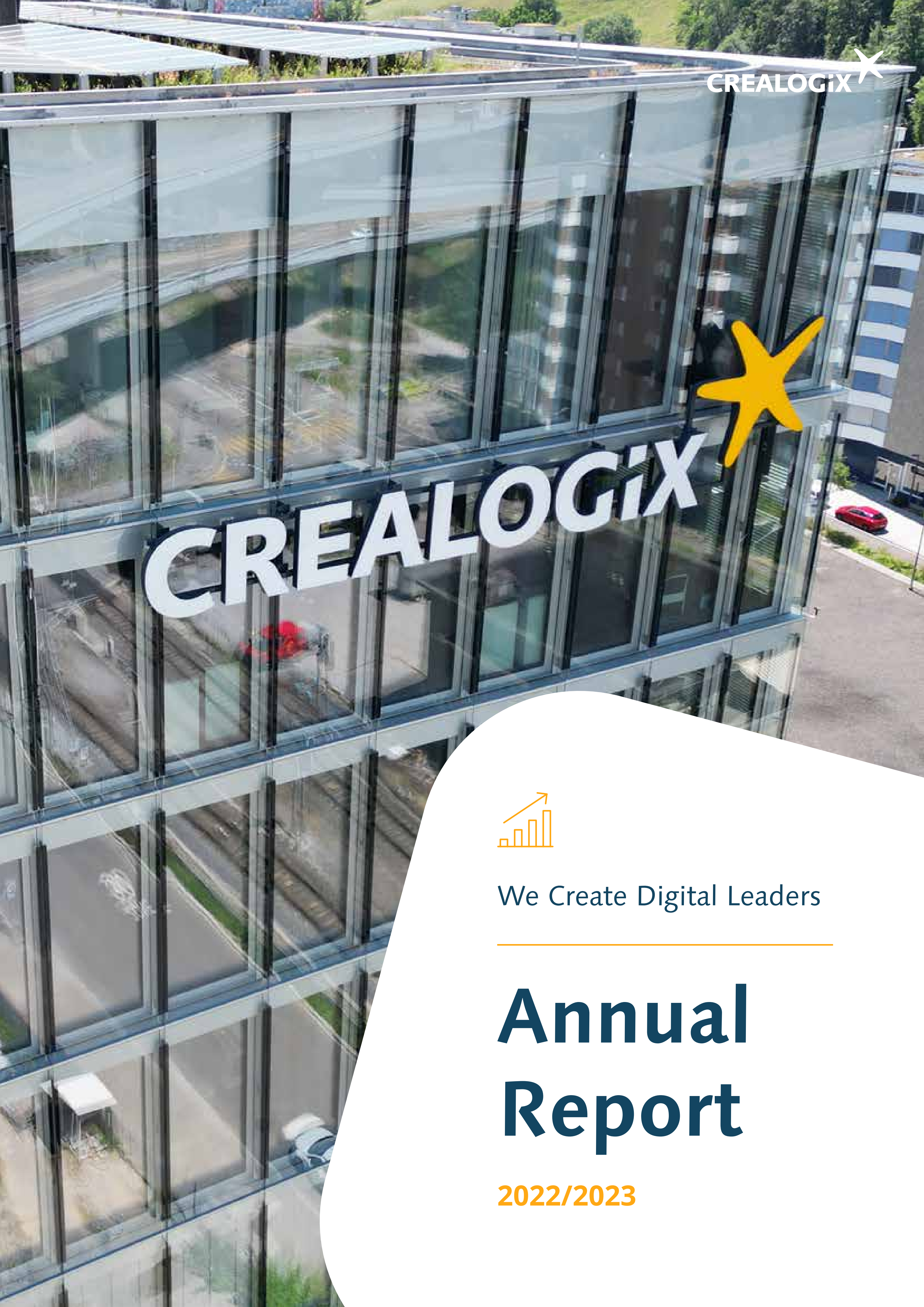
CREALOGIX



We Create Digital Leaders

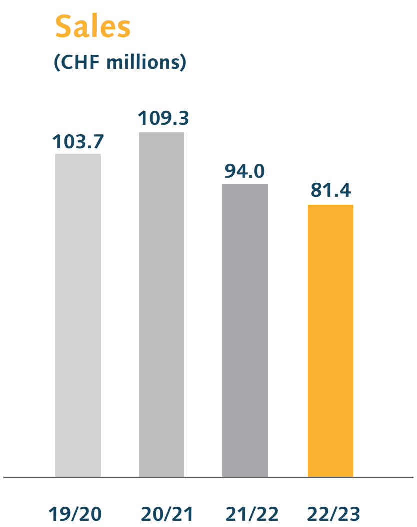
Annual Report

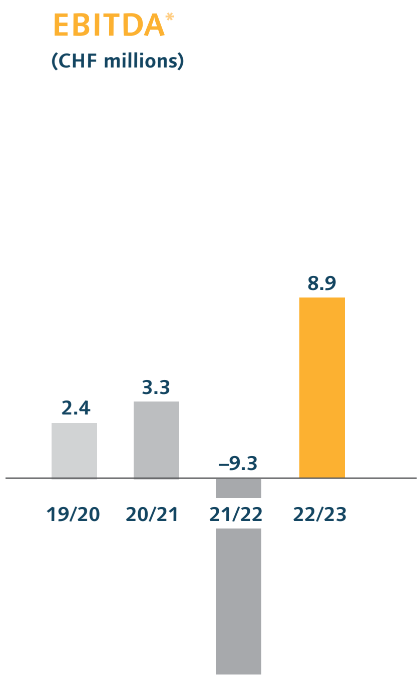
2022/2023

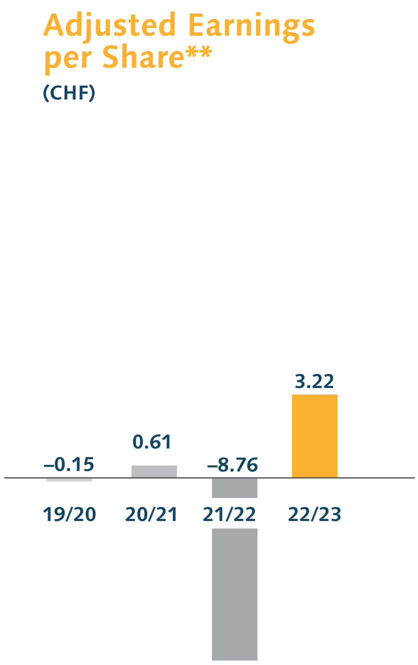
2022/2023
Annual Report

Group key figures

International presence







* 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 52 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 the Financial Year 2022/23 CREALOGIX has pursued its strategy to improve the operating profitability by a further reduction of its cost base thanks to efficiency gains from the product portfolio consolidation. EBITDA improved by CHF 18.2 million year over year and amounts to CHF 8.9 million in this financial year (last year EBITDA was negative CHF 9.3 million). Profit from the divestment of the Digital Learning business in Switzerland contributed with CHF 7.5 million to the positive EBITDA of this financial year.

While focusing on improving the operating profitability, CREALOGIX successfully completed the single largest customer program in its history with the state development banks in Germany, "The Funding Portal". With all seven participating banks being live and widely using the modern state-of-the art digital platform, a very important strategic milestone has been reached in an important, new, and growing market segment of the European financial industry.

Despite the turmoil in the FinTech industry in insecurities in the banking industry CREALOGIX has successfully added new customers to its portfolio and secured long-term commitments from its existing customer base.

Concentration on digital banking and efficiency gains

CREALOGIX has further sharpened its focus on digital banking opportunities which represents high opportunities for future profitable growth. Beside the European public finance space, where digitalisation efforts are on the rise, business banking and value-added services in application management, security and regulatory offer promising opportunities. Furthermore, a modified release cycle policy for existing flagship products will drive innovation and a stable stream of revenues.

Focusing on future profitable growth has allowed CREALOGIX to realise efficiency gains and thus a reduction of operating costs. As part of the focus on operative profitability, CREALOGIX improved cost management. The focus on digital banking and on efficiency gains allowed for a reduction of free-lancers as well as contraction of the workforce from 524 (30 June 2022) to 383 (30 June 2023) full time positions. In addition, all other cost was scrutinized and reduced.

As part of its consistent strategic focus on digital banking, CREALOGIX sold a stake of 67% of Swiss Learning Hub AG to the group of blue8 AG investors on 17 August 2022, with an option to sell the remaining 33% up to two years after the completion of the transaction. Swiss Learning Hub AG was fully de-consolidated and the option is recognised as a non-current financial asset.

Like for like stable revenue at improved profitability

Total sales for the FY2022/23 amounted to CHF 81.4 million, CHF 12.6 million reduced compared to the previous year. Like for like (adjusted for the divestment of the Digital Learning business), revenue decreased by 2.8% in local currencies. Because of the completion of strategic projects and the normalised investments into new solutions, R&D decreased to 11.7% compared to the total revenue (PY: 31.0%).

Thanks to the saving measures and the profit from M&A and divestments, EBITDA increased to CHF 8.9 million (CHF -9.3 million FY2021/22). Despite goodwill amortisations of CHF 4.5 million (according to Swiss GAAP FER, CREALOGIX constantly amortises its goodwill in every period) and the fact that own efforts for product development are fully charged to P&L, the consolidated result turned positive. This means that CREALOGIX shows a positive, adjusted earnings per share of CHF 3.22 (2021/2022: CHF -8.76).

Free cash-flow increased from CHF -22.3 million in FY2021/22 to CHF -2.4 million in this financial year. Free cash-flow was positively impacted by the improved operative result and proceeds from M&A and divestments, but still negatively affected by a normalisation of net working capital. Mainly due to the completion of the program for the state development banks, spending in intangible assets was reduced to CHF 1.1 million (CHF 7.9 million in FY 2021/22). At balance sheet date, net debt amounted to CHF 27.0 million). Cash totalled available to CHF 3.4 million (FY2021/22: CHF 14.1 million), this is due to the focus on a temporary reduction in net debts per end of the financial year. The equity ratio improved from 22.6% in the previous year to 28.7% in this financial year.

Outlook

We are adding a new section "Sustainability" to our annual report to document our journey towards achieving sustainable business success. With the ESG Report, we have given the company some important future goals to achieve an ethical, sustainable net-zero business by 2030 and will be reporting back on our progress as an essential part of both our ESG strategy and our commercial success.

The Senior Management has been consolidated into the Executive Board in July 2023 which has been complemented by the heads of the operative market units. This allows to further strengthen transparency and accountability.

Some of the cost saving measures already implemented will only come fully effective in FY2023/24 leading to a further optimised cost structure.

For the Financial Year 2023/2024 CREALOGIX expects moderate revenue growth in local currencies and further improving operating profitability.

We are grateful that we can count on the support and considerable commitment of all our employees, customers and suppliers in these times. On behalf of the Board of Directors and the Executive Management, we would also like to thank you for your valuable support and continued confidence in CREALOGIX.

Bruno Richle
Chairman of the Board of Directors

Oliver Weber
Chief Executive Officer

crealogix.com

Corporate Governance

Corporate Governance

At CREALOGIX corporate governance is 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 2023, market capitalisation was CHF 67.4 million.

