

Interim Report

Clavister Holding AB (publ)
July – September 2024



Summary of the Quarter

Highlights from the Quarter

- Positive operating profit (EBIT).
- Net Sales grew by 16 % (21 % FX-adjusted).
- Order intake grew by 31 %.

Material Post-Closing Events

The subscription rate for warrant series TO8 amounted to approximately 97.8 %. Clavister receives proceeds of approximately SEK 49.8 million before transaction costs.

+16.2 % +10.4 % 25.1 %

Net Sales ARR Adjusted EBITDA Margin

Key Metrics

(MSEK)	Q3 2024	Q3 2023	9M 2024	9M 2023
Order Intake	37.4	28.5	125.8	107.7
Order Intake Growth	31.2 %	14.6 %	16.8 %	15.8 %
Annual Recurring Revenue (ARR) at EoP	126.9	114.9	126.9	114.9
ARR Growth	10.4 %	15.1 %	10.4 %	15.1 %
Net Sales	43.8	37.7	132.6	112.5
Net Sales Growth	16.2 %	8.3 %	17.9 %	9.1 %
Gross Profit	36.7	31.3	109.5	95.5
Gross Margin	80.4 %	79.3 %	80.0 %	82.1 %
EBITDA	10.6	7.2	23.4	11.2
Adjusted EBITDA	11.5	7.8	25.4	14.2
Adjusted EBITDA Margin	25.1 %	19.7 %	18.6 %	12.2 %
EBIT	0.7	-5.1	-9.6	-23.5
Adjusted EBIT	1.6	-4.5	-7.6	-20.5
Adjusted EBIT Margin	3.4 %	-11.4 %	-5.5 %	-17.6 %
Net Result	-5.1	-8.9	-38.6	-58.5
Result per Share	-0.02	-0.16	-0.27	-1.04

Comments by the CEO

We reached a significant milestone with positive operating profit (EBIT) in the third quarter. Revenue grew by 16 % (21 % FX-adjusted), and both gross margin and EBITDA margin strengthened. We signed key customer agreements across all business areas and got our first product included in NATO's product catalogue.

Summary of the Quarter

The third quarter was eventful and positive in every aspect for Clavister. We achieved an important financial milestone in the form of positive operating profit (EBIT), an important milestone on the growth journey Clavister embarked on a few years ago.

In the third quarter, net sales grew by 16 %, driven by steady improvements of our base businesses and deliveries on defence contracts. This growth means we now mark twelve consecutive quarters of uninterrupted Y/Y sales growth. Adjusted for currency effects, sales increased by 21 % during the period.

Gross margin improved to 80% for the quarter, primarily driven by high software revenues, which also compensated for a substantial volume of hardware deliveries with lower margins. The adjusted EBITDA margin improved to 25 %.

The period saw a strong inflow of new key business contracts across all business areas. Total order intake grew by 31 %, resulting in an order backlog of 234 MSEK as of the end of September.

In September, the subscription period for TO8 warrants, issued in connection with the rights issue at the start of 2024, began. Subscription closed at the end of the quarter with a highly positive outcome: 98 % of the warrants were exercised, adding approximately 50 MSEK to Clavister before transaction costs. The proceeds will be used to reduce Clavister's net debt.

NIS2: A Clear Driver for European Cybersecurity

The new NIS2 directive, to be implemented through national legislation in 2025, aims to achieve a high common level of cybersecurity across the EU. As decision-makers embrace the requirements of NIS2, we see a clear increase in interest in Clavister's products and solutions, particularly from the public and energy sectors.



The NIS2 Directive aims to achieve a high common level of cybersecurity across the EU

The energy sector, in particular, is a high-profile target industry from a cybersecurity perspective. For threat actors aiming to paralyse a region or even a country, energy systems are a critical target in an active hybrid warfare context. The geopolitical situation is a primary driver of cyber challenges in the energy sector. Another driver is the converging technological environments, where traditionally closed OT systems ("operational technology") are increasingly opening up to internet-based systems. This exposure of inherently insecure networks and products significantly increases the potential attack surface.

One of Clavister's new solution offerings specifically addresses cybersecurity for OT systems. Here, we have an opportunity to

leverage our existing and highly capable technology platform and make market adjustments to be very relevant for the OT security market.

During the quarter, we won a contract to deliver Clavister's OT security solution, including associated services, to a large European energy provider. The contract has an initial order value for Clavister of approximately 2 MSEK and is expected to grow to around 10 MSEK in the coming years.

In the public sector, we welcomed a new Nordic agency in the field of critical infrastructure as a customer of our Identity and Access Management (IAM) solutions.

