Q1 2018 presentation

CEO Torgrim Takle | CFO Jon Birger Syvertsen 15 May 2018

The Software Experts
Crayon

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Unique Business Model

Customers' key challenges within IT

How to optimize SW spending?

Costs *Business Value*

Procurement & Deployment

Crayon | Business Model

Relentless SW innovation cycles

SERVICES **SOFTWARE**

SAM-iQ CLOUD-iQ ELEVATE

GDPR INFINITY DIGITAL 360° Catch

Managed Services & IP

- *Customer acquisition*
- *Recurring business*
- *Customer retention*

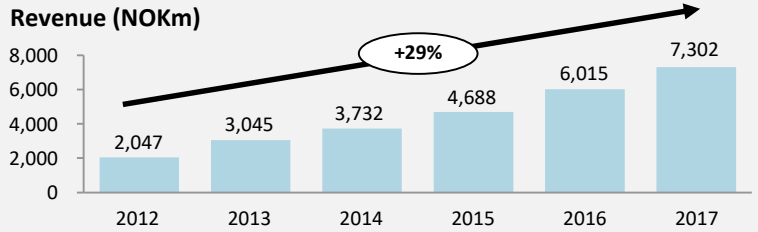
- *Customer upsell*
- *End-to-end services*
- *Hyper scalable*

Crayon at a glance

Numbers

***~1100** teammates*

***21** countries*



***~30%** revenue CAGR*

Business Areas

- Software Asset Management (SAM)
- Cloud Consulting & Solutions

49% ***SERVICES***

51% ***SOFTWARE***

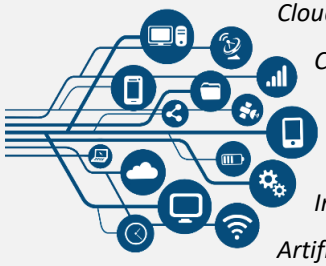
- Software Direct
- Software Indirect

Market

Underlying megatrend:

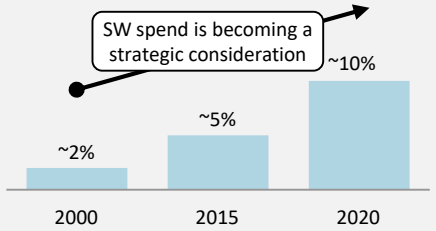
Digital Transformation

- Exponential growth in software spending and complexity
- Global market – customers facing same challenges everywhere

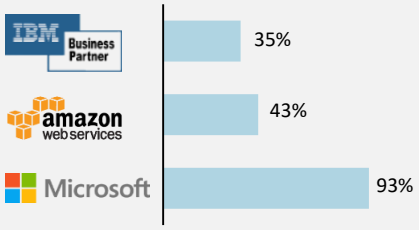


Cloud Computing
Cyber Security
Mobility
Big Data
Internet of Things (IoT)
Artificial Intelligence (AI)

SW spend as % of total opex



Cloud revenue growth



1 Based on 2017 gross profit, excl. admin & eliminations

Business Update

Q1 2018 | CEO Torgrim Takle

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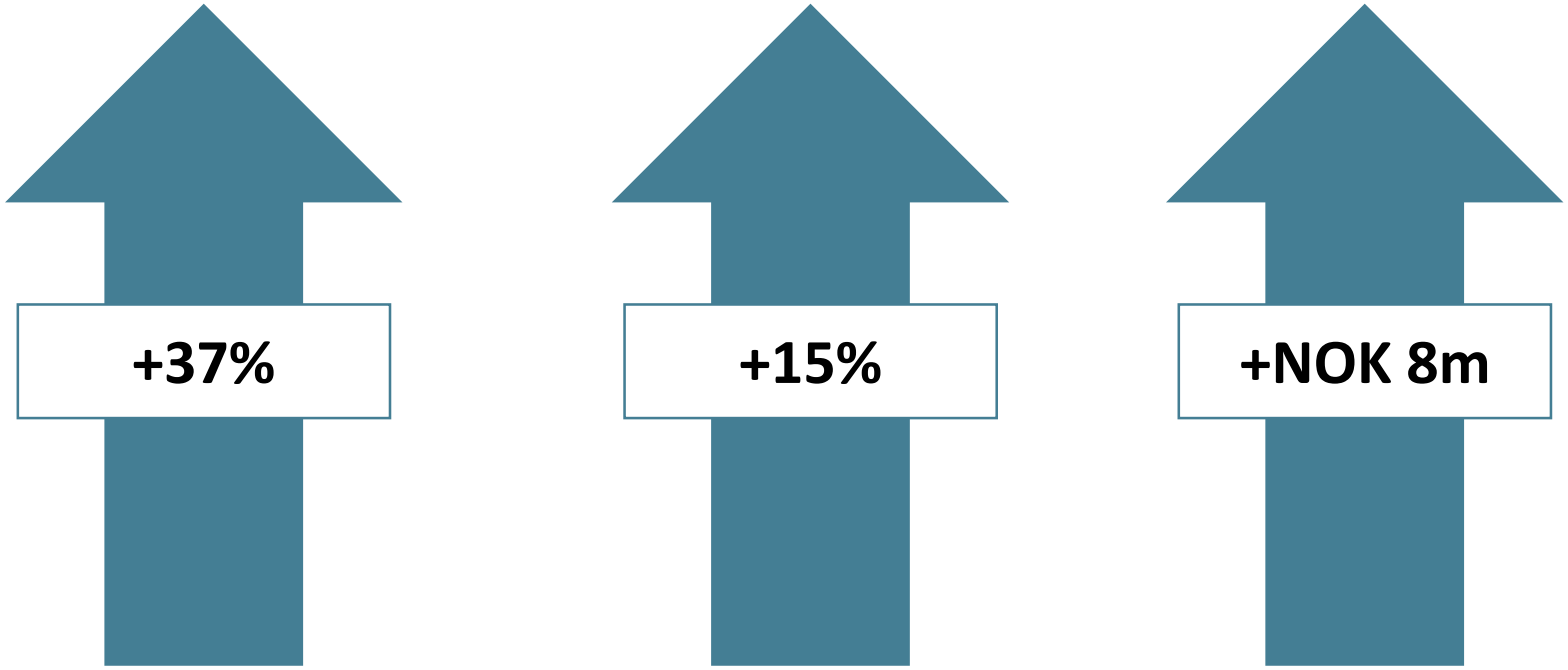
Q1 2018 Highlights

1. STRONG GROWTH & EBITDA PERFORMANCE
2. THE NORDICS “BACK ON TRACK”
3. CONTINUED CLOUD LEADERSHIP
4. INTELLECTUAL PROPERTY MOMENTUM
5. ACQUISITION OF KRYPTOS (INDIA)
6. IMPROVED MID-TERM CAPITAL STRUCTURE

Q1 2018 Highlights

1 Strong Growth & EBITDA Performance

Compared to corresponding period last year



Revenue

(MNOK 1,856)

Gross Profit

(MNOK 310)

EBITDA[1]

(MNOK 13)

1 Adjusted EBITDA, excluding extraordinary costs

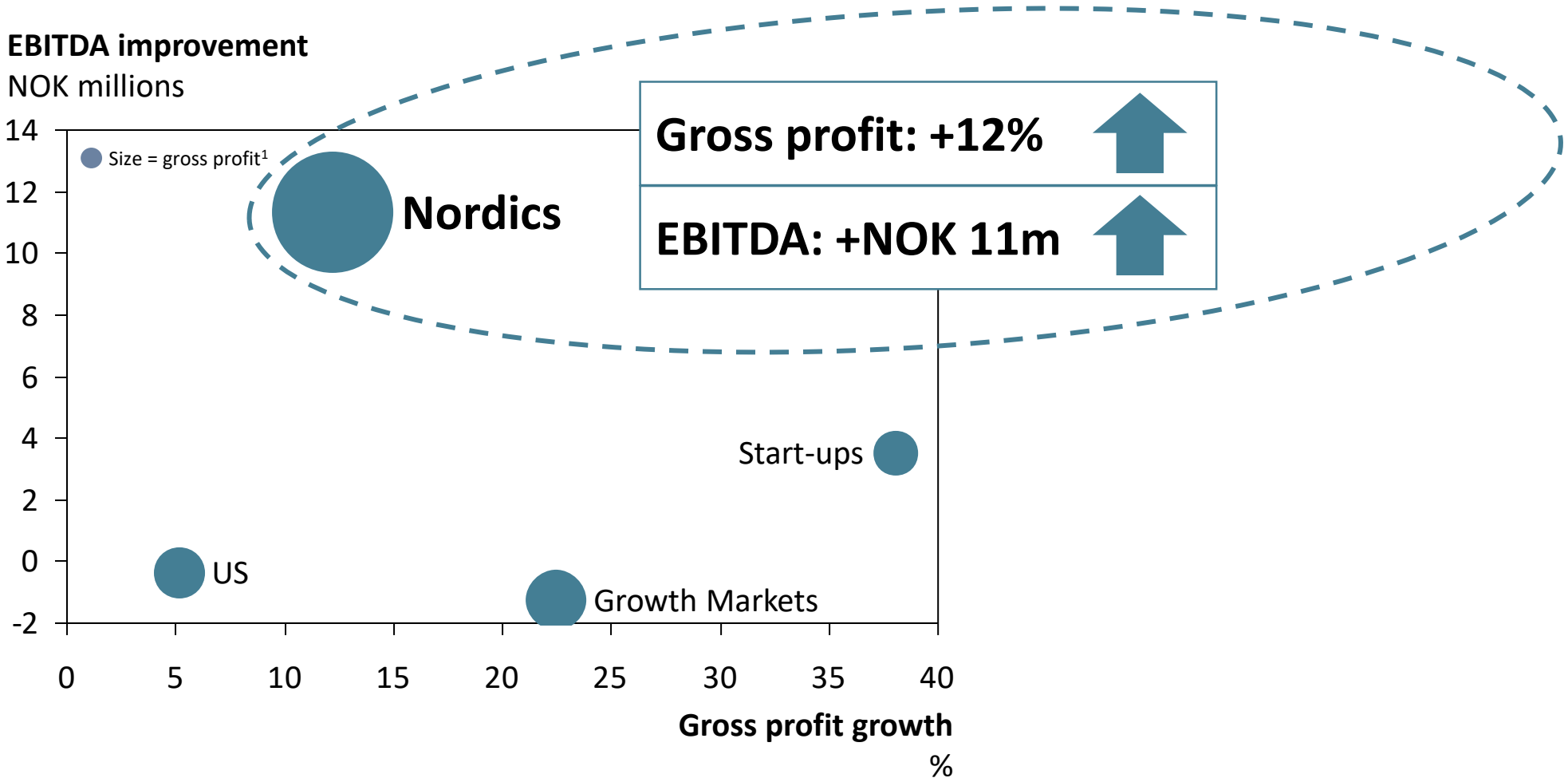
Q1 2018 Highlights

2 The Nordics "Back on Track"

Compared to corresponding period last year

EBITDA improvement

NOK millions



Gross profit: +12%

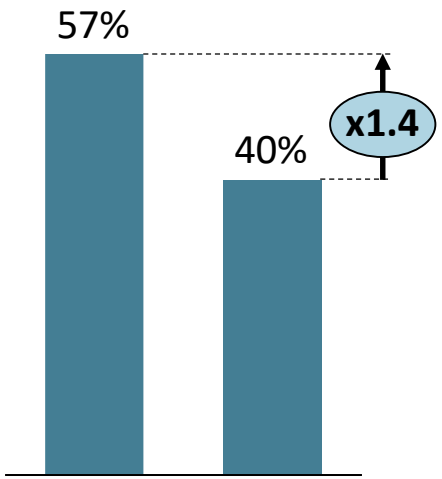
EBITDA: +NOK 11m

1 Q1 2018

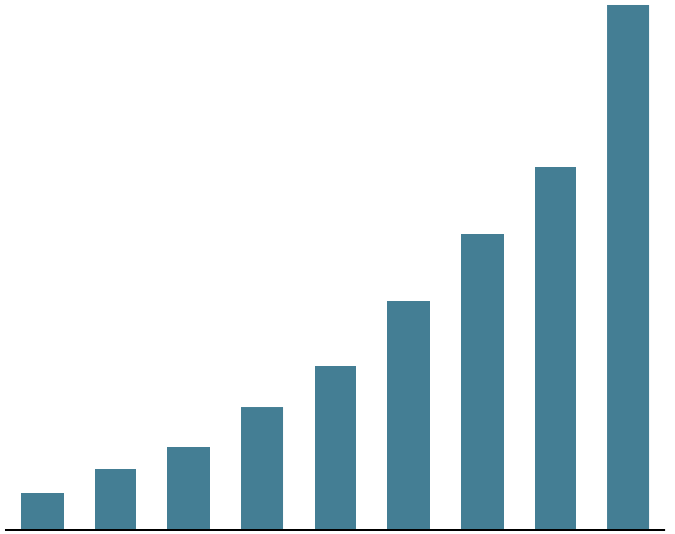
Q1 2018 Highlights

3 Continued Cloud Leadership

Cloud mix[1]



 # CSP[2]/cloud subscriptions: 624 000



Microsoft

- **Fastest growing global Microsoft partner & highest cloud mix**
- **5th largest CSP partner globally (Microsoft's new "flagship" channel licensing program)**
- **LTM gross profit of MNOK 53 vs MNOK 70 annualized[3]**