1.1 Group structure

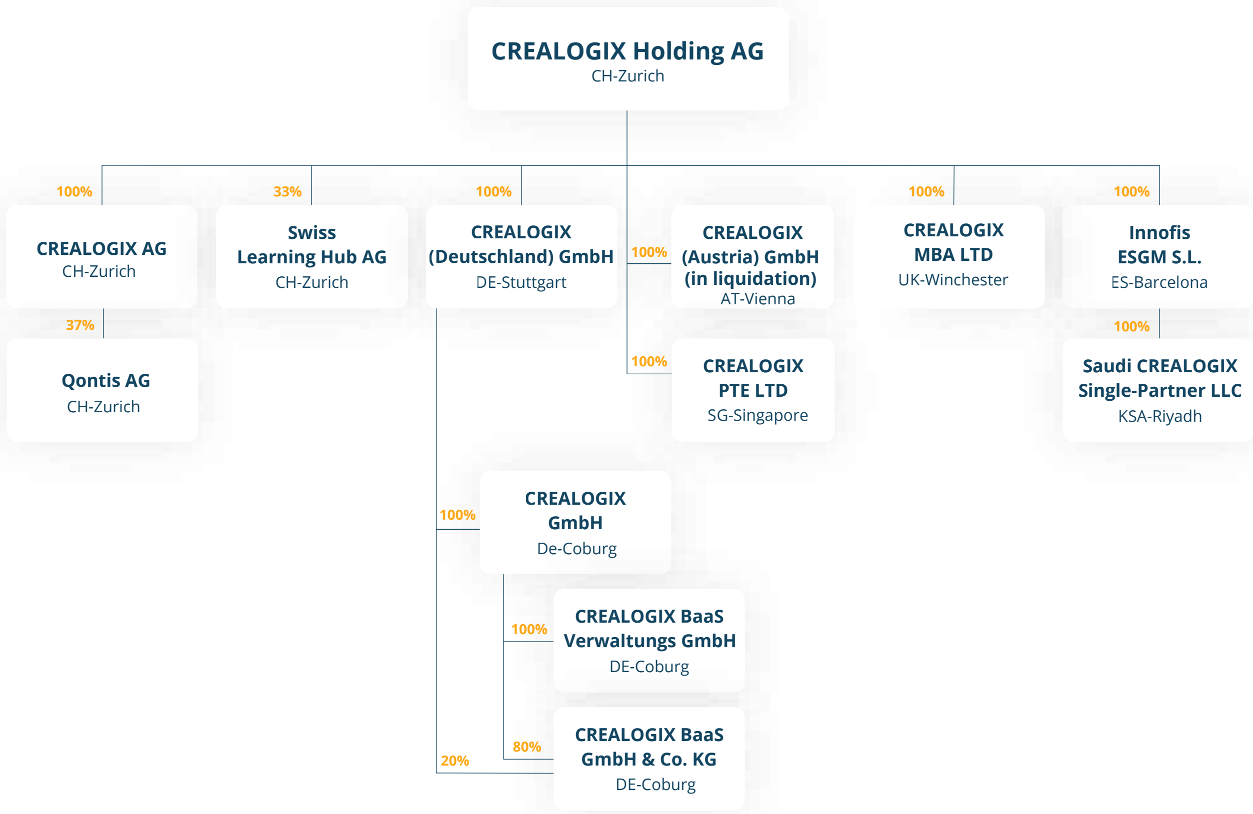
The participations held by the CREALOGIX Holding AG in the different subsidiary companies are listed in detail on page 58 (scope of consolidation on 30 June 2023) of the Annual Report.

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

- On 17 August 2022, 67% of the shares of Swiss Learning Hub have been sold with an option to sell the remaining 33% stake, which can be exercised up to two years after the completion of the transaction.
- On 3 January 2023, the liquidation of Winchester based CREALOGIX UK Ltd. was completed.
- In August 2022, the liquidation of CREALOGIX (Austria) GmbH based in Vienna was started. 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 to the amount of GBP 2 973 thousand.

In the previous year, 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 2023, each of the following shareholders had a proportion of votes of more than three per cent:

Shareholders	Proportion of votes	Number of shares
Dr. Richard Dratva	18.06%	253 662
Bruno Richle	16.80%	236 048
Daniel Hiltebrand	7.97%	112 000
Mayfin Management Services S.l.	7.76%	109 007
Long Path Smaller Companies Master Fund, Ltd.	7.05%	99 010
Werner Dubach, Anne Keller Dubach Heirs	4.70%	66 037
Noser Management AG	4.11%	57 756

The first three shareholders stated on the above schedule together with Peter Süsstrunk (and their family members – henceforth named "Founder Shareholders") have in place a shareholder pooling agreement. Members of the Funding Shareholders own in total 622 210 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 Richle) 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 Richle, which entered into force with the issuance and allocation of the new shares in January 2018. This agreement expired on 1 March 2023.

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 2023, CREALOGIX Holding AG had the following share capital at its disposal:

Ordinary capital	CHF 11 237 936 Divided into 1 404 742 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 2 345 280 Divided into 293 160 registered shares with a par value of CHF 8 per share.

Authorised capital

The Board of Directors is authorised to waiver 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 6400 shares (previous year: 440 shares). The share capital increased by CHF 51 thousand (previous year: CHF 4 thousand) to CHF 11 238 thousand.

2.4 Shares and participation certificates

On 30 June 2023, 1404 742 fully paid registered shares of CREALOGIX Holding AG with a nominal value of CHF 8 per share were outstanding. CREALOGIX Holding AG owned 13 shares of treasury stock on 30 June 2023, equivalent to 0.0% 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 2023, a total nominal liability of CHF 24.1 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 acted 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 Elektrizitatswerk Jona-Rapperswil AG, Switzerland
- Board Member, Trustees of the foundation FUTUR, Jona, Switzerland

Richard Dratva

Vice President of the Board of Directors,
Chief Strategy Officer and Member of the Executive Board
until 1 July 2023
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 until 1 July 2023 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

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

Ralph Mogicato

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
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	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

Jörg Zulauf

Member of the Board of Directors at CREALOGIX Group since 2022
Swiss citizen, 1958

Professional history	
2022 to present	JC-Zulauf Consulting GmbH, Switzerland
2000 to 2022	Chief Financial Officer, Migros-Genossenschafts-Bund, Switzerland
1996 to 2000	Head of Services Vitamines World (Finance & IT), Roche, Germany
1993 to 1995	Head Finance & Legal, Roche, Germany
1990 to 1993	Head Finance & Administration, Roche, Korea
1989 to 1990	Corporate Finance and M&A, Roche, Switzerland
1987	Corporate Finance and Capital Market, Bank J. Vontobel, Switzerland
1984 to 1985	Advocate Office, Von Erlach & Partner, Switzerland

Education	
2015	IDP-C Certificate in Corporate Governance, International Directors Program, Insead/ Singapore, Singapore
2010	Stanford Senior Executive Program, California, USA
1999	Executive Management Program, London Business School, UK
1994	Joint Development Program, IMD Lausanne, Switzerland
1989	MBA, University of California (focus finance), USA
1987	Attorney at law, Zurich, Switzerland
1985	Master of Law (lic. jur.), University of Zurich, Switzerland

Other activities and functions	
2023 to present	President Board of Directors, SV Group AG
2023 to present	Member Board of Directors at Galenica AG
2022 to present	Board of Directors at Maerki Bauman & Co. AG

3.2 Other activities and vested interests

Information on other activities and vested interests is disclosed together with the curricula vitae on pages 14 to 16.

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. and management consulting services by JC-Zulauf Consulting GmbH. Besides, Bruno Richle and Richard Dratva granted a subordinated loan of CHF 1 million to CREALOGIX Holding AG (refer to note 13 of the consolidated financial statements for more information).

The compensation is listed in the remuneration report starting on page 30.

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 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 26 October 2022 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.

At the last SM on 26 October 2022, Jörg Zulauf was elected as new member of the Board of Directors as Dr. Christoph Schmid, member of the Board of Directors of CREALOGIX Group since 2000, did not stand for re-election.

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
Ralph Mogicato	Member	2016
Rudolf Noser	Member	2018
Jörg Zulauf	Member	2022

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 2022/2023 the Board met four times for meetings of four to eight hours each. Eight 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 2022/2023 was passed at the meeting of the Board of Directors on 13 September 2023.

Committees

The Board of Directors has formed an Audit Committee which supports and advises the Board of Directors on financial reporting, internal controlling and auditing, risk management, 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. Jörg Zulauf (Chairman) and Ralph Mogicato currently form the Audit Committee. The Audit Committee convenes at least three times a year. The CFO, Daniel Bader until March 2023 and Christophe Biollaz as of March 2023, is present during the meetings. In financial year 2022/2023, the Audit Committee met three times for meetings of two to four hours each. Representatives of the external 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 Jörg Zulauf. The Nomination and Compensation Committee convenes at least twice a year. In the 2022/2023 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 2023, the Executive Board consists of three members, one of whom (Richard Dratva) serves as executive member of the Board of Directors (see note 3).

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 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

Christophe Biollaz

Chief Financial Officer and Member of the Group Executive Management at CREALOGIX Group since 2023
Swiss citizen, 1968

Professional history

2023 to present	Group CFO and Member of the Group Executive Management, CREALOGIX, Switzerland
2020 to 2022	CFO, Saint-Gobain, Switzerland
2019 to 2022	Partner, CloudMonki GmbH, Switzerland
2013 to 2018	Group CFO, MCH Group, Switzerland
2012 to 2013	VP Strategy, Business Development & Finance Europe, Oettinger Davidoff Group, Switzerland
2007 to 2011	CFO, Lindt & Sprüngli, Australia
2004 to 2007	CFO, Hero, Switzerland
2000 to 2003	CFO, Syngenta, Japan
1995 to 1999	Head of Finance & Administration, Novartis Agro, Austria
1994	Group Controller, Sandoz, Switzerland

Education

1993	BS Business Administration, University of Applied Sciences and Arts Northwestern Switzerland FHNW, Switzerland

Other activities and functions

No other activities or functions

David Moreno, Executive Vice President Spain, stepped down from the Executive Board as of 30 September 2022. On 15 March 2023, Daniel Bader handed over the role of Chief Financial Officer to Christophe Biollaz. As of 01 July 2023, Chief Strategy Officer Richard Dratva stepped down from the Executive Board. However, he retains his role of Vice President of the Board of Directors and his role as Chief Strategy Officer. As of 01 July 2023, Daniel Scheiber, Vice President Digital Banking Switzerland & UK, Yannick Decaumont, Vice President Digital Banking Mediterranean & Middle East, Thomas Scheppe, Vice President Digital Banking Germany & Asia Pacific, as well as Thomas Roth, Chief Product & Technology Officer, joined the Executive Board.

4.2 Other activities and vested interests

Additional activities and commitments of interest for Dr. Richard Dratva, Chief Strategy Officer, are disclosed on page 14. 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. David Moreno stepped down from the Executive Board as of 30 September 2022.

5 Compensation and share-based payments

Compensation to related persons or parties is disclosed in the remuneration report from page 30 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 Audit fees

In the 2022/2023 financial year, the agreed audit fees for PricewaterhouseCoopers AG in Zurich amounted to CHF 343 thousand (previous year: CHF 398 thousand).

