



# Annual Results 2022/23

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CREALOGIX Group  
14 September 2023

# Agenda



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

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Highlights FY 2022/23  
Outlook



**Christophe Biollaz**  
**Chief Financial Officer**

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Financial results FY  
2022/23

# Summary FY 2022/23

Oliver Weber, Chief Executive Officer

# Key Messages

- Year over year profitability significantly improved
- Measures to improve profitability successfully executed
- State development banks live, initial program completed
- Product strategy refined and offering updated

**→ We have achieved a solid foundation for further profitability improvements and an onward path to growth**

# Key Figures FY 2022/23



Revenue

**81.4m**

(PY 94.0)  
-2.8% in local currencies  
and excluding SLH divest



EBITDA

**8.9m**

up 18.2m YoY  
Operating EBITDA at 1.4m, up  
10.7m YoY (excl. SLH divest)



adjusted  
Net Result

**4.5m**

up 16.6m YoY  
(before goodwill  
amortisation)

# FY22/23 Strategic roadmap milestones reached – Foundation for growth created

## Market centric organization

- **Organizational simplicity** with a **customer-centric** approach
- Clear **ownership & accountability** thanks to **full end-to-end functional control** within the Market Units
- Sharp focus on **increasing efficiency**

## Leveled cost base

- **Cost reductions** pave the way for a sustainable return to **positive EBITDA**
- **Substantial cost structure reduction** in alignment with lower revenue baseline
- **Strict cost monitoring** and **continuous portfolio streamlining**

## Drivers for growth

- **Boost Funding Portal**
- **Innovate Business Banking**
- **Upgrade flagship products**

# Focused product offering tailored to the demand of our global customers



Development of Revenue per Customer

**+9%** ↗

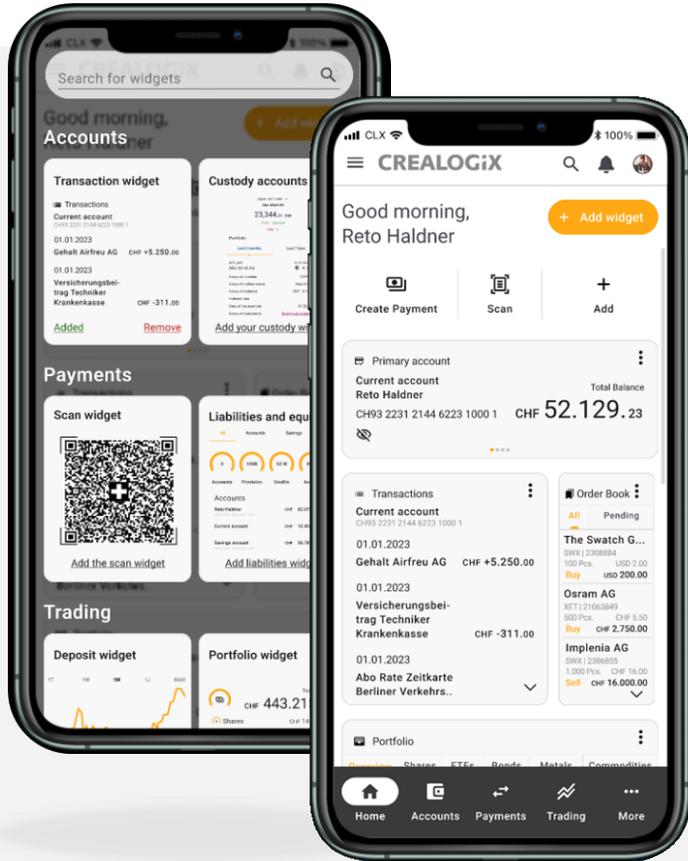
higher compared to FY21/22, and +35% higher compared to FY 2018/19

Development of Revenue per Full Time Employment

**+20%** ↗

higher, up to CHF 213K (FY22/23) compared to CHF 179K the previous year.

# Switzerland: Innovating Digital Banking



## Innovation for Swiss market

- Instant payment: First mover
- Flexible new mobile banking
- Generative AI seamlessly integrated