1 Microsoft strategic partners; Cloud Revenue Metrics includes Public Cloud + Hybrid Cloud (SPLA & System Center); Percent of total Microsoft revenue Q1 2018
2 Cloud Solution Provider; Microsoft licensing program
3 CSP: Q1 2018 gross profit x 4

Q1 2018 Highlights

4 Intellectual Property Momentum

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CLOUD-iQ **+121** new partners & customers onboarded (total ~1,900)

SAM-iQ **+77** new subscriptions signed (double compared to previous quarter)

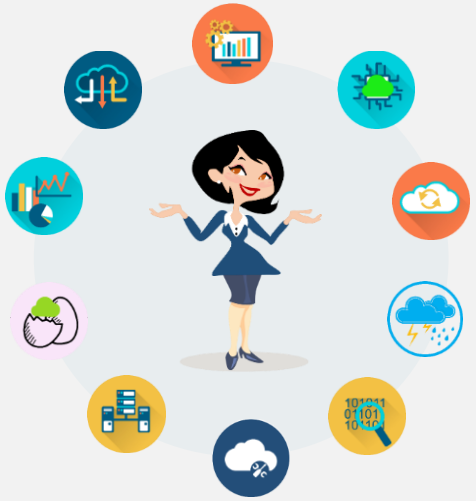
ELEVATE **20** SAM projects delivered (double compared to previous quarter)

Modern Workplace as a Service GDPR INFINITY **2 new services** launched (GDPR portal & Modern Workplace service)

5

Q1 2018 Highlights

Strengthening Crayon's cloud service offerings



Cloud Easy Services

SERVICES FOR YOUR CLOUD NEEDS

AWS Azure vmware PRIVATE CLOUD

- Cloud Proof of Concept
- Cloud Migrations
- Cloud Connectivity
- Cloud Back up & Disaster Recovery
- Cloud Monitoring
- Cloud Management
- Cloud Care Support
- Cloud Infrastructure

- Acquisition of Kryptos Technologies Pvt. Ltd ("Kryptos") in March 2018, initially acquired a majority stake at an enterprise value of MNOK 8.5
- Offering relevant & valuable services to all of Crayon's customers worldwide (cloud migration & managed services)
- Scalable and low-cost delivery model (~60 cloud specialists in India)
- Hybrid sales & delivery model (local vs offshore resources), maximizing cost/benefit and providing differentiation in the market

Subscription Price Target:
NOK 15k/month

Net Profit Target
50% of sales

#Subscriptions Target
75+ next 12 months

Expected Return on Investment
~400%

1 Assuming sales/profit targets are met. Based on acquisition price of MNOK 8.5 and an applied EBITDA multiple of x5 for future valuation (EV)

Q1 2018 Business Area Summary

	SW Direct		SW Indirect		SAM		Consulting	
	Q1 2018	Q1 2017	Q1 2018	Q1 2017	Q1 2018	Q1 2017	Q1 2018	Q1 2017
Gross profit growth[1]	+23%	+5%	+10%	+21%	+7%	+15%	+18%	+1%
EBITDA margin[2]	29%	23%	32%	42%	10%	12%	11%	8%
Selected contract wins	Valtori, BBG Bundesbeschaffung, Eduskunta Riksdagen				Trusted Source, Olav Thon Gruppen		dar group, TINE, Ragn Sells	
Q1 drivers	• Strong underlying market growth (Gartner reporting a "paradigm shift") • Several significant customer wins • Increased scope of cross-border arbitrage		• Accelerated partner recruitment, cloud migration & consumption • Reiterate outlook & impact of incentive changes communicated in Q4		• Transition to cloud economics • YoY figures negatively impacted by Easter Holiday • Investments in new services and customer onboarding		• Significant customer wins • Strong performance, despite less production hours • Initiated investments for building global AI/Machine Learning practice	

1 Gross profit growth Year over Year ("YoY")
2 EBITDA as a percentage of gross profit

Financial Review

Q1 2018 | CFO Jon Birger Syvertsen

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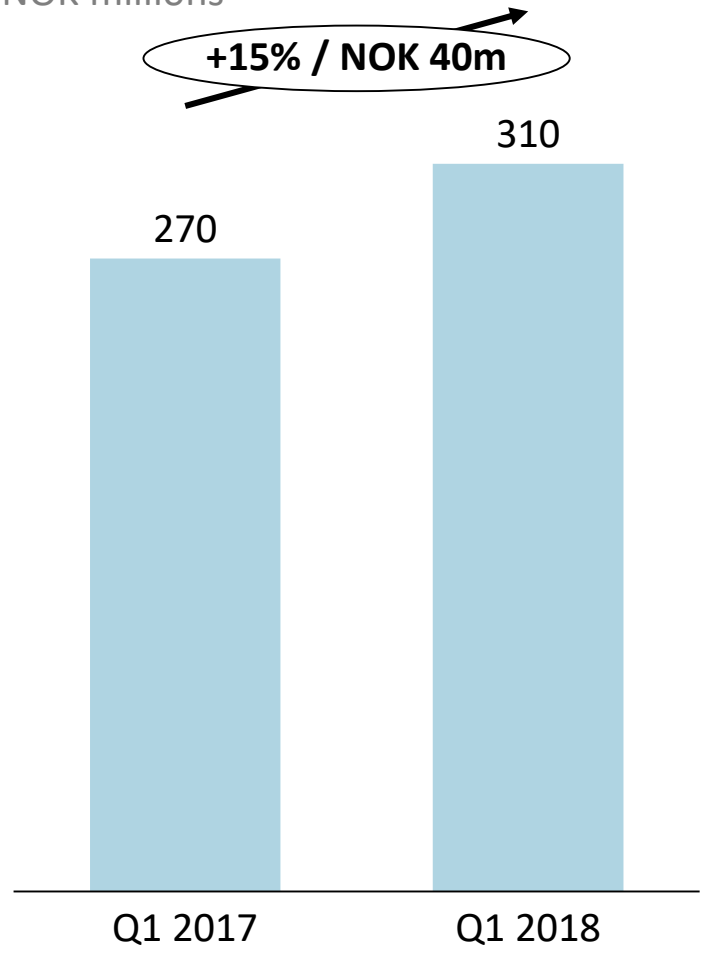
Q1 2018

Gross profit growth driven by Nordics

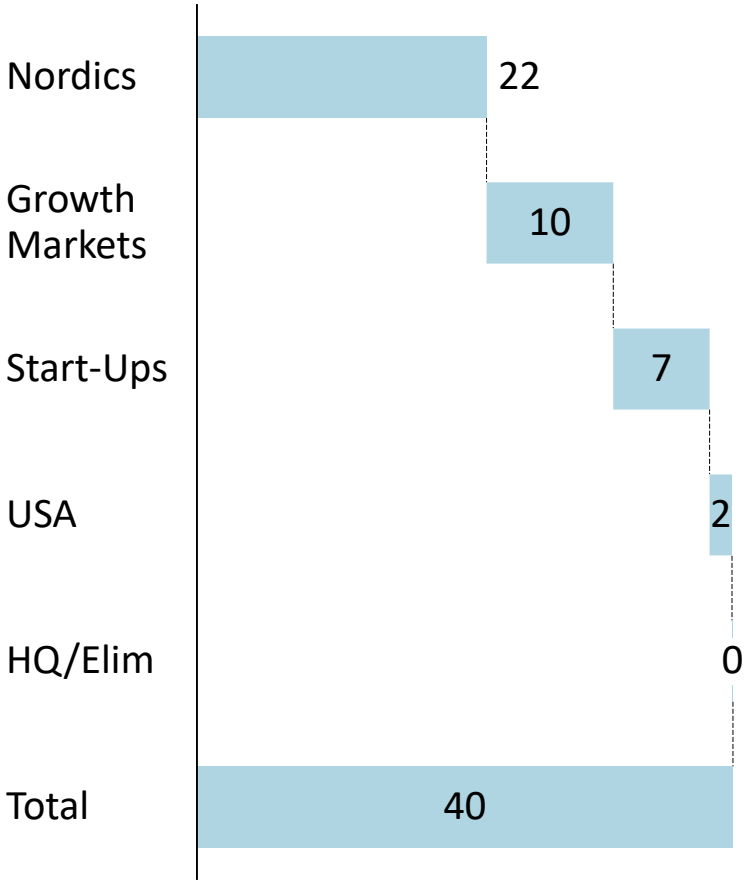
Gross profit

NOK millions



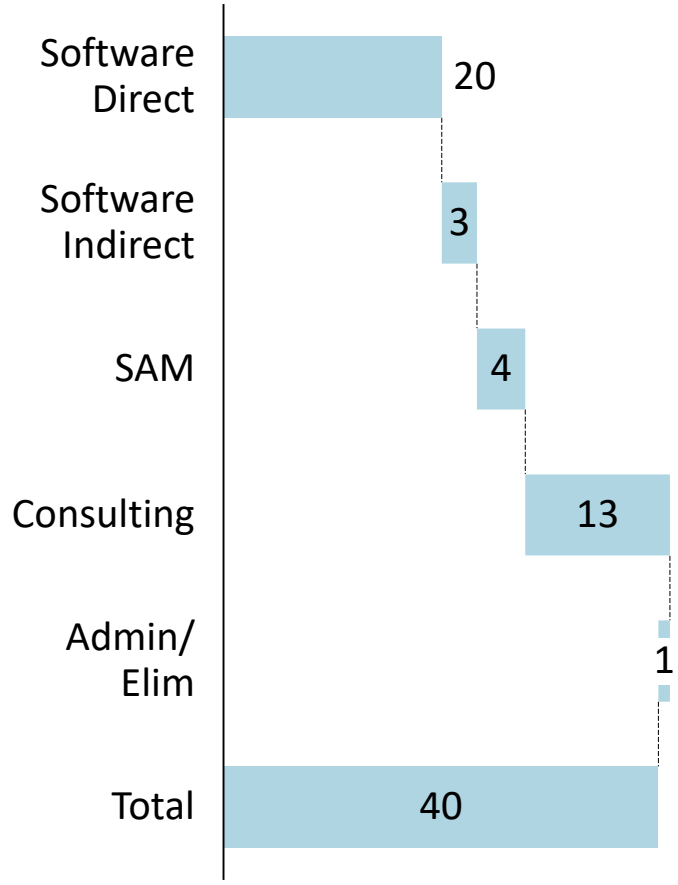
YoY gross profit growth by market cluster

