Partnership for a Client Portal** with our client JM Finn





# Key facts for EBITDA improvements

## Funding Portal

**~CHF 20 million invest**

FY 2022/23

**10% (included in R&D budget)**

## Billable capacity

FY 2021/22

**- approx. 50 FTE for Funding Portal**

FY 2022/23

**+ approx. 50 FTE billable**

## Measures

FY 2021/22

- ↗ Price increases
- ↘ Staff reduction
- ↘ Cost reductions
- ↗ Nearshoring
- ↗ Shared services
- ↗ Sale of non-strategic business

FY 2022/23

**Full impact**

# Financial results FY 2021/22

Daniel Bader, Chief Financial Officer

# Profit & Loss Statement

CHFm	FY 20/21	FY 21/22	▲
Recurring revenue <i>in % of revenue</i>	54.9 50.3%	48.2 51.3%	-6.7 -12.2%
Non-recurring revenue <i>in % of revenue</i>	54.3 49.7%	45.8 41.7%	-8.5 -15.7%
<b>Total Revenue</b>	<b>109.3</b>	<b>94.0</b>	<b>-15.3</b> -14.0%
<b>EBITDA</b> <i>EBITDA margin</i>	<b>3.3</b> 3.0%	<b>-9.3</b> -9.8%	<b>-12.6</b>
<b>Adj. Net profit</b> <sup>1</sup>	<b>0.8</b>	<b>-12.2</b>	<b>-13.0</b>

<sup>1</sup> Adjusted net profit: net profit before goodwill amortisation

- Reduction of revenues by 14.0%
- Negative impact from strong CHF (revenue reduction in local currency -12.5%)
- Stronger reduction of revenue in non-recurring revenue (service, goods, licenses)
- Significant increase in R&D costs combined with lower revenue could not be compensated by efficiency gains

# Sales development

## Sales categories

(CHF million)

	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22
SaaS/Hosting	5.9	14.7	17.0	29.9	26.1
<i>in % of total</i>	7%	14%	16%	27%	28%
Maintenance	26.7	28.1	28.2	25.1	22.1
<b>Recurring Revenue</b>	<b>32.6</b>	<b>42.8</b>	<b>45.2</b>	<b>55.0</b>	<b>48.2</b>
<i>in % of total</i>	37%	42%	44%	50%	51%
Services	32.5	41.5	41.0	36.3	32.3
License	18.8	12.5	9.6	10.8	9.3
Other	3.2	5.1	7.9	7.2	4.1
<b>Non-recurring Rev.</b>	<b>54.5</b>	<b>59.1</b>	<b>58.5</b>	<b>54.3</b>	<b>45.8</b>
<b>Total Revenue</b>	<b>87.1</b>	<b>101.9</b>	<b>103.7</b>	<b>109.3</b>	<b>94.0</b>

- SaaS/Hosting decreased due to lower demand for Service Subscription packages
- Lower maintenance due to transformation to SaaS resp. consolidation of product portfolio
- Service reduction as a consequence of planned transfer to partner companies

# EBITDA impacted by extraordinary R&D invest

## EBITDA

(CHF million)

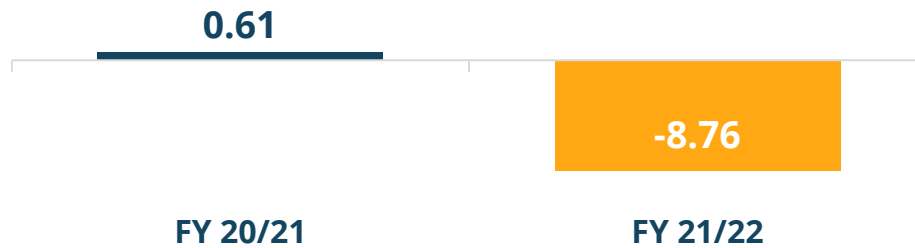


- Significant R&D invest with 31% of revenue (FY 20/21: 22% of revenue)
- Efficiency gains from organizational measures and streamlining of products not offsetting higher invest and revenue reduction

