

**INTERIM REPORT  
CLAVISTER HOLDING AB (PUBL)  
JANUARY – MARCH 2021**



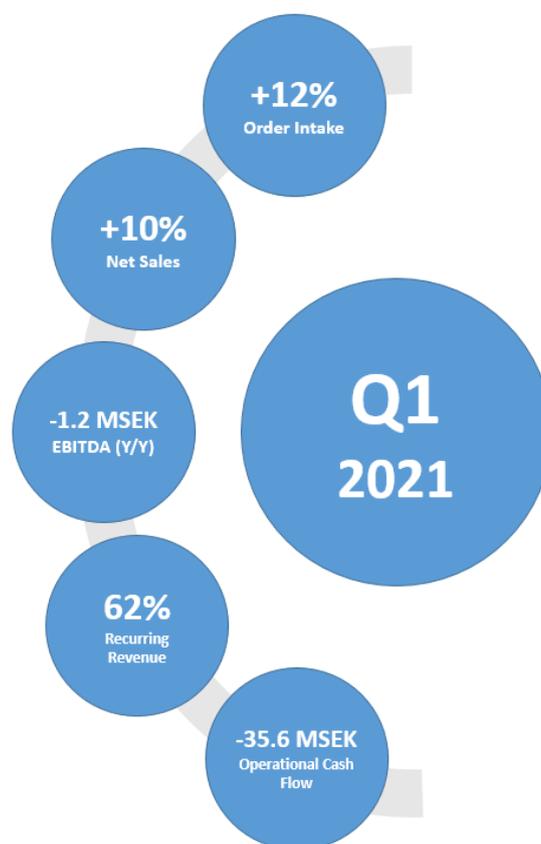
## SUMMARY OF PERIOD JANUARY – MARCH 2021

### Financial Summary

- Order Intake amounted to 36.1 (32.2) MSEK.
- Net Sales amounted to 30.6 (29.3) MSEK. FX adjusted Net Sales amounted to 31.6 (28.6) an increase of 3.0 MSEK.
- Gross Profit amounted to 26.7 (28.3) MSEK, corresponding to a gross margin of 85.7 (85.1) %.
- EBITDA amounted to -7.0 (-5.8) MSEK
- EBIT amounted to -16.0 (-17.3) MSEK
- Net Profit amounted to -26.3 (-39.5) MSEK and earnings per share to -0.49 (-1.54) SEK.
- Operating Cash Flow amounted to -35.6 (-20.6) MSEK

*Comparative figures are according to the adopted Annual Accounts of 2020. Numbers within parentheses refer to the corresponding period or date of last year, unless otherwise specified.*

### Key Metrics



*\*Change in Net Sales reflects FX-adjusted Net Sales.*

*Our first quarter of 2021 started slow but recovered with important orders towards the end of the quarter leading to an order growth of 12 %.*



**John Vestberg,**  
President and CEO, Clavister

*Our first quarter of 2021 started slow but recovered with important orders towards the end of the quarter leading to an order growth of 12%. We have good traction in our 5G security business and see an uptake in business within the Nordic public sector market. Business activity is slowly increasing as the impact of Covid normalizes and we are still confident in delivering on our growth and profitability ambitions for the year.*

#### **FINANCIAL DEVELOPMENT**

The new year saw a slow start of business, but with a recovery towards the end of quarter. Our order intake for the first quarter was 36.1 (32.2) MSEK, a growth of 12% compared to the same quarter last year. The growth in the period is mainly attributed to larger deals with mobile operators and public sector customers in the Nordics.

The order book balance per the end of the quarter amounted to 29.5 MSEK, an increase of almost 20 MSEK from Q1 2020, the majority of which is scheduled to be delivered to customers within the next twelve months.

Net Sales adjusted for FX grew by 3.0 MSEK to 31.6 (28.6) MSEK.

Gross margin of 86 (85)% is attributed mainly to a high proportion of software sales in the period as well as larger average deal sizes in general.

Cost and cash control continues to be in focus to ensure that we stay firm on our path to profitability. Our operating expenses for the first quarter came in slightly lower than the same period last year; certainly positive considering that our commercial organization has expanded and drives a more cohesive go-to-market operation.

EBITDA for the period of -7.0 (-5.8) was impacted by lower other revenue due to FX and non-recurring OPEX of 2 MSEK. EBIT improved to -16.0 (-17.3) MSEK thanks to lower amortization of capitalized R&D.

