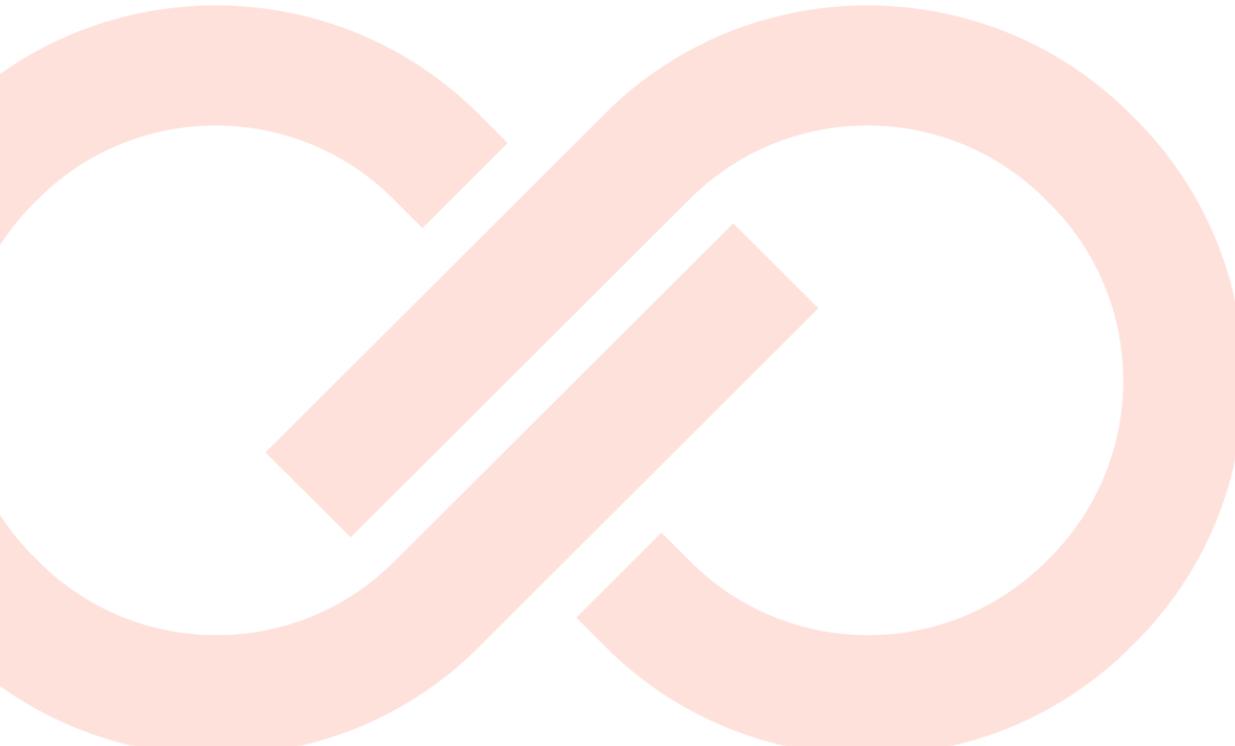




Q2 2023 Financial Report



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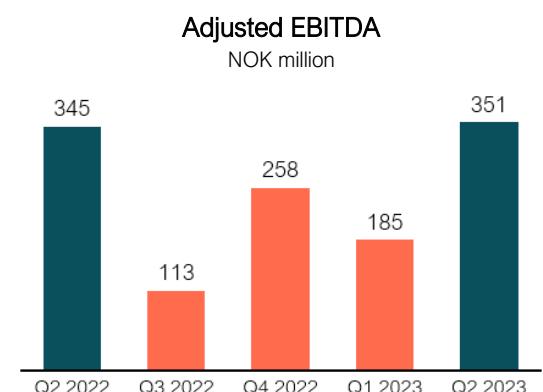
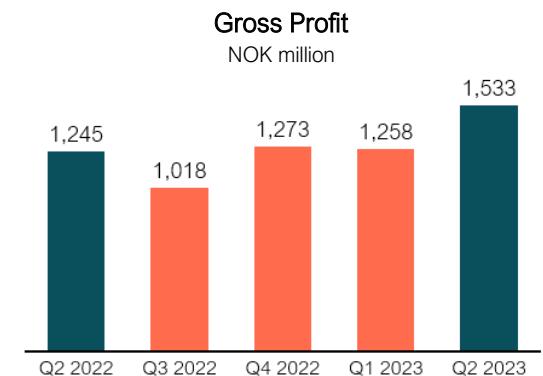
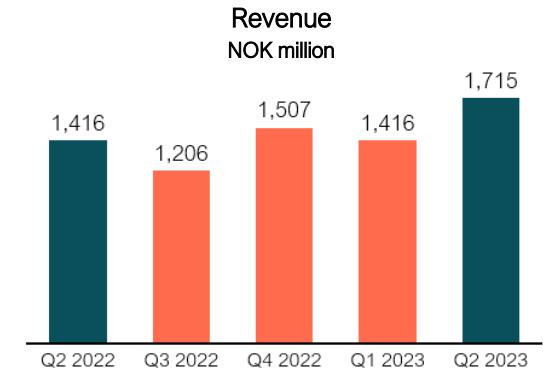
Highlights