NATO as a Key Catalyst for Clavister

During the quarter, Clavister was officially approved by NATO's technical and cyber hub NCIA (NATO Communications and Information Agency) for inclusion in NATO's information assurance product catalog. Specifically, software from the Clavister CyberArmour product family (Clavister's firewalls for the defence sector) was listed as validated for use by NATO. This listing simplifies the process for customers and projects handling NATO information to choose Clavister as a supplier.



Clavister included in the NATO Information Assurance Product Catalogue (NIAPC)

One such customer is a major defence systems manufacturer operating in multiple European countries. The customer has chosen to integrate Clavister CyberArmour into one of the defence systems it produces in southern Europe. The customer

integrates Clavister's software on their own hardware and has initially chosen to order software licenses worth 5 MSEK. This business can grow both through increased volumes of the specific defence system and by expanding to adjacent systems produced by the same customer.

Another example involves the defence ministry of a NATO country, which has initiated a process to strengthen the cybersecurity level for personnel working in both military and civil defence. As part of this process, the defence ministry in that country selected Clavister as the supplier of its Identity and Access Management (IAM) solution to ensure strong authentication. The total business value for Clavister is expected to reach between 5 and 10 MSEK in annual recurring license revenues after scaling over 36 months.

Previously won defence contracts continue to be delivered as planned with a gradual increase in volume.

New 5G Business – A Breakthrough or Not?

For a prolonged period, uncertainty in the telecom market has meant that our 5G network cybersecurity business has shown no tangible growth. Although the market has started to show signs of recovery, the deployment of new 5G Standalone (5G SA) networks in Europe has continued at a slow pace.

However, at the end of the quarter, we were finally able to announce a new contract to provide 5G security to a Nordic mobile operator as part of a larger service contract through Nokia. The operator is building a new 5G mobile network, which is also one of the first commercial 5G SA networks in the Nordic region. The contract is initially modest in size for Clavister with an order value of 2 MSEK. However, it follows our volume-based telecom business model, meaning that the contract value will scale up as the operator's mobile data usage grows.

Whether this business marks a breakthrough for our 5G business remains to be seen, but based on the growth of our pipeline of business opportunities and the general sentiment in the telecom market, we feel there is reason for optimism about the future.

It is worth noting that the business opportunity valued at 20 to 40 MSEK, which we publicly disclosed in mid-June due to regulatory reasons, remains open for final decision by the customer.

Outlook

The third quarter saw further revenue growth and profit improvement. Our base business with solutions within the Next Generation Firewall (NGFW) domain and the Identity and Access Management (IAM) domain represents a stable and continuously growing foundation of our business. On top of that, our telecom and defence business contribute with large orders and secured cashflows over extensive time periods, but with the drawback of lower predictability.

Our development for the first three quarters of the year indicates that our sales growth for the full year 2024 will increase compared to 2023. We maintain our target of achieving a revenue growth of at least 20 % CAGR for the years 2023 to 2025.

We carry forward our operational efficiencies and estimate that full-year 2024 operating costs, adjusted for extraordinary one-time costs, will be in line with 2023 levels, despite inflationary impacts.

Our ambition for the full year 2024 is to achieve an EBITDA margin of at least 20 % and positive operational cash flow.

Thank you for joining us on our continued growth journey!

Örnsköldsvik, Sweden, November 7, 2024
John Vestberg, CEO and Group President



Comments on Financial Statement

Order Intake

Total order intake for the quarter amounted to 37.4 (28.5) MSEK, a year-on-year increase of 31.2 %.

During the past 12-month period, order intake amounted to MSEK 343, in which the fourth quarter 2023 stood out due to a significant order within the defence sector.

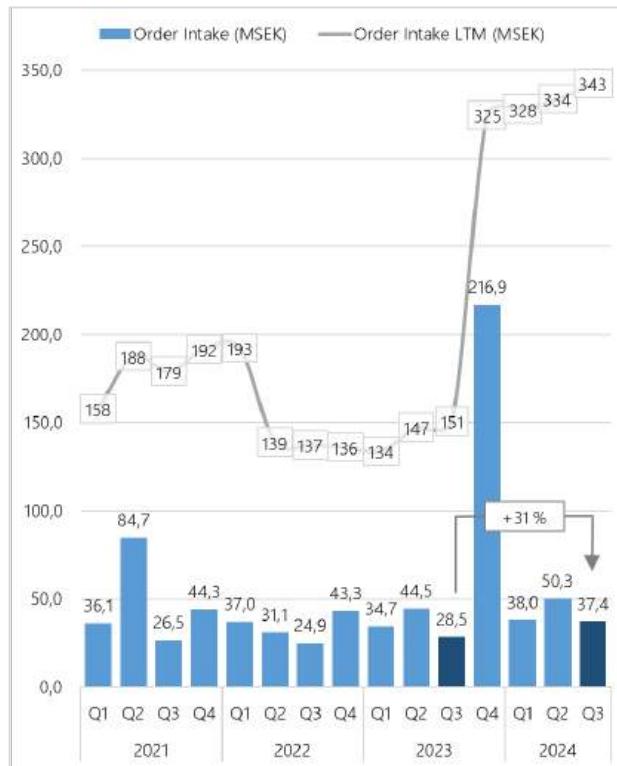


Figure 1. Order intake development 2021 – 2024 Q3.