Change in cash during the period was -32.5 (-2) MSEK mainly driven by working capital adjustments of non-recurring nature such as repayment of Covid support and fees linked to the capital raise in the fourth quarter of 2020.

#### **GOOD TRACTION IN 5G SECURITY**

In the first quarter, we have secured three new mobile operator wins for our 5G security solution. In Latin America, our solution was selected by a nation-wide mobile operator to support the country's rollout of 5G, an initial contract value of approximately 6 MSEK to Clavister. The operator has chosen to use the Clavister solution for several use cases, such as protecting the backhaul between radio and core network, securing public Internet access, protecting the roaming interface and providing segmentation for the core network. This project represents our most comprehensive 5G security deployment to date.

In Australia, the Clavister solution was selected for a new national mobile broadband network for emergency services. Although a smaller order of less than 1 MSEK initially, the deal illustrates the

confidence operators place in our 5G security solution for mission-critical applications.

Finally, one of the largest Tier-1 mobile operators in the US has selected to deploy Clavister's solution, initially for their core network segmentation but with the prospect of scaling the deployment footprint and capacity over time.

After the end of the quarter, we announced a key R&D win with an updated version of our 5G security solution. This solution sets a new high-water mark for 5G security performance. The massive performance we can demonstrate in pure software has been officially validated by Intel, and confirms our position as a technology leader in the space.

#### **DEFENSE ENGAGEMENTS ON TRACK**

In the first quarter, we announced our first end-customer deal through our partnership with BAE Systems. The deal, which represents Clavister's largest deal to date, has a minimum value for Clavister of 50 MSEK with add-on options potentially increasing the deal value to 90 MSEK. The project consists of delivery of ruggedized security gateways and secure switch products integrated into combat vehicles for a major Western European military organization.

The project is proceeding according to plan, with a first product order of 2.5 MSEK received in the first quarter. Shipments will commence during the second half of 2021 with the majority of products expected to be delivered from 2022 through 2024.

The deal funnel with BAE Systems holds sizable opportunities with other defense customers, some with the potential to materialize as wins already in 2021.

#### **OUTLOOK**

According to analyst predictions, the worldwide cybersecurity market is set to grow by up to 10% in 2021 as the global economy slowly recovers from the pandemic compounded by claims that 2020 saw record high levels of data breaches, compromised records and ransomware attacks. That prediction would see the first half of the year continue to be impacted by lockdown restrictions and furloughs, but vaccine approvals and vaccination programs will likely have a knock-on effect from the middle of the year onward.

Our ambition in the short to mid-term is to out-perform the underlying cybersecurity market growth. This translates into an improved revenue growth in 2021 over 2020 and an organic revenue growth of at least 20% on average over the next three years.

Assuming there are no severe Covid-related impacts to our business, we plan to reach a sustainable EBITDA profitability level during 2021, and to demonstrate positive Free Cash Flow (FCF) by 2022. The business activity is slowly coming back as the impact of Covid normalizes and we are still confident in delivering on our growth and profitability ambitions for the year.

I would like to thank all Clavister colleagues, partners and our shareholders for their commitment to building a European cybersecurity leader!

*John Vestberg, President and CEO  
Örnsköldsvik, Sweden, 12 May 2021*

## COMMENTS ON CLAVISTER'S INTERIM FINANCIAL STATEMENTS

### ORDER INTAKE

Order Intake in the quarter amounted to 36.1 (32.2) MSEK. The increase is primarily driven by a couple of larger contract wins, among them a 5G-security solution with a mobile operator in Latin America of approximately 6 MSEK and a handful of deals in the range of 1-2 MSEK within the Nordics Public Sector.



The order book balance on 31 March 2021 amounted to 29.5 (10.1) MSEK. Of the total order book balance, 17.3 MSEK are projected to be fulfilled during the upcoming 12-month period. The remaining amount will be fulfilled after 12 months.

### Net Sales

Net Sales for the quarter amounted to 30.6 (29.3) MSEK, a year-on-year increase of 4%. Adjusted for currency effects Net Sales amounted to 31.6 (28.6) MSEK, an increase of 10%.

Total revenue amounted to 31.2 (33.2) MSEK.

From Q1 2021 and onwards analysis and comments will be based on Net Sales and not Total Revenue as previously done. Net Sales more clearly represents the underlying performance of the business. Other Revenue primarily consists of FX-effects on payments, government grants and similar transactions that are volatile by nature.