NOK millions



YoY gross profit growth by business area

NOK millions

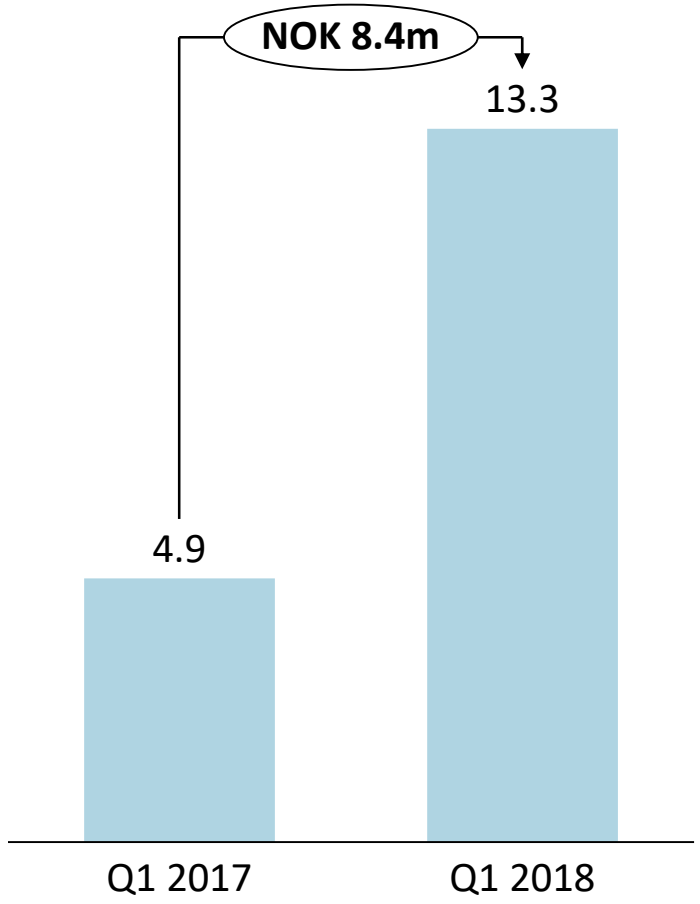


Q1 2018

EBITDA growth driven by Nordics

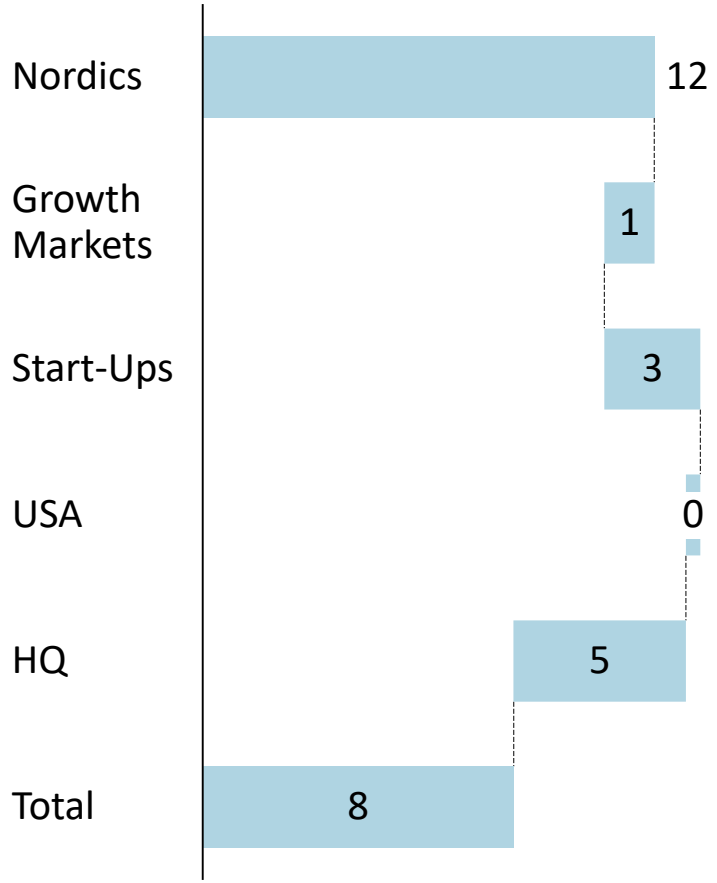
Adjusted EBITDA

NOK millions



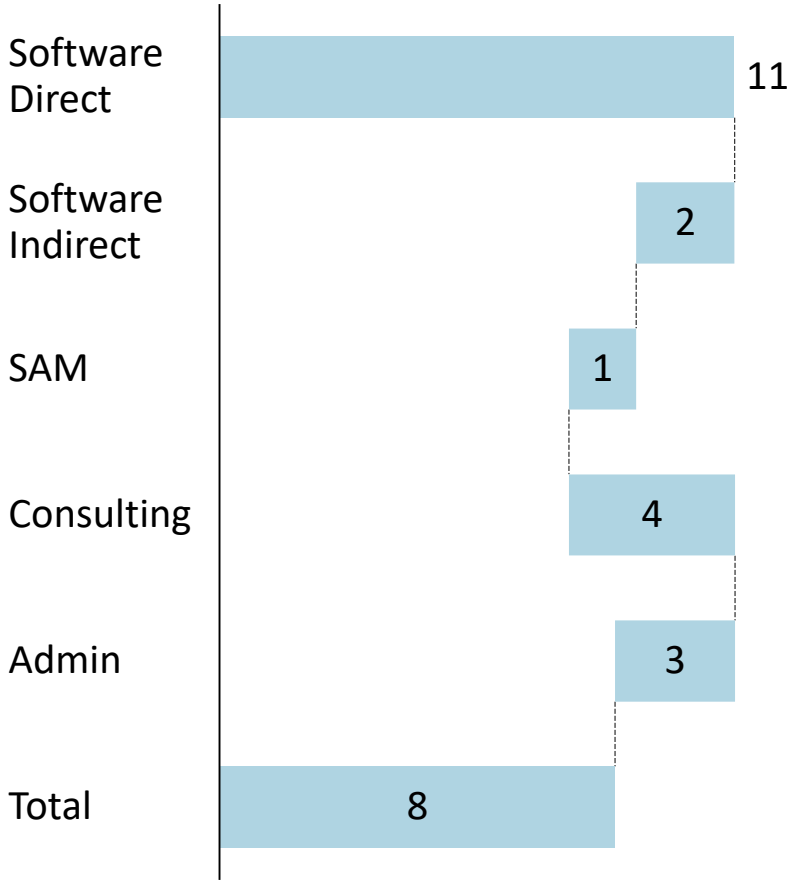
YoY Adj EBITDA growth by market cluster

NOK millions



YoY Adj EBITDA growth by business area

NOK millions

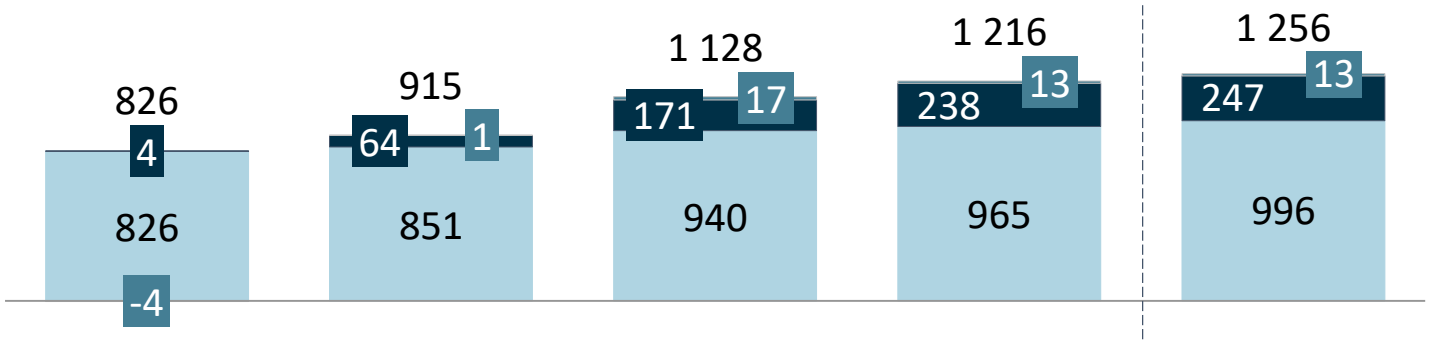


Q1 2018

International expansion momentum continues

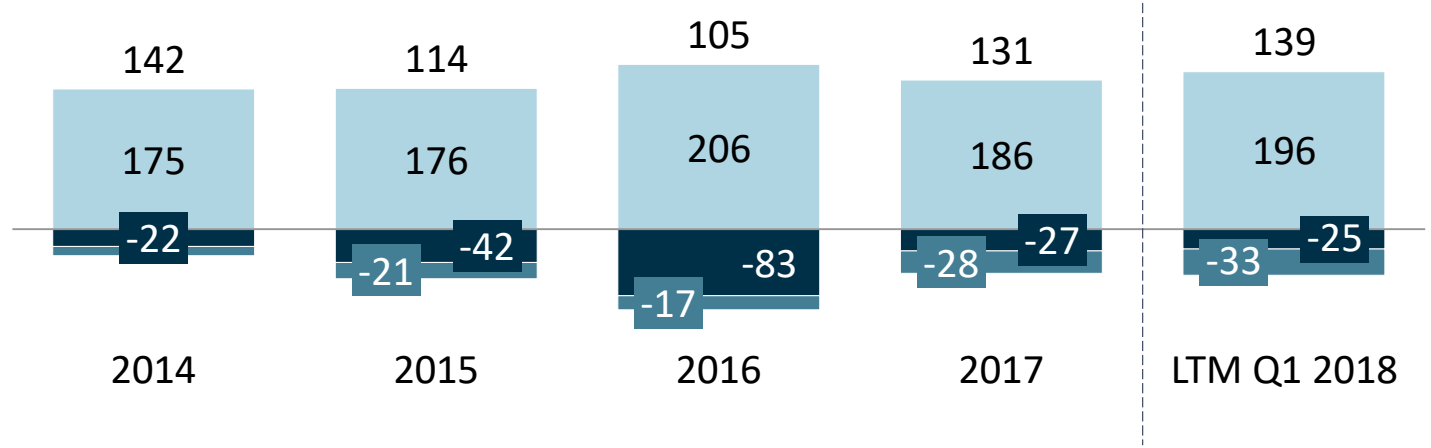
Gross profit

NOK millions



Adjusted EBITDA[1]

NOK millions



Established Markets[2]

Less Established Markets[2]

HQ/Elim.

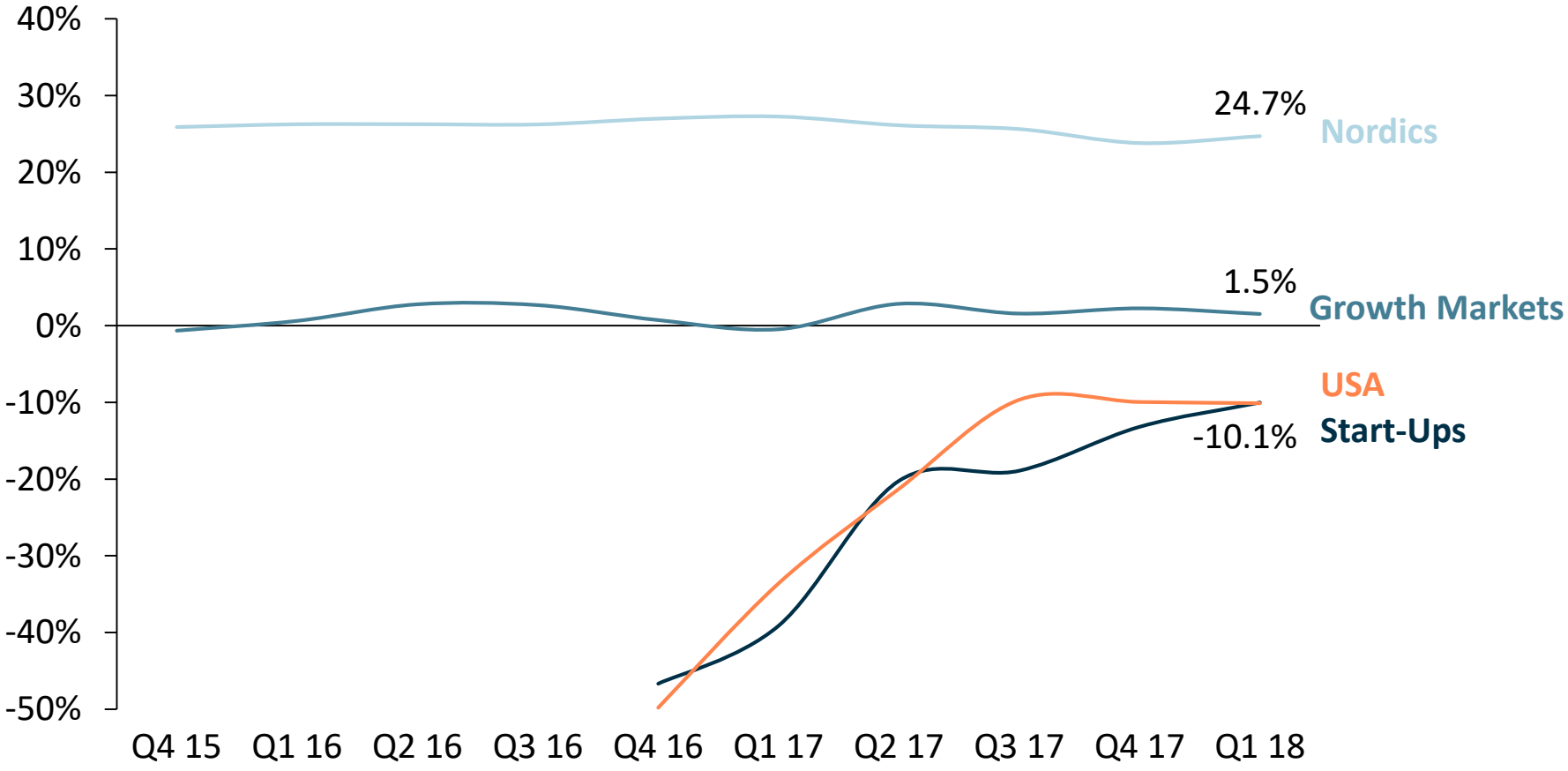
- Gross profit in less established markets has increased 3.7x over two years
- Adjusted EBITDA margin from less established markets improved from -65% to -10%
- Expect to continue to drive gross profit growth while improving adjusted EBITDA margin

1 Adjusted EBITDA is reported EBITDA less other income & expenses items netted under HQ, hence not reflected on Market Cluster / Business Area level
2 Established Markets includes Nordic Markets and Growth Markets. Less Established Markets includes Start-Ups and US

Q1 2018

LTM adjusted EBITDA margin

LTM adjusted EBITDA margin[1]



- Nordics continue on a strong EBITDA margin
- Growth Markets EBITDA margin reflects continued investments in resources to drive growth
- USA, Start-Ups margin improve as operations scale up and establish market position

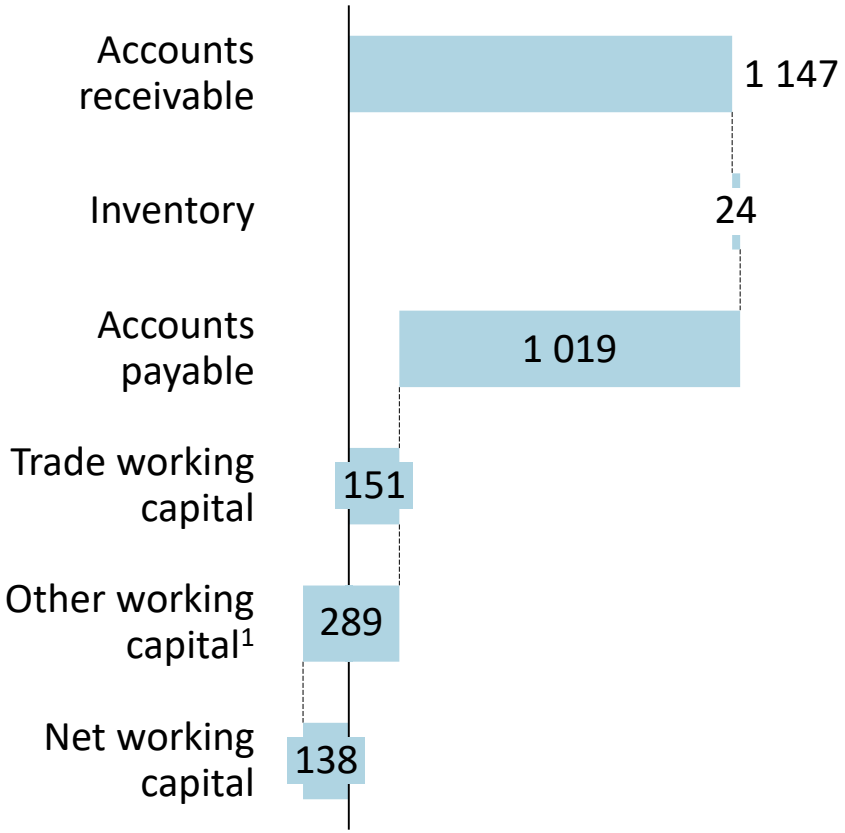
1 Adjusted EBITDA as share of Gross Profit