8.3 Additional fees

In the 2022/2023 financial year, PricewaterhouseCoopers AG provided further services valued at CHF 75 thousand (previous year: CHF 82 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 at least 60 days before publication and ends after publication; the blackout period for the half-year reporting starts at least 45 days before publication and ends after publication. For the period under review, the blackout periods were from 16 January 2023 to 14 March 2023 (noon) and 14 July 2023 to 14 September 2023 (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:

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Board of Directors Vice President and Chief Strategy Officer
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richard.dratva@crealogix.com

Share

Key figures – shares

Share capital in CHF	11 237 936
Total number of outstanding shares	1 404 742
of which publicly traded	1 404 742
in %	100.00%
Equity (carrying amount) per share in CHF	16.0
Earnings per share in CHF, undiluted	0.02
Share prices in CHF	
30 June 2023	48.00
High (07 February 2023)	83.00
Low (26 October 2022)	36.00
on issue day (7 September 2000)	200.00
Market capitalisation in CHF million*)	
30 June 2023	67.4
High (07 February 2023)	116.6
Low (26 October 2022)	50.6
on issue day (7 September 2000)	280.9
Market capitalisation (30 June 2023)	
in % of operating revenue	82.8
in % of equity	300.4
Trading volume in CHF million	
1 July 2022 to 30 June 2023	6.3

*) Market capitalisation disclosed is calculated with the total number of outstanding shares as per 30 June 2023 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	
SIX	CLXN
Reuters	CLXN.S
Bloomberg	CLXN:SW

Dividend

The Board of Directors will propose to the Shareholders' Meeting of 25 October 2023 that no dividend or share premium be distributed for the 2022/2023 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 2022 to 30 June 2023

CLX share price (indexed), SPI (indexed)

Symbols	**High**	**Low**	**Year-on-year % change**
CLXN	83.00	36.00	+16.0 (-25.0%)
SPI (SXGE)	15 314.62	12 797.41	+1 154.33 (+8.4%)

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

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 2022/2023 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.
From 1 July 2022 until the General Meeting on 26 October 2022, the NCC consisted of Bruno Richle (Chairman), and Dr. Christoph Schmid, who did not stand for re-election on the General Meeting. The General Meeting elected Bruno Richle (Chairman) and Jörg Zulauf as members of the NCC for a period of one year, which includes the remainder of the period under review.

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 28 to 47 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 2022/2023 financial year, no employee shares (previous year: 3 329) were purchased under the 3 Years Plan (previous year's price: CHF 122.10). The discount per share is 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 (previous year: CHF 36.63).
In December 2022, 1 160 bonus shares (previous year: 0) were provided to employees and members of the Board of Directors as additional shares under the 6 Years Plan.

In June 2023, no shares (previous year: CHF 0) 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 either a three-month or a six-month notice period with the exception of David Moreno who has a consultancy agreement via Mayfin Management Services S.I. 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 2022/2023	Annual fixed compensa-tion	Annual variable compensa-tion	Share-based payments 3 years plan	6 years plan	Social insurance contribu-tion	Fringe Benefits	Total
Board of Directors							
Bruno Richle, Chairman	104	0	0	16	5	0	**125**
Dr. Richard Dratva, Vice Chairman and CSO	0	0	0	0	0	0	**0**
Dr. Christoph Schmid, Member (until Oct. 2022)	8	0	0	0	0	0	**8**
Ralph Mogicato, Mem-ber	26	0	0	0	2	0	**28**
Noser Ruedi, Member	16	0	0	0	0	0	**16**
Joerg Zulauf, Member (since Oct. 2022)	19	0	0	0	1	0	**20**
Total Board of Direc-tors	**173**	**0**	**0**	**16**	**8**	**0**	**197**
Executive Board (active members)	796	0	0	16	141	43	**996**
Executive Board (former member)	167	0	0	0	25	13	**205**
Total Executive Board	**963**	**0**	**0**	**16**	**166**	**56**	**1 201**
Total	**1 136**	**0**	**0**	**32**	**174**	**56**	**1 398**
Highest compensation to Oliver Weber, CEO	*450*	*0*	*0*	*0*	*82*	*20*	**552**

July – June 2021/2022	Annual fixed compensa-tion	Annual variable compensa-tion	Share-based payments 3 years plan	6 years plan	Social insurance contribu-tion	Fringe Benefits	Total
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 Mogicato, Mem-ber	31	0	0	0	3	0	**34**
Noser Ruedi, Member	31	0	0	0	3	0	**34**
Total Board of Direc-tors	**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**
Highest compensation to Oliver Weber, CEO	*450*	*0*	*0*	*0*	*82*	*20*	**552**

The following annual maximum total compensations have been approved by the ordinary Shareholders' Meeting of 26 October 2022:

– Board of Directors: CHF 460 thousand
– Executive Board: CHF 1 300 thousand

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

Other considerations

There were no further claims or commitments to/from persons in key management positions as of 30 June 2023 (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 until 26 October 2022. Wenger & Vieli's fees for legal advice totalled CHF 28 thousand (previous year: CHF 42 thousand). Besides, Bruno Richle and Richard Dratva, both significant shareholders and members of the Board of Directors, granted a subordinated loan of CHF 1 million to CREALOGIX Holding AG (refer to note 13 in the Group Financial Report for more information).

In addition, management and business consultancy services were provided by JC-Zulauf Consulting GmbH, which is fully owned by Jörg Zulauf, a member of the Board of Directors since 26 October 2022. JC-Zulauf Consulting GmbH's fees for the period under review amounted to CHF 109 thousand (previous year: none). The mandate of JC-Zulauf Consulting GmbH was completed in March 2023.

David Moreno, member of the Executive Board until 30 September 2022, 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 259 thousand (previous year: CHF 299 thousand) for the full year 2022/2023.

6 Shareholdings of the Board of Directors and Executive Board

On 30 June 2023, 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 2023	30 June 2022	**30 June 2023**	30 June 2022
Board of Directors				
Bruno Richle, Chairman	**236 048**	230 442	**1 090**	2 244
Dr. Richard Dratva, Vice Chairman and CSO	**253 662**	248 758	**1 090**	2 244
Dr. Christoph Schmid, Member	**7 433**	7 433	**1 048**	1 048
Ralph Mogicato, Member	**1 416**	666	**173**	173
Ruedi Noser, Member	**58 271**	43 225	**322**	322
Joerg Zulauf, Member (since Oct. 2022)	**-**	-	**-**	-
Members of the Executive Board				
Oliver Weber, member of the Executive Board and CEO	**650**	550	**495**	495
Daniel Bader, member of the Executive Board and CFO (until March 2023)	**450**	450	**-**	450
Christophe Biollaz, member of the Executive Board and CFO (since March 2023)	**-**	-	**-**	-
David Moreno, member of the Executive Board and Executive Vice President Spain	**109 007**	123 110	**-**	54 684
Total	**666 937**	654 634	**4 218**	61 660

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

Report on the audit of the remuneration report

Opinion

We have audited the remuneration report of Crealogix Holding AG (the Company) for the year ended 30 June 2023. The audit was limited to the information on remuneration, loans and advances pursuant to Art. 14 to 16 of the Ordinance against Excessive Remuneration in Listed Companies Limited by Shares (Ordinance) in the tables on pages 34 to 35 of the remuneration report.

In our opinion, the information on remuneration, loans and advances in the remuneration report (pages 34 to 35) complies with Swiss law and article 14 to 16 of the Ordinance.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the remuneration report' section of our report. We are independent of the Company 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.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the tables marked 'audited' in the remuneration report, the consolidated financial statements, the financial statements and our auditor's reports thereon.

Our opinion on the remuneration report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the remuneration report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the remuneration report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the remuneration report

The Board of Directors is responsible for the preparation of a remuneration report 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 a remuneration report that is free from material misstatement, whether due to fraud or error. The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's responsibilities for the audit of the remuneration report

Our objectives are to obtain reasonable assurance about whether the information on remuneration, loans and advances pursuant to article 14 to 16 of the Ordinance is 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 SA-CH 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 this remuneration report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the remuneration report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

PricewaterhouseCoopers AG

Oliver Kuntze
Licensed audit expert
Auditor in charge

Fabian Stalder
Licensed audit expert

Zürich, 13 September 2023

Sustainability

Sustainability

Summary

We are adding a new section to our annual report to document our journey towards achieving sustainable business success and set out the latest milestones in the delivery of our ESG strategy. We have given the company some important future goals to achieve an ethical, sustainable net-zero business by 2030 and will be reporting back on our progress as an essential part of both our ESG strategy and our commercial success.

At CREALOGIX, we understand that a business cannot be truly successful unless it values sustainability. Our goal is to protect our precious environment, the valuable team who work at CREALOGIX and deliver commercial success.

This report presents the three key pillars of our ESG strategy:

1. Environment – environmental impact
2. Social – equitable impact
3. Governance – efficiency impact

This report also shows how we plan to measure our performance against these goals and future reporting mechanisms.

Message from the CEO

At CREALOGIX, we create digital leaders. We help financial institutions to realise their digital ambitions and we believe that a true digital market leader takes these ESG principles into account. Our solutions help banks and wealth management firms that are already mindful of their impact on the world by ensuring that their digital services for customers align with these principles. We conduct our business in a way that fully supports financial institutions aiming to deliver against their own ESG goals and aim to make a positive contribution both to our industry and wider community.

Oliver Weber, CEO

Strategic principles for ESG

These strategic principles set out the key areas of focus for CREALOGIX in delivering a more sustainable, ethical business. Our strategy and initiatives are guided by the UN Sustainable Development Goals, further described here https://sdgs.un.org/goals :

> *"The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs)."*

This report will demonstrate how CREALOGIX delivers against the following important UN sustainable development goals for a sustainable business model:

Environmental
– UN Sustainable Development Goal: Affordable and clean energy
– UN Sustainable Development Goal: Sustainable Cities and Communities
– UN Sustainable Development Goal: Responible Consumption and Production

Social
– UN Sustainable Development Goal: Good Health and Well-Being
– UN Sustainable Development Goal: Gender Equality
– UN Sustainable Development Goal: Reduced Inequalities

Governance
– UN Sustainable Development Goal: Quality Education
– UN Sustainable Development Goal: Decent Work and Economic Growth
– UN Sustainable Development Goal: Industry, Innovation and Infrastructure

CREALOGIX' principles for ESG

Environment

Environmental impact with following initiatives:

- Secure, carbon zero storage and hosting
- Facility & waste management
- Environmentally friendly solutions

Social

Equitable impact with following initiatives:

- Improve diversity of senior management team and Board of Directors
- Offer opportunities for apprenticeships, entry level roles and ongoing training
- Provide for a socially engaging and motivating work environment

Governance

Corporate governance with following initiatives:

- ESG Governance
- Code of conduct
- Compliance & standards
- Investment in skills training worldwide to ensure opportunities for career growth and successful operations

CREALOGIX' commitments

It is important to CREALOGIX to reach measurable goals and set achievable and inspiring targets within short time. We value clear and feasible action points. We start with the involvement and support of everyone within the company: Caring about nature, sustainable offices, a diverse leadership team by empowering employees to prosper in their career while adhering and upholding our business conducts to the required industry and legal standards. That's how we are leading the company. We create digital banking. We transform banking to make it yours.

CREALOGIX – about the company

Profile

CREALOGIX Holding AG is a corporation with headquarters in Zurich (Switzerland). The registered shares of the corporation are traded on the SIX Swiss Exchange.

The CREALOGIX Group is a Swiss Fintech 100 company and is among the global market leaders in digital banking. CREALOGIX develops and implements innovative fintech solutions for the financial institutions of tomorrow. Using digital solutions from CREALOGIX, banks, wealth managers, and other financial institutions can better respond to evolving customer needs in the area of digital transformation, enabling them to hold their ground in a very demanding and dynamic market, and remain ahead of their competitors. The group, founded in 1996, has more than 400 employees worldwide. The shares of CREALOGIX Group (CLXN) are traded on the SIX Swiss Exchange.