# Share update

## Adjusted EPS <sup>1</sup>

(CHF per share)



<sup>1</sup> Consolidated net profit before goodwill amortisation

- Performance dip leading to negative adjusted EPS<sup>1</sup>
- Free Float 40% (30.6.2021: 42%)
- No dividend proposed for FY 21/22

# Balance Sheet

CHFm	30 Jun 21	30 Jun 22	▲
Cash	27.7	14.1	-13.6
Other current assets	30.1	27.9	-2.2
Goodwill and other non-current assets <sup>1</sup>	58.1	56.5	-1.6
<b>Total assets</b>	<b>115.9</b>	<b>98.5</b>	<b>17.4</b>
Current liabilities	44.6	50.1	5.5
Non-current liabilities	27.2	26.2	-1.0
<b>Total liabilities</b>	<b>71.8</b>	<b>76.2</b>	<b>4.4</b>
<b>Equity</b>	<b>44.1</b>	<b>22.3</b>	<b>-21.8</b>

- Reduction of cash due to R&D peak
- Reduced equity due to FX translation (CHF -5m), constant goodwill amortisation and performance dip leading to temporary equity ratio below 25%

<sup>1</sup> Following Swiss GAAP FER, CREALOGIX amortizes goodwill within 5 - 15 years

# Cash Flow Statement

CHFm	1HY 21/22	2HY 21/22	FY 21/22
Operating cash flow	-9.0	-4.0	-13.0
Investing cash flow	-6.4	-3.0	-9.4
<b>Free cash flow</b>	<b>-15.4</b>	<b>-7.0</b>	<b>-22.4</b>
Financing cash flow	+10.9	-1.4	+9.5
FX	-0.5	-0.3	-0.8
<b>Net change in cash</b>	<b>-5.0</b>	<b>-8.7</b>	<b>-13.7</b>

- Cost cutting measures and reduced capex improved free cash flow significantly in 2HY vs 1HY
  - Decreased staff base (internal and freelancer)
  - Reduced G&A (rent, IT)
- Repayment of loans in 2HY



# Event after Balance Sheet date (16 Aug 2022)

Spin-off of Digital Learning business to Swiss investor group

Pursuing its strategy to focus on Digital Banking, CREALOGIX sold 66.7% of its subsidiary Swiss Learning Hub AG to a Swiss group of investors centred on blue8. Purchase price not to be disclosed

❑ **SWISS LEARNING HUB** offers digital learning products in the Swiss market. It is a separate entity with about 10% revenue share of CREALOGIX and approximately 50 employees



# Strategy update

Richard Dratva, Chief Strategy Officer

Thomas Roth, CTO

Yannick Decaumont, VP Products



We transform banking  
to make it yours

# The Future of Banking is in the Front

Increase focus on front-end to stay competitive

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...inject greater excitement and joy into screen experiences.

Accenture, 2022

“

”

...boosting consumer satisfaction, improving user interfaces is most important.