Deals within the defence and telecom sectors are typically volatile by their nature.

The order book balance on 30 September 2024 amounted to 233.6 (75.2) MSEK. The majority of the order book balance relates to contracts within the defence and telecom sector where, according to the current plan, deliveries will occur continuously up to and including 2029.

Deferred revenue from pre-paid contracts and prepaid consulting services amounted to 59.6 (58.0) MSEK, whereof 42.9 (44.2) MSEK will be recognized as revenue during the coming 12-month period.

Net Sales

Net sales for the quarter amounted to 43.8 (37.7) MSEK, a year-on-year increase of 16.2 %. The increase is primarily driven a general increase in the base businesses.

Adjusted for currency effects net sales amounted to 44.2 (36.6) MSEK, an increase of 20.8 %. In addition to SEK, sales are also made in EUR and USD.

Sales of products and licenses are a major part of net sales, amounting to 38.9 MSEK, or 88.9% of net sales, while revenue from professional services amounted to 4.8 MSEK.

Professional services are services related to the Company's products, for example configuration and optimisation services as well as advanced installation services.



Figure 2. Net sales development 2021 – 2024 Q3.

NET SALES BY TYPE

(TSEK)	2024		2023		2023
	Jul - Sept	Jul - Sept	(%)	Jan - Dec	
Product and license revenue		38 932		32 779	19%
Professional services		4 841		4 953	-2%
Net Sales	43 773		37 732	16%	160 610

Annual Recurring Revenue

Annual recurring revenue on 30 September 2024 amounted to 126.9 (114.9) MSEK, a year-on-year increase with 10.4 %.

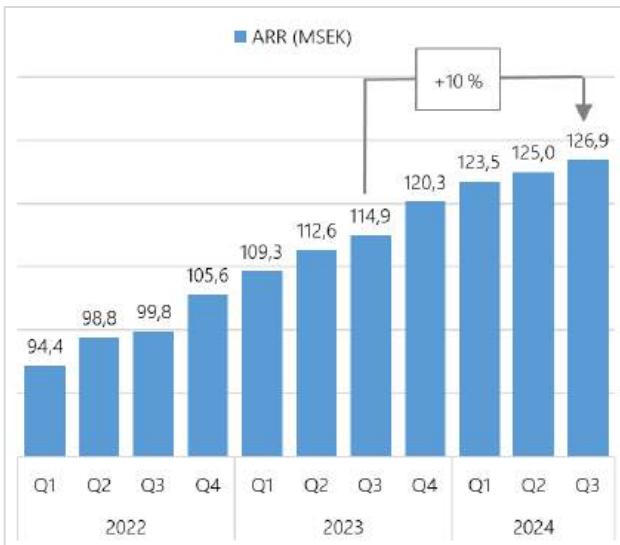


Figure 3. Development of ARR 2022 – 2024 Q3.

The increase is primarily explained by an increase in won contracts over the last twelve-month period.

Deals providing recurring license revenue are the norm in Clavister's sales. An exception is sales to the defence sector, which currently predominantly consists of products with a high proportion of non-recurring revenue and a lower proportion of recurring revenue.

Gross Margin and Gross Profit

Gross margin amounted to 80.4 (79.3) %.

The change in margin is explained by the nominal variations in product mix.

Gross profit for the quarter amounted to 36.7 (31.3) MSEK, an increase of 17.3 %.



Figure 4. Development of Gross Profit 2021 – 2024 Q3.

Operating Expenses

Total operating expenses (OPEX) amounted to -33.7 (-31.4) MSEK, whereof personnel expenses amounted to -25.8 (-21.7) MSEK and other external expenses amounted to -7.9 (-9.7) MSEK.

The change in expense mix is explained by a changeout of external consultants to own employees.

