

INTERIM REPORT

CLAVISTER HOLDING AB (PUBL)

APRIL – JUNE 2023

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SUMMARY OF PERIOD APRIL - JUNE 2023

Quarterly Key Highlights

- Order intake increased with 43.1% and amounted to 44.5 MSEK.
- Annual recurring revenue (ARR) increased with 14 % and amounted to 112.6 MSEK.
- Positive and greatly improved EBITDA.

FINANCIAL SUMMARY APRIL – JUNE 2023

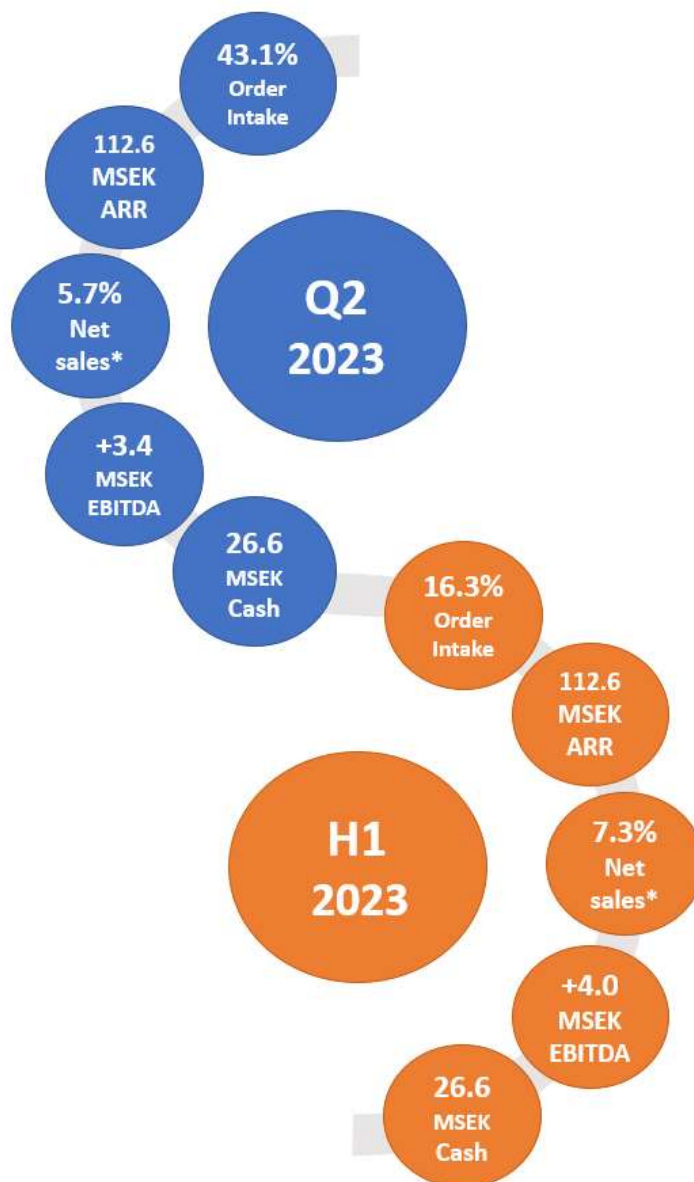
- Order Intake amounted to 44.5 (31.1) MSEK.
- Annual recurring revenue (ARR) amounted to 112.6 (98.8) MSEK.
- Net Sales amounted to 38.4 (35.7) MSEK. FX adjusted Net Sales amounted to 36.8 (34.8) MSEK.
- Gross Profit amounted to 33.1 (28.6) MSEK, corresponding to a gross margin of 83.8 (77.8) %.
- EBITDA amounted to 3.4 (-10.1) MSEK.
- EBIT amounted to -8.5 (-20.3) MSEK.
- Net Profit amounted to -28.6 (-38.2) MSEK and earnings per share to -0.51 (-0.68) SEK.
- Cash and cash equivalents amounted to 26.6 (66.0) MSEK.

FINANCIAL SUMMARY JANUARY – JUNE 2023

- Order Intake amounted to 79.2 (68.1) MSEK.
- Annual recurring revenue (ARR) amounted to 112.6 (98.8) MSEK.
- Net Sales amounted to 74.8 (68.4) MSEK. FX adjusted Net Sales amounted to 71.9 (67.0) MSEK.
- Gross Profit amounted to 64.2 (56.3) MSEK, corresponding to a gross margin of 83.5 (79.8) %.
- EBITDA amounted to 4.0 (-15.5) MSEK.
- EBIT amounted to -18.4 (-35.4) MSEK.
- Net Profit amounted to -49.7 (-64.4) MSEK and earnings per share to -0.88 (-1.14) SEK.
- Cash and cash equivalents amounted to 26.6 (66.6) MSEK.

Comparative figures are according to the published Annual Accounts of 2022. Numbers within parentheses refer to the corresponding period or date of last year, unless otherwise specified.

*Change in net sales refers to FX adjusted net sales.



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The second quarter saw strong order growth, positive trajectory across both our base businesses and our 5G security business, as well as positive EBITDA for the fourth consecutive quarter.



John Vestberg,
President and CEO, Clavister

COMMENTS BY THE CEO

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SUMMARY OF THE QUARTER

The recent quarter has been a good reflection of our dedication to growth, innovation and improved financial performance.