Business model and fields of activity

Banks need a partner to support them in this new digital world: CREALOGIX transforms banking to make it theirs. That is CREALOGIX' purpose: "Transform banking to make it yours". CREALOGIX transforms banking as an active part in the evolution of a digitized world and giving it meaning. CREALOGIX gives direction to financial institutes to help them to "make it yours" – to include the customer. CREALOGIX knows what banks and customers need and enable the best experience for both. "Transform banking to make it yours" is the answer to drive change.

With the development of digital banking solutions, CREALOGIX focuses on enabling financial institutions (FI) to deliver an integrated, differentiating customer experience. Through modular architecture, FI can benefit from customisable solutions that meet the specific needs of customers, whether in retail banking, business banking, or wealth management: From your customer's first bank account to mortgages, business banking, savings and investments. Throughout the customers' financial lifecycle, CREALOGIX provides the same high-quality, personalised digital customer experience.

A growing demand for digital funding applications is observable. The challenge that institutions in public finance face is how to pivot to a digital service despite complex manual processes that include multiple stakeholders as well as the need for high security and regulatory compliance throughout. CREALOGIX Public Finance solutions enable fully end-to-end digital processing of funding projects throughout the entire lifecycle, from application submission and management to the awarding of funding. Automation and the convenience of digital services leads to increased efficiency in the institution and an improved experience for applications. The digital automation of the funding process meets the complex challenges of institutions awarding funds.

Financial overview

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 and proposed for adoption at the Shareholders' Meeting on 25 October 2023. The consolidated financial statements are reported in Swiss francs (CHF). The participations held by the CREALOGIX Holding AG in the different subsidiary companies are listed in detail in the Annual Report.

Environment

Net Carbon Zero

To become a truly sustainable business, our goal must be to achieve net zero carbon emissions within the company's hosting and storage solutions. Our focus on initiatives such as renewable energy and carbon capture will ensure that CREALOGIX is a preferred partner in the market by offering modern technology with no emissions.

Our goal is to deliver 100% net zero storage and hosting by 2029.

Waste Management

CREALOGIX already has several processes in place regarding waste management and recycling to ensure that we do not have a negative impact on our environment. We are regularly reviewing all of our operations and procedures to ensure that we achieve the highest standards for managing our resources and operations.

Our goal is to recycle at least 90% of all waste by 2024.

Environmentally Friendly Solutions

At CREALOGIX, we create digital leaders. In the future, digital leaders will also be taking the lead on environmental solutions. Cutting edge, secure SaaS solutions that can be hosted and stored at environmentally friendly data centres using innovative renewable resources and innovative cooling technologies.

Our goal is to achieve ISO14001 certification at our main offices by 2030.

Highlights

The Swiss headquarters was relocated in 2021 to Greencity in Zürich. In doing so CREALOGIX took a first step towards net zero operations and thus reduced the company's emissions significantly

In Germany, up to 80% of all waste is recycled after a recent pilot project in Stuttgart in 2023

Our wealth management solution Invest is now available as a SaaS solution that allows financial institutions to deliver net zero digital services to clients thanks to our modern architecture

Social

Diversity

We recognise that a diverse workforce makes a successful team. While we recruit for roles based on expertise and personal excellence, we recognise the need to have a more diverse senior roles.

We pledge to have at least 20% women in the senior roles by 2030.

Employee Wellbeing

We know that healthy teams deliver success. We will develop a number of initiatives within CREALOGIX to support the physical and mental health of our people as well as the opportunity to support charities throughout the year by working as a team.

CREALOGIX will ongoingly organise new initiatives to support employee wellbeing.

Charitable Activities

CREALOGIX aims to give back by working on initiatives to raise funds for worthy causes. This will also provide new ways for employees to work together as a team to deliver a positive outcome.

CREALOGIX pledges to undertake 4 major charity initiatives p.a. by 2025.

Equal Pay

For CREALOGIX, equal wages between genders are an important concern. We comply with the principle "equal pay for equal work" on all working sites.

CREALOGIX pays ongoingly regardless of gender equal pay for equal work.

Equal pay for equal work at CREALOGIX

In 2021 in Switzerland, companies with more than 100 employees must carry out a wage equality analysis. The result confirmed: CREALOGIX Switzerland complies with the principle “equal pay for equal work”. The result of the analysis: there is no gender effect in pay. The deviation amounts to a rounded 1% and is therefore not statistically relevant.

We are not surprised by the result, because equal wages between genders are an important concern for us. However, we are proud to have it confirmed statistically by an independent specialist. Having an equal wage policy is an important basis to attract and retain talents and for implementing a high-performance culture.

*Oliver Weber, CEO CREALOGIX: “**Our next ambition is to increase the ratio of women at CREALOGIX. Our career paths offer equal opportunities for all, and our flexible working models ensure a good reconciliation of work with family life – for all genders.”***

Highlights

An initiative in 2023 saw team members from across the world take part in a charity run to raise money for Children with Cancer, contributing to the health of employees who trained for the run and a positive feeling of wellbeing due to making a positive contribution.

Distributed teams across CREALOGIX combine time in the office with time at home. Connecting with others across the world contributes positively to staff mental health, ensures diversity and that CREALOGIX can recruit the very best people for the role.

The hybrid working model also benefits the environment by reducing office resource requirements and emissions.

Governance

ESG governance is part of the overall company governance programme, and fully integrated with our strategy and commercial goals. This ensures that we deliver commercial success and returns for investors that are fully sustainable and ethical, providing a strong foundation for further success in the future.

Legal and ethical standards

Every member of the CREALOGIX team is trained on important legal and ethical standards such as anti corruption, anti slavery, child labour, anti-discrimination, harassment, health & safety and data protection legislation and responsibilities.

CREALOGIX will continue to renew and refresh the training to be completed every year.

Transparency and staff development

CREALOGIX offers clear management structures, career progression training to understand new responsibilities and responsibility assignment matrix (RACI) for key projects to ensure appropriate management and support to ensure excellence in all areas of the business.

CREALOGIX will aim to promote internally for at least 90% of all roles created due to growth by 2030.

Cyber & Information Security

CREALOGIX recognises the importance of cyber & information security to protect our customers and the company from the serious threats of hacking and cyber attacks. Our solutions comply with applicable industry standards, regulations and laws currently in place.

CREALOGIX will continue to adhere to existing standards, laws and regulations.

Regular ESG Reporting

CREALOGIX takes our responsibilities very seriously and are committed to regular reporting through a number of channels. This is not only to demonstrate our commitment to our stated goals, but also to promote the idea of ESG within our business community.

A dedicated ESG section will be a recurring feature in our annual report.

Good Governance: Transparent structure, published in the Annual Report

CREALOGIX describes its structure, controlling and responsibilities mechanism in the Annual Report which is published on a yearly basis. The separation of responsibilities from the Board of Directors and the Executive Board comprises following disctinctions. 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 delgated 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*

Information and controlling
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.

Further information: please consult CREALOGIX Annual Report

Financial Report

CREALOGIX Group Financial Report

Group key figures

Amounts in thousands of CHF	**July – June 2022/2023**	July – June 2021/2022
Net sales from goods and services	**81 396**	94 020
CHF sales growth	**–13.4%**	–14.0%
Sales growth in local currencies w/o SLH (2022/2023)	**–2.8%**	–12.5%
EBITDA	**8 896**	–9 254
in % of net sales from goods and services	**10.9%**	–9.8%
Free cash flow	**–2 376**	–22 331
Full-time employees	**383**	524
	30 June 2023	30 June 2022
Balance sheet total	**78 265**	98 546
Equity ratio	**29%**	23%

Non-GAAP Financial Measures

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

Sales growth in local currencies	**July – June 2022/2023**	**July – June 2021/2022**	Growth
Net sales from goods and services	**81 396**	94 020	–13.4%
Impact SLH		–7 315	
Subtotal	**81 396**	**86 705**	–6.1%
FX impact of the period	**2 849**	0	
Sales from goods and services in local currencies	**84 245**	**86 705**	–2.8%

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. Refer to note 23 for information about the business divestment of Swiss Learning Hub AG (SLH).

Free cash flow	**July – June 2022/2023**	July – June 2021/2022
Cash flow from operating activities	**–5 476**	–12 969
Purchase of tangible fixed assets	**–306**	–1 488
Disposal of tangible fixed assets	**2**	7
Purchase of intangible assets	**–1 145**	–7 881
Adjusted free cash flow	**–6 925**	–22 331
Free cash flow incl. Sale of SLH	**–2 376**	

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 and therefore is available for distribution to security holders.

Adjusted consolidated result (adjusted net result)

Adjusted consolidated result is calculated as consolidated result (attributable to shareholders of CREALOGIX Holding AG) adding goodwill amortization.

Adjusted earnings per share

Adjusted earnings/loss per share is defined as adjusted consolidated result (above), divided by the weighted average number of outstanding shares according to note 19 of the financial report.

Net debt

Net debt is calculated as cash and cash equivalents minus long-term and short-term financial liabilities as well as short-term subordinated loans from shareholders.

Consolidated income statement

Amounts in thousands of CHF	Notes	**July – June 2022/2023**	%	July – June 2021/2022	%
Net sales from goods and services	5	**81 396**	**100.0**	94 020	100.0
Other operating income	23	**8 778**	**10.8**	1 791	1.9
Goods and Services purchased		**–26 210**	**–32.2**	–37 516	–39.9
Change in inventory of finished and unfinished goods as well as unbilled goods and services		**–1 791**	**–2.2**	–694	–0.7
Personnel expenses	17	**–42 463**	**–52.2**	–54 034	–57.5
Marketing expenses		**–488**	**–0.6**	–1 273	–1.4
Rent, maintenance and repairs		**–2 959**	**–3.6**	–2 769	–2.9
Other operating expense		**–7 367**	**–9.1**	–8 779	–9.3
EBITDA *)		**8 896**	**10.9**	–9 254	–9.8
Depreciation on tangible fixed assets	9	**–937**	**–1.2**	–1 040	–1.1
Amortisation on goodwill	10	**–4 458**	**–5.5**	–4 749	–5.1
Amortisation on other intangible assets	10	**–1 064**	**–1.3**	–863	–0.9
Operating result		**2 437**	**3.0**	–15 906	–16.9
Financial income	18	**2 543**	**3.1**	1 249	1.3
Financial expense	18	**–4 185**	**–5.1**	–1 302	–1.4
Financial result		**–1 642**	**–2.0**	–53	–0.1
Ordinary earnings before tax		**795**	**1.0**	–15 959	–17.0
Income tax	14	**–766**	**–0.9**	–945	–1.0
Consolidated result		**29**	**0.0**	–16 904	–18.0
Attributable to:					
Shareholders of CREALOGIX Holding AG		**24**	**0.0**	–16 947	–18.0
Minority interest		**5**	**0.0**	43	0.0
Earnings / loss per share attributable to shareholders in CHF	19				
Undiluted		**0.02**		–12.18	
Diluted		**0.02**		–12.18	

*) 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 57 to 89 constitute an integral part of these consolidated financial statements.