Recurring revenue from software subscriptions and other term-based contracts grew with 12% in the quarter and represented 62% of the total revenue. Revenue from Product and Perpetual Licenses decreased by 13% in the quarter.

Revenue from pre-paid contracts recognizable over contract term (deferred revenue) amounted to 59.2 (51.8) MSEK at 31 March 2021.

### REVENUE BY TYPE – 2021 Q1

(TSEK)	2021		2020	
	Jan - Mar	Jan - Mar	Y/Y (%)	2020 Jan - Dec
Recurring Revenue from Subscriptions	19 463	17 412	12%	70 042
Product and Perpetual License Revenue	7 130	8 242	-13%	38 504
Professional Services	4 013	3 679	9%	20 118
<b>Total Net Sales</b>	<b>30 606</b>	<b>29 333</b>	<b>4%</b>	<b>128 664</b>

### GROSS MARGIN AND GROSS PROFIT

Gross margin increased to 85.7% (85.1%).



Gross profit for the quarter amounted to 26.7 (28.3) MSEK, a decrease by 6%.

### OPERATING EXPENSES AND RESULT

Total operating expenses amounted to -42.6 (-43.4) MSEK.

Personnel expenses amounted to -35.8 (-35.8) MSEK. Other external expenses amounted to -6.8 (-7.6) MSEK and consist mainly of marketing, IT and communication and external consultants.

Operating result before depreciation (EBITDA) amounted to -7.0 (-5.8) MSEK.

Depreciation amounted to -9.0 (-11.5) MSEK, whereof -2.2 (-1.7) MSEK is attributed to IFRS 16

Operating result (EBIT) amounted to -16.0 (-17.3) MSEK

### FINANCIAL NET

Financial income and expenses amounted to -10.4 (-22.2) MSEK, whereof currency revaluations for long-term liabilities -4.0 (-13.0) MSEK, costs for warrants and costs related to long-term liabilities -2.8 (-4.3) MSEK, and long-term interest to lenders -4.1 (-2.1) 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 0.7 (-2.5) MSEK, leasing contracts under IFRS 16 -0.2 (-0.3) MSEK.

### RESULT AFTER TAXES

Result after taxes amounted to -26.3 (-39.5) MSEK.

**INVESTMENTS IN TANGIBLE ASSETS**

No investments in tangible assets were made.

**INVESTMENTS IN INTANGIBLE ASSETS**

No investments in intangible assets during the first quarter, other than capitalized costs for development work amounting to 8.8 (9.3) MSEK.

**CAPITALIZED DEVELOPMENT – 2021 Q1**

(TSEK)	2021		2020	
	Jan - Mar	Jan - Mar	Y/Y (%)	Jan - Dec
Capitalization of Development Costs	8 848	9 327	-5%	33 078
Amortization of Capitalized Development Costs	-5 702	-9 030	-37%	-28 266
<b>Change in Capitalization of Development Costs</b>	<b>3 146</b>	<b>297</b>		<b>4 812</b>

**BALANCE SHEET AND FINANCIAL POSITION****Shareholders' Equity and Liabilities**

Equity amounted to -14.4 (-129.1) MSEK. The increase compared to last year is related to the new share issue during 2020. Negative group equity is not an issue from a Companies Act perspective. Equity for the parent company Clavister Holding AB amounted to 452.9 (315.0) MSEK.

**Interest-bearing Liabilities**

On 31 March 2021, interest-bearing liabilities amounted to 229.9 (300.6) MSEK, distributed between long-term debt of 223.8 (245.0) MSEK and short-term debt of 6.1 (55.6) MSEK. The decrease of interest-bearing liabilities is attributed to a repayment of a loan of 50 MSEK during the third quarter of 2020. A reclassification of activated costs related to loan financing has been made during the quarter with a positive effect on long-term liabilities of 17.9 MSEK with the corresponding offset in other long-term receivables.

**Financial Net Debt**

At 31 March 2021, the financial net debt amounted to -119.3 (-231.6) MSEK.