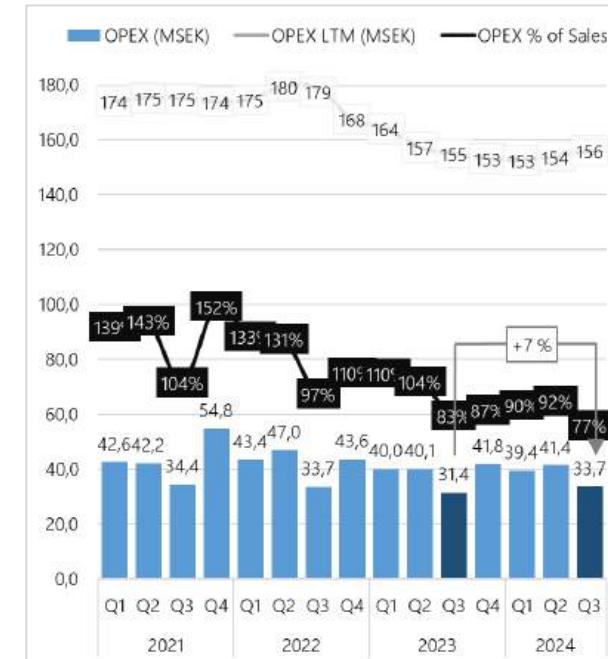


Figure 5. Development of OPEX 2021 – 2024 Q3.

The quarter was impacted by non-recurring expenses of -0.9 (-0.6) MSEK. Adjusted for non-recurring expenses, operating expenses amounted to -32.8 (-30.8) MSEK. Most of the non-recurring expenses relates to the ongoing legal dispute with FortifiedID AB.

Other external expenses consist mainly of marketing, IT and communication and external consultants.

Operating Result

EBITDA amounted to 10.6 (7.2) MSEK. Adjusted for non-recurring expenses EBITDA amounted to 11.5 (7.8) MSEK.

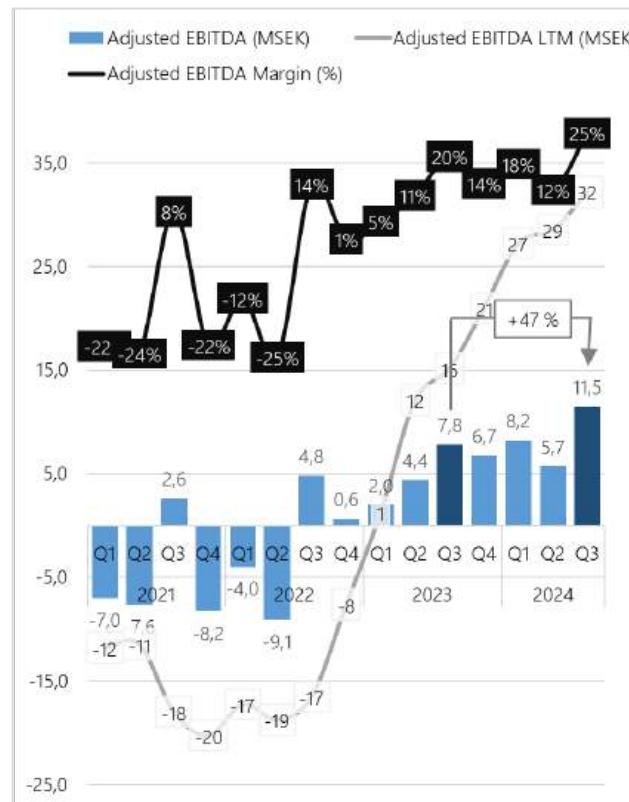


Figure 6. Development of EBITDA 2021 – 2024 Q3.

Depreciation and amortization amounted to -9.9 (-12.3) MSEK, whereof -1.0 (-1.3) MSEK is attributed to IFRS 16.

EBIT amounted to 0.7 (-5.1) MSEK. Adjusted EBIT amounted to 1.6 (-4.5) MSEK.

Financial Net

Financial income and expenses amounted to -5.8 (-3.7) MSEK.

The financial net consists of the following non-cash items; currency revaluations for long-term liabilities 1.9 (7.9) MSEK, costs for warrants and costs related to long-term liabilities -0.1 (-0.1) MSEK, and long-term interest to lenders -4.0 (-4.0) MSEK.

The financial net consists of the following items impacting cash-flow; interest on factoring, short-term interest to lenders and interest income -3.2 (-6.8) MSEK, interest on leasing contracts under IFRS 16 -0.4 (-0.7) MSEK.

Result after tax

Result after taxes amounted to -5.1 (-8.9) MSEK.

Investments in Intangible Assets

Capitalised costs for development work amount to 7.8 (10.4) MSEK, whereof 7.6 (7.3) MSEK refers to capitalised development expenses.

CAPITALIZED DEVELOPMENT

(TSEK)	2024	2023	2023
	Jul - Sep	Jul - Sep	(%) Jan - Dec
Capitalisation of development costs	7,779	10,436	-27%
Amortization of capitalised development costs	-8,238	-10,422	-21%
Change in capitalisation of development costs	-459	14	12

Shareholders' Equity and Liabilities

Equity amounted to -125.4 (-222.1) MSEK. Negative group equity is not an issue from a Companies Act perspective. Equity for the parent company Clavister Holding AB amounted to 206.5 (103.7) MSEK.

