



# DNB Nordic TMT & Consumer Conference

2 SEPTEMBER 2020

CEO TORGRIM TAKLE



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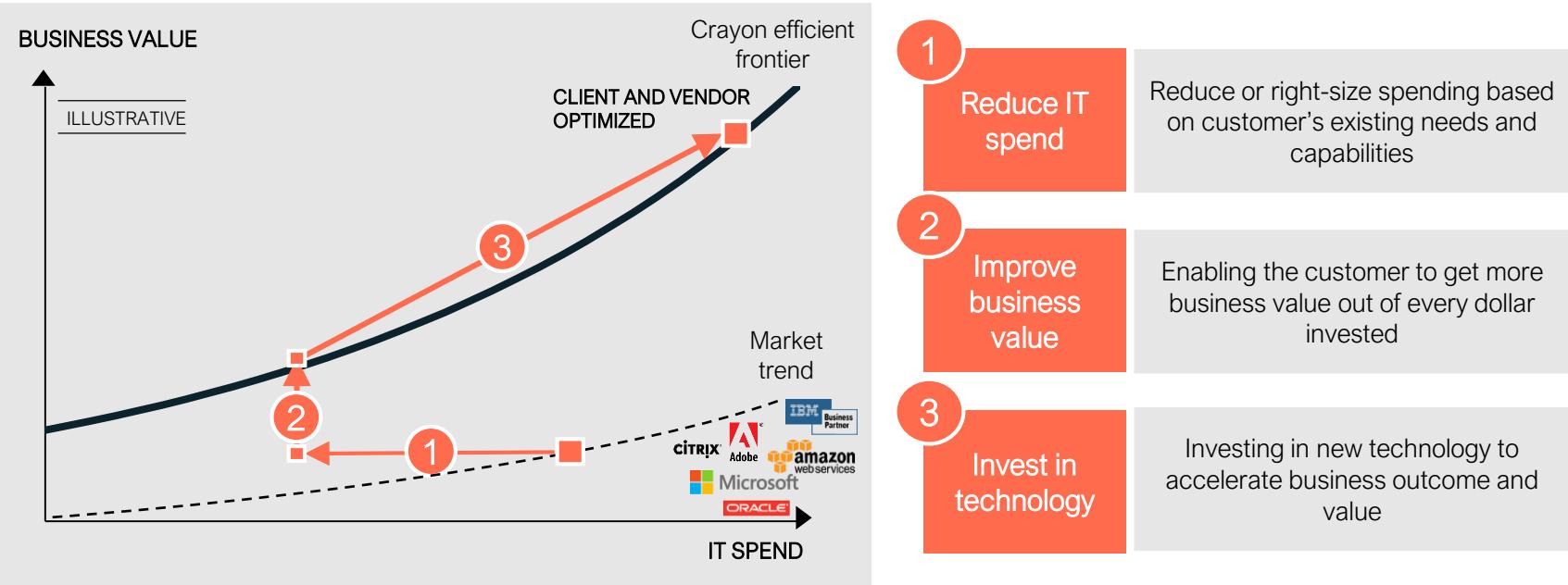
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## BUSINESS MODEL & CUSTOMER VALUE PROPOSITION

# Crayon is the leading digital transformation partner

Crayon's three-step framework to optimize customer's IT spend



Crayon successfully manages the “dual relationship” with customers and software vendors by obtaining higher business value for clients and higher IT spend

# Crayon Named no 1 in Gartner's Magic Quadrant

Magic Quadrant for Software Asset Management Managed Services



“Crayon is a Leader in this Magic Quadrant....”

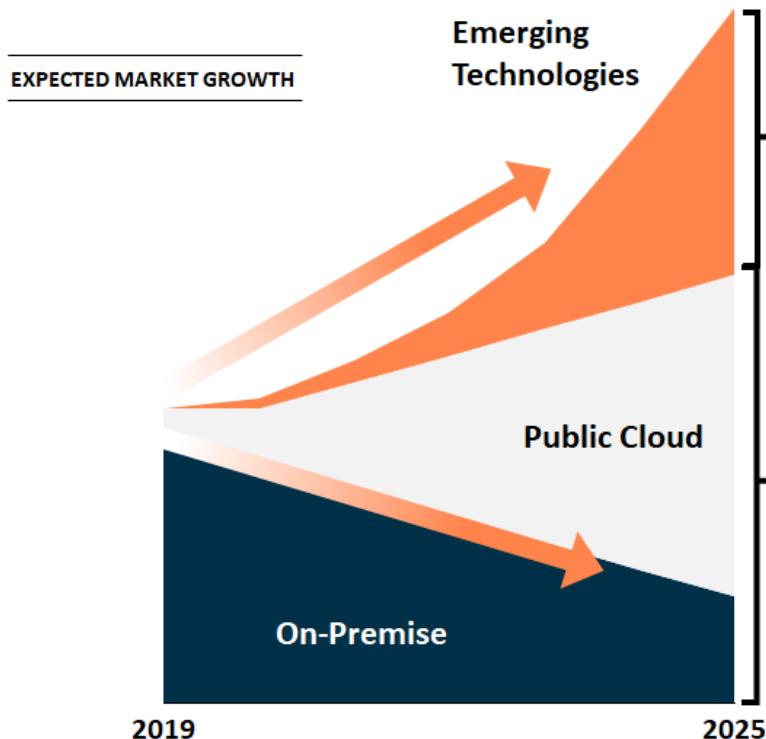
“....praised by reference clients for service methodology and execution”