Q1 2018

Working capital is seasonal , but consistently negative

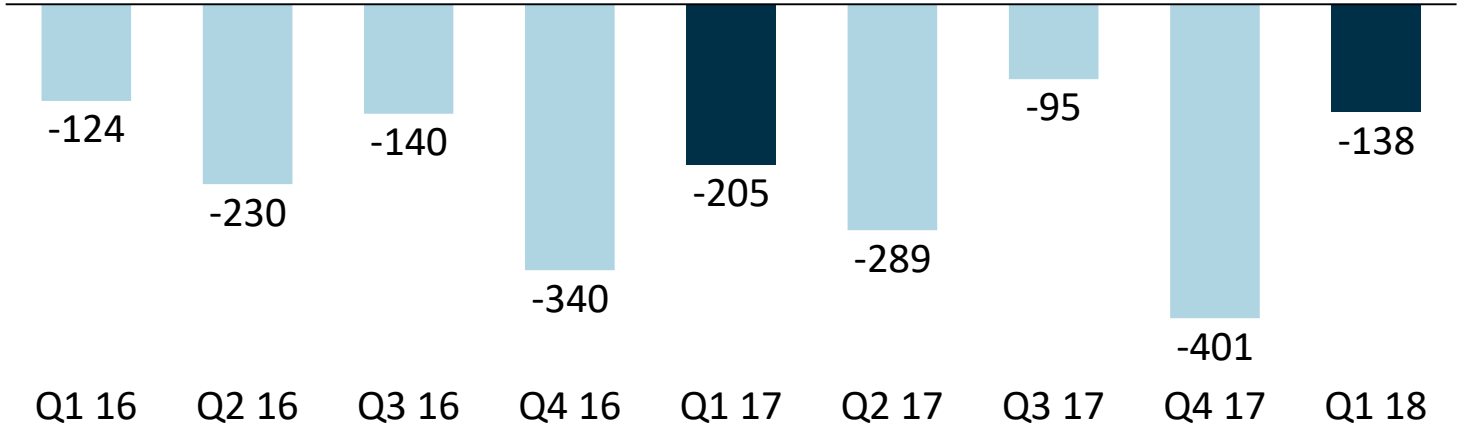
2018 Q1 net working capital

NOK millions



Net working capital over time

NOK millions



- Q1 2018 net working capital is less negative than Q1 2017 net working capital, which implies more funds are tied up in working capital
- This is driven by Easter Holidays at the end of our quarter, leading to delays on incoming payments from customers without a corresponding delay on the outgoing payments to suppliers

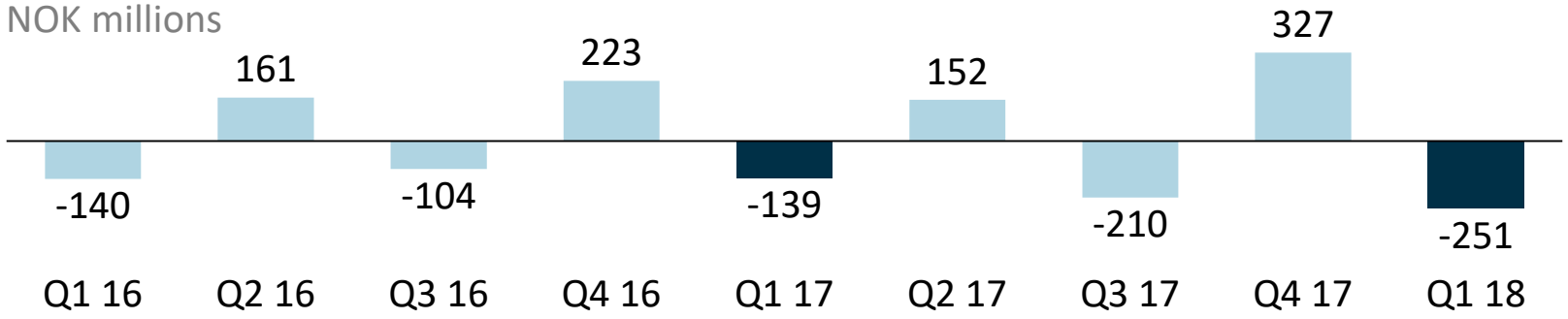
1 Other working capital includes other recievables, income tax payable, public duties payable and other short-term liabilities

Q1 2018

Cash flow from operations affected by working capital buildup

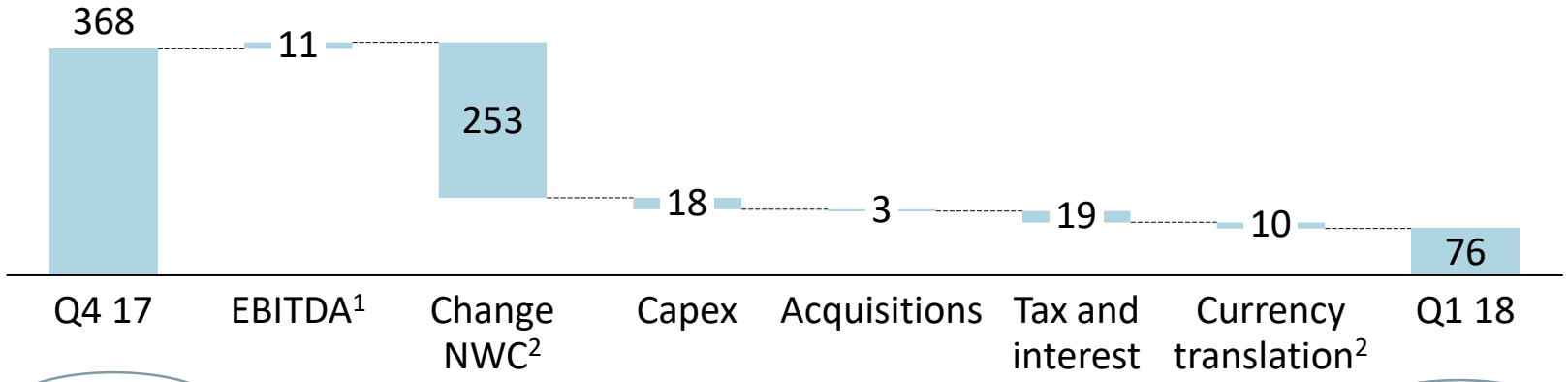
Cash flow from operating activities

NOK millions



Q1 cash development

NOK millions



Liquidity reserve[4] *520m*

222m

- Cash flow from operations is seasonal and driven by changes to net working capital
- Cash flow from operations reduced with NOK 112m from Q1 17 to Q1 18, driven by:
  - Less negative net working capital in Q1 18
  - Normalizing the strong net working capital position end Q4 17
- However strong liquidity position through Q1 18 – daily average of available liquidity was NOK ~590m[3], compared to NOK ~360m in Q1 2017

1 EBITDA (non-adjusted)
2 Currency translation on cash and cash equivalents
3 Average liquidity defined as the daily arithmetic average of available cash and undrawn RCF facility; available liquidity end of quarter was MNOK ~260
4 Liqudity reserve is reported in the 'Alternative Performance Measures' section in the quarterly report, and is defined as the sum of freely available cash and available credit facilities

Q1 2018

Factoring agreement with BNP in place

- Non-recourse factoring agreement with BNP
  - Scope is Nordic markets
  - Total scope of EUR 120m
  - 125 bps margin
- Phase 1 is a pilot with selected customers in Norway during Q2, Q3 – expected impact is a reduction of accounts receivables with NOK ~50m, with a corresponding increase in cash
- Further roll-out plans will be determined during H2 2018

- Factoring arrangement provides significant financial flexibility mid-term
- Factoring reduces AR and thus leads to more negative NWC, but given limited scope of pilot we are not revising NWC guidance at this stage
- Broader implementation of factoring beyond pilot will lead to revised NWC guidance

Q1 2018

P&L - summary

NOKm	Q1 2017	Q1 2018
Operating revenue	1 358.5	1 855.7
Materials and supplies	-1 088.7	-1 545.5
Gross profit	**269.8**	**310.2**
Payroll and related costs	-228.4	-256.4
Other operating expenses	-36.7	-40.5
Other income and expenses	-0.3	-2.8
Total operating expenses	**-265.2**	**-299.7**
EBITDA	**4.7**	**10.5**
Depreciation	-2.4	-2.5
Amortization	-12.8	-15.2
Goodwill impairment	0.0	0.0
EBIT	**-10.6**	**-7.2**
Net financial expense	-16.2	-11.0
Ordinary result before tax	**-26.8**	**-18.2**
Income tax expense on ordinary result	5.1	6.0
Net income	**-21.7**	**-12.2**
Adjusted EBITDA reconciliation		
Reported EBITDA	4.7	10.5
Other income and expenses	0.3	2.8
Adjusted EBITDA	**4.9**	**13.3**

- Depreciation and amortization in line with plan
  - Amortizations increased y-o-y due to historic development costs
- Net financial expenses decreases following refinancing of bond / deleverage after IPO
- Income tax expenses in line with management expectations
- Adjusted EBITDA – adjustments of NOK 2.8m
  - NOK 1.4m extraordinary personnel costs
  - NOK 0.8m share-based compensation
  - Remaining related to IPO costs

Q1 2018

Balance sheet and net interest bearing debt

NOKm	31.03.2017	31.03.2018
Assets		
Inventory	18.8	23.6
Accounts receivable	722.0	1 147.0
Income tax, other receivables	36.0	50.6
Net cash and cash equivalents	66.5	76.4
Total current assets	**843.3**	**1 297.7**
Technology, software and R&D	104.4	112.3
Contracts	96.1	77.9
Goodwill	829.1	1.0
Software licenses (IP)	7.4	823.8
Deferred tax assets	0.0	54.1
Equipment	19.2	20.9
Other receivables	4.1	6.5
Total non-current assets	**1 060.3**	**1 096.5**
Total assets	**1 903.6**	**2 394.1**
Equity and liabilities		
Total equity	**252.4**	**549.3**
Short-term debt	661.1	0.0
Trade creditors	660.5	1 019.4
Public duties payable	119.0	156.1
Income tax, other current liabilities	202.7	183.2
Total current liabilities	**1 643.3**	**1 358.8**
Long-term debt	0.0	444.2
Deferred tax liabilities	6.3	34.7
Other long-term liabilities	1.6	7.2
Total long-term liabilities	**7.9**	**486.1**
Total liabilities	**1 651.2**	**1 844.8**
Total equity & liabilities	**1 903.6**	**2 394.1**

Net interest bearing debt - NOKm	31.03.2017	31.03.2018
Long-term intrest debt	666.6	455.6
Net cash and cash equivalents	-66.5	-76.4
Restricted cash	8.7	9.5
Net interest bearing debt (NIBD)	**608.7**	**388.7**

- Long-term debt (CRAYON02) matures in April 2020 with outstanding principal of NOK 450m
  - Comparing with Q1 2017, the NOK 650m bond was classified as short-term debt given Q2 2017 maturity
- In addition, Crayon has a NOK 200m RCF – no drawdowns as of Q1 2018
- Trade working capital increased with NOK 71m compared to Q1 2017, while other working capital is ~constant

1 The Company reports its cash balance net of drawdown on its revolving credit facility ("RCF")
2 Approx. NOK 556m of goodwill as of year-end 2016 relates to the Oslo Stock Exchange delisting of Inmeta-Crayon in 2012
3 Note that bond transactional costs of around NOK 10m are capitalized , and accretion expensed over the lifetime of the bond, cf. IAS 39
4 Based on estimated total IPO costs of NOK 35m, as communicated in prospectus

Q1 2018

Cash flow development

NOKm	Q1 2017	Q1 2018
Net income before tax	-26.8	-18.2
Taxes paid	-9.5	-6.6
Depreciation and amortization, incl. write-down	15.3	17.7
Net interest to credit institutions	12.3	8.8
Changes in inventory, AR/AP[1]	-80.1	-184.1
Changes in other current assets	-50.4	-68.9
Net cash flow from operating activities	**-139.1**	**-251.2**
Net cash flow from financing activities	**-12.6**	**-9.8**
Acquisition of assets	-10.1	-18.3
Acquisition of subsidiaries	0.0	-3.2
Divestments / Purchases of own shares / Other	0.0	0.0
Net cash flow from investing activities	**-10.1**	**-21.4**

- Decrease in cash flow from operations y-o-y driven by
  - Higher trade working capital as a consequence of quarter ending during Easter
  - Strong negative NWC position end of Q4 2017 normalizing in Q1 2018
- Operational expenses are relatively stable quarter-to-quarter, resulting in seasonality in cash flow from operations. Seasonal pattern with strong operational cash flow in Q2 and Q4 expected to continue
- Capex in Q1 2018 of NOK 18.3m mainly related to investments in new ERP system and Cloud IQ