I am pleased to see a strong order intake growth of 43 % year-on-year, a significant leap from previous periods. This progression is fueled by multiple factors, including an evident rise in the general demand for cybersecurity, a growing appreciation for our offerings, and our continuous efforts towards optimizing our sales operations.

This trajectory was not just limited to our base business areas – Next-Generation Firewall (NGFW) and Identity Access Management (IAM) – but was also noticeable within our 5G security sales domain. We continue to break new grounds within our defense business – the new design win with General Dynamics European Land Systems (GDELS) is a testament to that.

Our order intake in the period had a tilt towards longer-term projects, which yielded a modest net sales growth of 8 %. Our ambition, however, is to achieve a better balance between short-term sales and long-term projects to also fuel imminent net sales growth. Correspondingly, our Annual Recurring Revenues (ARR) exhibited a 14 % year-on-year increase, concluding at 113 MSEK by the end of this quarter.

Our commitment to operational efficiency is evident in both our gross margin and OPEX figures. Gross margin arrived at 84 % while adjusted OPEX saw a 10 % reduction compared to the same period last year. This reduction can be attributed to our strategic cost optimization program initiated last year.

Finally, our adjusted EBITDA of 4.4 MSEK means a significant improvement from last year, and thereby delivering on a full 12-month span of positive EBITDA.

STRONGER GROWTH AMBITIONS IN THE NGFW BUSINESS

Our NGFW business is on a positive trajectory, most notable in use cases pertaining to mission-critical applications. My assessment is, however, that the growth level achieved in the period is not yet on par with the potential and our ambition, which is why we continue to work hard with finetuning our offering and our go-to-market proficiency.

A significant milestone in the period was the extension of our contract with International Workplace Group (IWG), a global frontrunner that facilitates flexible workspaces for over 8 million individuals. This partnership ensures a minimum order volume of 23 MSEK over the next three years.

Another example of an exciting customer engagement is our Swedish partner Bluecom, who was commissioned by the Swedish Hockey League (SHL) to deploy Clavister's products for providing cybersecurity in all Swedish SHL arenas.

STABLE IAM BUSINESS – SET FOR EXPANSION

Within the IAM business domain, our focus has been to solidify our position as a Nordics market front-runner.

In the period, we expanded our sales, marketing, and delivery teams to be able to meet the demand for our identity solutions, especially within the Nordic public sector.

The quarter has furthermore seen significant orders from valued partners such as TietoEvry and ATEA, as well as a substantial extended engagement with a Nordic government agency within the financial sector.

Moreover, our endeavors have laid the groundwork for the expansion of the IAM business into geographical markets outside the Nordics.

GROWING, BUT LUMPY, 5G SECURITY BUSINESS

The global telecom market has only seen seven 5G Standalone (5G SA) deployments materialize during the first half of 2023, which is clearly below market expectations. Investment challenges in the current harsh financial markets is named as one of the key reasons for the sluggish 5G SA adoption.

Nonetheless, we noted a significant order growth in the quarter, and we see an increasing appetite for cybersecurity in the telecom space. Hence, we maintain a positive view on our growth potential in the domain at the same time acknowledging the lumpy characteristics of the business.

A highlight from the quarter was the extension of our collaboration with operator Three UK through our partner Nokia. Following a substantial order received at the end of the period, Clavister will perform a comprehensive network upgrade of Three UK's security deployment to the latest Clavister software version. As the upgrade journey unfolds, we anticipate more software license orders. Additionally, our business with Three UK is transitioning towards a subscription-based model.

Intel Labs' latest validation of Clavister NetShield's leading performance scalability, which was published in the period, further endorses our product's proficiency in the 5G security domain.

ROBUST DEMAND GENERATION IN DEFENSE

While the quarter did not register any significant new defense orders, our pipeline in this sector is encouragingly robust and growing.

A key design win in the period was our new collaboration with General Dynamics European Land Systems (GDELS), with them announcing their ambition to integrate Clavister to fortify its digital vehicle architecture against potential cyber threats.

Furthermore, our collaboration with BAE Systems on design and configuration concerning Clavister deployment in upcoming platform projects are progressing positively.

OUTLOOK

We expect an increase in sales growth and lower OPEX in 2023 compared to 2022, which will yield a clear improvement in cash flow and full year positive EBITDA. Our ambition is to achieve positive operational cash flow in the second half of 2023.

For the years 2023 through 2025, we project to reach a net sales growth rate of 20 % (CAGR).

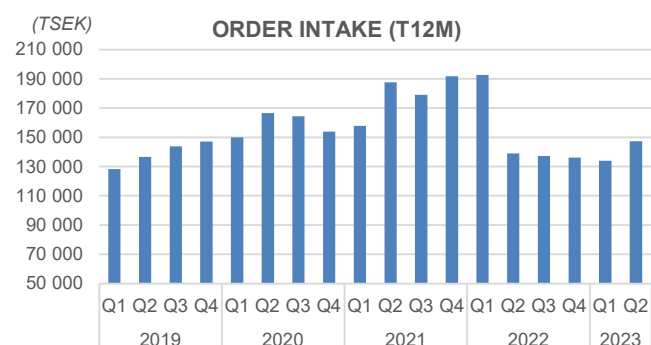
I would like to thank all colleagues, resellers, customers, and shareholders for their commitment to building Clavister into a European leader in cybersecurity!