## New Product Framework

- Innovative release policy
- New licence model
- Ongoing customised development



## Market success

- Long-term customer agreement
- Major customer win

# Germany: Public Banking market leadership and ready for Europe

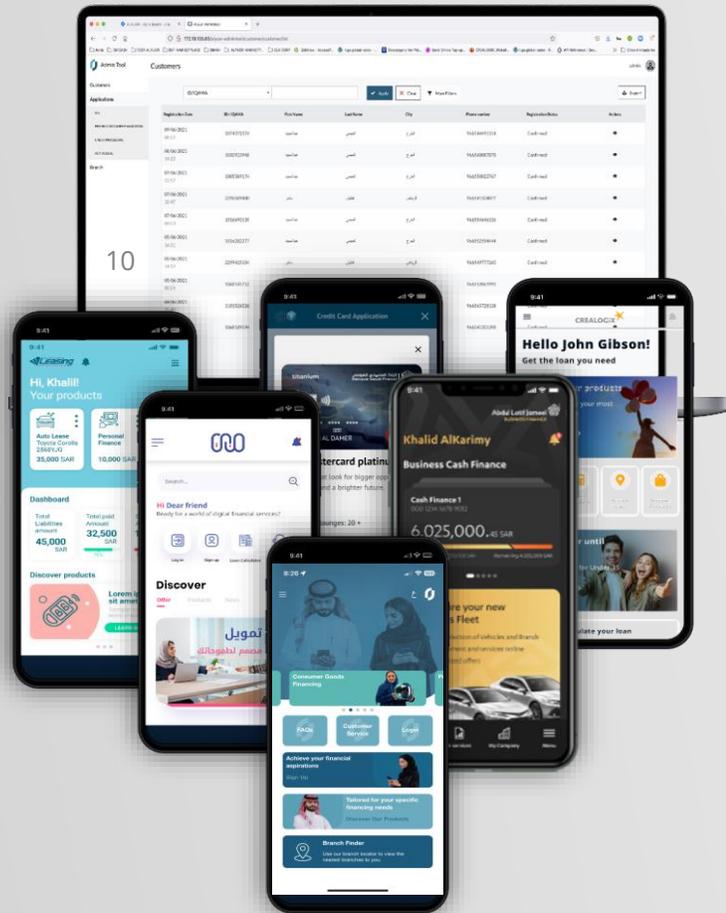
## German market leader in digital funding bank market

- Biggest product development in CREALOGIX history successfully completed
- 8 Funding Banks live based on CREALOGIX Funding Portal
- One product standard, modular and on a centralised platform

We enable efficient distribution of fundings to citizens.



# Middle East: Customer Success and new Product Launch



## Customers

### Banking sector



### Public Finance



## Market

### Impact trends & market opportunities

- AI / Machine Learning
- Digital Assets
- Hyperpersonalisation

### Drivers

- Regulatory
- Vision 2030

## Product

### CREALOGIX Lending Origination Hub

- New product in 12 months
- Full digital loan origination processes
- Especially for NBFIs: Efficiently launch new digital financing services

### Five new customers



# First voluntary ESG report – we commit to sustainability



## A strategic enabler

- Future success depends on sustainable business
- ESG strategy sets the path
- Gives strategic direction and helps to align with our customers and the industry



## Three dimensions of sustainability

- **Environment**  
Net-zero hosting & storage services
- **Social**  
Increase diversity on management level
- **Governance**  
Ethical standards and cyber & information security

# Financial results FY 2022/23

Christophe Biollaz, Chief Financial Officer

# Key Figures FY 2022/23

## Revenue

**81.4m**

(PY 94.0m)  
-2.8% in local currencies  
and excluding SLH divest impact

## EBITDA

**8.9m**

up 18.2m YoY  
Operating EBITDA at 1.4m, up  
10.7m YoY (excl. SLH divest)

## Adjusted Net Result

**4.5m**

up 16.6m YoY  
(before goodwill  
amortisation)

## Adjusted EPS

**3.2**

up CHF 12 YoY per share  
(before goodwill  
amortization)

## Operating Cash Flow

**+7.5m YoY**

22/23: -5.5m  
(PY -13.0m)

## Free Cash Flow

**+19.9m YoY**

22/23: -2.4m  
(PY -22.3)

## Equity Ratio

**28.7%**

up 6.1%-pts YoY  
Equity stable at 22.4m

## Net Debts

**27.0m**

(PY 25.3m)  
Refinancing Options  
under review

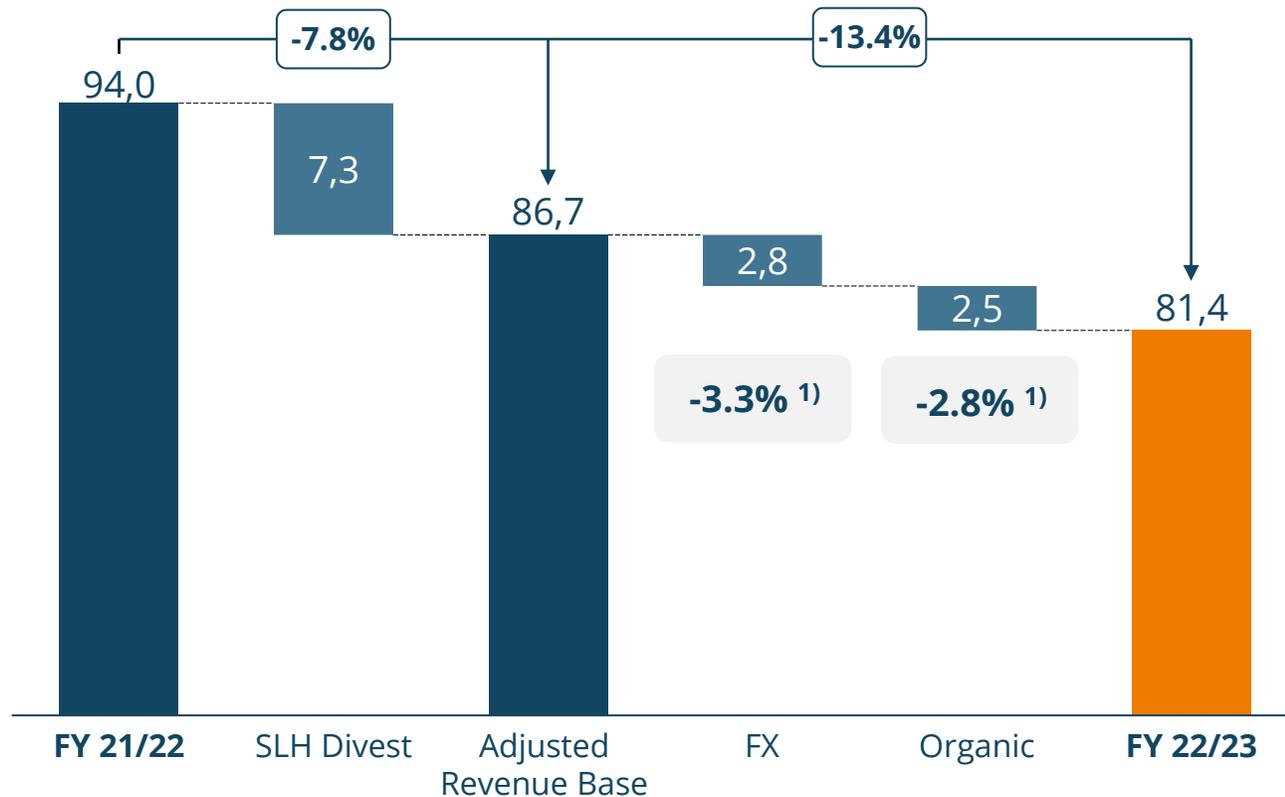
\*All numbers in CHFm unless stated otherwise