McKinsey, 2021

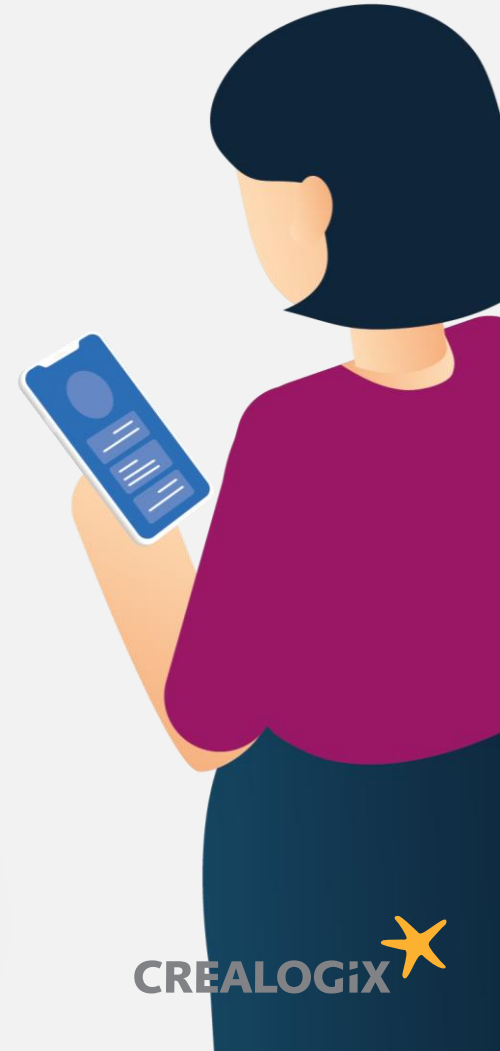
“

”

...creating an improved user experience to control the customer relationship.