**CASH-FLOW**

Cash flow from operating activities amounted to -35.6 (20.6) MSEK. Cash flow from operating activities before working capital changes increased with 2 MSEK compared to Q1 2020. Negative Cash flow from operating activities during the period are partly related to seasonal effects where the build-up of operating liabilities that occur during Q4 are paid in Q1. In addition to this seasonality in cash flow, the quarter have seen large payments of non-recurring nature in Q1 primarily consisting of fees related to the capital raise in Q4 2020 of 12.4 MSEK and repayments of Covid-support of 8.5 MSEK. Additional repayments of Covid-support of approximately 4 MSEK will be made in Q2 and then all Covid-support, in form of deferral of tax payments, will have been repaid.

Cash flow from investing activities amounted to -8.8 (-20.3) MSEK and is attributed to capitalization of development costs. During the corresponding period 2020, this item includes acquisitions of licensing rights of 11.0 MSEK.

Cash flow from financing activities amounted to 11.9 (-2.3) MSEK. The change during the period relates to payments of proceeds from the rights issue in the fourth quarter 2020 of 17.5 MSEK,

repayment of debt related to acquisitions of license rights -4.0, and amortization of leasing debts -1.6 MSEK.

Change in cash position was -32.5 (-2.0) MSEK. Cash balance amounted to 110.7 (69.0) MSEK at 31 March 2021.

**IMPAIRMENT TESTING**

No impairment need with impact on the Group's consolidated results has been identified during the quarter.

**MARKET**

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

**PERSONNEL AND ORGANIZATION**

At 31 March 2021, the number of full-time equivalent employees (FTE) amounted to 137 (132). Clavister also engaged external consultants corresponding to 8 (6) persons at the end of the period.

**DISPUTES AND LITIGATIONS**

There were no disputes or legal proceedings of significant financial impact during the reporting period.

**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 2020, where an extensive summary is provided of risks and uncertainties in the business that could significantly affect the results and share performance.

**MATERIAL POST-CLOSING EVENTS**

Nothing to report.

**AMBITIONS AND PLANNING ASSUMPTIONS**

Clavister's ambition in the short to mid-term is to out-perform the underlying cybersecurity market growth. This translates into an improved revenue growth in 2021 over 2020 and an organic revenue growth of at least 20% on average over the next three years.

Assuming there are no severe Covid-related impacts to our business, Clavister's ambition is further to reach a sustainable EBITDA profitability level during 2021, and to demonstrate positive Free Cash Flow (FCF) by 2022.

The ongoing Covid-19 pandemic contributes to higher uncertainty in assessing the development of the global cyber security industry.

The FY2021 ambition is based on the following assumptions:

- Increased revenue growth in FY 2021 over FY 2020
- 80%+ gross margin; variations over quarters due to product mix and transition to recurring revenue business model
- Operating expenses on same levels as for FY 2020
- Controlled mid-term impact by the COVID-19 pandemic

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

## CONSOLIDATED INCOME STATEMENT

### CONSOLIDATED INCOME STATEMENT

(TSEK)	2021	2020	2020
	Jan - Mar	Jan - Mar	Jan - Dec
<b>Net Sales</b>	30 606	29 333	128 664
Other Revenue	590	3 888	11 495
<b>Total Revenue</b>	<b>31 196</b>	<b>33 221</b>	<b>140 159</b>
COGS	-4 467	-4 936	-17 800
<b>Gross Profit</b>	<b>26 729</b>	<b>28 285</b>	<b>122 359</b>
Capitalized Development	8 848	9 327	33 078
Personnel Expenses	-35 758	-35 800	-136 015
Other External Expenses	-6 809	-7 604	-38 857
<b>EBITDA</b>	<b>-6 990</b>	<b>-5 792</b>	<b>-19 435</b>
Depreciation and Amortization	-8 973	-11 521	-36 979
<b>EBIT</b>	<b>-15 963</b>	<b>-17 313</b>	<b>-56 414</b>
Financial Items	-10 444	-22 210	-24 456
<b>Result after Financial Items</b>	<b>-26 407</b>	<b>-39 523</b>	<b>-80 870</b>
Taxes	97	6	-367
<b>Net Profit/Loss</b>	<b>-26 310</b>	<b>-39 517</b>	<b>-81 237</b>
<i>Average number of shares before dilution</i>	<i>53 564 792</i>	<i>25 659 550</i>	<i>38 981 281</i>
<i>Average number of shares after dilution</i>	<i>57 709 793</i>	<i>32 929 633</i>	<i>45 319 713</i>
<i>Earnings per share before dilution, SEK</i>	<i>-0,49</i>	<i>-1,54</i>	<i>-2,08</i>
<i>Earnings per share after dilution, SEK</i>	<i>-0,49</i>	<i>-1,54</i>	<i>-2,08</i>
<b>Net Profit relating to Shareholders of the Parent Company</b>	<b>-26 310</b>	<b>-39 517</b>	<b>-81 237</b>
<i>Total Results of the Group:</i>			
<b>Net Profit/Loss End of the Period</b>	<b>-26 310</b>	<b>-39 517</b>	<b>-81 237</b>
Other Profit	11	59	-35
<b>Net Profit/Loss</b>	<b>-26 299</b>	<b>-39 458</b>	<b>-81 272</b>