Interest-bearing Liabilities

On 30 September 2024, interest-bearing liabilities amounted to 310.9 (318.2) MSEK, distributed between long-term liabilities of 268.6 (205.4) MSEK and short-term liabilities of 42.3 (112.8) MSEK.

Financial Net Debt

On 30 September 2024, the financial net debt amounted to -202.9 (-244.1) MSEK.

Cash Flow

Cash flow from operating activities before working capital changes amounted to 6.3 (-0.3) MSEK.

Cash flow from operating activities amounted to 2.0 (4.3) MSEK.

Cash flow from investing activities amounted to -8.3 (-10.4) MSEK, whereof capitalization of development costs amounted to -7.8 (-10.4) MSEK.

Cash flow from financing activities amounted to -8.3 (-2.0) MSEK. The increase compared to previous period relates to repayment to the Swedish Tax Authority for previously received Covid-19 support in the form of deferral of tax payment of VAT, deducted tax and social contribution.

Change in cash position was -14.6 (-8.0) MSEK. Cash balance amounted to 115.3 (18.6) MSEK on 30 September 2024.

Impairment Testing

No need for impairment has been identified during the third quarter of 2024.

Personnel and Organisation

On 30 September 2024, the number of full-time equivalent employees (FTE) amounted to 105 (98). Hired personnel corresponded to 8 (14) people at the end of the period.

Disputes and Litigations

A legal dispute is ongoing with the legal entity Fortified ID AB, as well as some of the former employees of PhenixID AB, which the group has reason to believe is infringing on intellectual property rights owned by the fully owned subsidiary PhenixID AB. Please see the Annual Report 2023 for more information.

Transactions with Related Parties

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

Risks and Uncertainties

Please see the Annual Report 2023 and the Clavister website, 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

After the end of the reporting period, the outcome of the exercise of warrants of series TO8 was announced. The outcome indicated that 41,476,200 Warrants were exercised for subscription of shares. The subscription rate amounted to approximately 97.8 percent. Clavister receives proceeds of approximately SEK 49.8 million before deduction for issuing costs. By the exercise of the Warrants, the total number of shares in Clavister increases by 41,476,200 to 267,597,610 shares. The share capital in Clavister increases by SEK 4,147,620.0 to SEK 26,759,761.0. The dilution for existing shareholders who have not exercised any Warrants amounts

to approximately 15.5 percent of the shares and votes. The proceeds will be used to reduce Clavister's net debt.

Ambitions and Planning Assumptions

Sales growth for the full year 2024 is expected to exceed that of 2023. From 2023 through 2025, the goal is a revenue growth of at least 20 % (CAGR).

Operational efficiencies have led to a lower cost base, and OPEX for the full year 2024, adjusted for extraordinary one-time costs, is estimated to be on par with the 2023 level, despite inflationary impact.

The ambition for 2024 is to achieve an EBITDA margin of at least 20 % and a positive operational cash flow.

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

Condensed Consolidated Income Statement

(TSEK)	2024	2023	2024	2023	2023
	Jul - Sep	Jul - Sep	Jan - Sep	Jan - Sep	Jan - Dec
Net sales	43 773	37 732	132 620	112 503	160 610
Other revenue	1 858	1 762	4 321	3 815	4 431
Total revenue	45 631	39 494	136 941	116 318	165 041
COGS	-8 941	-8 182	-27 453	-20 848	-31 944
Gross profit	36 690	31 312	109 488	95 470	133 097
Cap. Dev. Expenses	7 638	7 320	28 384	27 219	37 804
Staff costs	-25 796	-21 694	-88 726	-75 809	-106 356
Other external costs	-7 930	-9 730	-25 789	-35 695	-46 905
EBITDA	10 602	7 208	23 357	11 185	17 639
Depreciation and amortization	-9 888	-12 307	-32 982	-34 709	-48 295
EBIT	714	-5 099	-9 625	-23 524	-30 655
Financial items	-5 825	-3 739	-28 952	-35 005	-34 848
Result after financial items	-5 111	-8 838	-38 577	-58 529	-65 503
Taxes	0	-14	-17	16	153
Net profit - loss	-5 111	-8 852	-38 594	-58 513	-65 350
<i>Average number of shares before dilution</i>	226 121 410	56 530 354	141 325 882	56 530 354	56 530 354
<i>Average number of shares after dilution</i>	328 740 703	64 617 151	196 347 411	63 472 756	64 617 151
<i>Earnings per share before dilution, SEK</i>	-0.02	-0.16	-0.27	-1.04	-1.16
<i>Earnings per share after dilution, SEK</i>	-0.02	-0.16	-0.27	-1.04	-1.16
Net profit relating to					
Shareholders of the Parent Company	-5 111	-8 852	-38 594	-58 513	-65 350
<i>Total results of the Group:</i>					
Net profit (loss) end of the period	-5 111	-8 852	-38 594	-58 513	-65 350
Other profit	-27	70	-32	-20	3
Net profit (loss)	-5 138	-8 782	-38 626	-58 533	-65 347