- Strong growth momentum continues, gross profit increased 23%, to NOK 1,533m mainly driven by Nordics and Europe delivering 16% and 50% respectively.
- Investments and focused strategy in US driving improved performance, gross profit growing 31%.
- Software & Cloud Economics gross profit increased 28%, reflecting high demand from customer to optimize their IT estate.
- Adj. EBITDA totaled NOK 351m corresponding to a margin of 23%, mainly impacted by temporary decline in Consulting margin due to continued investments to support growth and lead time in price increases to offset inflation.

Key figures

(NOK millions)	Q2 2023		Year to date		Full year 2022
	Q2 2022	Q2 2022 Restated	Q2 2023	Q2 2022 Restated	
	Unaudited	Unaudited	Unaudited	Unaudited	
Revenue	1,715	1,416	3,132	2,487	5,200
Gross profit	1,533	1,245	2,790	2,205	4,496
EBITDA	296	343	480	459	751
Adjusted EBITDA	351	345	536	468	839
Operating profit/EBIT	217	269	319	316	417
Net income	68	24	-23	80	23
Cash flow from operations	158	449	227	121	102
Adjusted EBITDA margin (%)	22.9%	27.7%	19.2%	21.2%	18.7%
Earnings per share (NOK)	0.69	0.06	-0.33	0.71	0.29
	June 30, 2023		June 30, 2022	Dec 31, 2022	
Net interest-bearing debt		1,840	1,253	1,805	
Liquidity reserve		2,165	1,627	1,487	
Leverage ratio (multiple)		2.0	1.4	2.2	
Net working capital		-132	-280	-121	
Full time equivalents (FTE)		3,878	3,219	3,447	

Figures for Q2 and June 30, 2022, are restated and reported according to revised accounting policy regarding agent versus principal assessment for software resellers. See note 3 for further information. See last section for details on Alternative Performance Measures.



Business review

(Figures in parentheses refer to the same period in the previous year)

In the second quarter of 2023 demand remained strong and gross profit grew with 23% driven mainly by Nordics and Europe growing 16% and 50% respectively. In addition, US contributed positively, delivering 31% growth in Gross Profit.

Adj. EBITDA increased with NOK 6m, corresponding to a margin of 23%, down from 28% in the same quarter previous year. The decline was mainly due to higher overall inflation and lower profitability in Consulting. Gross profit from international markets now represents 57% of the group, and 40% of Adj. EBITDA for the last twelve months.

Market Clusters

Demand in the Nordics remains high, and the region continues to deliver strong growth across business areas. Software & Cloud Direct grew 9% while Channel also contributed to the solid performance growing 23%. The consulting segment in the Nordics delivered a very strong quarter growing 20% driven mainly by Norway and Iceland. Adj. EBITDA margin in the Nordics ended at 29%, a decline compared to the same quarter previous year. The decline is mainly due to weaker profitability in Consulting as there is a time lag reflecting cost increases on to pricing with customers.