Consolidated balance sheet

Amounts in thousands of CHF	Notes	**30 June 2023**	**%**	30 June 2022	%
ASSETS					
Current assets					
Cash and cash equivalents	6	**3 380**		14 087	
Receivables from goods and services	7	**12 037**		14 236	
Other short-term receivables		**998**		2 078	
Prepayments and accrued income		**4 141**		4 223	
Work in progress/inventories	8	**5 106**		7 398	
Total current assets		**25 662**	**32.8**	42 022	42.6
Non-current assets					
Financial assets	23	**3 651**		1 799	
Tangible fixed assets	9	**3 211**		3 886	
Intangible assets	10	**40 096**		45 102	
Deferred tax assets	14	**5 645**		5 737	
Total non-current assets		**52 603**	**67.2**	56 524	57.4
Total ASSETS		**78 265**	**100.0**	98 546	100.0
LIABILITIES AND EQUITY					
Current liabilities					
Payables from goods and services		**2 738**		7 386	
Other short-term liabilities		**1 165**		2 432	
Short-term financial liabilities	13	**4 525**		13 966	
Short-term subordinated loans from shareholders	13	**1 000**		0	
Accrued liabilities and deferred income	11	**20 368**		25 672	
Short-term provisions	12	**260**		183	
Income tax liabilities		**533**		423	
Total current liabilities		**30 589**	**39.1**	50 062	50.8
Non-current liabilities					
Long-term financial liabilities	13	**24 841**		25 447	
Long-term provisions	12	**364**		613	
Deferred tax liabilities	14	**25**		108	
Total non-current liabilities		**25 230**	**32.2**	26 168	26.6
Total LIABILITIES		**55 819**	**71.3**	76 230	77.4
Shareholders' equity					
Share capital	16	**11 238**		11 187	
Treasury shares	16	**–1**		–806	
Capital reserves		**58 713**		58 411	
Translation differences		**–9 180**		–8 123	
Retained earnings		**–38 535**		–38 559	
Total equity before minorities		**22 235**		22 110	
Minority interests		**211**		206	
Total SHAREHOLDERS' EQUITY		**22 446**	**28.7**	22 316	22.6
Total LIABILITIES AND EQUITY		**78 265**	**100.0**	98 546	100.0

The notes to the consolidated financial statements on pages 57 to 89 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**
on 30 June 2021	*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*
Increase from convertible bond	51	0	749	0	0	800	0	800
Currency translation of foreign entities	0	0	0	−1 057	0	−1 057	0	−1 057
Consolidated result	0	0	0	0	24	24	5	29
Share-based compensation	0	0	71	0	0	71	0	71
Change in treasury shares	0	805	−518	0	0	287	0	287
on 30 June 2023	**11 238**	**−1**	**58 713**	**−9 180**	**−38 535**	**22 235**	211	**22 446**

The notes to the consolidated financial statements on pages 57 to 89 constitute an integral part of these consolidated financial statements.

Consolidated cash flow statement

Amounts in thousands of CHF	Notes	**July – June 2022/2023**	July – June 2021/2022
Consolidated result		**29**	–16 904
Income tax	14	**766**	945
Depreciation/amortisation	9/10	**6 459**	6 652
Profit on sale of subsidiary	23	**–7 488**	0
Financial result	18	**1 642**	53
Change of receivables from goods and services, other receivables and other non-cash flow related positions		**812**	1 359
Change in work in progress/inventories		**1 486**	307
Changes in payables from goods and services and other payables		**–7 315**	–402
Changes in provisions		**–161**	–3 193
Interest paid		**–906**	–1 137
Tax paid		**–800**	–649
Cash flow from operating activities		**–5 476**	–12 969
Investing activities			
Purchase of tangible fixed assets	9	**–306**	–1 488
Disposal of tangible fixed assets	9	**2**	7
Purchase of intangible assets	10	**–1 145**	–7 881
Proceeds from disposal of subsidiaries net of cash	23	**4 549**	0
Cash flow from investing activities		**3 100**	–9 362
Financing activities			
Proceeds from borrowings	13	**1 000**	19 303
Repayment of loans	13	**–9 438**	–9 737
Purchase of treasury shares		**–607**	–1 523
Sale of treasury shares		**820**	1 474
Cash flow from financing activities		**–8 225**	9 517
Effects from exchange rate changes		**–106**	–840
Net change in cash and cash equivalents		**–10 707**	–13 654
Cash and cash equivalents at beginning of period		**14 087**	27 741
Cash and cash equivalents at end of period		**3 380**	14 087

For non-cash transactions, refer to note 16.

The notes to the consolidated financial statements on pages 57 to 89 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 markets its extensive product range for tomorrow's digital bank on a global scale. The CREALOGIX Group is a stock listed 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 1 111 570.

The consolidated financial statements were approved for issue by the Board of Directors on 13 September 2023 and proposed for approval at the Shareholders' Meeting on 25 October 2023. 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 2023	30 June 2022	**July – June 2022/2023**	July – June 2021/2022
EUR	**0.98**	1.00	**0.99**	1.05
USD	**0.90**	0.96	**0.94**	0.93
GBP	**1.14**	1.16	**1.13**	1.24
SGD	**0.66**	0.69	**0.69**	0.68
SAR	**0.24**	0.25	**0.25**	0.25

On 30 June 2023, 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[2)]	Provider of educational platforms and sophisticated learning media	CHF 100 000	33%	33%
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 BaaS Group	EUR 25 000	100%	100%
CREALOGIX GmbH, Coburg, Germany	Holding and administration of participating interests in companies	EUR 471 800	100%	100%
CREALOGIX MBA Ltd, Winchester, UK	Digital Banking software products and services	GBP 2 972 777	100%	100%
CREALOGIX PTE. Ltd, Singapore, Singapore	Digital Banking software products and services	SGD 11 100 000	100%	100%
CREALOGIX (Austria) GmbH (in liquidation), 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[1)], Zurich, Switzerland	Establishment and operation of a highly automated independent multibank Personal-Finance-Management (PFM)-Platform	CHF 100 000	37%	37%

1) In January 2019, the Group took over management 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.
2) Not consolidated (see below)

In the year under review, the following changes in the Group structure have been made:
- On 17 August 2022, 67% of the shares of Swiss Learning Hub AG have been sold with an option to sell the remaining 33% stake, which can be exercised up to two years after the completion of the transaction. As it is deemed virtually certain that the option will be exercised, the Group is contractually no longer exposed to profits and losses and does not have a representation in its management, the Swiss Learning Hub AG was deconsolidated at the date of the disposal. Refer to note 23 for further information.
- On 3 January 2023, the liquidation of Winchester based CREALOGIX UK Ltd. was completed.
- In August 2022, the liquidation of CREALOGIX (Austria) GmbH based in Vienna was started. It is expected that the liquiation procedures will be completed in the first half-year of the upcoming business year.
- The share capital of CREALOGIX MBA Ltd has been increased to the amount of GBP 2 973 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 and Swiss law.

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 this report, 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, is 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 investment in the associate.
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. In the current reporting period, there are no associates.

2.3 Segment reporting
The CREALOGIX Group globally markets its extensive product range for the digital bank of tomorrow.

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. Bad debt provisions are only recognised upon indication in individual cases.

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 on purchases of inventory items are treated as reductions in costs.

2.8 Financial assets

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

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 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
Capitalised software development costs	5 to 7
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. Acquired software has a clearly defined useful life and is valued at cost less accumulated amortisation.

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 outstanding principal amount 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. The discount granted on the 3 years ownership plan is expensed upon acquisition of the shares by the employee. 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, EBITDA). 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 can include among others payments for preterm lease cancellations and employee severance payments.

2.17 Contingent liabilities

Contingent liabilities are assessed 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 and 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 performance of work, 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) S*oftware as a Service contracts (SaaS)

The consideration given under these contracts consists of periodic subscription fees that cover software use, maintenance and / or 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 or is a recurring fee.

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 fulfil 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 fulfil 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.

b) Net income/expense – trade assets
Realised and unrealised gains and losses from trade assets are recognised at the incurred profit (or loss) 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 uses 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 used.

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

During the year ended 30 June 2023, CREALOGIX Group achieved a consolidated result of CHF 0.02 million (prior year: CHF -16.9 million) and improved its operating cash flows by CHF 7.5 million compared to prior year.

As of 30 June 2023 CREALOGIX shows cash and cash equivalents in the amount of CHF 3.4 m (prior year: CHF 14.1 million). The cash balance as of the balance sheet date is a point in time disclosure and therefore needs take further aspects into consideration. Also, CREALOGIX has, as of 30 June 2023 available unused credit lines of CHF 8.3 million (prior year: CHF 0.0 million). CREALOGIX was able to draw from these credit lines after the balance sheet date, to secure sufficient liquidity in order to finance its operations. Further, CREALOGIX has accounts receivables of CHF 12 million as of 30 June 2023.

CREALOGIX is subject to a covenant related to the convertible bond outstanding. As per the balance sheet date of the period under review, the consolidated equity meets the equity ratio required by the financial covenant. The Group repaid loans in the amount of CHF 9.4 million in 2022/23, this was done due to the focus on reduction in net debts, which lowered significantly. The equity ratio improved compared to previous year and is at 28.3% as of 30 June 2023 (prior year 22.6%).

CREALOGIX depends on generating operating cash flows. To avoid liquidity risks, the Group's liquidity management involves the possibility of financing through adequate available credit lines, the ability to issue capital stock (authorized and conditional capital) and raise capital market debts. In addition, the Group Finance Department bases its liquidity management on contractually fixed payment terms as well as cautious es-

timates regarding expected deferments. There is no concentration risk with respect to liquidity since the Group works with several different banks.
Furthermore, the company is currently evaluating various options to secure the refinancing of the convertible bond that expires in November 2024.
CREALOGIX Management and Board of Directors are closely monitoring the liquidity as well as the equity situation. Current forecasts provide for sufficient liquidity to sustain the business. At this stage there are no material uncertainties related to events or conditions identified in regards to the financing of CREALOGIX Group's operations.
Please also refer to the Consolidated cash flow statement, note 6 (Cash and cash equivalents) and note 13 (Financial liabilities).

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 which 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 affect 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 based 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 an impairment is required, 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 2022/2023**	July – June 2021/2022
Switzerland	**25 759**	34 623
Europe	**36 233**	37 237
Rest of World	**19 404**	22 160
Total Group	**81 396**	94 020

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 2022/2023**	July – June 2021/2022
Hosting and SaaS services	**20 117**	26 146
Maintenance	**18 677**	22 089
Total recurring revenue	**38 794**	48 235
Sales from services	**24 297**	32 349
Sales of goods	**1 515**	4 099
Licence sales	**16 790**	9 337
Total net sales from services, goods and licences	**42 602**	45 785
Total sales from goods and services	**81 396**	94 020

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 48% (previous period: 51%).

6 Cash and cash equivalents

Cash and cash equivalents	30 June 2023	30 June 2022
Cash on hand and bank accounts	**3 380**	14 087
Total cash and cash equivalents	**3 380**	14 087

For more information on movements in cash and cash equivalents account, refer to the Cash Flow Statement (page 56) as well as note 3.2 c) and note 13.

CREALOGIX AG has pledged CHF 45 thousand (previous year: 36 thousand) in bank deposits to UBS AG.