John Vestberg, President and CEO
Örnsköldsvik, Sweden, 24 August, 2023

COMMENTS ON CLAVISTER'S INTERIM FINANCIAL STATEMENTS

ORDER INTAKE

Total Order Intake for the quarter amounted to 44.5 (31.1) MSEK, a year-on-year increase of 43.1 %. The increase is explained by a general increase in order intake as well as one larger order amounting to 7.7 MSEK concerning delivery of cyber security solutions and support to IWG (International Workplace Group) for which there is no similar order in the comparative period.



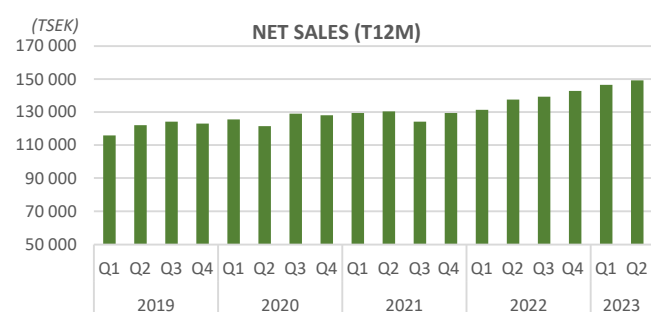
The order book balance on 30 June 2023 amounted to 81.0 (83.7) MSEK. Deferred revenue from pre-paid contracts and prepaid consulting services amounted to 63.4 (61.6) MSEK on 30 June 2023, whereof 48.8 (42.8) MSEK will be recognized as revenue during the coming 12-month period.

ANNUAL RECURRING REVENUE

Annual recurring revenue on 30 June 2023 amounted to 112.6 (98.8) MSEK, a year-on-year increase with 14 %. The increase is primarily explained by an increase in won contracts over the last twelve-month period. Annual recurring revenue on 31 December 2022 amounted to 109.6 MSEK.

NET SALES

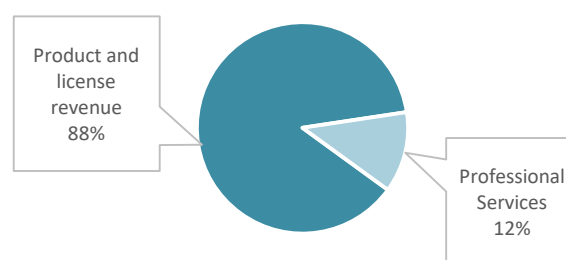
Net Sales for the quarter amounted to 38.4 (35.7) MSEK, a year-on-year increase of 7.6 %. Adjusted for currency effects Net Sales amounted to 36.8 (34.8) MSEK, an increase of 5.7 %.



NET REVENUE BY TYPE

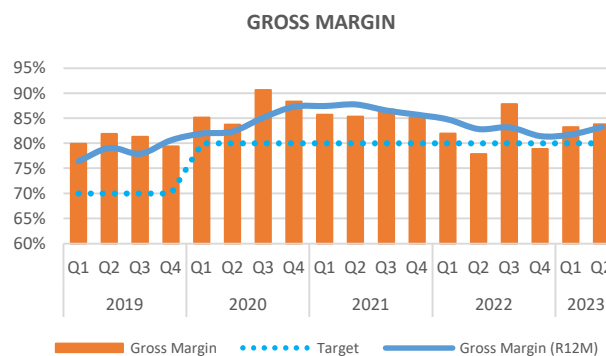
(TSEK)	2023 Apr - Jun	2022 Apr - Jun	Y/Y (%)	2022 Jan - Dec
Product and license revenue	33 623	30 458	10%	115 291
Professional services	4 760	5 279	-10%	27 412
Net Sales	38 383	35 737	7%	142 703

NET REVENUE BY TYPE



GROSS MARGIN AND GROSS PROFIT

Gross margin amounted to 83.8 % (77.8%). The change in margin is primarily explained by nominal variations in product mix and effects from the January 1st, 2023, price increase.



Gross profit for the quarter amounted to 33.1 (28.6) MSEK, an increase by 15.9 %.

OPERATING EXPENSES AND OPERATIONAL RESULT

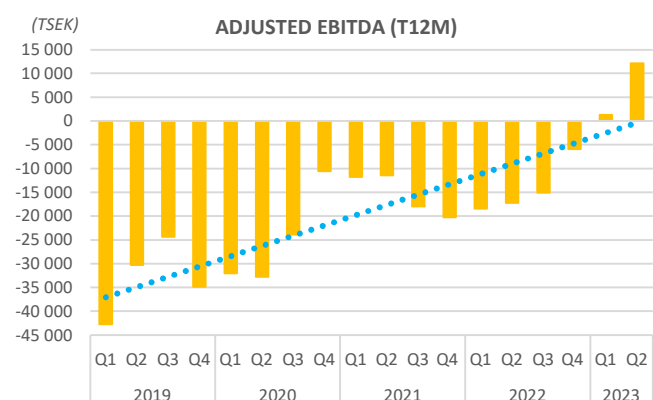
Total operating expenses amounted to -40.1 (-47.0) MSEK. The quarter was impacted by non-recurring expenses of -1.0 (-3.7) MSEK. Adjusted for non-recurring expenses operating expenses amounted to -39.1 (-43.3) MSEK.