Europe continued its exceptional start of the year growing Gross Profit with 50% in the second quarter and 51% for the first half year of 2023. Demand for software and cloud licensing remains high with Direct and Channel growing 50% and 87% respectively. The service business continues to expand and gain market share, with Software & Cloud Economic and Consulting growing 30% and 40% respectively. The performance in the region clearly demonstrates the company's strategic efforts to expand services capabilities to fuel growth in cloud and licensing. Adj. EBITDA increased with NOK 22m to NOK 86m, reflecting a margin of 25%, somewhat lower than the comparable quarter in 2022, mainly due to continued investments in resources to fuel growth.

APAC & MEA Gross profit in the quarter was NOK 322m, an increase of 5%. Software and Cloud Direct grew 22% while Channel declined 18% compared to Q2 2022. The decline in the Channel business is mainly due to weaker performance and market sentiment in southeast Asia and India. Channel business in

Australia, which represents approximately half of Channel Gross Profit, grew in line with historical performance. Services delivered a solid quarter with Software & Cloud Economics and Consulting growing 20% and 38% respectively. Adj. EBITDA ended at NOK 43m, a reduction of NOK 68m compared to the same quarter previous year, corresponding to a margin of 13% (37%). The reduction is mainly driven by performance in Channel.

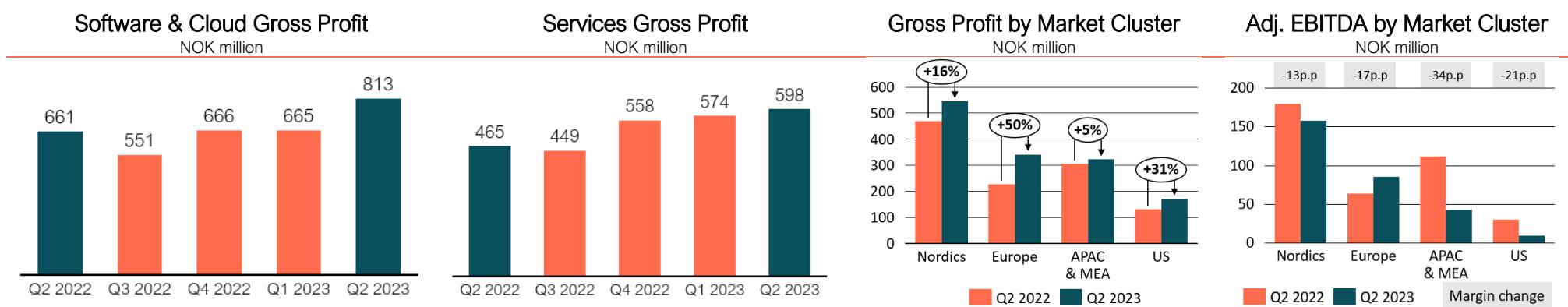
In the US Gross Profit increased 31% to NOK 171m driven by solid growth across all business segments. Software and Cloud grew 26% combined while Software & Cloud Economics and Consulting grew 31% and 65% respectively. Adj. EBITDA ended at NOK 10m a margin of 6%. The financial result in the US for the first half of 2023 reflects the efforts in stabilizing the organization, ramping up sale capacity and strengthening sales leadership as well as a clearer and more focused go to market strategy.

Business Areas

All business areas developed positively in the quarter, with Software & Cloud and Services Gross Profit growing 23% and 28% respectively.

Gross profit in Software & Cloud Direct grew 30% to NOK 560m (NOK 430m), while Channel grew 10% to NOK 253m. Overall performance in the Channel was strong, but the total result was negatively impacted by performance in APAC & MEA. Profitability remains strong for the Software & Cloud division with an Adj. EBITDA before admin & shared services of NOK 427m (NOK 404m), corresponding to a margin of 52% (61%).

Gross profit in the Services division grew by 29% to NOK 598m. Adj. EBITDA before admin & shared services came in at NOK 24m with a positive margin of 4%, which is a reduction from 15% in Q2 2022. The reduction in margins is driven by weaker performance both in Nordics and APAC & MEA, as well as continued investments in new service capabilities and ramp-up time of new resources in particular in Europe and US.



Financial review

(Figures in parentheses refer to the same period in the previous year)

In 2022 Crayon changed its interpretation regarding principal versus agent assessment under IFRS 15 for Software Resellers. Comparable numbers for Q2, 2022 have been restated according to this change, and all comments are based on restated numbers. See Note 3 for more details on the change in accounting policy.