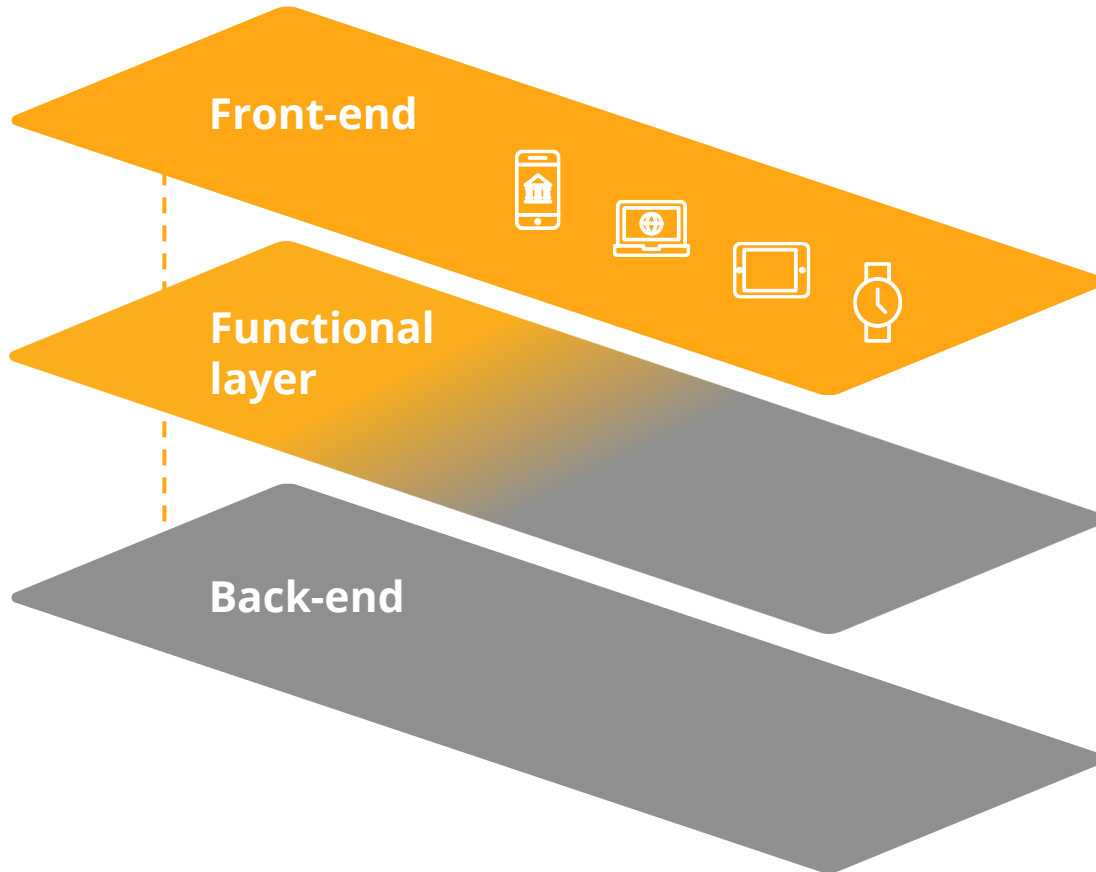
PwC, 2022

“



# CREALOGIX' focus is on front-end – functional and integrational layers are provided to support banking

## Banking technology stack



### Provider

### Primary use

**CREALOGIX**



Engage and interact

**CREALOGIX**

+ Partners  
+ Open banking ecosystem



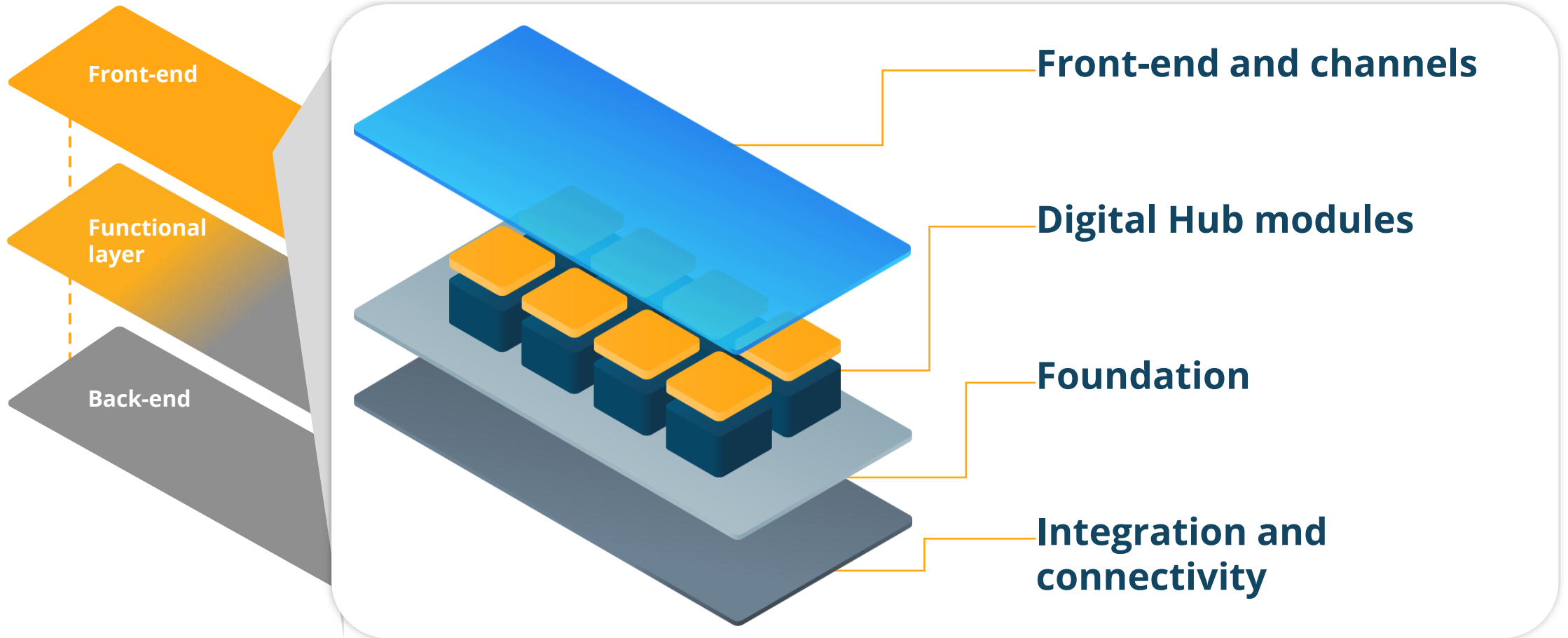
Calculate

Core banking providers



Store and retrieve