Condensed Consolidated Balance Sheet

(TSEK)	2024-09-30	2023-09-30	2023-12-31
Assets			
<i>Non-current assets</i>			
Goodwill	66 697	66 697	66 697
Intangible assets	108 790	110 499	108 923
Property, Plant & Equipment	1 050	623	677
Right of use assets	16 865	6 045	18 153
Deferred tax asset	0	86	0
Other long-term receivables	1 001	887	886
Total non-current assets	194 403	184 836	195 336
<i>Current assets</i>			
Inventories	21 261	20 127	16 253
Current receivables	45 574	44 799	49 110
Cash and bank balances	115 313	18 588	38 661
Total current assets	182 147	83 514	104 025
Total assets	376 551	268 350	299 361

(TSEK)	2024-09-30	2023-09-30	2023-12-31
Equity and liabilities			
<i>Equity</i>			
Equity	-125 387	-222 070	-228 882
Total equity	-125 387	-222 070	-228 882
<i>Liabilities</i>			
<i>Long-term liabilities</i>			
Convertible debentures	9 248	8 878	8 996
Liabilities to credit institutions	285 902	256 964	219 358
Lease liabilities	14 072	5 268	14 997
Deferred tax liabilities	285	383	285
Long-term liabilities	41 009	1 619	4 372
Total long-term liabilities	350 516	273 112	248 009
<i>Current liabilities</i>			
Liabilities to credit institutions			
Liabilities to credit institutions	13 278	37 350	66 576
Lease liabilities	3 338	621	3 338
Accounts payable	8 783	14 859	16 725
Other liabilities	31 277	79 185	97 166
Deferred revenues	59 632	58 035	67 567
Accrued expenses and deferred income	35 114	27 259	28 862
Total current liabilities	151 422	217 308	280 235
Total liabilities	501 938	490 420	528 244
Total equity and liabilities	376 551	268 350	299 361

Condensed Statement of Changes in Equity

(TSEK)	2024	2023	2024	2023	2023
	Jul - Sep	Jul - Sep	Jan - Sep	Jan - Sep	Jan - Dec
Equity, beginning of period	-120 837	-213 287	-228 882	-163 536	-163 536
Cash issue	0	0	169 614	0	0
Issue expenses	0	0	-28 082	0	0
Payments for Warrants	588	0	588	0	0
Other total income for the period	-27	70	-32	-20	3
Result for the period	-5 111	-8 853	-38 594	-58 514	-65 350
Equity, end of period	-125 387	-222 070	-125 387	-222 070	-228 882

Condensed Consolidated Cash Flow Statement

(TSEK)	2024	2023	2024	2023	2023
	Jul - Sep	Jul - Sep	Jan - Sep	Jan - Sep	Jan - Dec
Profit (loss) before taxes	-5 111	-8 839	-38 577	-58 530	-65 503
Reversal of depreciation and write-downs	9 888	12 307	32 982	34 709	48 295
Other adjustments for non-cash items, etc *	2 149	-3 797	16 338	21 735	16 131
Paid taxes	-586	16	-538	-64	367
Cash flow from operating activities before working capital changes	6 340	-314	10 204	-2 150	-710
Changes in inventories	-458	-6 198	-5 008	-6 607	-2 733
Changes in operating receivables	4 145	10 082	3 705	7 840	3 545
Changes in operating liabilities**	-8 015	779	-9 935	-592	13 207
Cash flow from operating activities	2 011	4 348	-1 034	-1 509	13 309
Acquisition of Property, Plant and Equipment	-486	-89	-601	-694	-855
Investment of capitalized development work	-7 779	-10 436	-29 476	-30 654	-41 255
Other acquisition of financial fixed assets	0	132	-100	253	254
Cash flow from investing activities	-8 265	-10 393	-30 177	-31 096	-41 857
Borrowings**	-7 961	-540	-31 621	12 572	29 933
Amortization of leasing liabilities	-929	-1 463	-2 598	-3 792	-5 039
New share issue, incl transaction cost	564	0	142 096	0	0
Other changes in financing activities	-15	0	-15	0	-97
Cash flow from financing activities	-8 340	-2 003	107 862	8 780	24 797
Change in Cash Position	-14 595	-8 048	76 651	-23 824	-3 750
Cash, beginning of period	129 907	26 636	38 661	42 412	42 412
Cash, end of period	115 313	18 588	115 313	18 588	38 661

* "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, deducted tax and social contribution has, for the period Jan – Sept 2023 been reclassified from "Cash flow from operating activities" to Cash flow from financing activities".