Personnel expenses amounted to -27.7 (-36.0) MSEK. The quarter was impacted by non-recurring expenses of 0 (-2.6) MSEK relating to restructuring of parts of the organisation.

Other external expenses amounted to -12.4 (-10.9) MSEK, whereof non-recurring expenses amounted to -1.0 (-1.1) MSEK. Adjusted for non-recurring expenses other external expenses amounted to -11.4 (-9.8) MSEK.

Other external expenses consist mainly of marketing, IT and communication and external consultants. The increase in other external expenses in the period mainly relates to increased expenses for temporary hired personnel for the purpose of strengthen delivery capacity primarily within software development and consulting services.

EBITDA amounted to 3.4 (-10.1) MSEK. Adjusted for non-recurring expenses EBITDA amounted to 4.4 (-6.4) MSEK.



Depreciation and amortization amounted to -11.9 (-10.2) MSEK, whereof -1.2 (-1.4) MSEK is attributed to IFRS 16.

EBIT amounted to -8.5 (-20.3) MSEK.

FINANCIAL NET

Financial income and expenses amounted to -20.1 (-17.6) MSEK, whereof currency revaluations for long-term liabilities -10.3 (-6.8) MSEK, costs for warrants and costs related to long-term liabilities -0.1 (-5.0) MSEK, and long-term interest to lenders -6.5 (-4.7) MSEK. These items are non-cash.

The Financial net consists of the following items impacting cash-flow; interest on factoring, short-term interest to lenders and interest income -3.2 (-1.1) MSEK, interest on leasing contracts under IFRS 16 0 (0) MSEK. The increase is explained by increased market interest rates and therefore increased interest rates on the EIB loan.

RESULT AFTER TAXES

Result after taxes amounted to -28.6 (-37.9) MSEK.

INVESTMENTS IN INTANGIBLE ASSETS

Capitalized costs for development work amount to 10.5 (8.5) MSEK, whereof 10.4 (8.3) MSEK refers to capitalized hourly costs.

CAPITALIZED DEVELOPMENT

TSEK	2023	2022	0	2022
	Apr - Jun	Apr - Jun	(%)	Jan-Dec
Capitalization of development costs	10 529	8 495	24%	36 394
Amortization of capitalized development costs	-10 240	-8 460	21%	-34 188
Change in capitalization of development costs	289	35		2 206

BALANCE SHEET AND FINANCIAL POSITION

Shareholders' Equity and Liabilities

Equity amounted to -213.3 (-115.5) MSEK. Negative group equity is not an issue from a Companies Act perspective. Equity for the parent company Clavister Holding AB amounted to 105.4 (181.7) MSEK.

Interest-bearing Liabilities

On 30 June 2023, interest-bearing liabilities amounted to 328.2 (230.2) MSEK, distributed between long-term liabilities of 246.1 (227.3) MSEK and short-term liabilities of 82.1 (2.9) MSEK. Most of

the short-term interest-bearing liabilities relate to covid-19 related support of deferral of tax payment related to VAT and employer contributions.

Financial Net Debt

On 30 June 2023, the financial net debt amounted to -301.5 (-214.4) MSEK.

CASH-FLOW

Cash flow from operating activities amounted to -10.5 (-8.6) MSEK, negatively impacted by increased working capital driven by prepayments for inbound shipments of inventory of 5.6 MSEK as well as increased account receivables of 3 MSEK. Cash flow from operating activities before working capital changes amounted to 0.5 (-11.1) MSEK, an improvement of 11.6 MSEK, driven by improved operational profitability.

Cash flow from investing activities amounted to -16.5 (-8.5) MSEK, whereof capitalization of development costs amounted to -10.5 (-8.5) MSEK. Acquisition of Right-of-Use assets amounting to -5.7 (0) MSEK relating to the office space in Stockholm.

Cash flow from financing activities amounted to 7.0 (-1.4) MSEK. The increase is primarily explained by a new loan of 5.7 MSEK, according to IFRS, related to the new office premises in Stockholm.

Change in cash position was -20.1 (18.5) MSEK. Cash balance amounted to 26.6 (66.0) MSEK on 30 June 2023.

IMPAIRMENT TESTING

No need for impairment has been identified during the second quarter of 2023.

MARKET

For market information, please refer to the latest annual report on Clavister's website.

PERSONNEL AND ORGANIZATION

On 30 June 2023, the number of full-time equivalent employees (FTE) amounted to 99 (119). Hired personnel corresponded to 15 (16) people at the end of the period.

DISPUTES AND LITIGATIONS

During the latter part of 2022, a newly formed competing business, Fortified ID AB, began marketing security products in identity management that bore major similarities to those developed, owned, and provided by our subsidiary PhenixID AB over several years. The competing business is headed by former employees of our subsidiary PhenixID AB. The group has reason to believe that the competing business's product range is based on intellectual property rights owned by PhenixID AB. As a result, legal action has been taken. For further information regarding the dispute, refer to the 2022 annual report.

TRANSACTIONS WITH RELATED PARTIES

No significant business transactions between related parties and Clavister have occurred during the reporting period.

RISKS AND UNCERTAINTIES

Kindly see the Annual Report 2022 and the homepage, where an extensive summary is provided of risks and uncertainties in the business that could significantly affect the results and share performance.