“...demonstrated benefit delivery beyond its peers assessed....”

“...instrumental in developing vision, progressing SAM maturity and driving continuous improvement....”

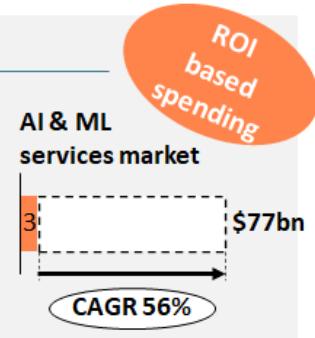
“.... introducing capability from Crayon's AI practice to enable entitlement and use rights management through contract analysis”

# Two major industry trends impacting Crayon positively



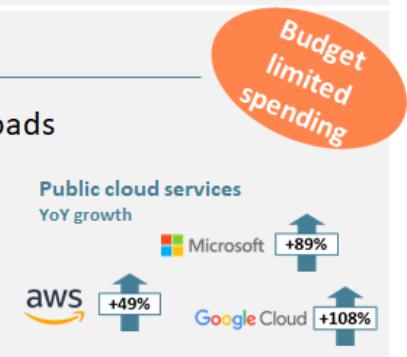
## AI & ML: GAINING MOMENTUM

- Market expected to double every 2<sup>nd</sup> year
- Crayon is Microsoft 2019 Global AI & ML Partner of the Year



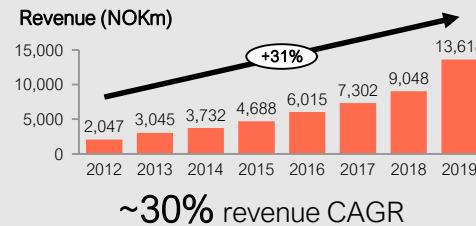
## CLOUD INFRASTRUCTURE SHIFT

- ~\$150bn on-premise workloads to be migrated to the cloud
- Crayon market leader with cloud mix of ~70%



# Global position in a rapidly growing industry

## Numbers



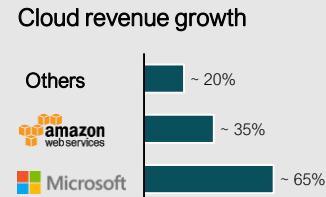
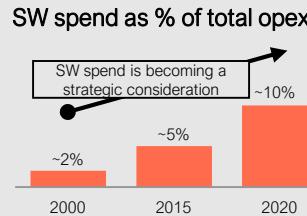
## Business Areas



## Market

**Underlying megatrend**  
*Digital Transformation*

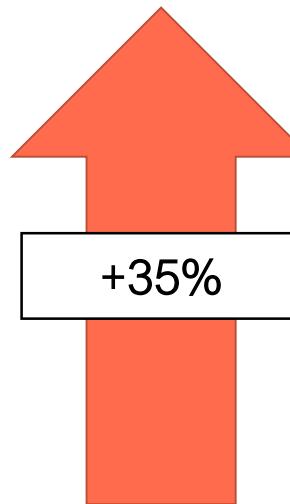
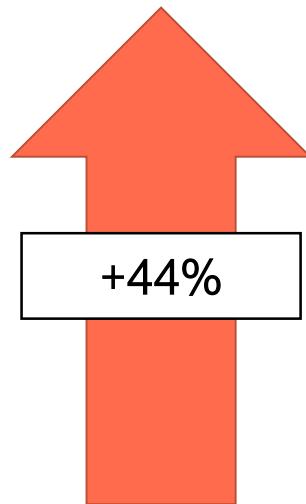
- Exponential growth in software spending and complexity
- Global market – customers facing same challenges everywhere