1 AR = Accounts Receivable, AP = Accounts Payable

Outlook

Q1 2018

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Q1 2018

In sum – Q1 reaffirms 2018 outlook

	2017 actuals	LTM	2018 outlook	Medium term
Gross profit growth	+7.7%	+9.3%	+8-10%	+8-10%
Adjusted EBITDA as share of gross profit	10.7%	11.0%	12-14%	Gradually increase to 15%
NWC[1]	-20.4%	-18.4%	Around -20%	Around -15%
Capex	NOK 51 mn	NOK 59 mn	NOK 45-50 mn	NOK 40-45 mn

Increased from NOK 40-45m

Continued Focus on Profitability And New Services/IP

- **Favorable market trends (Gartner)**
- **Well positioned in most markets (from a size & capability perspective)**
- **Continued strong vendor/partner alliances**
- **Investments and growth opportunities in new service areas (cloud, AI & digitalization)**
- **Ongoing consolidation trend / M&A wave**
- **Significant streamlining opportunities / cost synergies across the organization**

Management mid-term priorities

Move less established markets along the EBITDA vintage curve (GP to EBITDA conversion upside)

Continued IP investments to capture scale benefits and ERP roll-out to streamline internal operations/costs

Profitability improvement in Services Division (customer engagement model & pricing, upsell/share of wallet)

Establish global practices within new strategic service areas such as cloud economics, AI and cyber security

Selective IP & customer portfolio add-ons (new dedicated M&A EVP role)

Q&A session

The Software Experts
Crayon

Investor Relations

Update

Main communications channels

- Crayon IR webpages https://www.crayon.com/en/about-us/investor-relations/
  - Group fact & figures
  - Reports & Presentations
  - Share and bond information
- Newsweb

Financial calendar 2018:

- 22.08.2018 - Half-yearly Report
- 13.11.2018 - Quarterly Report - Q3
- 12.02.2019 - Quarterly Report - Q4

Communicating with current and future shareholders, both in Norway and abroad, is a high priority for Crayon Group Holding ASA

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Datapack

Introduction to key P&L drivers

NOK millions	2014	2015	2016	2017
Operating revenue	**3 731.8**	**4 687.9**	**6 015.2**	**7 301.7**
Growth		*25.6%*	*28.3%*	*21.4%*
Materials and supplies	-2 905.5	-3 773.0	-4 886.8	-6 086.9
Gross profit	**826.3**	**914.9**	**1,128.4**	**1,215.8**
Gross margin	*22.1%*	*19.5%*	*18.8%*	*16.7%*
Payroll and related costs	-586.3	-668.3	-877.9	-940.5
Other operating expenses	-102.1	-149.1	-158.8	-144.7
Total operating expenses	**-688.4**	**-817.4**	**-1,036.7**	**-1,085.2**
EBITDA	**137.8**	**97.5**	**91.7**	**103.8**
EBITDA % of gross profit	*16.7%*	*10.7%*	*8.1%*	*8.5%*
Exceptional items	4.0	16.3	13.5	26.8
Adjusted EBITDA	**141.8**	**113.7**	**105.2**	**130.6**
Adj. EBITDA % of gross profit	*17.2%*	*12.4%*	*9.3%*	*10.7%*
#FTEs	**700**	**807**	**945**	**1,009**

- Revenue will be subject to fluctuations that do not impact absolute gross profit level as customers shift between direct and indirect billing[1]

Revenue model

Services
- 3-5 years managed service agreements (SAM)
- Frame agreements
- Hours sold

Software
- ~3 year subscription/ARPU model where a certain percentage is contractually recurring
- Frame agreements
- Traditional licensing deals (one-time fee)

Services
- Number of FTEs
- Hourly rate / Fixed price agreements
- Utilization
- Recurring agreements

Software
- Number of FTEs
- Gross profit per FTE
  - Vendor, product, new vs. existing customers etc.

- Payroll and related costs driven by number of FTEs – of which ~15-20% is variable salary
- Other opex driven by size and geographical width of organization
- Other opex primarily consisting of rented premises (~25%), professional services e.g. accounting and legal (~25%), travel (~20%) and IT and office equipment (~15%)

- Adjusted EBITDA as percentage of gross profit a suitable metric for comparison across Market Clusters and Business Areas due to gross margin variation

Source: Annual Report 2015, 2016 and 2017

1 In direct billing, Crayon invoices the customer directly. In indirect billing, the software vendor bills the customer and Crayon receives a fee from the software vendor

Income statement

NOK millions	2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017	Q1 2018
Operating revenue	**6 015.2**	**1 358.5**	**2 401.7**	**1 249.7**	**2 291.7**	**7 301.7**	**1 855.7**
Growth	*28.3%*	*9.4%*	*23.1%*	*25.5%*	*25.4%*	*21.4%*	*36.6%*
Materials and supplies	-4 886.8	-1 088.7	-2 045.2	-1 022.0	-1 930.1	-6 085.9	-1 545.5
Gross profit	**1 128.4**	**269.8**	**356.6**	**227.8**	**361.7**	**1 215.8**	**310.2**
Gross margin	*18.8%*	*19.9%*	*14.8%*	*18.2%*	*15.8%*	*16.7%*	*16.7%*
Payroll and related costs	-877.9	-228.4	-244.0	-204.5	-273.6	-950.6	-258.9
Other operating expenses	-158.8	-36.7	-35.5	-43.3	-45.9	-161.4	-41.1
Total operating expenses	**-1 036.7**	**-265.2**	**-279.4**	**-247.8**	**-319.5**	**-1 111.9**	**-299.7**
EBITDA	**91.7**	**4.7**	**77.1**	**-20.1**	**42.1**	**103.8**	**10.5**
EBITDA margin	*1.5%*	*0.3%*	*3.2%*	*-1.6%*	*1.8%*	*1.4%*	*0.6%*
Depreciation	-9.2	-2.4	-2.4	-2.4	-2.5	-9.7	-2.5
Amortization	-80.9	-12.8	-13.4	-13.8	-20.7	-60.7	-15.2
Goodwill impairment	-8.9	0.0	-1.3	0.0	0.0	-1.3	0.0
EBIT	**-7.3**	**-10.6**	**60.0**	**-36.2**	**19.0**	**32.2**	**-7.2**
EBIT margin	*-0.1%*	*-0.8%*	*2.5%*	*-2.9%*	*0.8%*	*0.4%*	*-0.4%*
Financial income	35.8	35.0	17.5	27.7	34.0	114.3	25.3
Financial expense	-68.3	-51.2	-53.7	-54.9	-40.4	-200.1	-36.3
Net financial expense	**-32.5**	**-16.2**	**-36.2**	**-27.2**	**-6.3**	**-85.8**	**-11.0**
Ordinary result before tax	**-39.8**	**-26.8**	**23.8**	**-63.4**	**12.7**	**-53.7**	**-18.2**
Income tax expense on ordinary result	9.6	5.1	-6.4	11.2	10.7	0.8	-6.0
Net income	**-30.2**	**-21.7**	**17.4**	**-52.2**	**2.0**	**-54.5**	**-12.2**
Adjusted EBITDA reconciliation							
Reported EBITDA	**91.7**	**4.7**	**77.1**	**-20.1**	**42.1**	**103.8**	**10.5**
Exceptional items[1]	13.5	0.3	0.2	10.7	15.6	26.8	2.8
Adjusted EBITDA	**105.2**	**4.9**	**77.3**	**-9.3**	**57.7**	**130.6**	**13.3**
Adj. EBITDA % of gross profit	*9.3%*	*1.8%*	*21.7%*	*-4.1%*	*16.0%*	*10.7%*	*4.3%*

1 Exceptional items are one-off costs mainly related to strategy projects, restructurings, and the acquisition of businesses

Balance sheet

NOK millions	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018
Assets						
Inventory	17.5	18.8	24.0	13.6	26.3	23.6
Accounts receivable	1 206.8	722.0	1 573.7	769.8	1 541.4	1 147.0
Income tax receivable	2.7	6.1	2.9	1.6	-	-
Other receivables	54.4	36.0	45.9	43.4	60.0	56.4
Net cash and cash equivalents[1]	227.9	66.5	204.7	-136.4	368.4	76.4
Total current assets	**1 509.4**	**849.4**	**1 851.2**	**692.0**	**1 996.2**	**1 303.5**
Technology, software and R&D	104.3	104.4	106.8	104.9	109.3	112.3
Contracts	101.0	96.1	92.2	85.9	83.3	77.9
Goodwill[2]	827.1	829.1	828.4	819.4	831.0	823.8
Software licenses (IP)	7.4	7.4	7.4	7.4	1.0	1.0
Deferred tax assets	29.6	33.8	28.7	29.4	33.8	54.1
Equipment	18.7	19.2	20.4	19.8	20.2	20.9
Other receivables	3.2	4.1	4.8	3.4	4.8	6.5
Total non-current assets	**1 091.3**	**1 094.1**	**1 088.8**	**1 070.0**	**1 083.5**	**1 096,5**
Total assets	**2 600.7**	**1 943.5**	**2 940.0**	**1 762.0**	**3 079.7**	**2 400.0**
Equity and liabilities						
Share capital	52.5	52.5	52.5	52.5	75.4	75.4
Own shares	-	-	-	-	-	-
Share premium reserve	262.3	262.3	262.3	262.3	588.1	588.1
Other equity	-53.6	-69.4	-50.0	-99.0	-105.6	-123.7
Minority interest	11.2	7.0	8.9	3.2	8.2	9.5
Total equity	**272.4**	**252.4**	**273.7**	**219.0**	**566.0**	**549.3**
Short-term debt	661.0	661.1	100.5	-	-	-
Trade creditors	1 224.1	660.5	1 453.6	628.2	1 600.6	1 019.4
Public duties payable	186.9	119.0	254.5	109.6	229.1	156.1
Other current liabilities	210.0	208.8	227.0	186.0	194.4	182.9
Total current liabilities	**2 282.0**	**1 649.4**	**2 035.6**	**923.8**	**2 029.0**	**1 364.6**
Long-term debt	0.0	0.0	591.7	590.3	445.7	444.2
Deferred tax liabilities	44.8	40.1	37.6	27.4	31.8	34.7
Other long-term liabilities	1.5	1.6	1.4	1.5	7.2	7.2
Total long-term liabilities	**46.3**	**41.7**	**630.7**	**619.2**	**484.7**	**486.1**
Total liabilities	**2 328.3**	**1 691.1**	**2 666.3**	**1 543.0**	**2 513.7**	**1 850.7**
Total equity & liabilities	**2 600.7**	**1 943.5**	**2 940.0**	**1 762.0**	**3 079.7**	**2 400.0**

1 The Company reports its cash balance net of drawdown on its revolving credit facility ("RCF")
2 Approx. NOK 556m of goodwill as of year-end 2016 relates to the Oslo Stock Exchange delisting of Inmeta-Crayon in 2012

Cash flow statement

NOK millions	2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017	Q1 2018
Cash flow from operating activities							
Net income before tax	-39.8	-26.8	23.8	-63.4	12.7	-53.7	-18.2
Taxes paid	-17.6	-9.5	-1.4	-3.3	2.3	-11.9	-6.6
Depreciation and amortization	99.0	15.3	17.1	16.2	23.1	71.7	17.7
Net interest to credit institutions	49.4	12.3	15.1	12.4	10.9	50.6	8.8
Changes in inventory, accounts receivable/payable	77.8	-80.1	-63.9	-11.1	188.1	33.1	-184.1
Changes in other current assets	-29.1	-50.4	161.6	-160.7	112.5	63.0	-68.9
Net cash flow from operating activities	**139.7**	**-139.1**	**152.3**	**-210.0**	**349.6**	**152.8**	-251.2
Cash flow from investing activities							
Acquisition of assets	-51.2	-10.1	-14.5	-11.4	-14.8	-50.8	-18.3
Acquisition of subsidiaries (cash paid net of cash in acquired entity)	-29.6	0.0	0.0	0.0	-22.7	-22.7	-3.2
Divestments	0.1	0.0	0.0	0.0	-	-	-
Net cash flow from investing activities	**-80.7**	**-10.1**	**-14.5**	**-11.4**	**-37.5**	**-73.5**	**-21.4**
Cash flow from financing activities							
Net interest paid to credit institutions	-51.1	-12.7	-14.9	-13.6	-15.7	-57.0	-9.8
New equity					348.6	348.6	-
Change in subsidiaries	0.0	0.0	0.0	0.0	-	-	-
Proceeds from issuance of interest bearing debt	0.0	0.0	591.6	-1.9	-	589.7	-
Repayment of interest-bearing debt	-0.1	0.0	-571.8	-100.5	-155.3	-827.7	-
Change in other long-term debt	-3.6	0.1	-9.7	0.6	5.6	-3.4	-
Purchase of own shares	0.0	0.0	0.0	0.0	-	-	-
Net cash (used in) provided by financing activities	**-54.8**	**-12.6**	**-4.8**	**-115.4**	**183.2**	**50.3**	-9.8
Net increase (decrease) in cash and cash equivalents	4.2	-161.8	133.0	-336.8	495.3	129.7	-282.4
Cash and cash equivalents at beginning of period	236.3	227.9	66.5	204.7	-136.4	227.9	368.4
Currency translation on cash and cash equivalents	-12.6	0.5	5.2	-4.3	9.6	10.9	-9.6
Cash and cash equivalents at end of period	**227.9**	**66.5**	**204.7**	**-136.4**	**368.4**	**368.4**	**76.4**