Condensed Income Statement for Parent Company Clavister Holding AB

(TSEK)	2024	2023	2024	2023	2023
	Jul- Sep	Jul- Sep	Jan - Sep	Jan - Sep	Jan - Dec
Net sales	2 251	2 251	6 754	6 754	9 004
Total revenue	2 251	2 251	6 754	6 754	9 004
Staff costs	-2 759	-2 542	-8 875	-9 869	-13 396
Other external costs	-1 175	-1 066	-3 304	-4 536	-5 435
EBITDA	-1 683	-1 357	-5 425	-7 651	-9 827
Financial items	-54	-378	-761	-1 041	-2 141
Result after financial items	-1 737	-1 735	-6 186	-8 692	-11 968
Group contribution paid	0	0	0	0	-29 900
Taxes	0	0	0	0	97
Net result	-1 737	-1 735	-6 186	-8 692	-41 771

Condensed Balance Sheet for Parent Company Clavister Holding AB

(TSEK)	2024-09-30	2023-09-30	2023-12-31
Assets			
<i>Fixed assets</i>			
Shares in group companies	462 274	444 174	462 274
Receivables from group companies	0	0	8 000
Total fixed assets	462 274	444 174	470 274
<i>Current assets</i>			
Current receivables	694	928	457
Cash and bank balances	26 454	1 026	16 734
Total current assets	27 148	1 954	17 191
Total assets	489 423	446 128	487 465
Equity and liabilities			
<i>Equity</i>			
Equity	206 504	103 671	70 592
Total equity	206 504	103 671	70 592
<i>Liabilities</i>			
<i>Long-term liabilities</i>			
Convertible debentures	9 248	8 878	8 996
Liabilities to Group companies	264 462	321 462	376 462
Deferred tax	285	383	285
Other long-term liabilities	3 659	0	467
Total long-term liabilities	277 654	330 723	386 211
<i>Current liabilities</i>			
Accounts payable	770	757	1 235
Other liabilities	2 681	7 281	26 814
Accrued expenses and deferred income	1 814	1 696	2 613
Total current liabilities	5 265	11 734	30 662
Total liabilities	282 919	342 457	416 873
Total equity and liabilities	489 423	446 128	487 465

Noter

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 2023.

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 22,612,141 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 September 2024, the number of shareholders amounted to 6,142. The registered number of shares on 30 September 2024, amounted to 226,121,410 according to The Companies Registration Office.

THE 10 LARGEST SHAREHOLDERS*	Number of shares 2024-09-30	% of total number of shares
Per Anders Bendt	42 493 947	18.8%
Avanza Pension	19 815 721	8.8%
Alcur Funds	12 261 186	5.4%
Cajory Defence AB	8 827 148	3.9%
ÖstVäst Capital Management	8 488 840	3.8%
Staffan Dahlström	7 521 584	3.3%
Nordnet Pension Insurance	7 100 362	3.1%
B Sjögren i Halmstad Förvaltnings AB	4 927 500	2.2%
Tagehus Holding AB	4 400 124	1.9%
Göran Nordlund (Fore C Investments)	4 400 000	1.9%
Övriga aktieägare	105 884 998	46.8%
 Shares registered under the Companies Registration Office as of 2024-09-30	 226 121 410	 100.0%
New share issues (reg 2024-10-07)	41 476 200	
Additional shares potentially issued in 2024 through 2038, due to warrants and convertible loan.	60 682 311	
 Number of shares after full dilution	 328 279 921	

*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 12,725,500 warrants. These warrants mature in 2025 and 2027. 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 six warrant programs with a total amount of warrants of 3,776,515 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.

In connection with the rights issue of units, an additional two programs for warrants were issued, TO8 (closed) and TO9 (open). TO8, with a subscription period up to and including 30th September 2024 reached a subscription rate of approximately 97.8 %, registered on October 7th, 2024. TO9 is still open and amounts to 42,397,764 warrants.

Holders of warrants will be entitled to subscribe for one new share in the company for each warrant. The total number of issued and open warrants amounts to 58,899,779.

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 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	225 500	0	225 500	10.95
TO 2024 - 2024-09-30	42 397 764	42 397 764	0	1.2
TO 2024 - 2025-03-31	42 397 764	0	42 397 764	*
TO 2024 - 2027-06-30	12 500 000	0	12 500 000	2.0
			58 899	
	101 297 543	42 397 764	779	

* Subscription price for T09 corresponds to 70 % of volume-weighted average price during 3 March to 14 March 2025, however not less than SEK 0.75 per share and not more than SEK 1.50 per share.