Q2 2020 HIGHLIGHTS

# Best-Ever Quarterly Financial Results

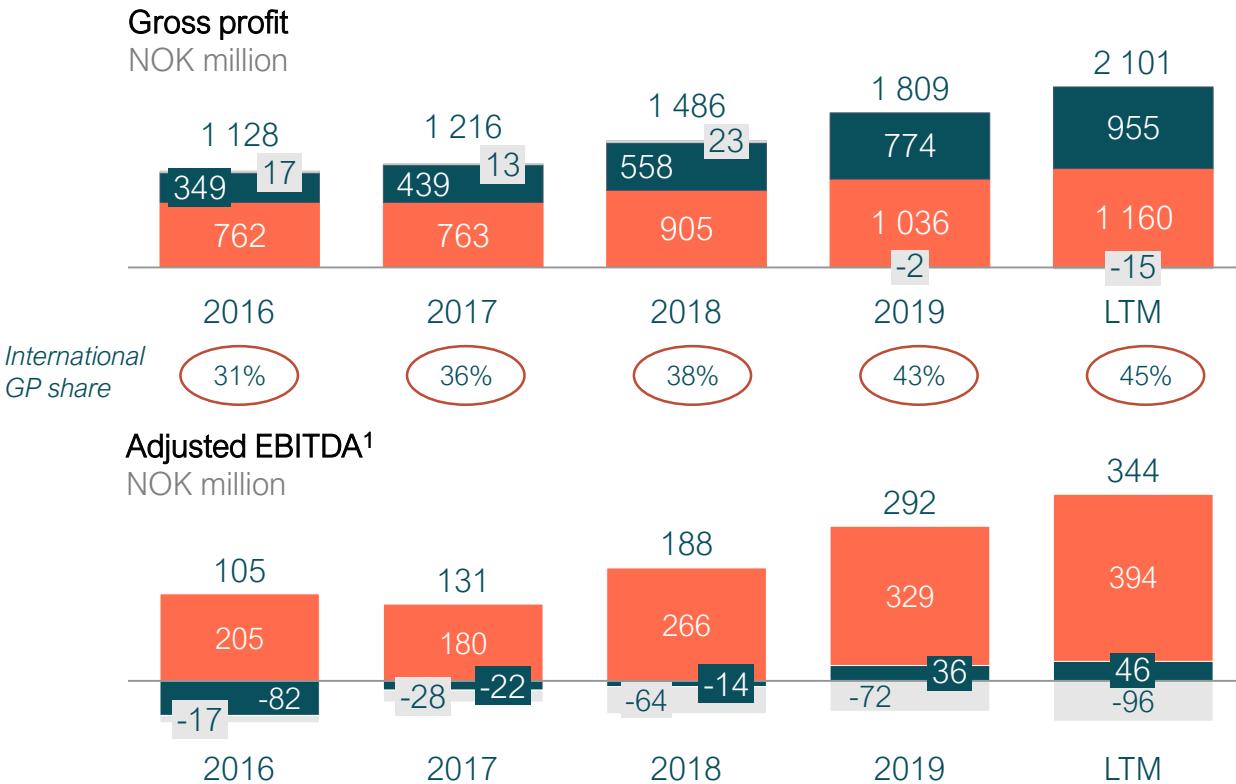
*Compared to corresponding period last year*



<sup>1</sup> Adjusted EBITDA – EBITDA adjusted for share based compensation and other one-off income and expenses

Q2 2020

# International expansion momentum continues



Nordic  
International<sup>2</sup>  
HQ/Elim.

- Continued gross profit growth in international markets – more than doubled since 2017
- EBITDA contribution from International markets continue to improve

<sup>1</sup> Adjusted EBITDA is reported EBITDA less other income & expenses items netted under HQ, hence not reflected on Market Cluster / Business Area level

<sup>2</sup> International includes market clusters Growth Markets, Start-Ups and USA

## Q2 2020 OUTLOOK

# 2020 outlook updated to reflect growth opportunity

	2019 actuals	2020 Q2 LTM	2020 previous outlook	2020 updated outlook	Medium term <sup>2</sup>	Comment
<b>Gross profit growth</b>	+21.7 %	+26.7%	+15-20%	+25-30%	+10-15 %	Accellerating growth based on additional investments
<b>Adjusted EBITDA as share of gross profit</b>	16.2%	16.4%	17-18%	16-17%	Gradually increase to 19%	Margin reduced in light of accelerated growth investments, nominal EBITDA expectations slightly increased
<b>NWC<sup>1</sup></b>	-10.7 %	-25.2%	-10% to -15%	-20% to -25%	-10% to -15%	Expect NWC to fluctuate around historic levels in the medium term
<b>Capex</b>	NOK 76m	NOK 77m	NOK ~70m	NOK 75-80m	NOK ~70m	Continued investments in platforms and IP

<sup>1</sup> Average NWC last 4 quarters as share of gross profit last 4 quarters

<sup>2</sup> Medium term guidance updated annually as part of the annual business planning cycle

# Investment highlights





# Q&A Session