Clavister's cash and bank balances as of 30 June 2023 amounts to 26.6 MSEK and short-term receivables amounts to 54.9 MSEK.

For the financial year 2023, the Group's access to liquidity is deemed to be secured.

Ongoing, and already realized reductions in expenses as well as growth increasing measures have a positive effect on the cash flow for the coming year. The Board of Directors and Management are actively pursuing several activities to secure the Group's financing for the coming 12-month period.

MATERIAL POST-CLOSING EVENTS

After the end of the reporting period, Clavister Holding AB announced that chairman of the board, Jan Frykhammar, left his position at his own request with immediate effect. The background to the decision is personal reasons. The nomination committee in Clavister Holding AB will present a new chairman of the board to replace Jan Frykhammar for the time until the next annual general meeting at an extraordinary general meeting. Clavister Holding AB calls an extraordinary general meeting as soon as a proposal is available. According to Clavister's articles of association, the board

must consist of a minimum of three (3) and a maximum of eight (8) members. After Jan Frykhammar leaves the board, the board will consist of two (2) members and thus will not meet the requirements of the articles of association nor the requirements for the number of board members according to the Swedish Companies Act for public limited companies. The situation will apply until the company's extraordinary general meeting.

AMBITIONS AND PLANNING ASSUMPTIONS

We expect an increase in sales growth and lower OPEX in 2023 compared to 2022, which will yield a clear improvement in cash flow and full year positive EBITDA. Our ambition is to achieve positive operational cash flow in the second half of 2023.

For the years 2023 through 2025, we project to reach a net sales growth rate of 20 % (CAGR).

Clavister's long-term ambition is to provide industry-leading profitability and Free Cash Flow.

CONDENSED CONSOLIDATED INCOME STATEMENT

(TSEK)	2023	2022	2023	2022	2022
	Apr - Jun	Apr - Jun	Jan - Jun	Jan - Jun	Jan - Dec
Net sales	38 383	35 737	74 771	68 379	142 703
Other revenue	1 156	992	2 053	2 185	6 704
Total revenue	39 539	36 729	76 824	70 564	149 407
COGS	-6 413	-8 140	-12 666	-14 250	-27 739
Gross profit	33 126	28 588	64 158	56 313	121 667
Cap. Dev. Expenses	10 409	8 271	19 899	18 560	35 001
Staff costs	-27 731	-36 019	-54 115	-69 648	-123 829
Other external costs	-12 377	-10 949	-25 965	-20 760	-43 211
EBITDA	3 427	-10 108	3 977	-15 534	-10 371
Depreciation and amortization	-11 947	-10 195	-22 402	-19 830	-41 021
EBIT	-8 520	-20 303	-18 425	-35 364	-51 392
Financial items	-20 118	-17 573	-31 266	-28 702	-61 127
Result after financial items	-28 638	-37 876	-49 691	-64 066	-112 519
Taxes	30	-308	30	-308	-309
Net profit - loss	-28 608	-38 184	-49 661	-64 374	-112 828
<i>Average number of shares before dilution</i>	<i>56 530 354</i>	<i>56 530 354</i>	<i>56 530 354</i>	<i>56 530 354</i>	<i>56 530 354</i>
<i>Average number of shares after dilution</i>	<i>64 819 401</i>	<i>63 472 756</i>	<i>64 819 401</i>	<i>63 472 756</i>	<i>63 594 154</i>
<i>Earnings per share before dilution, SEK</i>	<i>-0,51</i>	<i>-0,68</i>	<i>-0,88</i>	<i>-1,14</i>	<i>-2,00</i>
<i>Earnings per share after dilution, SEK</i>	<i>-0,51</i>	<i>-0,68</i>	<i>-0,88</i>	<i>-1,14</i>	<i>-2,00</i>
Net profit relating to					
Shareholders of the Parent Company	-28 608	-38 184	-49 661	-64 374	-112 828
<i>Total results of the Group:</i>					
Net profit (loss) end of the period	-28 608	-38 184	-49 661	-64 374	-112 828
Other profit	-52	-337	-90	22	62
Net profit (loss)	-28 660	-38 521	-49 751	-64 352	-112 766

CONDENSED CONSOLIDATED BALANCE SHEET

<i>(TSEK)</i>	2023-06-30	2022-06-30	2022-12-31
Assets			
Non-current assets			
Goodwill	66 697	66 697	66 697
Intangible assets	111 017	112 931	110 979
Property, Plant & Equipment	603	0	0
Right of use assets	7 362	4 822	3 870
Deferred tax asset	102	80	0
Other long-term receivables	1 018	365	1 140
Total non-current assets	186 800	184 896	182 687
Current assets			
Inventories	13 929	9 861	13 520
Current receivables	54 881	35 878	52 534
Cash and bank balances	26 636	65 977	42 412
Total current assets	95 446	111 716	108 467
Total assets	282 246	296 612	291 153
Equity and liabilities			
Equity			
Equity	-213 286	-115 521	-163 536
Total equity	-213 286	-115 521	-163 536
Liabilities			
Long-term liabilities			
Convertible debentures	8 760	8 196	8 523
Liabilities to credit institutions	295 282	247 852	274 751
Lease liabilities	5 268	3 389	179
Deferred tax liabilities	383	383	383
Long-term liabilities	2 159	0	55 033
Total long-term liabilities	311 851	259 821	338 869
Current liabilities			
Liabilities to credit institutions	2 948	0	5 564
Lease liabilities	2 084	2 674	3 830
Accounts payable	9 426	6 291	10 234
Other liabilities	80 455	56 110	9 336
Deferred revenues	63 424	61 561	64 376
Accrued expenses and deferred income	25 345	25 676	22 480
Total current liabilities	183 682	152 312	115 820
Total liabilities	495 532	412 132	454 689
Total equity and liabilities	282 246	296 612	291 153