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

Note 5 Pledged Assets

GROUP	(TSEK)	2024-09-30	2023-09-30	2023-12-31
Pledged accounts receivable		5 960	4 907	8 487
Pledged shares in subsidiaries		88 484	0	0
Other pledged assets		1 400	1 400	1 400
Total	95 844	6 307	9 887	

PARENT COMPANY

(TSEK)	2024-09-30	2023-09-30	2023-12-31
Pledged shares in Group companies	101 550	0	0
Total	101 550	0	0

Note 6 Contingent Liabilities

GROUP	(TSEK)	2024-09-30	2023-09-30	2023-12-31
No Contingent liabilities		0	0	0
Total	0	0	0	

PARENT COMPANY

(TSEK)	2024-09-30	2023-09-30	2023-12-31
Parent company guarantee	*	0	0
Total	0	0	0

* The parent company guarantee secures the liability to the European Investment Bank (EIB), for further information on amount, refer to "Liabilities to credit institutions" in the Group Balance Sheet.

Note 7 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)	2024 Jul -Sept	2023 Jul -Sept	2023 Jan - Dec
Order intake	37 411	28 511	324 615
Annual recurring revenue (ARR)	126 897	114 940	120 293

Note 8 Definitions

Adjusted EBIT – EBIT adjusted for non-recurring expenses.

Adjusted EBITDA – EBITDA adjusted for non-recurring expenses.

Annual Recurring Revenue (ARR) – Total sum of the annual value of all active licenses and support contracts as per the quarter end date. These revenues are 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.

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

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

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

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.

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.

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

Note 9 Financial Metrics

TSEK	2024	2023	2024	2023	2023
	Jul - Sep	Jul - Sep	Jan - Sep	Jan - Sep	Jan - Dec
Net sales (TSEK)	43 773	37 732	132 620	112 503	160 610
Total revenue (TSEK)	45 631	39 494	136 941	116 318	165 041
Gross profit (TSEK)	36 690	31 312	109 488	95 470	133 097
Gross margin (%)	80,4 %	79,3 %	80,0 %	82,1 %	80,6 %
EBITDA (TSEK)	10 602	7 207	23 357	11 184	17 639
Operating profit (TSEK)	714	-5 100	-9 625	-23 525	-30 655
Net profit (loss) (TSEK)	-5 111	-8 853	-38 594	-58 514	-65 350
Earnings per share (SEK) before dilution	-0.02	-0.16	-0.27	-1.04	-1.16
Earnings per share (SEK) after dilution	-0.02	-0.16	-0.27	-1.04	-1.16
Price per earnings (SEK)	N/A	N/A	N/A	N/A	-1.11
Equity per share	-0.55	-3.93	-0.55	-3.93	-4.05
Number of shares before dilution at the end of the period	226 121 410	56 530 354	226 121 410	56 530 354	56 530 354
Number of shares after dilution at the end of the period	328 279 921	64 414 901	328 279 921	64 414 901	64 414 901
Average number of shares before dilution	226 121 410	56 530 354	141 325 882	56 530 354	56 530 354
Average number of shares after dilution	328 740 703	64 617 151	196 347 411	63 472 756	64 617 151
Number of employees at the end of period (FTE)	105	98	105	113	102
Average number of employees (FTE)	105	99	104	123	105
Number of employees and external resources at end of period	113	112	113	133	114
Equity/assets ratio (%)	Negative	Negative	Negative	Negative	Negative
Quick ratio (%)	106 %	29 %	106 %	29 %	31 %
Net debt (-), Net cash (+) (TSEK)	-202 920	-244 056	-202 920	-244 056	-301 536

Report Information

Financial Calendar

Interim Report Oct - Dec 2024 13 Feb 2025	Release of Annual report 28 April 2025	Interim Report Jan - Mar 2025 8 May 2025	Interim Report Apr - Jun 2025 21 Aug 2025
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The Share

Exchange: Nasdaq First North
Symbol: CLAV
ISIN Code: SE0005308558

Investor Relations

David Nordström, CFO
Phone: +46 (0)660 29 92 00
E-mail: ir@clavister.com
www.clavister.com

Commissioned Research

ABG Sundal Collier
Phone: +46 (0) 8 566 286 89
E-mail: simon.jonsson@abgsc.se
www.introduce.se/foretag/clavister/start

Certified Adviser

FNCA Sweden AB
www.fnca.se

Auditor

PwC Sverige
Authorised Public Accountant: Claes Sjödin
E-mail: claes.sjoedin@pwc.com
www.pwc.se

Any forward-looking statements in this report are based on Clavister's best assessment at the time of the report. Actual result may materially different. 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, 7th of November 2024

*John Vestberg
CEO and President*