## CONSOLIDATED BALANCE SHEET

### CONSOLIDATED BALANCE SHEET

(TSEK)	2021-03-31	2020-03-31	2020-12-31
<b>ASSETS</b>			
<i>Subscribed capital unpaid</i>	0	0	17 665
<b>Non-Current Assets</b>			
Capitalized Development Costs	103 577	88 630	102 073
Goodwill	51 875	51 875	51 875
Right of use Assets	13 922	18 834	15 517
Deferred Tax Asset	0	478	0
Other Long-term Receivables	226	16 901	226
<b>Total Non-Current Assets</b>	<b>169 600</b>	<b>178 718</b>	<b>169 691</b>
<b>Current Assets</b>			
Inventories	6 390	6 969	7 240
Current Receivables	43 722	39 247	45 098
Cash and Bank Balances	110 651	68 984	143 189
<b>Total Current Assets</b>	<b>160 763</b>	<b>115 200</b>	<b>195 527</b>
<b>TOTAL ASSETS</b>	<b>330 363</b>	<b>291 918</b>	<b>382 883</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity	-14 369	-129 063	12 069
<b>Total Equity</b>	<b>-14 369</b>	<b>-129 063</b>	<b>12 069</b>
<b>LIABILITIES</b>			
<b>Long-term Liabilities</b>			
Convertible Debentures	9 269	8 687	9 116
Liabilities to Credit Institutions	219 114	247 588	204 523
Lease Liabilities	9 773	14 637	11 372
Deferred Tax Liabilities	555	814	681
<b>Total Long-term Liabilities</b>	<b>238 711</b>	<b>271 726</b>	<b>225 692</b>
<b>Current Liabilities</b>			
Liabilities to Credit Institutions	0	54 430	0
Lease Liabilities	6 117	5 602	6 117
Accounts Payable	3 522	9 453	17 640
Other Liabilities	11 651	5 686	30 702
Deferred Revenues	59 225	51 803	62 936
Accrued Expenses	25 506	22 281	27 727
<b>Total Current Liabilities</b>	<b>106 021</b>	<b>149 255</b>	<b>145 122</b>
<b>TOTAL LIABILITIES</b>	<b>344 732</b>	<b>420 981</b>	<b>370 814</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>330 363</b>	<b>291 918</b>	<b>382 883</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<b>CHANGES IN EQUITY</b>			
<i>(TSEK)</i>	<b>2021</b>	<b>2020</b>	<b>2020</b>
	<b>Jan - Mar</b>	<b>Jan - Mar</b>	<b>Jan - Dec</b>
<b>Equity, Beginning of Period</b>	12 069	-89 283	-89 283
New share issue	17 665	0	186 318
Issue Expenses	-139	0	-21 947
Non-registered Issue	-17 665	0	17 665
Due, not Redeemed Warrants	0	-322	-940
Share-based Compensation	0	0	1 527
Other total Income for the Period	11	59	-34
Result for the Period	-26 310	-39 517	-81 237
<b>Equity, End of Period</b>	<b>-14 369</b>	<b>-129 063</b>	<b>12 069</b>