Revenue and gross profit

Revenue in Q2 2023 increased 21% YoY to NOK 1,715m. Gross profit was NOK 1,533m, up from NOK 1,245m in Q2 2022. The constant currency gross profit growth was 14% and distributed across all market clusters except for APAC & MEA. Europe contribution most with a constant currency growth of 30%.

Adjusted EBITDA

Adjusted EBITDA was NOK 351m, about the same level as last year. Year to date adjusted EBITDA grew 15% to NOK 536m. The increase derives from an increase in gross profit of 27%. Payroll and other operating expenses increased with 30%.

Adjustments for the quarter include share-based compensations of NOK 25m and other income and expenses of NOK 30m. Other income and expenses include increase in net earn-out provisions of NOK 5m and other M&A expense, largely related to estimated expenses entering markets in the Middle East currently controlled by partners.

Net income

Depreciation, amortization and impairment increased 7% YoY to NOK 79m.

Interest expenses increased YoY by NOK 24m in Q2 to NOK 68m due to increase in both rates and net interest-bearing debt including new leases.

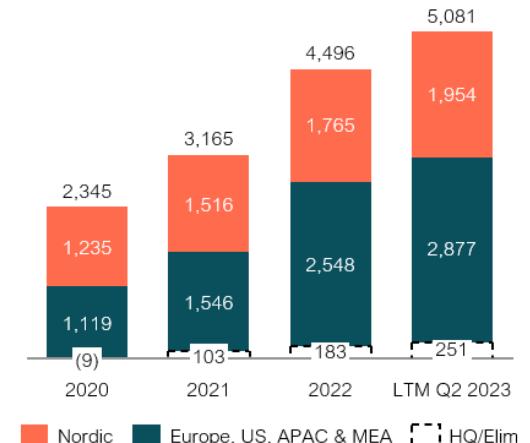
Net other financial items contributed with an expense for the quarter of NOK 57m compared to an expense NOK 187m the same quarter last year. The expense is largely due to currency effects of NOK weakening significantly towards significant group currencies such as EUR, USD, DKK and SEK. Having a significant number of transactions and settlements in foreign currencies, several companies in the group and in particular Norway, are sensitive to currency changes on monetary assets such as accounts receivables, accounts payables, loans and cash, including group internal balances. Correspondingly we had other comprehensive income of NOK 122m related to positive effect of currency translation of subsidiaries to NOK, of which effect of translating cash in subsidiaries to NOK contributed with NOK 48m.

Net income amounted to NOK 68m compared to NOK 24m last year. Due to the positive currency translation difference of NOK 122m, total comprehensive income ended at NOK 189m.

Earnings per share allocated to owners amounted to NOK 0,69 for Q2 compared to NOK 0,06 last year.

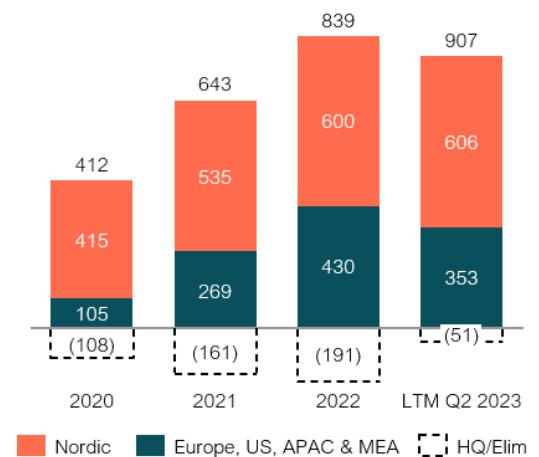
Gross Profit by Market Cluster

NOK million



Adj. EBITDA by Market Cluster

NOK million



For illustration purposes. 2020 is based on historical numbers while 2021 and 2022 are in accordance with new accounting policy.

Balance sheet

Total intangible assets increased with NOK 77m to NOK 4,262m during the quarter, mainly due to currency adjustments.

Total receivables increased with 17% to NOK 12,244m compared to Q2, 2022. The balance is significantly impacted by currency as NOK has weakened significantly from last year. Our gross sales grew 30% from Q2, 2022.