7 Receivables from goods and services

Receivables from goods and services	30 June 2023	30 June 2022
Current	**8 177**	12 247
Overdue 1–30 days	**1 104**	661
Overdue 31–90 days	**2 002**	1 147
Overdue more than 90 days	**860**	346
Total receivables from goods and services (gross)	**12 143**	14 401
Less: value adjustment of receivables from goods and services	**–106**	–165
Total receivables from goods and services (net)	**12 037**	14 236

Impairment of receivables from goods and services	July – June 2022/2023	July – June 2021/2022
At beginning of period	**–165**	–156
Value adjustment for doubtful accounts	**–39**	–70
Use of impairment for doubtful accounts	**96**	53
Write-off of impairment for doubtful accounts	**0**	0
Currency translation differences	**2**	8
At end of period	**–106**	–165

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 2023	30 June 2022
CHF	**3 831**	4 829
EUR	**4 621**	4 570
USD	**2 631**	3 809
GBP	**161**	269
Other currencies	**899**	924
Total currencies of book values of receivables from goods and services	**12 143**	14 401

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 39 thousand (previous year: CHF 70 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 2023**	30 June 2022
Work in progress (projects)	**1 849**	4 473
Value adjustment for work in progress (projects)	**–62**	–345
Total work in progress	**1 787**	4 128
Inventories	**3 325**	3 276
Value adjustment on inventories	**–6**	–6
Total inventories	**3 319**	3 270
Total work in progress/inventories	**5 106**	7 398

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 4 283 thousand (previous year: CHF 8 210 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 5 136 thousand (previous year: CHF 11 341 thousand).

In the year under review, risk for imminent losses on projects that are accounted for under the percentage of completion method totalled to CHF 133 thousand (previous year: CHF 29 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 1 097 thousand (previous year: CHF 1 378 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 2022/2023	**Furniture & fixed installations**	**Office machines**	**IT & commu-nications systems**	**Vehicles**	**Property**	**Total**
Cost						
Value at start of period	7 042	312	8 280	1	2 073	17 708
Translation differences on opening balance	–46	–2	–104	0	–198	–350
Change in scope of consolidation	–71	0	–193	0	0	–264
Additions	131	12	163	0	0	306
Disposals	–772	0	–2	0	0	–774
Translation differences on effect of change	–1	0	0	0	0	–1
Value at end of period	*6 283*	*322*	*8 144*	*1*	*1 875*	*16 625*
Accumulated depreciation						
Value at start of period	3 751	230	7 868	1	1 972	13 822
Translation differences on opening balance	–42	–2	–102	0	–196	–342
Change in scope of consolidation	–39	0	–190	0	0	–229
Depreciation	427	38	448	0	24	937
Disposals	–772	0	0	0	0	–772
Translation differences on effect of change	–1	0	–1	0	0	–2
Value at end of period	*3 324*	*266*	*8 023*	*1*	*1 800*	*13 414*
30 June 2023						
Net book values						
Value at start of period	3 291	82	412	0	101	3 886
Value at end of period	**2 959**	**56**	**121**	**0**	**75**	**3 211**

July – June 2021/2022	**Furniture & fixed installations**	**Office machines**	**IT & communications systems**	**Vehicles**	**Property**	**Total**
Cost						
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
Value at end of period	*7 042*	*312*	*8 280*	*1*	*2 073*	*17 708*
Accumulated depreciation						
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
Value at end of period	*3 751*	*230*	*7 868*	*1*	*1 972*	*13 822*
30 June 2022						
Net book values						
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**

10 Intangible assets

July – June 2022/2023	**Software**	**Goodwill[2)]**	**Other[1)]**	**Total**
Cost				
Value at start of period	21 554	79 332	6 995	107 881
Translation differences on opening balance	–121	–1 217	–370	–1 708
Change in scope of consolidation	–210	0	0	–210
Additions	1 144	0	0	1 144
Translation differences on effect of change	–2	0	0	–2
Value at end of period	*22 365*	*78 115*	*6 625*	*107 105*
Accumulated amortisation				
Value at start of period	9 219	46 781	6 779	62 779
Exchange differences on opening balance	–108	–571	–366	–1 045
Change in scope of consolidation	–210	0	0	–210
Amortisation	854	4 458	211	5 523
Translation differences on effect of change	–1	–35	–2	–38
Value at end of period	*9 754*	*50 633*	*6 622*	*67 009*
30 June 2023				
Net book values				
Value at start of period	12 335	32 551	216	45 102
Value at end of period	**12 611**	**27 482**	**3**	**40 096**

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.
2) Goodwill was tested for impairment. The test did not yield an impairment.

July – June 2021/2022	**Software**	**Goodwill**	**Other[1)]**	**Total**
Cost				
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
Value at end of period	*21 554*	*79 332*	*6 995*	*107 881*
Accumulated amortisation				
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
Value at end of period	*9 219*	*46 781*	*6 779*	*62 779*
30 June 2022				
Net book values				
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.

11 Accrued liabilities and deferred income

Accrued liabilities and deferred income	30 June 2023	30 June 2022
Deferred expenses	**4 708**	5 745
Payments received in advance (for maintenance contracts)	**9 459**	10 914
Payments received in advance (for long-term contracts)	**4 797**	6 944
Accruals/deferrals for vacation, overtime	**1 404**	2 069
Total accrued liabilities and deferred income	**20 368**	**25 672**

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 2022/2023	Restructuring provisions	Other provisions	Total
Value at start of period	613	183	796
Translation differences on opening balance	0	–1	–1
Additional provisions	80	52	132
Used in year under review	–170	0	–170
Release of unused provisions	0	–133	–133
Effect of changes in foreign exchange	0	0	0
Value at end of period	**523**	**101**	**624**
Thereof long-term	364	0	364

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

In the year under review, the value adjustments recognised for imminent losses in the project business totalled CHF 133 thousand (previous year: CHF 29 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 the balance sheet date of the period under review, the consolidated equity disclosed in the consolidated balance sheet meets the equity ratio required by the financial covenant of the convertible bond. As per balance sheet date of the previous year (30 June 2022), the consolidated equity shown by the consolidated balance sheet did not meet the equity ratio required by the financial covenant of the convertible bond. However, events after the balance sheet date had 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.

An unsecured subordinated loan of CHF 1 million was granted by existing shareholders, Bruno Richle and Richard Dratva, during the period under review at an interest rate of 8.0%. The subordinated loan was granted to strengthen the equity ratio and ringfence against sales-related uncertainties during the year-end period. The issuing bank of the convertible bond agreed to add the amount of the subordinated loan towards equity for the purpose of calculating the equity ratio.

At the balance sheet date, two COVID loans were outstanding in the amount of CHF 375 thousand and CHF 1 950 thousand due in 2023 at a 1.5% and 2.0% interest rate. At the balance sheet date, the Group had drawn further short-term loans of CHF 2 200 thousand in total with interest rates between 1.9% and 3.9%.

Financial liabilities are recorded and valued at present value.

July–June 2022/2023

Short-term financial liabilities

Amounts in thousands of CHF	Present value	Nominal value	Due date	Interest rate
Short-term financial liabilities	375	375	2023	0.0% - 1.5%
Short-term financial liabilities	4 150	4 150	2023	0.5% - 3.9%
Short-term subordinated loans from shareholders	1 000	1 000	2023	8.0%
Total	5 525	5 525		

Long-term financial liabilities

Convertible bond (CLX19)	23 818	24 145	2024	1.5%
Other financial liabilities	1 023			
Total	24 841			
Unused credit limits		8 300		

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		

The short-term financial liabilities were amortised as follows from 30 June 2022 to 30 June 2023:

Amortisation / repayment of Short-term financial liabilites

Amounts in thousands of CHF	**Present value**	Present value	
Loan	**30 June 2023**	30 June 2022	amortisation & repayments
Covid 1	**375**	500	–125
Covid 2	**1 950**	2 883	–933
Fixed advance 1	**1 100**	6 000	–4 900
Fixed advance 2	**1 100**	4583	–3 483
Rounding difference			3
Total	**4 525**	13 966	–9 438

As of the balance sheet date 30 June 2023, excess cash on hand was used to amortize short-term rolling credit facilities leading to unused credit limits of CHF 8.3m (prior year CHF 0 unused limits). The unused credit limits form an integral part of the ongoing liquidity management at CREALOGIX. More information about liquidity management is available in section 3.2 c) Liquidity risks.

14 Taxes

Deferred Taxes	**30 June 2023**	**30 June 2023**	**30 June 2023**	30 June 2022	30 June 2022	30 June 2022
	Assets	**Liabilities**	**Net**	Assets	Liabilities	Net
Loss carryforwards	**5 615**	**0**	**5 615**	5 586	0	5 586
Receivables	**34**	**104**	**–70**	36	122	–86
Work in progress/ inventories	**0**	**237**	**–237**	0	229	–229
Financial assets	**36**	**0**	**36**	63	0	63
Tangible fixed assets	**78**	**3**	**75**	55	3	52
Intangible assets	**294**	**0**	**294**	401	0	401
Liabilities	**0**	**93**	**–93**	0	158	–158
Other	**0**	**0**	**0**	0	0	0
Total deferred taxes	**6 057**	**437**	**5 620**	6 141	512	5 629
Netting	**–412**	**–412**	**0**	–404	–404	0
Deferred taxes	**5 645**	**25**	**5 620**	5 737	108	5 629

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 2023**	30 June 2022
Expiry in next 3 years	**0**	0
Expiry in 4–7 years	**45 982**	41 690
No expiry date	**18 951**	30 946
Total tax losses	**64 933**	72 636
Thereof tax losses for which deferred tax assets were recorded	**26 056**	24 811
Recorded deferred tax assets	**5 615**	5 737
Tax losses for which no deferred tax assets were recorded	**38 877**	47 825
Unrecorded deferred tax assets	**7 392**	9 381

Income tax	**July – June 2022/2023**	July – June 2021/2022
Current tax	**–807**	–655
Deferred tax	**41**	–290
Total income tax	**–766**	–945

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 2022/2023**	July – June 2021/2022
Ordinary earnings before tax	**795**	–15 959
Group's average domestic tax rate	**23.20%**	21.10%
Expected income taxes	**–184**	3 367
Cause for variance:		
Non-tax-deductible expenses	**–1 281**	–1 169
Tax losses from current year for which no deferred tax assets were recognised	**–1 224**	–2 875
Subsequent recognition of tax loss carry-forwards from previous years	**2 237**	0
Adjusted tax charges/relief	**–865**	144
Translation and other adjustments	**551**	–413
Total income tax	**–766**	–945

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 2023	30 June 2023	30 June 2022			July – June 2022/2023	July – June 2021/2022
Pension institutions without surplus	0	0	0	0	1 151	1 151	1 886
Total	**0**	**0**	**0**	**0**	**1 151**	**1 151**	**1 886**

The information on the economic benefit as of 30 June 2023 is based on the provisional calculation of the VZ pension fund. As of 30 June 2023, the VZ pension fund reported a coverage rate of 112.7% (previous year: 130.3%), without a surplus (previous year: 4 352 thousand).

Contributions matched pension expenses during the relevant reporting period.

As of 30 June 2023 and as of 30 June 2022 there is no employer's contribution reserve.

16 Share capital

July – June 2022/2023	Number of shares			Capital in thousands of CHF		
	Issued	**Treasury**	**Outstanding**	**Issued**	**Treasury**	**Outstanding**
At beginning of period	1 398 342	–8 534	1 389 808	11 187	–806	10 381
Treasury shares purchased[1)]	0	–13 690	–13 690	0	–618	–618
Treasury shares sold[2)]	0	22 211	22 211	0	1 423	1 423
Increase of capital due to conversion of convertible bond	6 400	0	6 400	51	0	51
At end of period	**1 404 742**	**–13**	**1 404 729**	**11 238**	**–1**	**11 237**
July – June 2021/2022						
At beginning of period	1 397 902	–7 681	1 390 221	11 183	–922	10 261
Treasury shares purchased	0	–14 716	–14 716	0	–1 523	–1 523
Treasury shares sold	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**

1) In the year under review, CREALOGIX Holding AG purchased 13 690 (previous year: 14 716 shares) registered treasury shares at an average price of CHF 45.14 (previous year: CHF 103.49).
2) In the year under review, CREALOGIX Holding AG sold 22 211 (previous year: 13 863 shares) registered treasury shares at an average price of CHF 64.07 (previous year: CHF 85.77).