# Revenue Down Organically by -2.8% YoY – SaaS Sales Stable

Revenue Impacted by SLH Divestment and FX

## Revenue

(CHF million)



<sup>1)</sup> YoY in % vs. the adjusted revenue base of CHF 86.7m

FX -3% and Organic -2.6% YoY respectively when calculated on un-adjusted CHF 94m revenue base

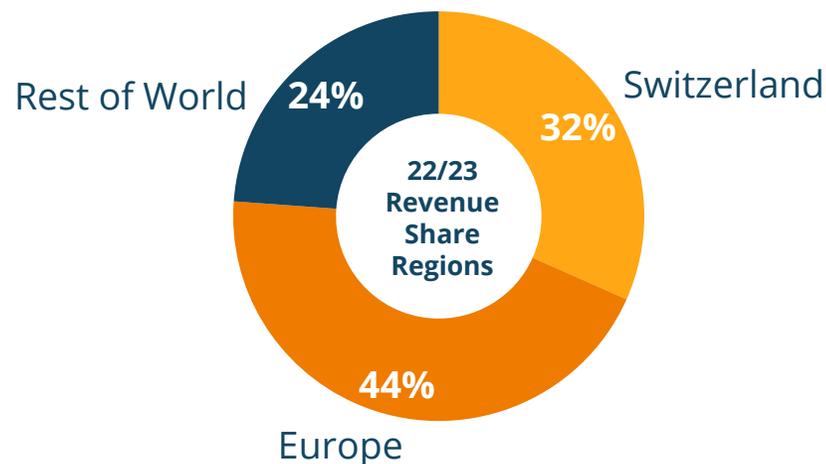
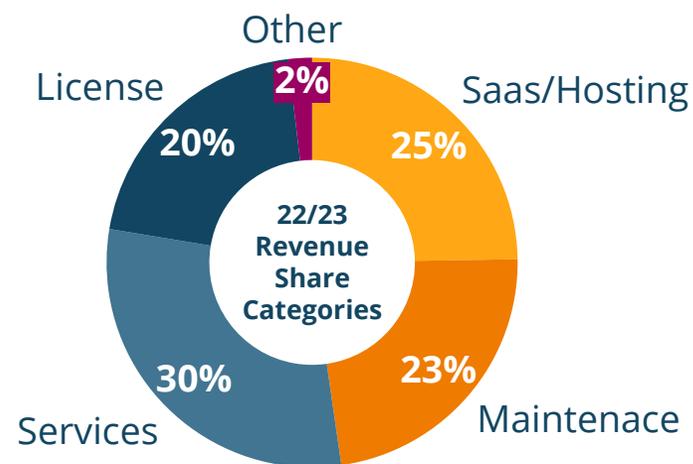
- The SLH divestment accounts for 7.8% revenue reduction
- Ongoing revenue pressure from CHF appreciation
- Organic decline mainly driven by a reduction in Service Subscriptions partially compensated by an increase in licence sales
- SaaS revenues remain stable

# Sales development

## Sales Categories

(CHF million)

|                           | FY 21/22    | FY 22/23    |
|---------------------------|-------------|-------------|
| Saas/Hosting              | 26.1        | 20.1        |
| <i>in % of total</i>      | 28%         | 25%         |
| Maintenance               | 22.1        | 18.7        |
| <b>Recurring Revenue</b>  | <b>48.2</b> | <b>38.8</b> |
| <i>in % of total</i>      | 51%         | 48%         |
| Services                  | 32.3        | 24.3        |
| License                   | 9.3         | 16.8        |
| Other                     | 4.1         | 1.5         |
| <b>Non-recurring Rev.</b> | <b>45.8</b> | <b>42.6</b> |
| <b>Total Revenue</b>      | <b>94.0</b> | <b>81.4</b> |