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(TSEK)	2023	2022	2023	2022	2022
	Apr - Jun	Apr - Jun	Jan - Jun	Jan - Jun	Jan - Dec
Equity, beginning of period	-184 626	-79 952	-163 535	-53 722	-53 722
Non-registered issue	0	0	0	0	3
Share-based compensation	0	1 093	0	1 093	1 093
Equity component at convertible loan	0	1 858	0	1 858	1 858
Other total income for the period	-52	-337	-90	22	62
Result for the period	-28 608	-38 184	-49 661	-64 374	-112 831
Equity, end of period	-213 286	-115 521	-213 286	-115 521	-163 535

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

(TSEK)	2023	2022	2023	2022	2022
	Apr - Jun	Apr - Jun	Jan - Jun	Jan - Jun	Jan - Dec
Profit (loss) before taxes	-28 638	-37 876	-49 691	-64 066	-112 523
Reversal of depreciation and write-downs	11 947	10 195	22 402	19 830	40 407
Other adjustments for non-cash items, etc *	16 813	16 511	25 533	26 683	55 190
Paid taxes	376	30	-80	64	-310
Cash flow from operating activities before working capital changes	498	-11 140	-1 836	-17 489	-17 236
Changes in inventories	-153	-2 397	-409	-3 971	-7 630
Changes in operating receivables	-8 862	3 306	-2 242	13 323	-458
Changes in operating liabilities **	-1 997	1 653	-3 529	-4 065	627
Cash flow from operating activities	-10 514	-8 578	-8 015	-12 202	-24 697
Acquisition of Property, Plant and Equipment	-306	0	-605	0	0
Acquisition of Right-of-use assets	-5 672	0	-5 672	0	0
Investment of capitalized development work	-10 529	-8 495	-20 218	-19 230	-36 393
Other acquisition of financial fixed assets	0	0	0	54	-719
Cash flow from investing activities	-16 507	-8 495	-26 495	-19 176	-37 112
Borrowings **	7 830	0	20 942	50 246	59 122
Amortization of leasing liabilities	-1 204	-1 378	-2 329	-2 779	-4 790
New share issue, incl transaction cost	0	0	0	0	3
Other changes in financing activities	339	0	121	0	0
Cash flow from financing activities	6 965	-1 378	18 734	47 467	54 334
Change in Cash Position	-20 056	-18 451	-15 776	16 091	-7 474
Cash, beginning of period	46 692	84 428	42 412	49 886	49 886
Cash, end of period	26 636	65 977	26 636	65 977	42 412

* "Other adjustments for non-cash items, etc " consist of exchange rate gains/loss for loans in other currencies, capitalized expenses associated with loans and interest convertible loans.

** Received Covid-19 support in the form of deferral of tax payment of VAT and social contribution has, for the period Jan – Jun 2023 and the period Jan – June 2022, been reclassified from "Cash flow from operating activities" to Cash flow from financing activities".

CONDENSED INCOME STATEMENT FOR PARENT COMPANY CLAVISTER HOLDING AB

(TSEK)	2023	2022	2023	2022	2022
	Apr - Jun	Apr - Jun	Jan - Jun	Jan - Jun	Jan - Dec
Net sales	2 252	1 500	4 503	3 000	6 003
Other Revenue	0	1	0	3	0
Total revenue	2 252	1 501	4 503	3 003	6 003
Staff costs	-3 447	-6 669	-7 327	-8 916	-13 271
Other external costs	-1 545	-852	-3 470	-2 070	-3 919
EBITDA	-2 740	-6 020	-6 294	-7 983	-11 187
Financial items	-354	-175	-663	-342	-974
Result after financial items	-3 094	-6 195	-6 957	-8 325	-12 161
Group contribution paid	0	0	0	0	-65 500
Taxes	0	-279	0	-279	-279
Net result	-3 094	-6 474	-6 957	-8 604	-77 940

CONDENSED BALANCE SHEET FOR PARENT COMPANY CLAVISTER HOLDING AB

<i>(TSEK)</i>	2023-06-30	2022-06-30	2022-12-31
Assets			
Fixed assets			
Shares in group companies	444 174	401 174	414 174
Receivables from group companies	0	0	1 550
Total fixed assets	444 174	401 174	415 724
Current assets			
Current receivables	296	267	374
Cash and bank balances	1 535	10 382	4 361
Total current assets	1 831	10 649	4 734
Total assets	446 005	411 823	420 459
Equity and liabilities			
Equity			
Equity	105 407	181 695	112 363
Total equity	105 407	181 695	112 363
Liabilities			
Long-term liabilities			
Convertible debentures	8 760	8 196	8 523
Liabilities to Group companies	321 462	199 462	291 462
Deferred tax	383	383	383
Other long-term liabilities	0	0	4 283
Total long-term liabilities	330 605	208 041	304 651
Current liabilities			
Liabilities to Group companies	0	11 950	0
Accounts payable	307	753	454
Other liabilities	7 431	4 363	963
Accrued expenses and deferred income	2 255	5 020	2 027
Total current liabilities	9 994	22 087	3 445
Total liabilities	340 598	230 128	308 096
Total equity and liabilities	446 005	411 823	420 459

NOTES

NOTE 1 ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB) and interpretations of the IFRS Interpretations Committee (IFRS IC) as adopted by European Union (EU).