The total number of issued registered shares amounts to 1 404 742 (previous year: 1 398 342). In the period under review, a fraction of the convertible bond was converted into 6 400 shares (previous year: 440 shares). The conversion of bonds is a non-cash transaction. The share capital increased by CHF 51 thousand (previous year: 4 thousand) to CHF 11 238 thousand.

The shareholders' equity comprises non-distributable reserves of total CHF 2 248 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 2023, 293 thousand registered shares (June 2022: 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 2023, 300 thousand registered shares were outstanding.

Transactions with treasury shares resulted in a net change of CHF 805 thousand (previous year: CHF 116 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. Treasury shares are also used for share ownership plans (equity-settled share-based payment arrangement with a three-year service condition resulting in personnel expense of TCHF 15 (previous year: TCHF 158) with 1 160 shares (previous year: 0 shares) at no consideration. The awards are measured in reference to the share price at the grant date. Also refer to the remuneration report.

All treasury shares are directly held by CREALOGIX Holding AG.

17 Personnel expenses

Personnel expenses	**July – June 2022/2023**	July – June 2021/2022
Wages and salaries	**–34 768**	–45 626
Social security costs	**–5 001**	–6 198
Pension fund costs	**–1 151**	–1 886
Expenses for share-based compensation	**–15**	–158
Other personnel expenses	**–1 528**	–166
Total personnel expenses	**–42 463**	–54 034
Full-time employees	**382.6**	523.7

18 Financial result

Financial result	**July – June 2022/2023**	July – June 2021/2022
Interest income	**4**	2
Foreign exchange gain	**2 539**	1 247
Total financial income	**2 543**	1 249
Interest expense	**–722**	–635
Loss on marketable securities/dividends	**–615**	0
Foreign exchange loss	**–2 568**	–90
Bank fees and other financial expense	**–280**	–577
Total financial expense	**–4 185**	–1 302
Total Financial result	**–1 642**	–53

Interest expenses in 2022/2023 mainly include 12 months of interest and other expenses for the convertible bond (coupon: 1.5 per cent) of CHF 456 thousand (previous year: CHF 534 thousand). See note: 13.

Loss on marketable securities/dividends includes a write-down of a financial asset in the amount of CHF 615 thousand (previous year: CHF 0).

Other financial expenses 2022/2023 include among others the discounted amount of the issue costs of the convertible bond (CHF 130 thousand; previous year: CHF 130 thousand), other smaller finance costs such as agency fees and option fees (CHF 2 thousand; previous year: CHF 275 thousand).

19 Earnings per share

	July – June 2022/2023	July – June 2021/2022
Consolidated profit attributable to Shareholders of CREALOGIX Holding AG (in CHF thousand)	**24**	–16 947
Weighted average number of shares outstanding	**1 392 848**	1 391 772
Earnings per share - undiluted in CHF	**0.02**	–12.18
Maximum number of new shares (convertible bonds) *)	**193 160**	199 560
Dilutive effect of conversion of convertible bonds in TCHF (interest)	**278**	n/a
Earnings per share - diluted in CHF	**0.02**	–12.18

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

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 2023**	30 June 2022
Due within 1 year	**2 970**	3 466
Due between 1 and 5 years	**6 633**	8 839
Due > 5 years	**2 984**	5 773
Total future liabilities	**12 587**	18 078

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 Hiltebrand and Peter Süsstrunk (and their familiy members), who together have a 44.9% shareholding in CREALOGIX Holding AG. The four shareholders (founder shareholders) have concluded a shareholder pooling agreement.
Since January 2018, David Moreno owns a significant stake (per balance sheet date: 7.8% 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 and expired on 1 March 2023.
Since September 2021 Long Path Smaller Companies Master Fund, Ltd. is a significant shareholder (stake on 30 June 2023: 7.1%).
The remaining 40.3% 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) until 1 July 2023
Ralph Mogicato	Daniel Bader (CFO) until March 2023
Ruedi Noser	Christophe Biollaz (CFO) from March 2023
Dr. Christoph Schmid until October 2022	David Moreno until 30 September 2022
Joerg Zulauf from October 2022	

d) Remuneration and shareholdings of the Board of Directors and Executive Board
The remuneration report starting on page 30 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 2023 (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 until 26 October 2022. Wenger & Vieli's fees for legal advice totalled CHF 28 thousand (previous year: CHF 42 thousand). In adddition, management and business consultancy services were provided by JC-Zulauf Consulting GmbH, which is fully owned by Jörg Zulauf, a mem-

ber of the Board of Directors since 26 October 2022. JC-Zulauf Consulting GmbH's fees for the period under review amounted to CHF 109 thousand (previous year: none). Besides, Bruno Richle and Richard Dratva, both significant shareholders and members of the Board of Directors, granted a subordinated loan of CHF 1 million to CREALOGIX Holding AG (refer to note 13 of the consolidated financial statements for more information).
David Moreno, member of the Executive Board until 30 September 2022, 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 259 thousand for the full year 2022/2023 (previous year: CHF 299 thousand).

e) Subordinated loan by shareholders
An unsecured subordinated loan of CHF 1 million was granted by the existing shareholders Bruno Richle and Richard Dratva. Refer to note 13 for more details.

23 Business divestment

On 17 August 2022, CREALOGIX sold a stake of 67% of the Zurich-based Swiss Learning Hub AG. The majority acquisition by a Swiss investor group took place within the framework of a management buy-out.
The subsidiary contributed revenue of CHF 8.2 million and total assets of CHF 2.4 million in financial year 2021/2022.
At the time of the sale, Swiss Learning Hub AG reported the following balance sheet positions:

	17 August 2022
Cash and cash equivalents	2 420
Other current assets	1 794
Non-current assets	34
Current liabilities	–2 292
Net assets disposed	**1 956**

Up to the date of disposal, Swiss Learning Hub AG generated net sales of CHF 0.6 million and an operating profit of CHF 0.1 million which is included in the consolidated income statement.

The buying party has a right to purchase the remaining 33% of the shares of Swiss Learning Hub AG within two months after the release of the audited financial statements. The exercise can be performed by the buying party in Q2 2023 or in Q2 2024. Additionally, CREALOGIX has the right to sell the remaining 33% with an exercise period starting in Q2 2024. The purchase price for this option was fixed at CHF 2.5 million and it is deemed virtually certain that one of the parties will exercise the option. Subsequent to the disposal, CREALOGIX has neither a seat in the board of directors nor any management function, and is contractually no longer exposed to profits and losses of Swiss Learning Hub AG. As such, upon the date of disposal, CREALOGIX has no significant influence over Swiss Learning Hub AG despite the 33% remaining investment. Therefore, CREALOGIX recorded the full sale of Swiss Learning Hub AG on the date of disposal. The profit on sale of subsidiaries amounts to CHF 7.5 million (recorded in other operating income). The part of consideration relating to the sale of the remaining 33% in the nominal amount of CHF 2.5 million was recorded as non-current financial assets and is included in the total consideration used to determine the profit on sale. Proceeds in cash (excluding the non-current financial asset), net of cash disposed, amount to CHF 4.5 million.

24 Events after the balance sheet date

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

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

Report on the audit of 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 2023, the consolidated balance sheet as at 30 June 2023, the consolidated statement of changes in equity, 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 53 to 89) give a true and fair view of the consolidated financial position of the Group as at 30 June 2023 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.

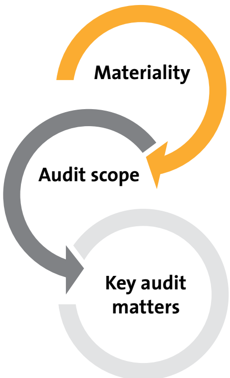
Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). 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 810 0000

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. We concluded full scope audit work at 5 Group companies in 3 countries. These group companies contributed 91% of the Group's sales.

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 810 000
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 81 000 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 11 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. Two of these were audtited by the Group audit team. 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.

Key audit matters

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
Goodwill is a significant balance sheet position amounting to CHF 27 482 000 as at 30 June 2023. Goodwill is capitalised and amortised over the expected useful life using the straight-line 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. We focused on this area because of the magnitude of the position and the level of judgement inherent in management's impairment assessment. 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. Refer to note 10 (Intangible assets).	We obtained, understood and evaluated management's impairment assessment. In particular, the following audit procedures were performed: – We compared the forecasted cash flows with the reconciliation to the Board approved budget. – We compared the revenue growth rates to budgeted revenue targets, as well as to expectations from market analysts. We further compared management's prior period assumptions with actual perfor-mance in the reporting period. – With the support of our internal valuation expert, we tested 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. – We tested the mathematical accuracy of the calculation of the impairment assessment model. Based on the audit work performed, management's impairment assessment was acceptable and the key assumptions used by management were within a reasonable range.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of the consolidated financial statements, which 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 SA-CH 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 on EXPERTsuisse's website: http://www.expertsuisse.ch/en/audit-report. This description forms an integral part of our report.

Report on other legal and regulatory requirements

In accordance with article 728a paragraph 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists which has been designed for the preparation of the 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
Licensed audit expert
Auditor in charge

Fabian Stalder
Licensed audit expert

Zürich, 13 September 2023

CREALOGIX Holding AG Financial Report

CREALOGIX Holding AG Financial Report

Income statement

Amounts in thousands of CHF	Notes	July – June 2022/2023	July – June 2021/2022
Net proceeds from sales of goods and services		**920**	710
Gain on disposal of subsidiary	8	**7 919**	0
Staff costs		**–269**	–169
Other operational costs		**–350**	–236
Financial income		**4 610**	542
Financial costs		**–7 496**	–12 042
Valuation adjustments on shareholdings		**–4 478**	–12 128
Financial costs and financial income		**–7 364**	–23 628
Direct taxes		**–114**	–132
Profit / loss for the period		**742**	–23 455

Balance sheet

Amounts in thousands of CHF	Notes	30 June 2023	%	30 June 2022	%
ASSETS					
Cash, cash equivalents and current assets with a quoted market price		905		1 343	
Other current receivables		28		17	
Accounts receivable from Group companies	2.1	1 238		2 361	
Accrued income and prepaid expenses		197		325	
Current Assets		2 368	2.3	4 046	3.9
Loans to Group companies with subordination statement	2.1	4 500		4 500	
Loans to Group companies	2.1	23 908		24 661	
Shareholdings	2.2	69 696		71 576	
Long-term loans to third parties	8	2 475		0	
Non-current assets		100 579	97.7	100 737	96.1
Total ASSETS		102 947	100.0	104 783	100.0
LIABILITIES AND EQUITY					
Trade creditors		0		53	
Other current liabilities		267		114	
Short-term interest-bearing liabilities	2.3	1 100		6 027	
Subordinated short-term loans Shareholder		1 000		0	
Accounts payable to Group companies	2.1	3 932		5 935	
Deferred income and accrued expenses		550		521	
Current liabilities		6 849	6.7	12 649	12.1
Long-term interest-bearing liabilities	2.3	24 142		24 945	
Long-term loans from Group companies	2.1	8 438		5 500	
Non-current liabilities		32 580	31.6	30 445	29.1
Shareholder capital	6	11 238		11 187	
Statutory capital reserves		61 154		60 406	
Statutory retained earnings		250		250	
Loss / profit brought forward		–9 348		14 149	
Profit / loss for the period		742		–23 455	
Result from treasury shares		–517		–42	
Voluntary retained earnings		–9 123		–9 348	
Treasury shares	5	–1		–806	
Shareholders' equity		63 518	61.7	61 689	58.9
Total LIABILITIES AND EQUITY		102 947	100.0	104 783	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 include 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 2022/2023 and 2021/2022 financial years.