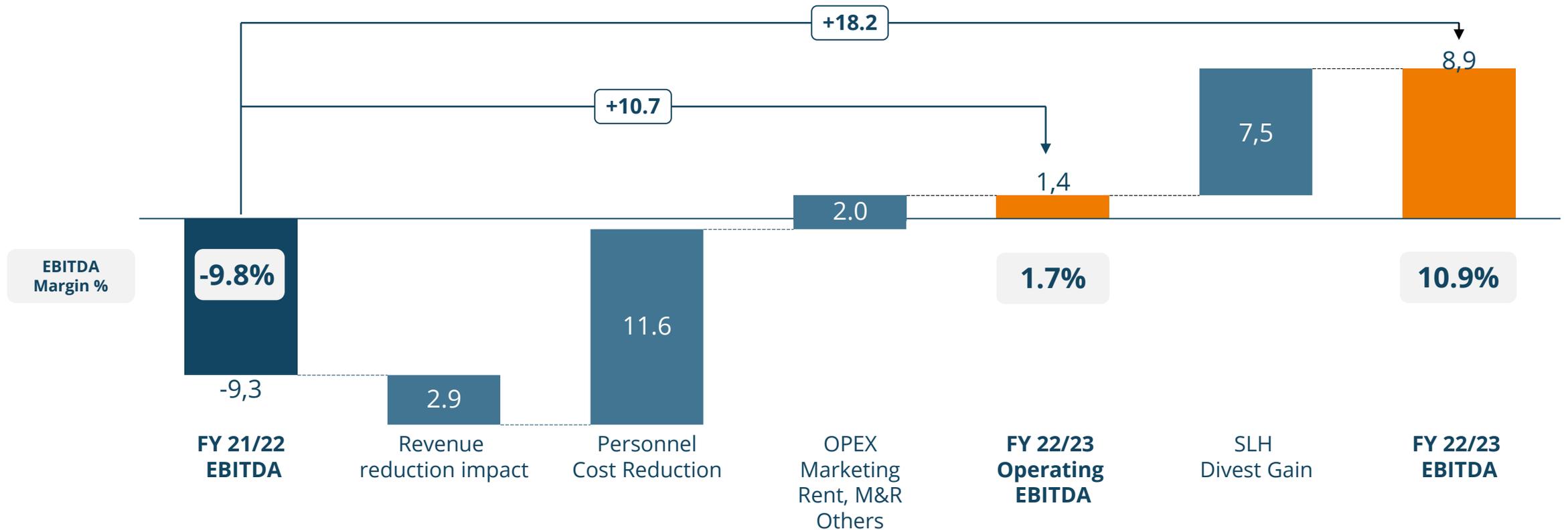


# Operating EBITDA Improved by CHF 10.7m YoY

Driven by Normalization of R&D and Efficiency Gains

## EBITDA

(CHF million)