Income statement by market cluster

NOK millions	2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017	Q1 2018
Revenue							
Nordic Markets	3 767.9	869.8	1 106.7	600.2	1 323.8	3 900.5	1 127.9
Growth Markets	1 243.5	230.7	697.8	428.4	545.6	1 902.5	357.9
Start-Ups	890.9	202.8	483.3	171.6	334.8	1 192.6	273.1
USA	178.8	72.3	139.6	66.3	93.6	371.8	127.1
HQ	67.9	5.8	27.7	19.3	35.0	87.8	18.7
Eliminations	-133.8	-22.9	-53.4	-36.1	-41.0	-153.4	-49.0
Total revenue	**6 015.2**	**1 358.5**	**2 401.7**	**1 249.7**	**2 291.7**	**7 301.7**	**1 855.7**
Gross profit							
Nordic Markets	757.7	175.1	212.2	138.1	235.3	760.6	197.0
Growth Markets	182.8	42.3	68.5	34.0	59.2	204.0	51.8
Start-Ups	70.6	18.9	34.7	23.2	28.1	105.0	26.2
USA	100.7	32.1	40.5	29.9	30.5	133.0	33.8
HQ	53.9	13.3	13.6	15.0	21.7	63.5	14.8
Eliminations	-37.2	-11.9	-12.9	-12.4	-13.0	-50.2	-13.3
Total gross profit	**1 128.4**	**269.8**	**356.6**	**227.8**	**361.7**	**1 215.8**	**310.2**
EBITDA							
Nordic Markets	204.4	29.3	60.9	18.6	72.2	181.0	41.5
Growth Markets	1.3	-4.2	16.3	-11.9	4.3	4.6	-5.5
Start-Ups	-33.0	-8.1	4.9	-5.4	-5.3	-13.9	-5.5
USA	-50.1	-4.1	3.5	-9.0	-3.6	-13.2	-4.5
HQ	-17.4	-8.0	-8.2	-1.7	-9.9	-27.9	-12.7
Eliminations	0.0	0.0	0.0	0.0	-	-	-
Adjusted EBITDA[1]	**105.2**	**4.9**	**77.3**	**-9.3**	**57.7**	**130.6**	**13.3**

1 Other income and expense items netted under “HQ”

Income statement by business area

NOK millions	2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017	Q1 2018
Revenue							
SAM	291.2	75.2	85.4	67.6	82.4	310.7	78.8
Consulting	403.4	101.0	101.4	87.5	123.9	413.9	121.9
Software (Direct)	3 935.7	790.0	1 774.5	694.9	1 597.0	4 856.5	1 156.0
Software (Indirect)	1 441.2	394.2	473.3	414.7	492.5	1 774.7	526.2
Admin	77.5	21.0	20.4	21.0	36.9	99.4	21.8
Eliminations	-133.8	-22.9	-53.4	-36.1	-41.0	-153.4	-49.0
Total revenue	**6 015.2**	**1 358.5**	**2 401.7**	**1 249.7**	**2 291.7**	**7 301.7**	**1 855.7**
Gross profit							
SAM	262.0	68.4	76.3	62.6	75.0	282.2	72.9
Consulting	301.2	76.3	74.9	65.4	89.5	306.1	89.8
Software (Direct)	429.1	87.5	166.4	65.1	151.4	470.4	107.8
Software (Indirect)	110.5	32.1	35.6	30.6	35.1	133.4	35.4
Admin	62.8	17.3	16.4	16.5	23.7	73.9	17.6
Eliminations	-37.2	-11.9	-12.9	-12.4	-13.0	-50.2	-13.3
Total gross profit	**1 128.4**	**269.8**	**356.6**	**227.8**	**361.7**	**1 215.8**	**310.2**
EBITDA							
SAM	13.4	8.5	12.7	-0.4	7.1	27.9	7.1
Consulting	33.6	5.9	1.2	7.4	11.2	25.8	9.5
Software (Direct)	139.1	19.9	93.5	5.0	70.7	189.0	30.8
Software (Indirect)	50.3	13.5	15.6	11.4	9.5	50.1	11.5
Admin	-131.2	-42.9	-45.6	-32.6	-40.9	-162.1	-45.5
Eliminations	0.0	0.0	0.0	0.0	0.0	0.0	-
Adjusted EBITDA[1]	**105.2**	**4.9**	**77.3**	**-9.3**	**57.7**	**130.6**	**13.3**

1 Other income and expense items netted under “Admin”

Revenue – Market cluster by business area

NOK millions	2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017	Q1 2018
Nordic Markets							
Services	498.0	121.4	126.7	105.9	144.1	503.4	143.7
Software	3 261.0	745.2	978.8	493.8	939.9	3 391.3	982.6
Admin	8.9	3.2	1.2	0.5	2.9	5.8	1.6
Nordic Markets revenue	**3 767.9**	**869.8**	**1 106.7**	**600.2**	**1 086.9**	**3 900.5**	**1 127.9**
Growth Markets							
Services	82.3	19.1	18.1	15.7	22.6	74.5	20.7
Software	1 152.8	209.7	678.6	411.6	54.7	1 823.5	336.4
Admin	8.4		1.1	1.0	1.3	4.5	0.9
Growth Markets revenue	**1 243.5**	**230.7**	**697.8**	**428.4**	**78.5**	**1 902.5**	**357.9**
Start-Ups							
Services	24.5	5.8	8.5	6.7	6.1	29.8	7.0
Software	865.8	196.9	474.6	164.9	48.1	1,162.2	265.6
Admin	0.6	1.9	0.3	0.0	-0.1	0.5	0.5
Start-Ups revenue	**890.9**	**202.8**	**483.3**	**171.6**	**54.4**	**1 192.6**	**273.1**
USA							
Services	89.8	29.9	33.6	26.8	22.8	116.8	29.4
Software	87.0	42.2	105.9	39.3	3	254.1	97.7
Admin	2.0	0.2	0.1	0.1	0.6	0.9	0.1
USA revenue	**178.8**	**72.3**	**139.6**	**66.3**	**26.3**	**371.8**	**127.1**
HQ							
Services	-0.0	0.0	0.0	0.0	0.0	0.0	0.0
Software	10.2	-9.9	9.9	-0.0	-19.7	0.1	0.0
Admin	57.7	15.6	17.8	19.3	32.8	87.7	18.7
HQ revenue	**67.9**	**5.8**	**27.7**	**19.3**	**13.1**	**87.8**	**18.7**
Group							
Services	694.6	176.2	186.9	155.2	195.5	724.5	200.7
Software	5 376.9	1 184.2	2 247.8	1 109.6	1 025.9	6 631.1	1 682.2
Admin	77.5	21.0	20.4	21.0	37.6	99.4	21.8
Eliminations	-133.8	-22.9	-53.4	-36.1	-10.5	-153.4	-49.0
Group revenue	**6 015.2**	**1 358.5**	**2 401.7**	**1 249.7**	**1 248.6**	**7 301.7**	**1 855.7**

Gross profit – Market cluster by business area

NOK millions	2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017	Q1 2018
Nordic Markets							
Services	386.3	93.8	95.2	82.1	112	383.1	109.8
Software	364.4	78.6	116.4	55.6	122.5	373.1	86.0
Admin	6.9	2.7	0.6	0.4	0.8	4.5	1.2
Nordic Markets gross profit	**757.7**	**175.1**	**212.2**	**138.1**	**235.2**	**760.6**	**197.0**
Growth Markets							
Services	75.8	18.2	17.5	14.7	20.1	70.5	19.0
Software	99.2	22.2	49.9	18.3	38.7	129.1	31.9
Admin	7.7	1.9	1.1	1.0	0.3	4.3	0.9
Growth Markets gross profit	**182.8**	**42.3**	**68.5**	**34.0**	**59.2**	**204.0**	**51.8**
Start-Ups							
Services	20.2	5.5	7.2	5.9	7.3	25.9	6.3
Software	50.3	13.3	27.3	17.3	20.7	78.6	19.6
Admin	0.1	0.2	0.3	0.0	0	0.5	0.3
Start-Ups gross profit	**70.6**	**18.9**	**34.7**	**23.2**	**28.2**	**105.0**	**26.2**
USA							
Services	80.8	27.3	31.2	25.3	25.1	108.9	27.6
Software	20.9	4.7	9.2	4.6	4.7	23.2	6.1
Admin	-1.0	0.2	0.1	0.1	0.5	0.9	0.1
USA gross profit	**100.7**	**32.1**	**40.5**	**29.9**	**30.5**	**133.0**	**33.8**
HQ							
Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Software	4.8	0.9	-0.8	-0.0	-0.3	-0.2	-0.4
Admin	49.0	12.4	14.4	15.0	21.9	63.7	15.2
HQ gross profit	**53.9**	**13.3**	**13.6**	**15.0**	**21.6**	**63.5**	**14.8**
Group							
Services	563.2	144.8	151.1	128.0	164.4	588.3	162.7
Software	539.6	119.6	201.9	95.7	186.6	603.8	143.2
Admin	62.8	17.3	16.4	16.5	13.5	63.7	17.6
Eliminations	-37.2	-11.9	-12.9	-12.4	-13	-50.2	-13.3
Group gross profit	**1 128.4**	**269.8**	**356.6**	**227.8**	**361.6**	**1 215.8**	**310.2**

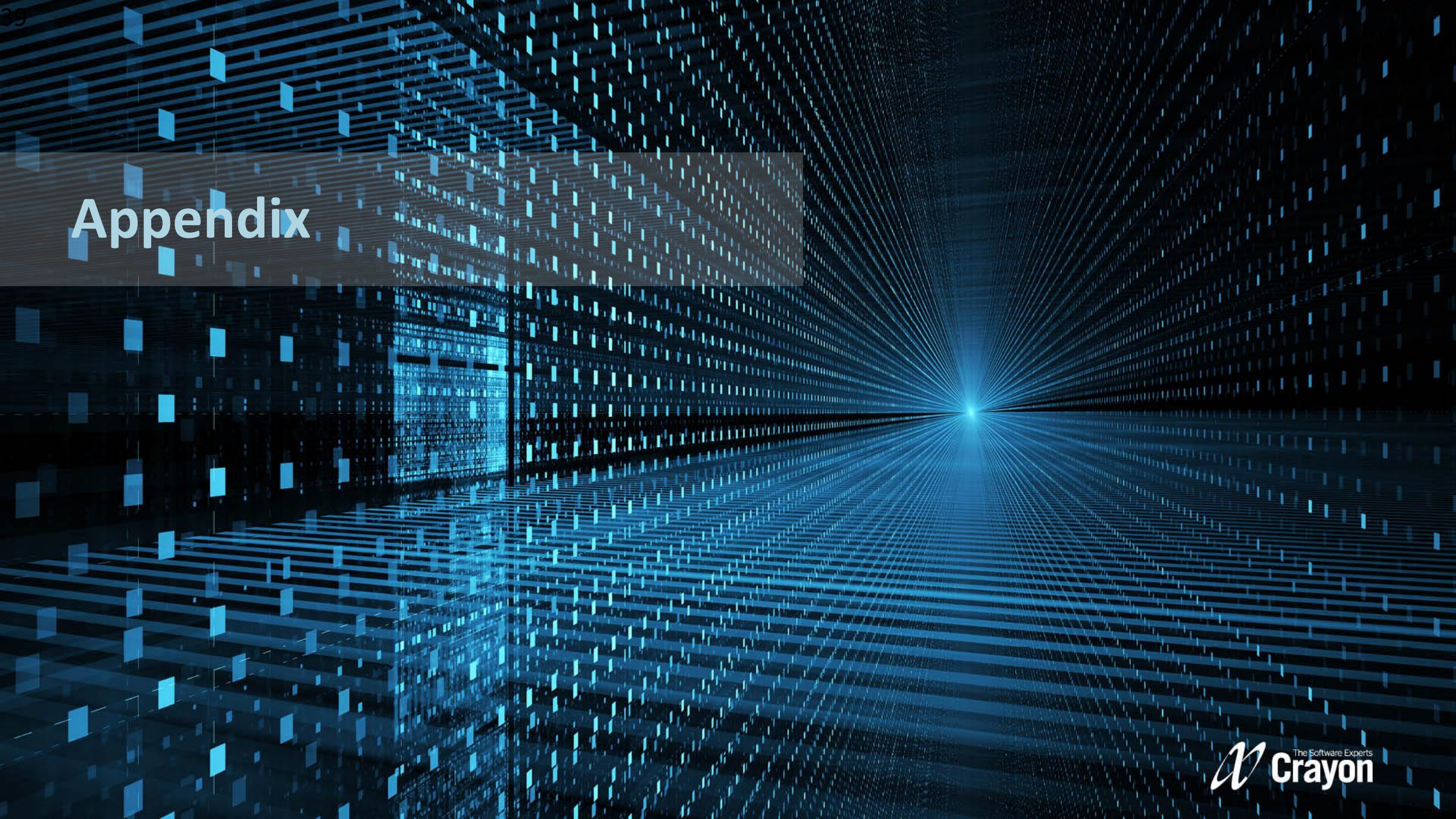
Q1 2018

Financial targets

	2017	2018 target	Medium-term target
Gross profit	*NOK 1,216m* *Growth from 2016: 8%*	• 8-10% growth compared to 2017	• 8-10% growth
Gross margin	*16.7%*	• 15-16%	• 14-15%
Adj. EBITDA % of gross profit	*10.7%*	• 12-14%	• Gradually increase to 15%
Depreciation and amortization	*Depreciation: NOK 9.7m* *Amortization: NOK 54.3m[1]* ***Total D&A: NOK 64.0m[1]***	• Depreciation around 2017 absolute level • Amortization around NOK ~55-60m[1]	• Depreciation around 2017 absolute level • Amortization around NOK ~50-55m[1]
Capex	*NOK 50.8m*	• NOK 40-45m	• NOK 40-45m
NWC	*~-20%[2]*	• Around -20%	• Around -15%