This report has been prepared in accordance with IAS 34, Interim Financial Reporting, ÅRL (the Swedish Annual Accounts Act) and RFR 2, Accounting for legal entities, issued by the Swedish Financial Reporting Board. The same accounting principles and methods of computation are followed in this interim financial statement, as in the most recent annual financial statements 2021.

NOTE 2 SEGMENT REPORTING

A business segment is a part of the Group which operates independently and can generate revenue and incur costs and the operating result is reviewed by the Group's chief operating decisionmaker and for which there is separate and individual financial information available.

Management reviews the Group's business performance from a net sales perspective, totally and broken down into separate geographical markets. Costs are not reviewed on a geographical market instead from a total and functional cost base breakdown. Management reviews the Group's operating result as a whole and therefore the Group is considered to be a segment in the interim report.

NOTE 3 SHAREHOLDERS AND SHARES

The share capital amounts to 5,653,035 SEK, with a par value of 0.1 SEK per share. Clavister Holding's shares are listed on Nasdaq First North. There is only one type of share in existence. Each share represents one vote at the General Meeting. On 30 June 2023, the number of shareholders amounted to 5,300 and the number of registered shares was 56,530,354.

	Number of shares	% of total number of shares
THE 10 LARGEST SHAREHOLDERS*	2023-06-30	2023-06-30
Per Anders Bendt	8 877 402	15,7%
Avanza Pension	4 508 515	8,0%
ÖstVäst Capital Management	3 395 536	6,0%
Staffan Dahlström	2 521 589	4,5%
Swedbank Insurance	2 144 314	3,8%
Nordnet Pension Insurance	1 986 150	3,5%
Stena	1 756 462	3,1%
Tagehus Holding AB	1 180 000	2,1%
B Sjögren i Halmstad Förvaltnings	1 112 000	2,0%
Niclas Uppfeldt	913 119	1,6%
Other Shareholders	28 135 267	49,8%

Shares registered under the Companies Registration Office as of 2023-03-31	56 530 354	100,0%
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Additional shares potentially issued in 2023 through 2038, due to warrants and convertible loan	8 289 047
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Number of shares after full dilution	64 819 401
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*Source: Modular Finance AB. Compiled and processed data from various sources, including Euroclear, Morningstar and the Swedish Financial Supervisory Authority (Finansinspektionen).

NOTE 4 SHARE-RELATED PROGRAMS (WARRANTS) AND CONVERTIBLE LOAN

WARRANTS

There are two current incentive programs addressed to personnel with a total of 2,730,000 warrants. These warrants mature in 2024 and 2025. Pricing is based on the Black & Scholes option-pricing model. Payment of the warrant options has been made in accordance with the extrapolated price according to the Black & Scholes model and has therefore not affected the Group's Income statement by any charges.

There are additionally five warrant programs with a total amount of warrants of 3,776,719 related to loan financing. 19,801 warrants mature in 2026, 1,770,079 warrants mature in 2037 and 1,986,635 warrants mature in 2038.

Holders of warrants will be entitled to subscribe for one new share in the company for each warrant. The total number of issued warrants amounts to 6,506,515.

Warrants	Number issued	Redeemed/ Due	Open	Share Price
TO 2016-2026	19 801	0	19 801	0,10
TO 2017 - 2037	1 770 079	0	1 770 079	0,10
TO 2018 - 2038-04-30	36 703	0	36 703	0,10
TO 2021 - 2024-06-30	2 100 000	0	2 100 000	15,93
TO 2020 - 2038-04-30	101 805	0	101 805	0,10
TO 2021 - 2038-04-30	1 605 331	0	1 605 331	0,10
TO 2022 - 2038-04-30	242 796	0	242 796	0,10
TO 2022 - 2025-06-30	630 000	0	630 000	10,95
	6 506 515	0	6 506 515	

CONVERTIBLE LOAN

The issued convertible loan amounts to 10 MSEK and matures on May 31, 2027, with a conversion price of 5.61 SEK. At potential conversion there will be an additional 1,782,532 shares. The interest rate is based on STIBOR 90 +2.5%.