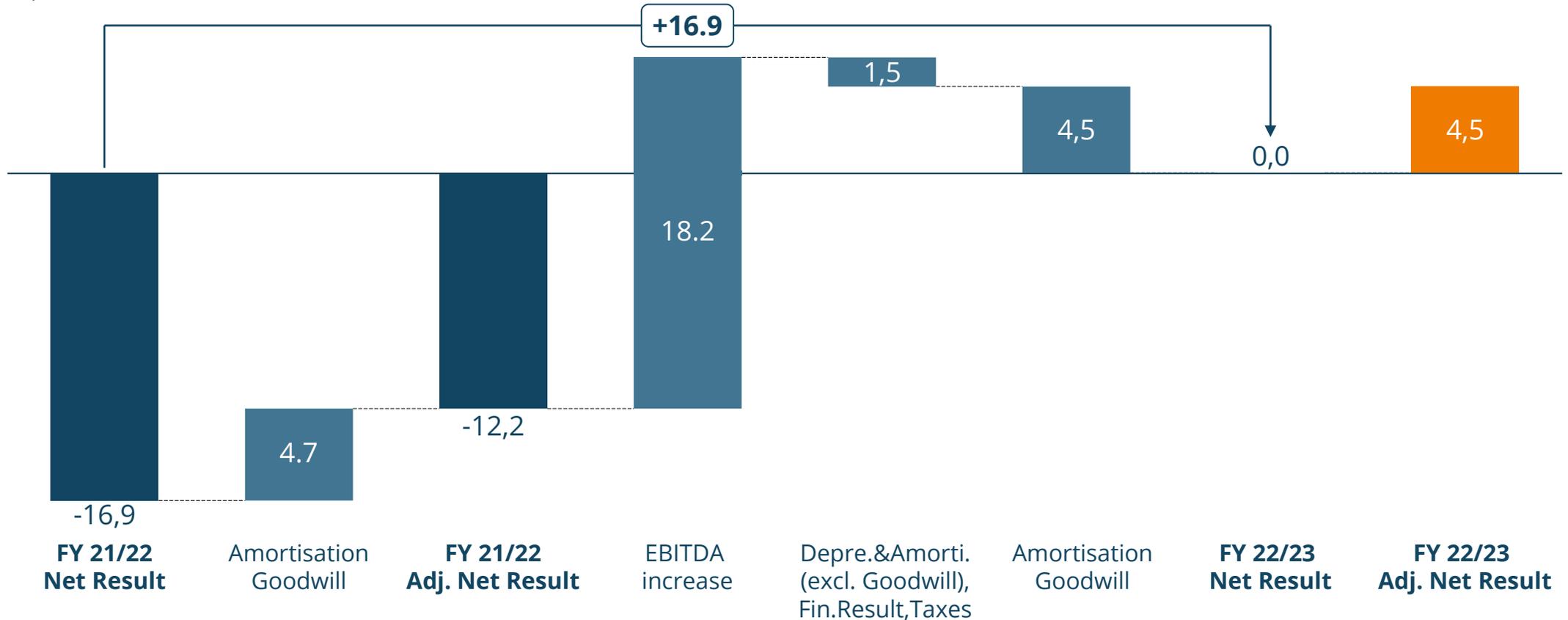


# Net Result Improved by CHF 16.9m YoY

CHF 4.5m adjusted Net Result when excluding goodwill amortisation

## NET RESULT

(CHF million)



# Profit & Loss Statement

| CHFm  | FY 21/22              | FY 22/23            | ▲                      |
|---|-----------------------|---------------------|------------------------|
| Recurring revenue<br><i>in % of revenue</i>                           | 48.2<br>51.3%         | 38.8<br>47.7%       | -9.4<br>-19.6%         |
| Non-recurring revenue<br><i>in % of revenue</i>                       | 45.8<br>48.7%         | 42.6<br>52.3%       | -3.2<br>-7.0%          |
| <b>Total Revenue</b>  | <b>94.0</b>           | <b>81.4</b>         | <b>-12.6</b><br>-13.4% |
| <b>EBITDA</b><br><i>EBITDA margin</i>                                 | <b>-9.3</b><br>-9.8%  | <b>8.9</b><br>10.9% | <b>+18.2</b>           |
| <b>Adj. Net Result</b> <sup>1</sup><br><i>Net Result</i> <sup>2</sup> | <b>-12.2</b><br>-16.9 | <b>4.5</b><br>0.0   | <b>+16.6</b><br>+16.9  |

<sup>1</sup> Adjusted Net Result: consolidated net result before goodwill amortisation

<sup>2</sup> Net Result: consolidated net result after goodwill amortisation

- Reduction of revenues of 2.5m or 2.8% YoY when excluding combined negative impact of 10.1m from SLH divestment and strong CHF
- SaaS revenue stable when accounting for SLH and FX effect. Service Subscriptions below prior year
- EBITDA improves by 18.2m YoY driven by normalised R&D, efficiency gains and 7.5m SLH divest gain
- Net Result back to positive

# Cash Flow Statement

| CHFm                      | FY<br>21/22  | HY1<br>22/23 | HY2<br>22/23 | FY<br>22/23  |
|---------------------------|--------------|--------------|--------------|--------------|
| Operating cash flow       | -13.0        | -6.3         | +0.8         | -5.5         |
| Investing cash flow       | -9.4         | +3.5         | -0.4         | +3.1         |
| <b>Free cash flow</b>     | <b>-22.3</b> | <b>-2.8</b>  | <b>+0.4</b>  | <b>-2.4</b>  |
| Financing cash flow       | +9.5         | -0.9         | -7.3         | -8.2         |
| FX                        | -0.8         | -0.1         | 0.0          | -0.1         |
| <b>Net change in cash</b> | <b>-13.7</b> | <b>-3.9</b>  | <b>-6.8</b>  | <b>-10.7</b> |