1 Excluding goodwill impairment
2 Average 4 quarter rolling NWC as % of LTM gross profit.

Appendix



Crayon – a fast growing global software and services expert

Company at a glance

- Founded in 2002 with headquarters in Oslo, Norway
- Owned by management, PE firm Norvestor Equity and KLP since 2012
- ~1,000 employees and ~8,000 customers of which more than 40% public[1]
- Strategic partnerships with the largest software vendors globally
- Extensive IP portfolio yielding competitive advantages
- Presence in 21 countries covering 80% of addressable market
- Revenues of NOK 6.0bn with high growth and strong cash conversion

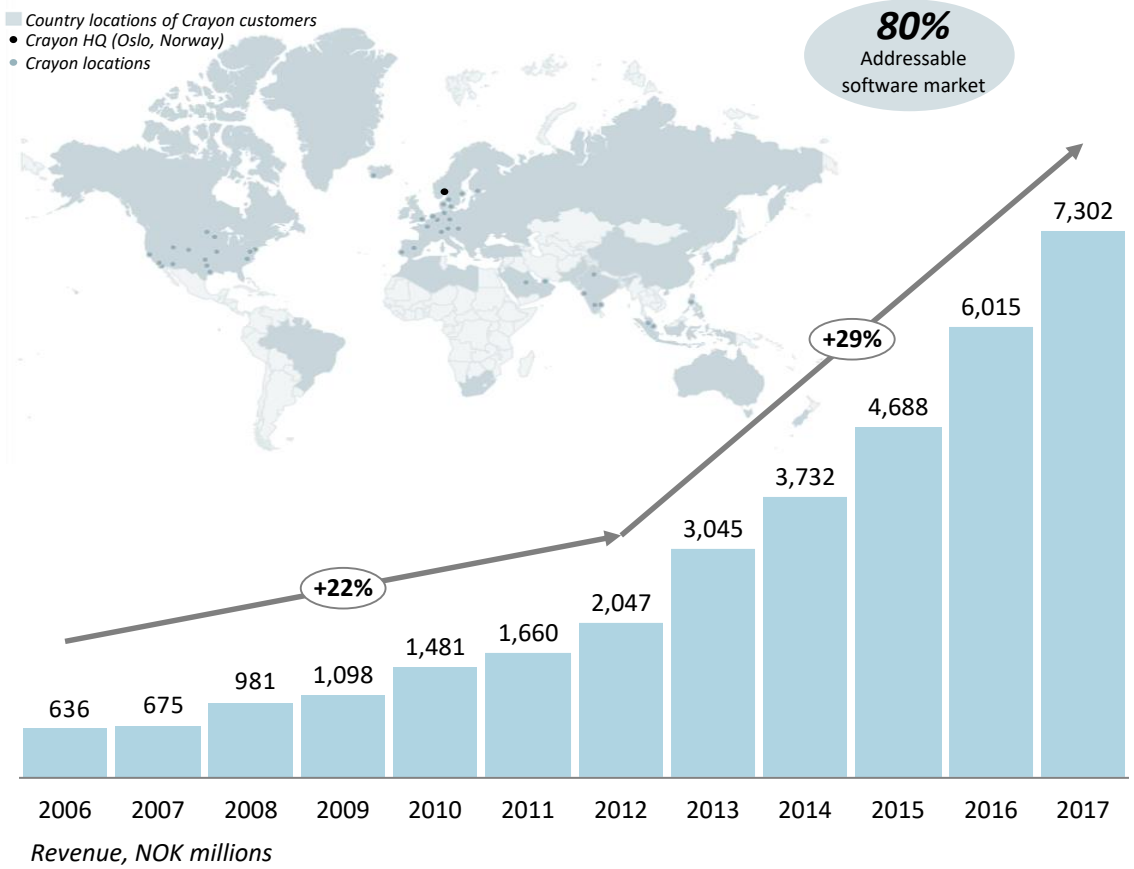
Offering and value proposition

Services

Software

- ***Helps customers to optimize software costs and reduce complexity***
- ***Customers save ~15-30% of software cost***
- ***Customers benefit from Crayon's global position and value-add end-to-end services along the software value chain***

An international growth story with strengthening momentum



Crayon is a trusted advisor for customers in their digital transformation journey

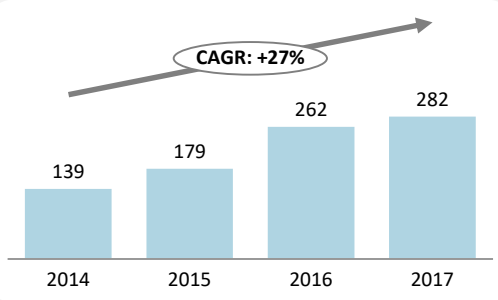
1 Based on share of gross profit 2017

Services – SAM and Consulting

SAM – IT optimization; Crayon's customer acquisition tool

- Crayon's offering seeks to optimize the IT structure of customers by
  - improving software ROI
  - helping customers stay compliant
  - and helping customer to avoid fines
- SAM is the go-to-market model and has been deployed as a customer acquisition tool when Crayon have entered new geographical markets
- SAM comprise both tactical advisory to mid-level management and strategic advice with customer top management as counterparties
- Crayon uses proprietary IP to differentiate from competitors and to build customer stickiness – IP applied in SAM offering comprises Elevate, SAM-IQ and Catch
- With +240 SAM consultants, Crayon is a leading global player on SAM, and has the highest number of SAM consultants in the world[1]

Gross profit[2] (NOKm)



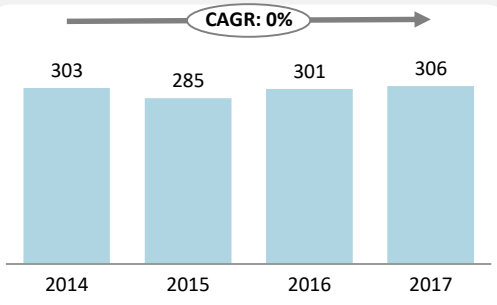
KPIs

Repeat buy	87% *(Annual repeat buy[3])*
Public vs. private mix	20% *(Public customers[4])*
Customer concentration	30% *(Gross profit of top 10 customers[4])*

Consulting – cloud and solutions consulting services

- Crayon offers consulting services in principally two areas: Cloud and Solutions
  - **Cloud Consulting:** Generic support and services on universal technology platforms
  - **Solutions Consulting:** Bespoke application development tailored to customers' needs
- Total of 247 consultants per year end 2016 (FTEs)
- Core offering includes:
  - IT infrastructure services (planning and analysis support related to larger IT upgrade projects)
  - Cloud Consulting: helping customer migrate to the cloud
  - Tailored software solution or application development and the resolving of complex IT problems including on-site support
- Providing value to customer through helping to solve complex problems that customers are unable to solve internally
- 98% of business in the Nordic region[5], predominantly in Norway

Gross profit[2] (NOKm)



KPIs

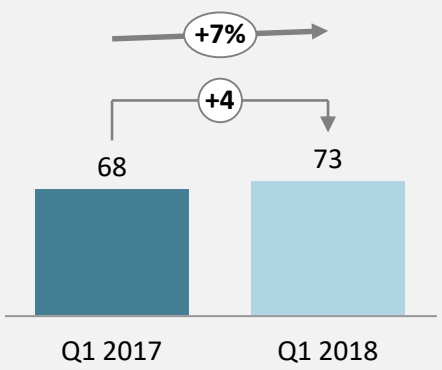
Repeat buy	93% *(Annual repeat buy[3])*
Public vs. private mix	45% *(Public customers[4])*
Customer concentration	50% *(Cloud)* 52% *(Solutions)* *(Gross profit of top 10 customers[4])*

1 Crayon Management estimates based on number of independent SAM consultants (independent SAM consultants meaning consultants working for the customer, not the software vendor)
2 2014-2017 Source: Crayon Group Holding AS financial accounts.
3 2017 gross profit repeat buy adjusted for FAST acquisition in the UK for SAM. Repeat buy is (1-churn). Source: Sales data
4 Based on 2017 figures. Source: Crayon sales report
5 Gross profit 2017 figures excluding Admin and eliminations

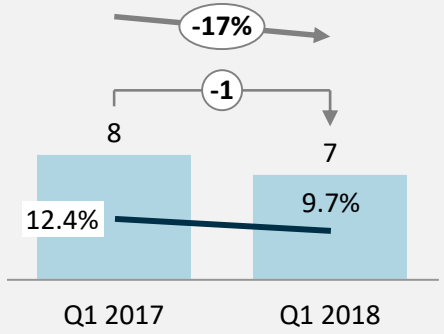
Services

SAM

Gross profit development, NOKm

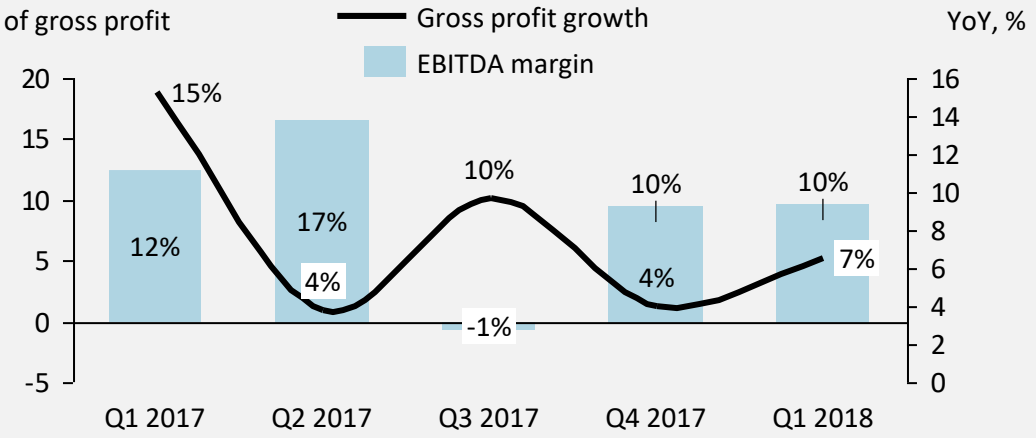


EBITDA development, NOKm



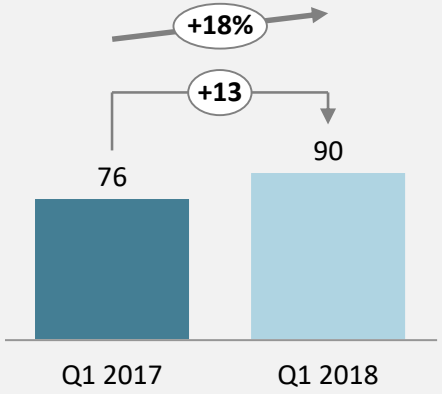
EBITDA margin[1]
% of gross profit

Gross profit growth
YoY, %

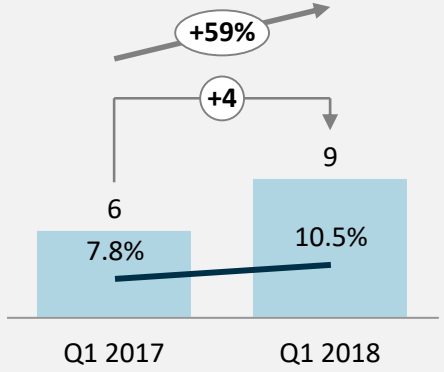


Consulting

Gross profit development, NOKm

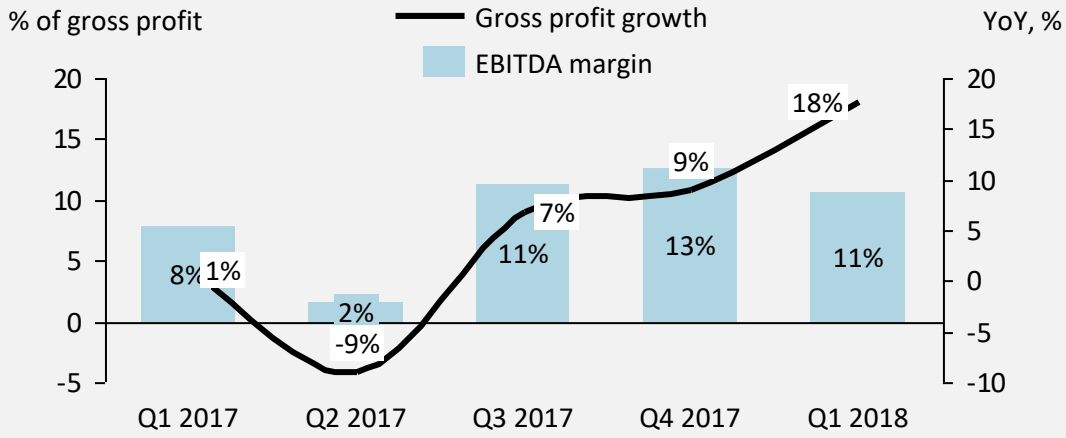


EBITDA development, NOKm



EBITDA margin[1]
% of gross profit

Gross profit growth
YoY, %



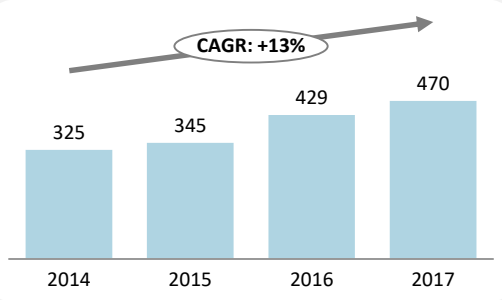
1 EBITDA divided by reported gross profit