## CONSOLIDATED CASH FLOW STATEMENT

CONSOLIDATED CASH FLOW STATEMENT			
(TSEK)	2021	2020	2020
	Jan - Mar	Jan - Mar	Jan - Dec
<b>Profit/Loss before Taxes</b>	<b>-26 407</b>	<b>-39 523</b>	<b>-80 869</b>
Reversal of Depreciation and Write-downs	8 973	11 521	36 979
Other Adjustments for Non-cash Items, etc. <sup>1)</sup>	10 857	19 336	16 075
Paid Taxes	-532	-444	371
<b>Cash Flow from Operating Activities before Working Capital Changes</b>	<b>-7 109</b>	<b>-9 110</b>	<b>-27 444</b>
Changes in Inventories	850	1 030	760
Changes in Operating Receivables	1 249	13 858	-1 041
Changes in Operating Liabilities	-30 556	14 844	51 875
<b>Cash Flow from Operating Activities</b>	<b>-35 566</b>	<b>20 622</b>	<b>24 150</b>
Acquisition of Property, Plant and Equipment	0	-10 976	-21 224
Investment of Capitalized Development Work	-8 848	-9 328	-33 078
<b>Cash Flow from Investing Activities</b>	<b>-8 848</b>	<b>-20 304</b>	<b>-54 302</b>
Borrowings	0	0	-54 774
Amortization of Leasing Liabilities	-1 599	-2 276	-6 259
New Share Issue, incl Transaction Costs	17 526	0	163 432
Other Changes in Financing Activities	-4 051	0	0
<b>Cash Flow from Financing Activities</b>	<b>11 876</b>	<b>-2 276</b>	<b>102 399</b>
<b>Change in Cash Position</b>	<b>-32 538</b>	<b>-1 958</b>	<b>72 247</b>
<b>Cash, Beginning of Period</b>	<b>143 189</b>	<b>70 942</b>	<b>70 942</b>
<b>Cash, End of Period</b>	<b>110 651</b>	<b>68 984</b>	<b>143 189</b>

<sup>1)</sup> "Other adjustments for non-cash items, etc." consists of exchange rate gains/loss for loans in other currencies, capitalized expenses associated with loans and interest for convertible loans.

Principles for recording non-cash items related to free of charge warrants to lenders and long-term interests that don't expire in the period have been updated and excluded from the cash-flow as these items are non-cash. Comparative figures have been restated to reflect the updated principle.

## PARENT COMPANY CLAVISTER HOLDING AB

### CONDENSED INCOME STATEMENT

(TSEK)	2021	2020	2020
	Jan - Mar	Jan - Mar	Jan - Dec
Net Sales	1 500	1 734	8 905
<b>Total Revenue</b>	<b>1 500</b>	<b>1 734</b>	<b>8 905</b>
Personnel Expenses	-5 196	-2 813	-6 218
Other External Expenses	-1 697	-1 385	-7 004
<b>EBITDA</b>	<b>-5 393</b>	<b>-2 464</b>	<b>-4 317</b>
Write-down of Shares in Subsidiaries	0	0	0
Financial Items	-130	-1 903	-8 679
<b>Result after Financial Items</b>	<b>-5 523</b>	<b>-4 367</b>	<b>-12 996</b>
Group contribution	0	0	-30 000
Taxes	126	0	-842
<b>Net Profit/Loss</b>	<b>-5 397</b>	<b>-4 367</b>	<b>-43 838</b>

### CONDENSED BALANCE SHEET

(TSEK)	2021-03-31	2020-03-31	2020-12-31
<b>ASSETS</b>			
<i>Subscribed capital unpaid</i>	0	0	17 665
<i>Fixed Assets</i>			
Shares in Group Companies	559 822	558 295	559 822
Deferred Tax Asset	0	478	0
<b>Total Fixed Assets</b>	<b>559 822</b>	<b>558 773</b>	<b>559 822</b>
<i>Current Assets</i>			
Current Receivables	359	3 746	636
Cash and Bank Balances	36 616	6 737	32 282
<b>Total Current Assets</b>	<b>36 975</b>	<b>10 483</b>	<b>32 918</b>
<b>TOTAL ASSETS</b>	<b>596 797</b>	<b>569 256</b>	<b>610 405</b>
<b>EQUITY AND LIABILITIES</b>			
<i>Equity</i>			
Equity	452 898	314 960	458 434
<b>Total equity</b>	<b>452 898</b>	<b>314 960</b>	<b>458 434</b>
<b>LIABILITIES</b>			
<i>Long-term Liabilities</i>			
Convertible Debentures	9 269	8 687	9 116
Liabilities to Group Companies	130 000	188 006	126 100
Deferred tax liability	238	0	364
<b>Total Long-term Liabilities</b>	<b>139 507</b>	<b>196 693</b>	<b>135 579</b>
<i>Current Liabilities</i>			
Liabilities to Credit Institutions	0	49 644	0
Accounts Payable	232	1 010	13 320
Other Liabilities	791	330	1 748
Accrued Expenses	3 369	6 619	1 324
<b>Total Current Liabilities</b>	<b>4 392</b>	<b>57 603</b>	<b>16 392</b>
<b>TOTAL LIABILITIES</b>	<b>143 898</b>	<b>254 296</b>	<b>151 971</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>596 797</b>	<b>569 256</b>	<b>610 405</b>

## 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 2020.

### NOTE 2 SEGMENT REPORTING

A business segment is a part of the Group which operates independently and can generate revenue and incur costs and for which there is separate and individual financial information available.