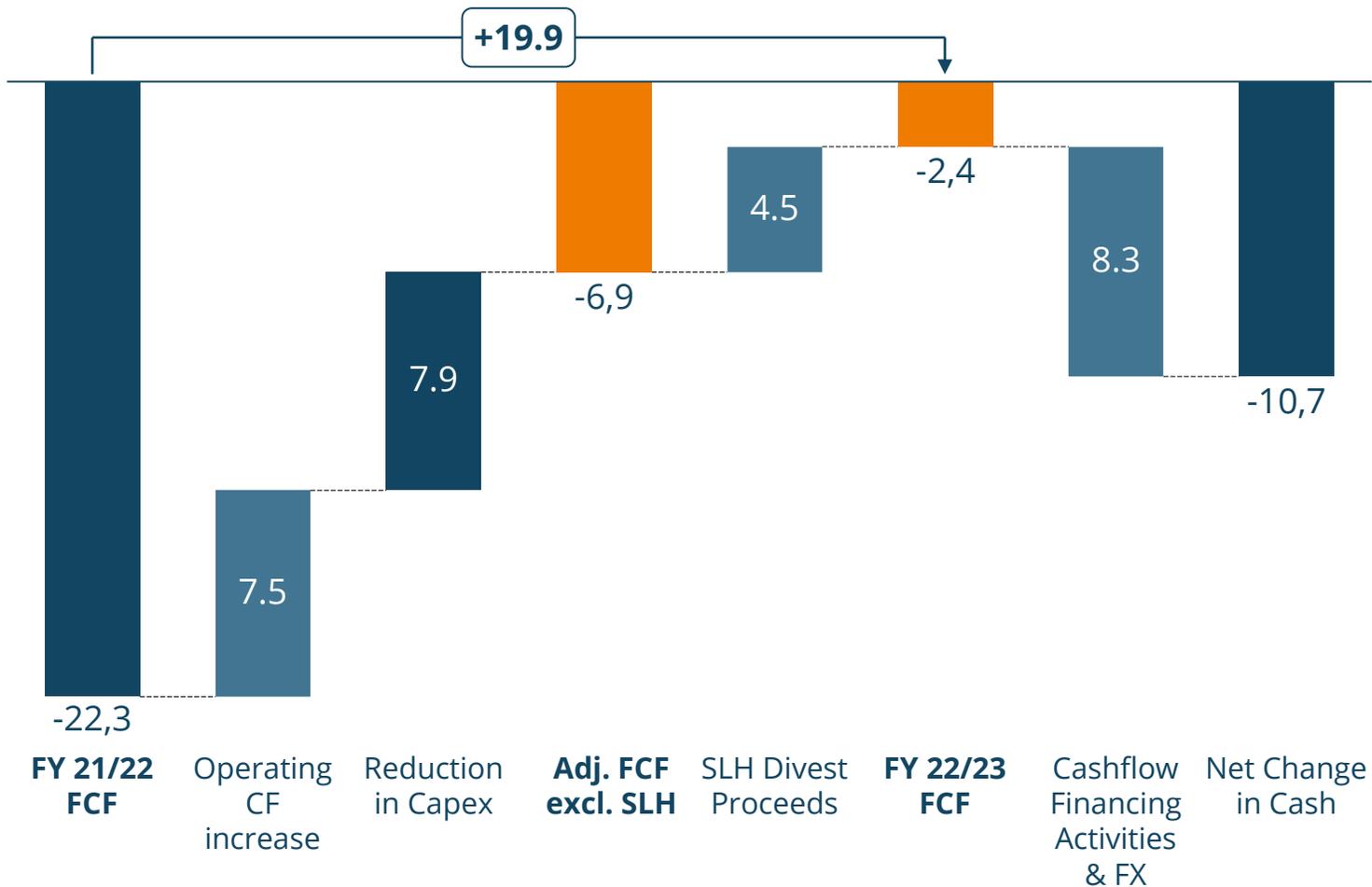
Figures are rounded to one million decimals

- Efficiency measures, reduced capex and SLH divest proceeds improve the free cash flow by CHF 19.9m YoY.
- While HY1 of 22/23 saw a negative Operating Cash Flow of -6.3m HY2 delivered a positive Operating Cash Flow of 0.8m
- Decreased staff base (internal and freelancer) and reduced Opex (rent, IT) positively impact the operating cash flow
- Repayment of financial liabilities and tactical balance sheet contraction at year-end drives the financing cash flow

# Good progress on the recovery of the Free Cash Flow

## Free Cash Flow (FCF) Evolution

(CHF million)



- Positive FCF of CHF 0.4m during HY2 22/23
- CF from Financing driven by tactical re-payment of revolving credit lines, amortisation of Covid loans and the grant of a subordinated shareholder loan

# Balance Sheet

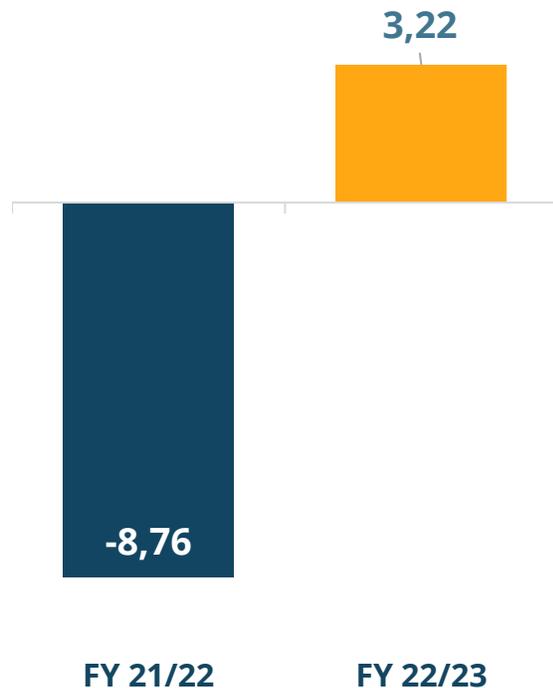
| CHFm   | 30 Jun 22    | 30 Jun 23    | ▲             |
|--|--------------|--------------|---------------|
| Cash   | 14.1         | 3.4          | -10.7         |
| Other current assets                               | 27.9         | 22.3         | -5.6          |
| Goodwill and other non-current assets <sup>1</sup> | 56.5         | 52.6         | -3.9          |
| <b>Total assets</b>                                | <b>98.5</b>  | <b>78.3</b>  | <b>-20.2</b>  |
| Current liabilities                                | 50.1         | 30.6         | -19.5         |
| Non-current liabilities                            | 26.2         | 25.2         | -1.0          |
| <b>Total liabilities</b>                           | <b>76.2</b>  | <b>55.8</b>  | <b>-20.4</b>  |
| <b>Equity</b>                                      | <b>22.3</b>  | <b>22.4</b>  | <b>+0.1</b>   |
| <b>Equity Ratio</b>                                | <b>22.6%</b> | <b>28.7%</b> | <b>+610Bp</b> |
| <b>Net Debts</b>                                   | <b>25.3</b>  | <b>27.0</b>  | <b>+1.7</b>   |