	Year-end rates (balance sheet)		**Average rates (income statement)**	
	30 June 2023	30 June 2022	**July – June 2022/2023**	July – June 2021/2022
EUR	**0.98**	1.00	**0.99**	1.05
USD	**0.90**	0.96	**0.94**	0.93
GBP	**1.14**	1.16	**1.13**	1.24
SGD	**0.66**	0.69	**0.69**	0.68
SAR	**0.24**	0.25	**0.25**	0.25

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 2023	30 June 2022
Receivables from Group companies		
CREALOGIX AG	**2 371**	0
CREALOGIX (Deutschland) GmbH	**22 080**	26 661
CREALOGIX GmbH	**2 542**	2 500
CREALOGIX MBA Ltd	**686**	0
CREALOGIX PTE Ltd	**0**	1 993
CREALOGIX BaaS GmbH & Co. KG	**1 905**	0
CREALOGIX BaaS Verwaltungs GmbH	**62**	62
Innofis EGSM S.L., Barcelona	**0**	2
Swiss Learning Hub AG, Switzerland	**0**	304
Total receivables from group companies	**29 646**	31 522
Thereof short-term receivables	**1 238**	2 361
Thereof long-term loans	**23 908**	24 661
Thereof subordinated	**4 500**	4 500
Liabilities to Group companies		
CREALOGIX (Deutschland) GmbH	**0**	1 153
Swiss Learning Hub AG, Switzerland	**0**	2 100
CREALOGIX AG, Zurich	**3 523**	6 613
CREALOGIX BaaS GmbH & Co. KG	**0**	38
CREALOGIX GmbH	**1 500**	1 524
Qontis AG	**346**	0
CREALOGIX MBA Ltd	**953**	7
Innofis EGSM S.L., Barcelona	**6 048**	0
Total liabilities to Group companies	**12 370**	11 435
Thereof short-term liabilities	**3 932**	5 935
Thereof long-term loans	**8 438**	5 500

2.2 Shareholdings

30 June 2023

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 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	33%	33%
CREALOGIX MBA Ltd, Winchester, UK	GBP 2 972 777	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, the following changes in the Group structure have been made:

- On 17 August 2022, 67% of the shares of Swiss Learning Hub have been sold with an option to sell the remaining 33% stake, which can be exercised up to two years after the completion of the transaction. Further information is available in note 8.
- On 3 January 2023, the liquidation of Winchester based CREALOGIX UK Ltd. was completed.
- In August 2022, the liquidation of CREALOGIX (Austria) GmbH based in Vienna was started. 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 to the amount of GBP 2 973 thousand.

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%

2.3 Long-term and short-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 6 400 shares (previous year: 440 shares). The share capital increased by CHF 51 thousand to 11 187 (previous year: CHF 4 thousand).

Financial liabilities are recorded and valued at present value.

During the period under review, CREALOGIX Holding had several short-term loans in place which were all due in 2023. The interest rates in 2023 were in a range between 0.5% and 3.5%.

An unsecured subordinated loan of CHF 1 million was granted by existing shareholders, Bruno Richle and Richard Dratva, during the period under review at an interest rate of 8.0%. The subordinated loan was granted to strengthen the equity ratio and ringfence against sales-related uncertainties during the year-end period. The issuing bank of the convertible bond agreed to add the amount of the subordinated loan towards equity for the purpose of calculating the equity ratio.

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 5000 thousand (prior year: CHF 5000 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 2023, 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 2023	30 June 2022	**30 June 2023**	30 June 2022
Dr. Richard Dratva	**18.06%**	17.79%	**253 662**	248 758
Bruno Richle	**16.80%**	16.48%	**236 048**	230 442
Daniel Hiltebrand	**7.97%**	8.16%	**112 000**	114 100
Mayfin Management Services S.l.	**7.76%**	8.80%	**109 007**	123 110
Long Path Smaller Companies Master Fund, Ltd.	**7.05%**	7.23%	**99 010**	101 067
Werner Dubach, Anne Keller Dubach Heirs	**4.70%**	4.72%	**66 037**	66 037
Noser Management AG	**4.11%**	3.09%	**57 756**	43 225

5 Treasury shares including shares held in subsidiaries

	July – June 2022/2023		July – June 2021/2022	
	Quantity	**Value**	**Quantity**	**Value**
on 1 July	8 534	806	7 681	922
Purchases[1)]	13 690	618	14 716	1 523
Sales[2)]	–22 211	–1 423	–13 863	–1 639
on 30 June	**13**	**1**	**8 534**	**806**

1) In the year under review, CREALOGIX Holding AG purchased 13 690 (previous year: 14 716 shares) registered treasury shares at an average price of CHF 45.14 (previous year: CHF 103.49).
2) In the year under review, CREALOGIX Holding AG sold 22 211 (previous year:13 863 shares) registered treasury shares at an average price of CHF 64.07 (previous year: CHF 85.77).

Treasury shares are purchased and sold at market prices and are also used for share ownership plans.

6 Share capital

	30 June 2023	30 June 2022
Conditional share capital	**2 345 280**	2 396 480
Authorised share capital	**2 400 000**	2 400 000

In October 2019, the conditional capital of the organisation was renewed and consisted 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 2023, 293 160 registered shares (June 2022: 300 000 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 2 400 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 2022/2023	Annual fixed compensation	Annual variable compensation	Share-based payments 3 years plan	Share-based payments 6 years plan	Social insurance contribution	Fringe Benefits	Total
Board of Directors							
Bruno Richle, Chairman	104	0	0	16	5	0	**125**
Dr. Richard Dratva, Vice Chairman and CSO	0	0	0	0	0	0	**0**
Dr. Christoph Schmid, Member (until Oct. 2022)	8	0	0	0	0	0	**8**
Ralph Mogicato, Member	26	0	0	0	2	0	**28**
Noser Ruedi, Member	16	0	0	0	0	0	**16**
Joerg Zulauf, Member (since Oct. 2022)	19	0	0	0	1	0	**20**
Total Board of Directors	**173**	**0**	**0**	**16**	**8**	**0**	**197**
Executive Board (active members)	796	0	0	16	141	43	**996**
Executive Board (former member)	167	0	0	0	25	13	**205**
Total Executive Board	**963**	**0**	**0**	**16**	**166**	**56**	**1 201**
Total	**1 136**	**0**	**0**	**32**	**174**	**56**	**1 398**
Highest compensation to Oliver Weber, CEO	*450*	*0*	*0*	*0*	*82*	*20*	**552**

July – June 2021/2022	Annual fixed compensation	Annual variable compensation	Share-based payments 3 years plan	Share-based payments 6 years plan	Social insurance contribution	Fringe Benefits	Total
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 Mogicato, 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**
Highest compensation to Oliver Weber, CEO	*450*	*0*	*0*	*0*	*82*	*20*	**552**

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 30, 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 is 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 as of 30 June 2023 (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 until 26 October 2022. Wenger & Vieli's fees for legal advice totalled CHF 28 thousand (previous year: CHF 42 thousand).
In addition, management and business consultancy services were provided by JC-Zulauf Consulting GmbH, which is fully owned by Jörg Zulauf, a member of the Board of Directors since 26 October 2022. JC-Zulauf Consulting GmbH's fees for the period under review amounted to CHF 109 thousand (previous year: none). The mandate of JC-Zulauf Consulting GmbH was completed in March 2023.
David Moreno, member of the Executive Board until 30 September 2022, 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 259 thousand (previous year: 299 thousand) for the full year 2022/2023.

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 2023:

	CREALOGIX shares		**thereof blocked**	
	30 June 2023	30 June 2022	**30 June 2023**	30 June 2022
Board of Directors				
Bruno Richle, Chairman	**236 048**	230 442	**1 090**	2 244
Dr. Richard Dratva, Vice Chairman and CSO	**253 662**	248 758	**1 090**	2 244
Dr. Christoph Schmid, Member	**7 433**	7 433	**1 048**	1 048
Ralph Mogicato, Member	**1 416**	666	**173**	173
Ruedi Noser, Member	**58 271**	43 225	**322**	322
Joerg Zulauf, Member (since Oct. 2022)	**-**	-	**-**	-
Members of the Executive Board				
Oliver Weber, member of the Executive Board and CEO	**650**	550	**495**	495
Daniel Bader, member of the Executive Board and CFO (until March 2023)	**450**	450	**-**	450
Christophe Biollaz, member of the Executive Board and CFO (since March 2023)	**-**	-	**-**	-
David Moreno, member of the Executive Board and Executive Vice President Spain	**109 007**	123 110	**-**	54 684
Total	**666 937**	654 634	**4 218**	61 660

8 Business divestment

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 part of consideration relating to the sale of the remaining 33% in the nominal amount of CHF 2.5 million was recorded as non-current financial assets and not as associated company and is included in the total consideration used to determine the profit on sale. Both CREALOGIX and the purchasing party do have an option to either sell or buy the remaining shares which will be executed at latest in the CREALOGIX financial year 2023/2024.

More information about this sale is included in the notes to the consolidated financial statements.

9 Events after the balance sheet date

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

Proposal of the Board of Directors to the Shareholders' Meeting

Available earnings	**July – June 2022/2023**	July – June 2021/2022
Loss / profit brought forward	**–9 348**	14 149
Profit / loss for the period	**742**	–23 455
Result from treasury shares	**–517**	–42
Available for distribution by the Shareholders' Meeting	**–9 123**	–9 348
Available earnings	**–9 123**	–9 348
Appropriation to statutory retained earnings	**0**	0
Appropriation to voluntary retained earnings	**0**	0
Carried forward to next accounting period	**–9 123**	–9 348
Distribution of dividends	**0**	0

The Board of Directors will propose to the Shareholders' Meeting of 25 October 2023 that no dividend or share premium be distributed for the 2022/2023 financial year.

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

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Crealogix Holding AG (the Company), which comprise the income statement for the year ended 30 June 2023, the balance sheet as at 30 June 2023 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 98 to 109) 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 Standards on Auditing (SA-CH). 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 Company 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 Company, the accounting processes and controls, and the industry in which the Company operates.

Key audit matters

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

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities 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 Company'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 Company 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 SA-CH 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 on EXPERT-suisse's website: http://www.expertsuisse.ch/en/audit-report. This description forms an integral part of our report.

Report on other legal and regulatory requirements

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

We further confirm that the proposed carry forward of the accumulated losses 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
Licensed audit expert
Auditor in charge

Fabian Stalder
Licensed audit expert

Zürich, 13 September 2023

Additional information

Important dates

25 October 2023
Ordinary Shareholders' Meeting

15 March 2024
Presentation of 2023/2024 Half-Year Results

Contact addresses

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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:

crealogix.com/en/about-us/investor-relations

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