The net working capital is negatively impacted by a significant delayed public sector payment with the Department of Budget and Management Procurement Services (“PS-DBM”) in the Philippines, amounting to approximately USD 45m. The agreement has been subjected to an audit by Commission of Audit (CoA). The audit has led to delay in payments, as timing have been dependent on official audit completion. The audit was completed in July 2023 and the PS-DBM has started the internal process to release payment of USD 37m. The remaining outstanding amount of USD 8m relates to new taxation included in the price of the licenses, where PS-DBM is instructed to coordinate with NEDA (National Economic and Development Authority) and endorse the request for the pricing change. No bad debt provision has been made for this agreement. Total bad debt provisions amounted to NOK 138m at the end of the quarter.

Crayon has non-recourse factoring agreements, which have been implemented for a set of customers in Norway and in Denmark. On June 30, 2023, factoring reduced accounts receivable by NOK 317m (NOK 424m).

Total interest-bearing liability end of the quarter decreased from last quarter with NOK 70m to NOK 3,093m, mainly due to a new supplier financing of NOK 302m and repayment of RCF of NOK 350m. Total cash of NOK 1,405m is on the same level as last quarter. Restricted cash did however increase, leaving a net interest-bearing debt of NOK 1,840m, slightly higher than last quarter.

Total equity increased with NOK 211m to NOK 2,841m during the quarter driven by the net income of NOK 68m, and other comprehensive income gain on currency translation of NOK 122m. The equity ratio was 15%.

Cash flow

Cash flow from operations in Q2 2023 was NOK 158m versus NOK 449m last year. Year to date the cash flow was NOK 227m versus NOK 121m same period in 2022. Trade working capital increased by NOK 472m in the quarter but levelled out by a reduction in OWC and other adjustments of NOK 437m.

Cash paid for investing activities amounted to NOK 71m (NOK 45m) and include an earn-out payment of NOK 32m in addition to ordinary CAPEX.

Cash flow for financing activities amounted to NOK -143m (NOK 21m). Included is repayment of revolving credit facilities from NOK 750m to NOK 400m and new supplier financing arrangements amounting to NOK 302m. The remaining relate to ordinary interest, lease payments, and change in other financial arrangements.

The liquidity position remained strong, with a total liquidity reserve of NOK 2,165m on June 30, 2023.

Leverage

Net interest-bearing debt as of June 30, 2023, was NOK 1,840m, with a corresponding leverage ratio of 2.0x Adj. EBITDA¹⁾, providing significant headroom with regards to bank covenants (4.5x Adj. EBITDA¹) as of the end of the quarter.

Employees

Our people are our greatest asset, and we strive to continuously attract, develop, and retain top talent, but even more importantly, we empower our employees to perform at the best of their abilities every day.

The number of full-time equivalents on June 30, 2023, increased by 20% to 3,878 compared to 3,219 on June 30, 2022, and by 4% compared to 3,718 on March 31, 2023.

¹⁾ On an LTM basis, excluding share-based compensation and other income and expense. Also, including restricted cash and lease liabilities in the calculation of net interest-bearing debt.

Condensed Consolidated Statement of Income

	Q2 2023	Year to date		Year to date		Full year 2022
		Q2 2022	Q2 2023	Q2 2022	Q2 2023	
		Restated Unaudited	Restated Unaudited	Restated Unaudited	Audited	
(NOK millions)						
Revenue	1,715	1,416	3,132	2,487	5,200	
Cost of sales	-183	-171	-341	-282	-704	
Gross profit	1,533	1,245	2,790	2,205	4,496	
Payroll and related expenses	-1,007	-760	-1,923	-1,477	-3,077	
Other operating expenses	-174	-140	-331	-260	-580	
Share based compensation	-25	1	-26	-3	-13	
Other income and expenses	-30	-4	-30	-6	-74	
EBITDA	296	343	480	459	751	
Adjustments	55	2	57	9	88	
Adjusted EBITDA	351	345	536	468	839	
Depreciation, amortization and impairment	-79	-74	-161	-143	-334	
Operating profit/EBIT	217	269	319	316	417	
Share of profit (loss) from associated companies	0	0	-0	-1	7	
Interest expense	-68	-44	-128	-83	-194	
Other financial expense, net	-57	-187	-210	-116	-164	
Net income before tax	92	37	-19	116	65	
Income tax expense on ordinary result	-24	-13	-5	-36	-42	
Net income	68	24	-23	80	23	
Comprehensive income						
Items that are or may be reclassified subsequently to profit or loss						
Currency translation	122	243	319	218	134	
Comprehensive income net of tax	189	267	295	298	157	
Allocation of net income						
Non-controlling interests	6	19	6	17	-2	
Owners of Crayon Group Holding ASA	61	5	-29	63	25	
Net income allocated	68	24	-23	80	23	
Earnings per share (NOK)	0.69	0.06	-0.33	0.71	0.29	
Allocation of comprehensive income						
Non-controlling interests	8	20	10	19	7	
Owners of Crayon Group Holding ASA	181	247	285	279	150	
Comprehensive income allocated	189	267	295	298	157	