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

- Cash development reflecting the targeted balance sheet contraction at year-end
- Cash position plus unused lending credit facilities of CHF 8.3m amount to CHF 11.7m as of June 30, 2023. Prior Year there were no unused credit facilities i.e. all facilities were fully used.
- Net Debts slightly up
- Equity stable and Equity Ratio improved
- CREALOGIX is currently evaluating all options to refinance the currently outstanding CHF 24.1m convertible bond due in November 2024.

# Share update

## Adjusted EPS <sup>1</sup> (CHF per share)



- Performance recovery is leading to an improved adjusted EPS<sup>1</sup>
- Free Float 40% and unchanged vs. prior year
- No dividend proposed for FY 22/23

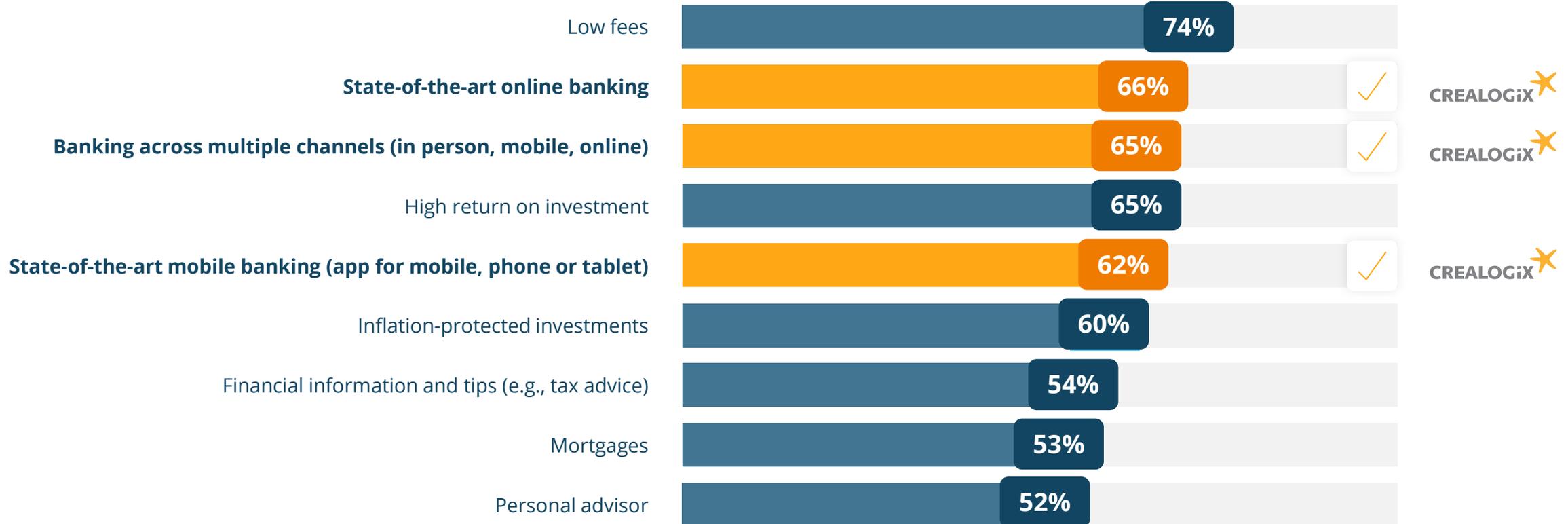
<sup>1</sup> Consolidated net profit attributable to Shareholders before goodwill amortisation

# Outlook

Oliver Weber, Chief Executive Officer

# CREALOGIX is excellently positioned in its market

*In a survey, Swiss bank customers were asked: What would be the most important features for you of what a bank offers?*



**CREALOGIX market offering is addressing some of the most requested features of clients of financial institutions**

# Renewing the growth through three key initiatives within the existing business.

1

## Funding Portal

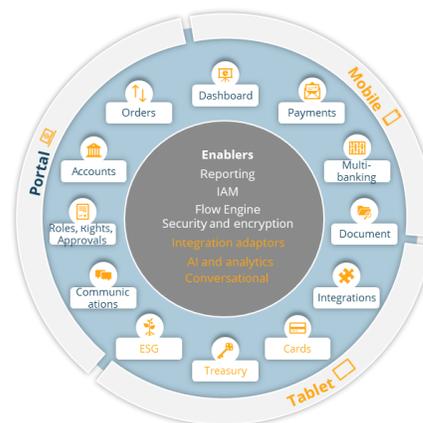
- Market leader in Germany
- Growth potential in European market for public finance
- Expand offering to public institutions in Germany