# The Digital Hub technology is constantly improved based on customer feedback and tech innovations



# Achievement and outlook on CREALOGIX technologies

## What we have achieved...

## ... and what we are planning to achieve

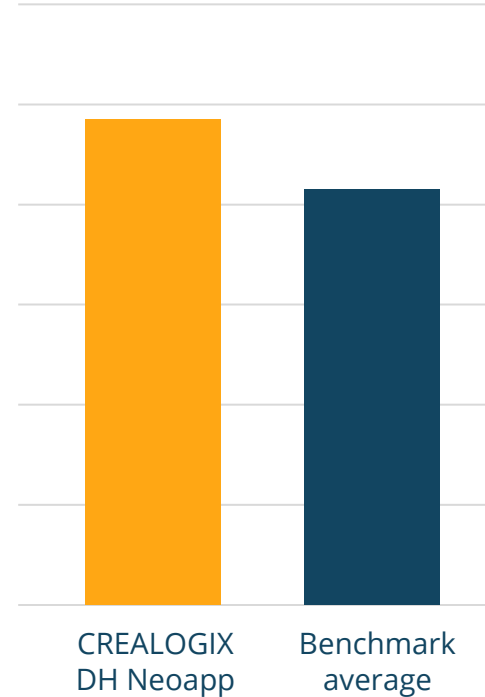


# CREALOGIX DH Neoapp exceeds the market average neobank feature scope

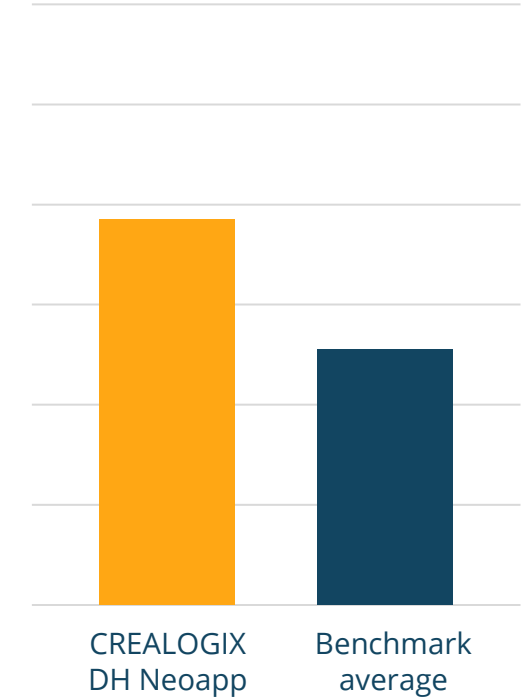
We benchmarked Neoapp against key challenger / neobank players