Management reviews the Group's business performance from an order intake perspective, totally and broken down into separate markets, in combination with a total and functional cost base breakdown. Hence, no segment reporting is applicable to the group.

### NOTE 3 SHAREHOLDERS AND SHARES

The share capital amounts to 5,482,657 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.

At 31 March 2021, the number of shareholders amounted to 5,620 and the number of registered shares were 54,826,571.

#### THE 10 LARGEST SHAREHOLDERS

(Per 2021-03-31)	Number of Shares	% of Total
HSBC Trinkhaus and Burkhardt AG	6 559 480	12,0%
Försäkringsaktiebolaget, Avanza Pension	4 683 455	8,5%
Goldman Sachs International	3 395 529	6,2%
RBC Investor Services Bank	1 466 666	2,7%
Formue Nord marknadsneutral A/S	1 456 650	2,7%
Nordnet Pensionsförsäkring AB	1 456 184	2,7%
Futur Pension	1 430 161	2,6%
Stena Finans	1 428 572	2,6%
Mikael Lönn	1 300 000	2,4%
RGG ADM-Gruppen AB	1 250 000	2,3%
Other Shareholders	30 399 874	55,3%
<b>Total Number of Shares registered with the Companies Registration Office</b>	<b>54 826 571</b>	<b>100,0%</b>
Additional shares potentially issued in 2021 through 2038, due to warrants and convertible loan	2 883 222	
<b>Total Number of Shares after Full Dilution</b>	<b>57 709 793</b>	

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

#### WARRANTS

There are one current incentive program addressed to key employees with a total of 750,000 warrants. 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 four warrant programs with a total amount of warrants of 1,928,388, related to loan financing. 19,801 warrants mature in 2026, 1,770,079 warrants mature in 2037 and 138,508 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 2,678,388.

#### WARRANTS

	Number Issued	Redeemed / Due	Open	Share Price, SEK
TO 2016-2026	19 801	0	19 801	0,1
TO 2017 - 2037	1 770 079	0	1 770 079	0,1
TO 2020 – 2038-04-30	101 805	0	101 805	0,1
TO 2018 - 2038-04-30	36 703	0	36 703	0,1
TO 2018 - 2021-05-31	750 000	0	750 000	35,46
<b>TOTAL</b>	<b>2 678 388</b>	<b>0</b>	<b>2 678 388</b>	

#### CONVERTIBLE LOAN

Norrlandsfonden currently has a convertible debenture of 10 MSEK, with a conversion price of 48.82 SEK and a maturity date in 2022. The interest rate is based on STIBOR 90 with a floor of 0%.

#### CONVERTIBLE LOANS

	Number issued	Redeemed / Due	Open	Share Price, SEK
Norrlandsfonden 2022-05-31	204 834	0	204 834	48,82
<b>TOTAL</b>	<b>204 834</b>	<b>0</b>	<b>204 834</b>	

**NOTE 5 KEY DATA AND FIGURES****KEY DATA AND FIGURES**

	2021	2020	2020
	Jan - Mar	Jan - Mar	Jan - Dec
Net Sales (TSEK)	30 606	29 333	128 664
Total Revenue (TSEK)	31 196	33 221	140 159
Gross Profit (TSEK)	26 729	28 285	122 359
Gross Margin (%)	85,7%	85,1%	87,3%
EBITDA (TSEK)	-6 990	-5 792	-19 435
Operating Profit (TSEK)	-15 963	-17 313	-56 414
Net Profit/Loss (TSEK)	-26 310	-39 517	-81 237
Earnings Per Share (SEK) before Dilution	-0,49	-1,54	-2,08
Earnings per Share (SEK) after Dilution	-0,49	-1,54	-2,08
Price per Earnings (SEK)	N/A	N/A	-3,33
Equity per Share	-0,26	-2,35	0,22
Number of Shares before Dilution (EoP)	54 826 571	25 659 550	52 303 012
Number of Shares after Dilution (EoP)	57 709 793	32 929 633	57 709 973
Average Number of Shares before Dilution	53 564 792	25 659 550	38 981 281
Average Number of Shares after Dilution	57 709 793	32 929 633	45 319 713
Number of Employees (FTE) (EoP)	137	132	132
Average Numbers of Employees (FTE)	135	141	141
Number of Employees and External Resources (EoP)	145	138	138
Equity/Assets Ratio (%)	Negative	Negative	6%
Quick Ratio (%)	146%	73%	130%
Net Debt (-), Net Cash (+) (TSEK)%	-119 260	-231 606	-143 587