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## Business Banking

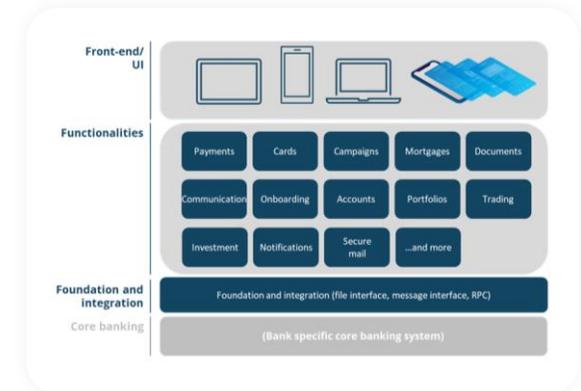
- Digital Banking for SMEs prime growth opportunity
- Innovation partnership with customer to develop the next generation platform solution



3

## Flagship Products

- Upgrading digital banking and wealth management products
- Increase upsell within the existing client base and gain new customers



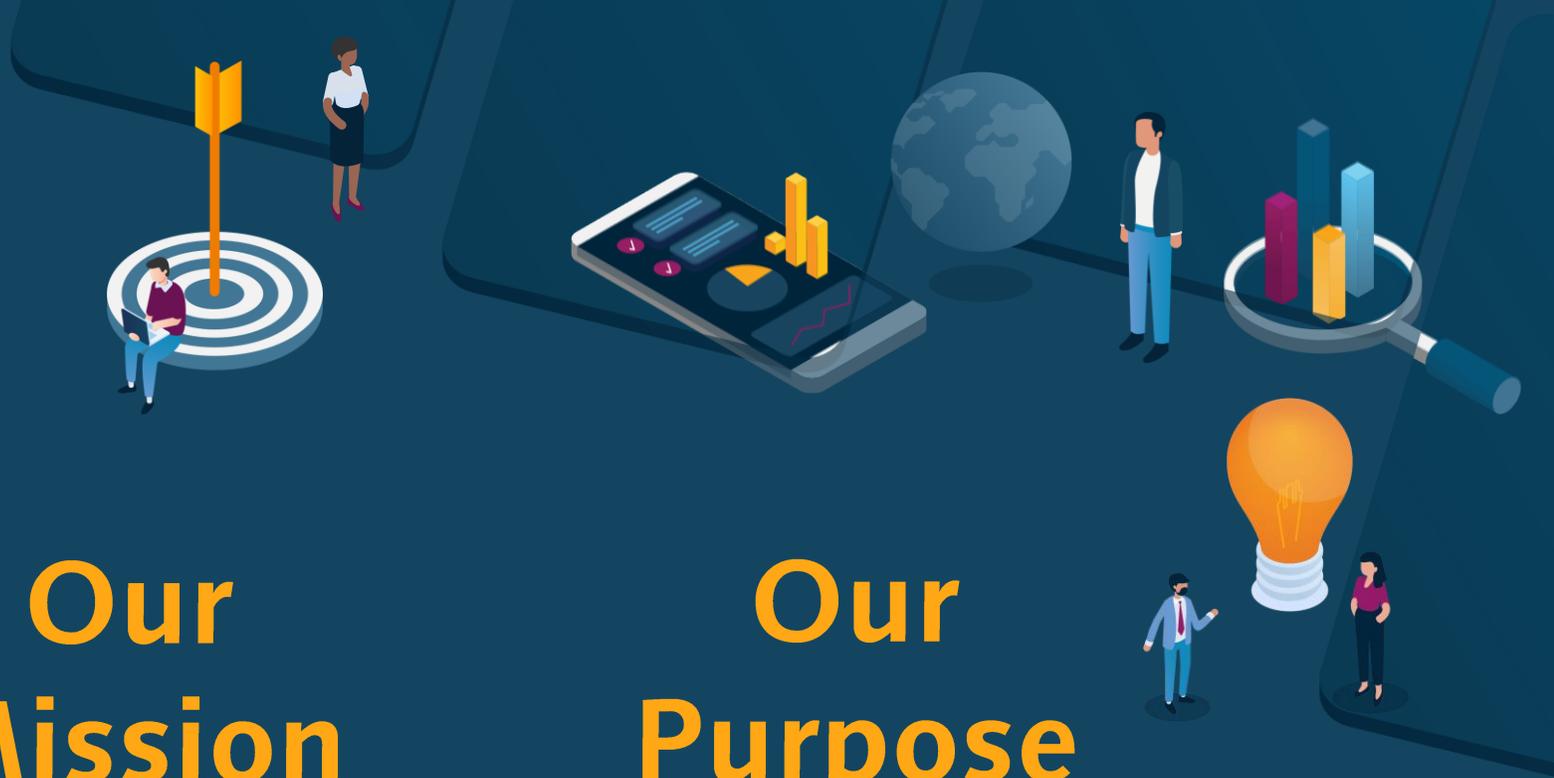
# Guidance FY2023/24

## CREALOGIX's 2023/24 full-year target



Moderate revenue growth in local currencies and further improving operating profitability.

# Thank you.



## Our Vision

We create digital leaders

## Our Mission

We empower financial brands to build valuable relationships with their clients

## Our Purpose

Transform banking to make it yours

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

**Thank you**

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