Coverage of must-have neobank features

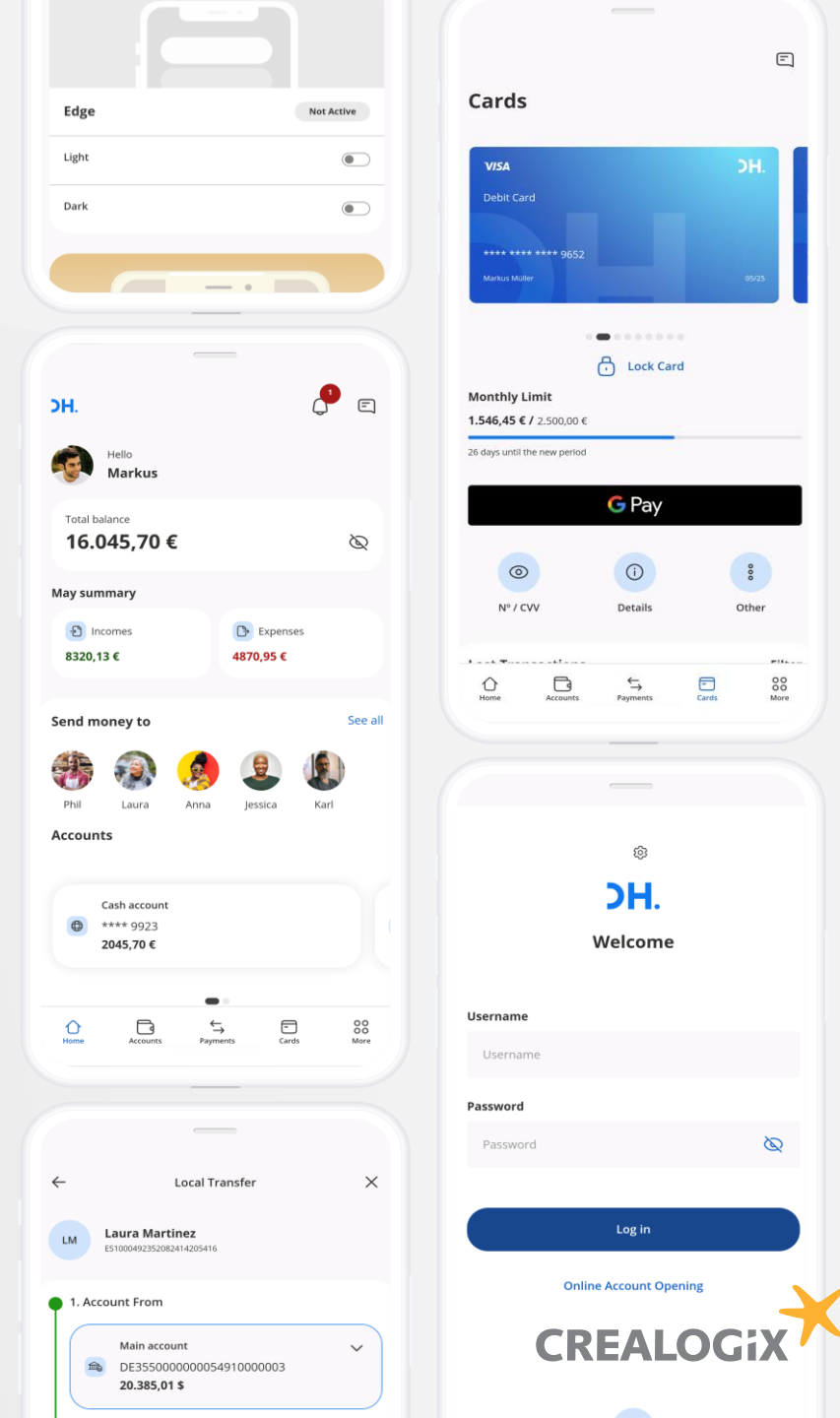