**NOTE 6 PLEDGED ASSETS****PLEDGED ASSETS IN GROUP**

(TSEK)	2021-03-31	2020-03-31	2020-12-31
Mortgage	0	50 000	0
Pledged Shares in Subsidiaries	0	64 169	0
Other pledged assets	121	0	121
Pledged accounts receivable	2 467	0	2 954
Cash and Cash Equivalents	0	6 737	32 282
<b>TOTAL</b>	<b>2 588</b>	<b>120 906</b>	<b>35 357</b>

**PLEDGED ASSETS IN PARENT COMPANY**

(TSEK)	2021-03-31	2020-03-31	2020-12-31
Pledged Shares in Group Companies	0	85 500	0
Mortgage	0	50 000	0
Cash and Cash Equivalents	0	6 737	32 282
<b>TOTAL</b>	<b>0</b>	<b>142 237</b>	<b>32 282</b>

**NOTE 7 CONTINGENT LIABILITIES****CONTINGENT LIABILITIES IN GROUP**

(TSEK)	2021-03-31	2020-03-31	2020-12-31
Non-significant Disputes	0	3 532	0
Contribution for short time working	1 854	0	1 854
<b>TOTAL</b>	<b>1 854</b>	<b>3 532</b>	<b>1 854</b>

**CONTINGENT LIABILITIES IN PARENT COMPANY**

(TSEK)	2021-03-31	2020-03-31	2020-12-31
Non-significant Disputes	0	3 532	0
<b>TOTAL</b>	<b>0</b>	<b>3 532</b>	<b>0</b>

**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**

(TSEK)	2021	2020	2020
	Jan - Mar	Jan - Mar	Jan - Dec
Order Intake	36 121	32 197	153 586
Invoiced Sales	27 433	32 095	143 039
Recurring Revenue	19 463	17 412	70 042

**NOTE 9 DEFINITIONS**

**Contract Retention Rate** – Designates the percentage of customer contracts (e.g. term-based license contracts, support and maintenance contracts etc) Clavister has retained over a given time period.

**Invoiced Sales** – Total recognized revenue plus the change in deferred revenue during the period. We consider Invoiced Sales to be a useful metric for management and investors because it drives current and future revenue.

**Order Intake** – Total net sum of all legally binding customer orders in the period.

**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 relatively low cost of sales.

## SHAREHOLDER INFORMATION

### ABOUT CLAVISTER

Clavister is a leading European cybersecurity vendor with over 20 years of experience. Seated in Sweden, the company has customers in more than 150 countries; 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
Annual General Shareholders' Meeting	May 18, 2021
Interim report April-June 2021	August 26, 2021
Interim report July-September 2021	November 11, 2021
Interim report October-December 2021	February 17, 2022

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

### INVESTOR RELATIONS

David Nordström, CFO  
 Telephone: +46 (0)660 29 92 00  
 E-mail: [ir@clavister.com](mailto:ir@clavister.com)  
[www.clavister.com](http://www.clavister.com)

### COMMISSIONED RESEARCH

Redeye  
 Telephone: +46 (0)8 545 013 30  
 E-mail: [info@redeye.se](mailto:info@redeye.se)  
[www.redeye.se/company/clavister-holding](http://www.redeye.se/company/clavister-holding)

### CERTIFIED ADVISOR

FNCA Sweden AB  
 Telephone: +46 (0)8 5280 03 99  
 E-mail: [info@fnca.se](mailto:info@fnca.se)  
[www.fnca.se](http://www.fnca.se)

### THE SHARE

Exchange: Nasdaq First North  
 Symbol: CLAV  
 ISIN-code: SE0005308558

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 special review by the Company's auditor.

Örnsköldsvik, Sweden, 12<sup>th</sup> of May, 2021

John Vestberg  
 CEO