Software – Direct and Indirect

Direct – license offering directly from vendor to customers

- Focus on standard software that customers use consistently year after year, and which play a key role in their technological platforms and critical commercial processes
- 280 sales and 1st line support employees per year end 2016 (FTEs)
- Clients acquired through SAM approach
- Majority of billing is done through Crayon – meaning Crayon are billing clients directly, strengthening client relationships
    - 60% direct billing per 2016[4]
- Solid level of recurring revenues from 3-5 year agreements with customers
    - Base for recurring and sticky customer relationships further supported by proprietary IP applied (Navigator)
- License advisory and transactional support related to purchase of 3rd party software

Gross profit[1] (NOKm)



KPIs

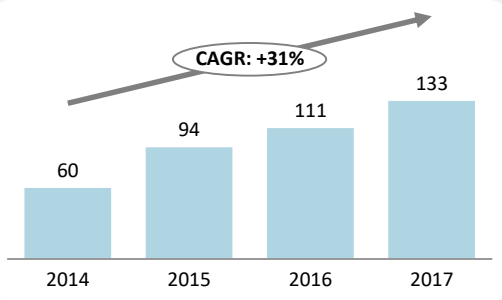
Repeat buy	96%	*(Annual repeat buy[2])*
Public vs. private mix	40%	*(Public customers[3])*
Customer concentration	14%	*(Gross profit of top 10 customers[3])*

Indirect – license offering towards channel partners

- Crayon's license offering towards channel partners:
    - License advisory / optimization, software license sale and access to Crayon's reporting portal
- Crayon sells software licenses through a diverse group of leading channel partners:

- Crayon not the customers direct point-of-contact, hence Crayon revenue is generated through channel partner network
- 73 sales and 1st line support employees per year end 2016 (FTEs)
- ~100% recurring revenue driven by multi-year agreements with monthly invoicing
- Proprietary IP applied comprise Cloud-IQ

Gross profit[1] (NOKm)



KPIs

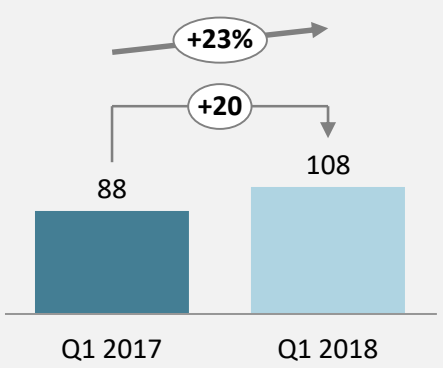
Repeat buy	99%	*(Annual repeat buy[2])*
Public vs. private mix	0%	*(Public customers[3])*
Customer concentration	7%	*(Gross profit of top 10 customers[3])*

1 2014-2017 Source: Crayon Group Holding AS financial accounts
2 2017 gross profit repeat buy. Repeat buy is (1-churn). Source: Sales data
3 Based on 2017 figures. Source: Crayon sales report
4 Crayon direct billing of Microsoft's share of gross profit. Based on 2017 figures. Source: Crayon sales report

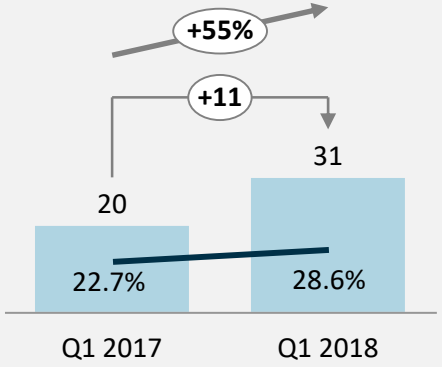
Software

Software Direct

Gross profit development, NOKm

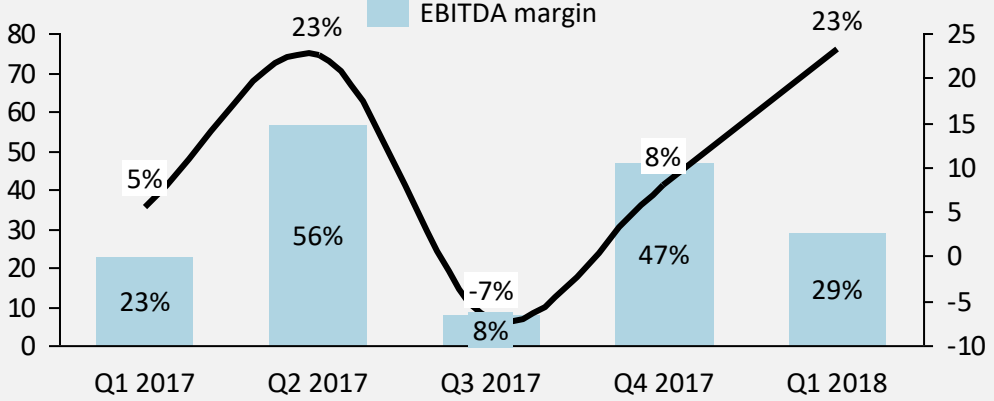


EBITDA development, NOKm



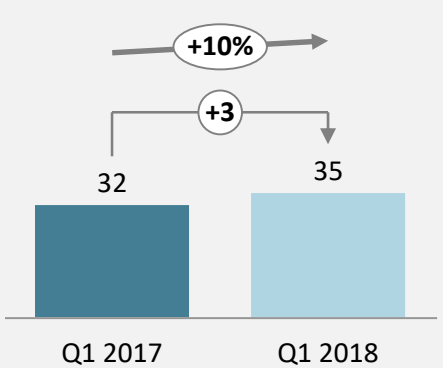
EBITDA margin[1]
% of gross profit

Gross profit growth
YoY, %

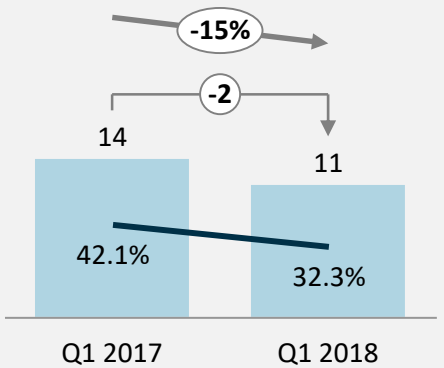


Software Indirect

Gross profit development, NOKm

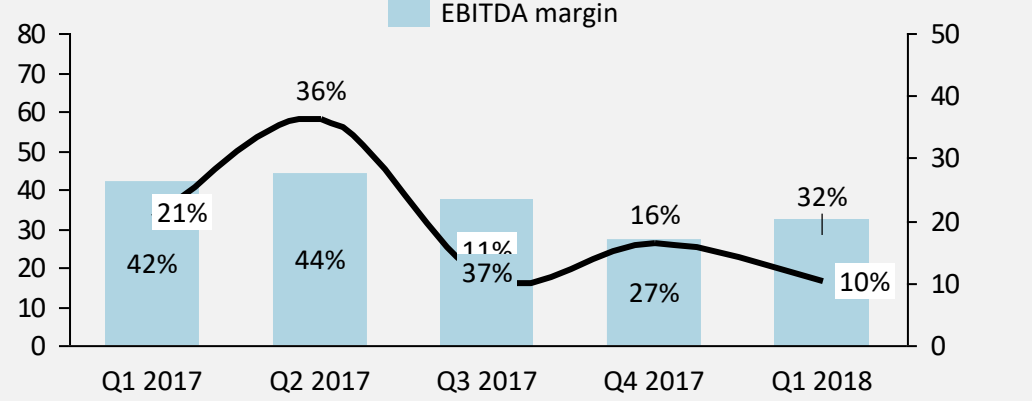


EBITDA development, NOKm



EBITDA margin[1]
% of gross profit

Gross profit growth
YoY, %



1 EBITDA divided by reported gross profit

Extensive portfolio of intellectual property

Unique proprietary intellectual property portfolio…

…providing differentiation and customer stickiness

Services	SAM-iQ	✓ Help customers improve internal processes and capabilities ✓ Web portal providing tools and scripts	***~500 customers*** signed up on a subscription model, typically on multi-year agreements[1]
	ELEVATE	✓ SAM delivery and collaboration platform	Used by Crayon for various SAM services
	Catch	✓ License management tool for monitoring software usage and inventory	Used by Crayon and licensed to customers
Software	CLOUD-iQ	✓ Self-provisioning web portal ✓ Effective provision and administration of cloud services for customers	***~1,500 customers*** signed up on a monthly subscription model[1]
	Crayon xSP Portal / navigator	✓ Software webshop and self-provisioning portals for customers and partners	***~2,000 customers*** signed up on a monthly subscription model[1]

~20%

…of total gross profit relates to use of Crayon's own IP portfolio[2,3]

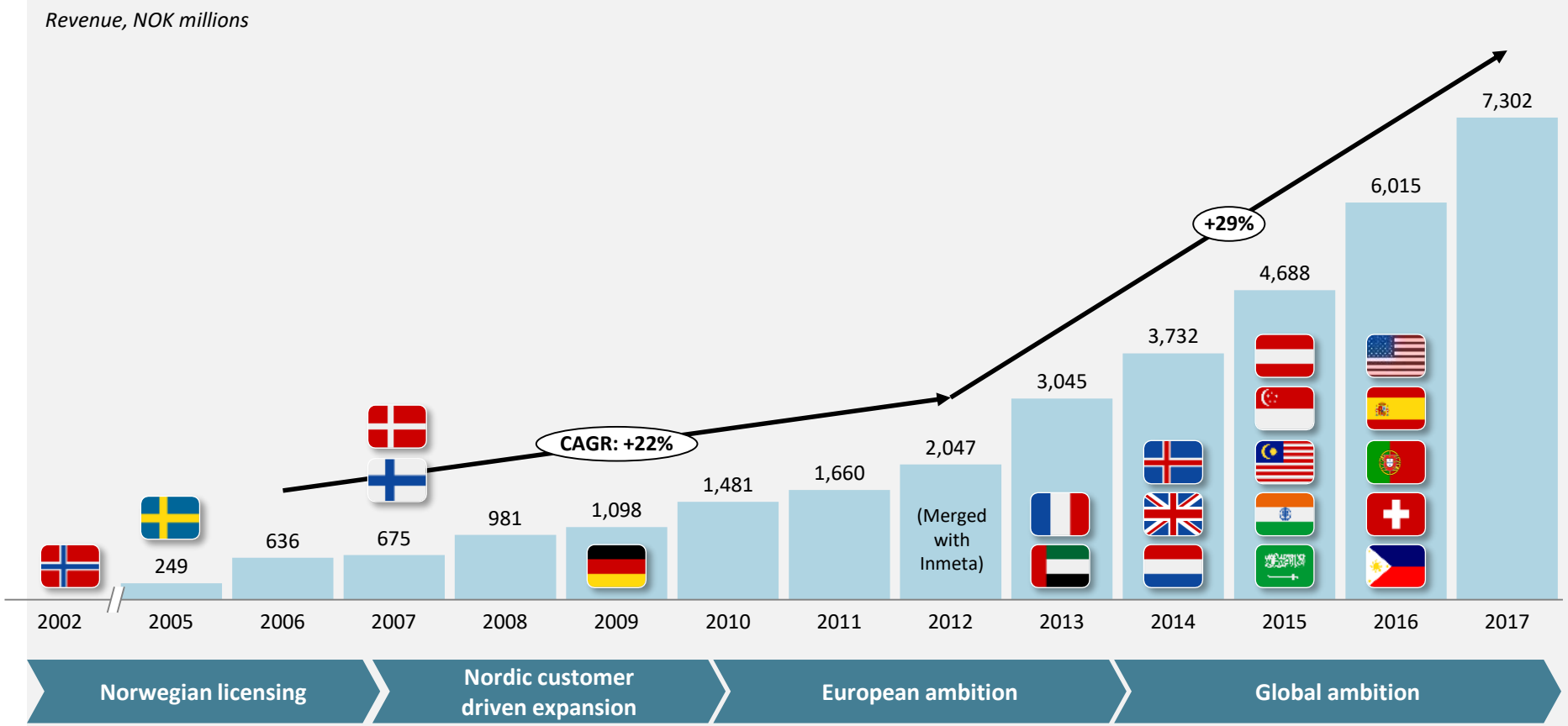
~50%

…of the customers are signed up on subscription models for the Crayon IP[1]

Source: Sales reports
1 Based on end of 2017 data
2 Based on 2017 gross profit
3 ~25% of total revenue relates to use of Crayon's own IP portfolio

Proven execution of international expansion strategy

Successful development from being a Norwegian licensing provider to global ambitions



- Business model applicable across geographies
- Ability to win global customers
- Positioned to be a true strategic partner
- Opportunities for price arbitrage