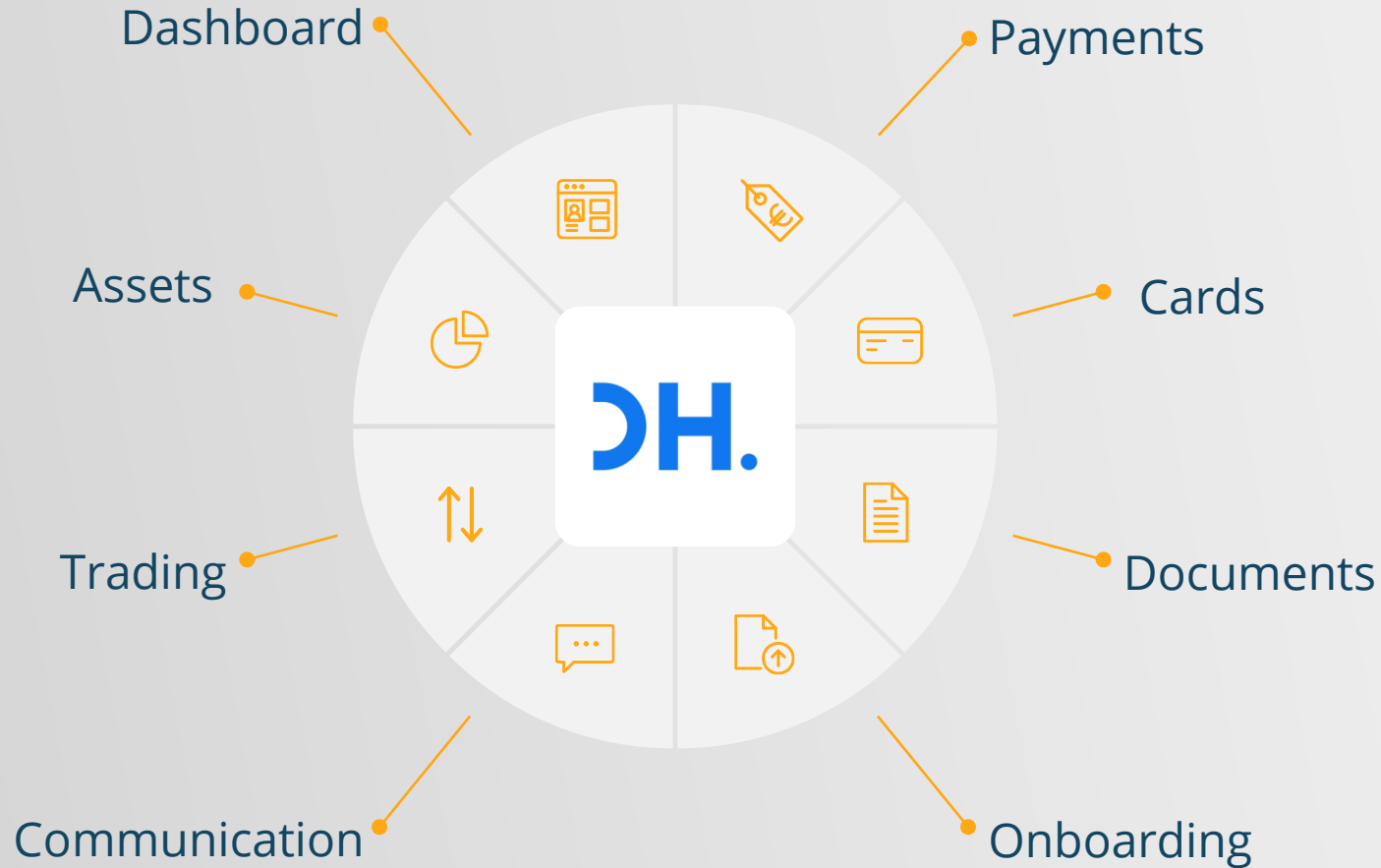