Convertible loan	Number issued	Redeemed/ Due	Open	Share Price
Convertible loan				
2027-05-31	1 782 532	0	1 782 532	5,61
Total	1 782 532	0	1 782 532	5,61

NOT 5 KEY DATA AND FIGURE

TSEK	2023	2022	2023	2022	2022
	Apr - Jun	Apr - Jun	Jan - Jun	Jan - Jun	Jan - Dec
Net sales (TSEK)	38 383	35 737	74 771	68 379	142 703
Total revenue (TSEK)	39 539	36 729	76 824	70 564	149 407
Gross profit (TSEK)	33 126	28 588	64 158	56 313	121 667
Gross margin (%)	83,8%	77,8%	83,5%	79,8%	81.4%
EBITDA (TSEK)	3 427	-10 108	3 977	-15 534	-10 371
Operating profit (TSEK)	-8 520	-20 303	-18 425	-35 364	-51 392
Net profit (loss) (TSEK)	-28 608	-38 184	-49 661	-64 374	-112 832
Earnings per share (SEK) before dilution	-0,51	-0,68	-0,88	-1,14	-2,00
Earnings per share (SEK) after dilution	-0,51	-0,68	-0,88	-1,14	-2,00
Price per earnings (SEK)	N/A	N/A	N/A	N/A	-1,47
Equity per share	-3,89	-2,11	-3,89	-2,11	-2,89
Number of shares before dilution at the end of the period	56 530 354	56 530 354	56 530 354	56 530 354	56 530 354
Number of shares after dilution at the end of the period	64 819 401	64 576 605	64 819 401	64 576 605	64 819 401
Average number of shares before dilution	56 530 354	56 530 354	56 530 354	56 530 354	56 530 354
Average number of shares after dilution	64 819 401	63 472 756	64 819 401	63 472 756	63 594 154
Number of employees at the end of period (FTE)	99	119	99	119	108
Average number of employees (FTE)	96	126	104	126	121
Number of employees and external resources at end of period	114	135	114	135	129
Equity/assets ratio (%)	Negative	Negative	Negative	Negative	Negative
Quick ratio (%)	44%	67%	44%	67%	82%
Net debt (-), Net cash (+) (TSEK)	-301 553	-214 444	-301 553	-214 444	-253 861

NOTE 6 PLEDGED ASSETS

GROUP			
<i>(TSEK)</i>	2023-06-30	2022-06-30	2022-12-31
Pledged accounts receivable	3 312	1 895	3 617
Other pledged assets	400	121	121
Total	3 712	2 016	3 738

PARENT COMPANY

<i>(TSEK)</i>	2023-06-30	2022-06-30	2022-12-31
No Pledged assets	0	0	0
Total	0	0	0

NOTE 7 CONTINGENT LIABILITIES

GROUP			
<i>(TSEK)</i>	2023-06-30	2022-06-30	2022-12-31
No Contingent liabilities	0	0	0
Total	0	0	0

PARENT COMPANY

<i>(TSEK)</i>	2023-06-30	2022-06-30	2022-12-31
No Contingent liabilities	0	0	0
Total	0	0	0

NOTE 8 ALTERNATIVE PERFORMANCE MEASURES

Clavister uses various key figures, including alternative performance measures (APMs), for internal analysis purposes and for external communication of the operations' results, performance, and financial position.

The aim of these APMs is to illustrate the performance measures tailored to operations that, in addition to the other key figures, enable various stakeholders to more accurately assess and value Clavister's historical, current, and future performance and position.

ALTERNATIVE PERFORMANCE MEASURES

<i>(TSEK)</i>	2023 Apr - Jun	2022 Apr - Jun	2022 Jan - Dec
Order intake	44 518	31 098	121 194
Annual recurring revenue (ARR)	112 581	98 827	109 645

NOTE 9 DEFINITIONS

Annual recurring revenue (ARR) – Total sum of the annual value of all active licenses as per the quarter end date.

Order Intake – Total net sum of all legally binding customer orders in the period together with the net sum of all contract renewals in the period.

Contract renewals – Total net sum of renewals of existing license agreements in the period.

Order book balance – The net value of orders recorded and not recognized as revenue. Recording of orders is only done for orders that meet certain criteria and the order book balance is monitored continuously. Revenue is recognized in accordance with the revenue recognition principles (as described in the annual report 2022). Adjustments of the net order book value may occur from time to time due to for instance currency fluctuations, cancellations, or other minor adjustments of previously recorded orders.

Cash OPEX – Operational expenditures, including capitalized R&D, with a cash-flow impact.

Recurring Revenue – The portion of revenues that is expected to continue in the future. Unlike one-off sales, these revenues are predictable, stable and can be counted on to occur at regular intervals going forward with a relatively high degree of certainty and with a relatively low cost of sales.

TCV (Total contract Value) – The entire revenue generated by one single customer contract.

LTV (Life-time Value) – The total value of a customer contract during the total lifespan of the contract.

SHAREHOLDER INFORMATION

ABOUT CLAVISTER

Clavister is a leading European cybersecurity vendor with over 20 years of experience. Seated in Sweden, the company delivers to Communication Service Providers, Governments, Enterprises and Managed security service providers (MSSPs).

FINANCIAL CALENDER

Clavister intends to distribute financial reports on the dates below:

EVENT	Date
Interim report July – September 2023	November 9, 2023
Interim report October – December 2023	February 15, 2024
Interim report January – March 2024	May 16, 2024

Financial reports, press releases, and other business information is available from the date of publication on Clavister's website.

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THE SHARE

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 Symbol: CLAV
 ISIN-code: SE0005308558

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Any forward-looking statements in this report are based on Clavister's best assessment at the time of the report. Actual result may materially differ. Clavister does not publish any forecasts.

The CEO ensures that the interim report gives a true and fair view of the Group's and the Parent Company's business, position and results and describes significant risks and uncertainties faced by the company and the companies included in the Group.

This interim report has not been subject to review by the Company's auditor.

Örnsköldsvik, Sweden, 24th of August 2023

John Vestberg
 CEO and President