Coverage of nice to have neobank features

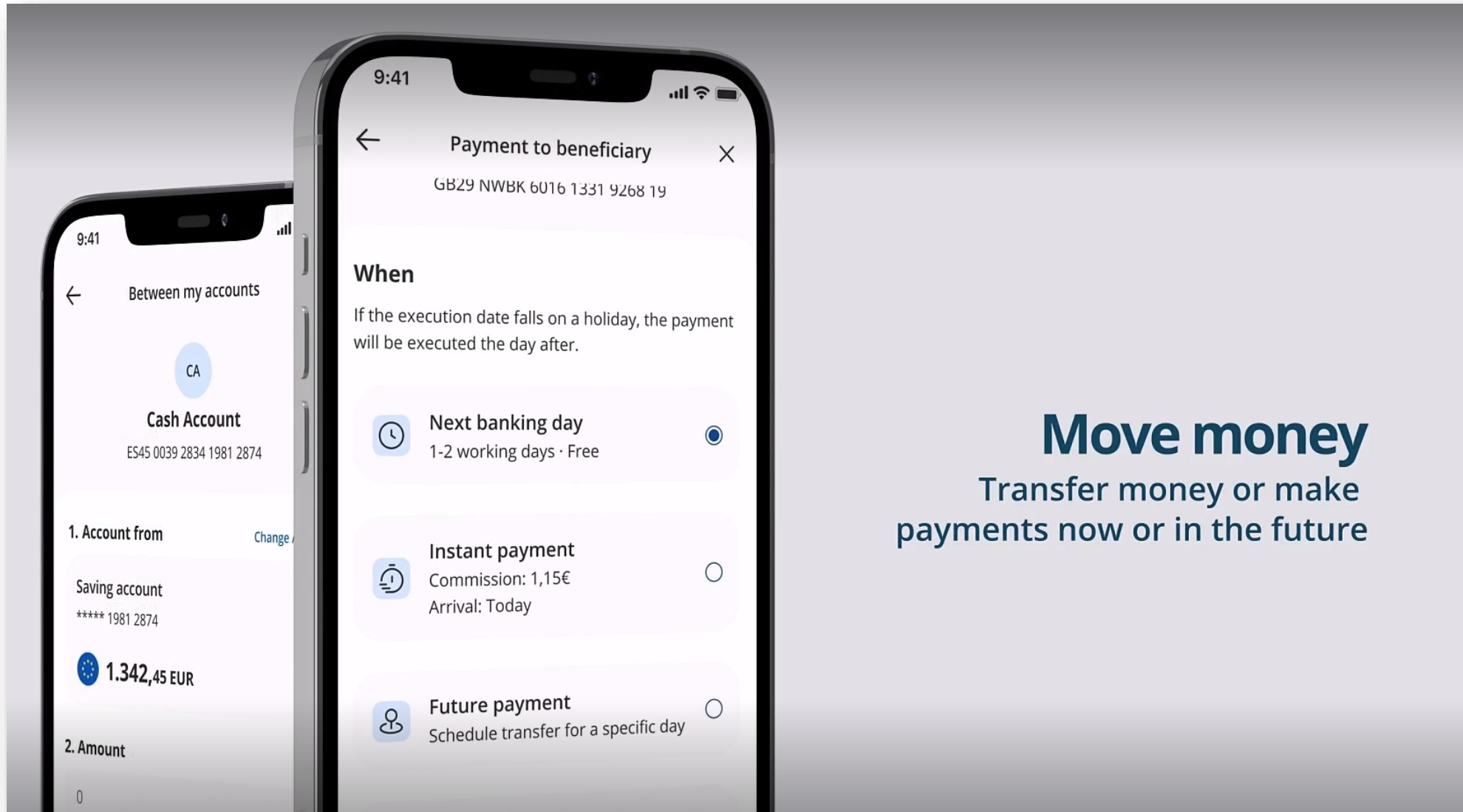




# Our scope exceeds the market standard for neobanks



# Demo



**Move money**  
Transfer money or make  
payments now or in the future

# Strong in attack, robust in defence

Accelerate digital strategy while keeping exposure low



# Mix & Match transition to digital leadership

The benefits of a greenfield approach without taking the risk

 **Accelerate change**

**Innovation acceleration**

**Fast time-to-market**

Cherish the new...

 **Reduce complexity**

**Low risk transition**

**Low cost transition**

...leverage the existing

 **Ensure continuity**

**No innovation interruption**

**No core banking changes needed**

# Outlook

Oliver Weber, Chief Executive Officer

## CREALOGIX's 2022/23 half-year target



EBITDA positive

## CREALOGIX's 2022/23 full-year target



At an adjusted  
comparison level, not yet  
higher revenue than  
previous year



EBITDA positive

CREALOGIX pursues its transformation to become the leading **global SaaS digital banking software provider.**

# Thank you.



## Our Vision

We create digital leaders

## Our Mission

We empower financial brands to build valuable relationships with their clients

## Our Purpose

Transform banking to make it yours

**We transform banking and wealth management** by enabling financial brands to deploy modern digital experiences & applications and automate processes for their customers quickly, cost effectively and at scale

# Disclaimer

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