Condensed Consolidated Balance Sheet Statement

(NOK millions)	June 30, 2023	June 30, 2022	Dec 31, 2022	(NOK millions)	June 30, 2023	June 30, 2022	Dec 31, 2022		
ASSETS	Note	Unaudited	Restated Unaudited	Audited	LIABILITIES AND SHAREHOLDERS' EQUITY	Note	Unaudited	Restated Unaudited	Audited
Non-current assets:									
Intangible assets									
Development Costs	8	126	106	120	Shareholders' equity:			89	89
Technology and software	8	25	91	37	Share capital				89
Contracts	8	547	598	541	Own shares			-0	-0
Software licenses (IP)	8	2	2	2	Share premium			1,818	1,806
Goodwill	9	3,349	3,152	3,147	Total paid-in equity			1,907	1,895
Deferred tax asset		213	77	145	Retained earnings			901	735
Total intangible assets		4,262	4,026	3,991	Total equity attributable to parent company shareholders			2,808	2,630
Tangible assets									
Equipment		103	72	90	Non-controlling interests			33	48
Right-of-use assets	12	448	151	451	Total shareholders' equity			2,841	2,678
Total tangible assets		551	224	542	Non-current liabilities:				
Investment in associated companies		42	36	43	Interest-bearing liabilities	10		1,790	1,774
Other non-current receivables		70	42	71	Deferred tax liabilities			232	185
Total financial assets		113	78	114	Lease liabilities	10		403	120
Total non-current assets		4,925	4,328	4,646	Other non-current liabilities			32	25
Current assets:					Total non-current liabilities			2,457	2,105
Inventory		19	4	17	Current liabilities:				
Total inventory		19	4	17	Accounts payable			9,506	8,340
Accounts receivable	11	9,314	7,965	6,563	Income taxes payable			88	62
Other current receivables	13	2,930	2,475	2,077	Public duties			894	882
Total receivables		12,244	10,440	8,640	Current lease liabilities	10		76	44
Cash & cash equivalents	10	1,405	1,213	1,530	Other current interest-bearing liabilities	10		824	435
Total current assets		13,669	11,656	10,187	Other current liabilities			1,907	1,439
Total assets		18,594	15,984	14,833	Total current liabilities			13,296	11,201
					Total liabilities			15,753	13,306
					Total equity and liabilities			18,594	15,984
									14,833

Condensed Consolidated Statement of Cash Flows

(NOK millions)	Q2 2023 Unaudited	Q2 2022 Restated Unaudited	Year to date	Year to date	Full year 2022
			Q2 2023 Unaudited	Q2 2022 Unaudited Restated	
Cash flows from operating activities:					
Net income before tax	92	37	-19	116	65
Taxes paid	-40	-34	-66	-72	-118
Depreciation, amortization and impairment	79	74	161	143	334
Net interest expense	62	37	115	68	164
Changes in inventory, accounts receivable/payable	-472	295	189	54	-333
Changes in other working capital and other adjustments	437	40	-154	-188	-11
Net cash flow from operating activities	158	449	227	121	102
Cash flows from investing activities:					
Payment for capitalized assets	-39	-36	-73	-59	-142
Acquisition of subsidiaries - (net of cash acquired) and associated companies	-32	-9	-32	-9	-57
Divestment - net of cash	0	0	0	0	-26
Net cash flow from investing activities	-71	-45	-105	-69	-225
Cash flows from financing activities:					
Net interest paid on interest-bearing liabilities	-62	-34	-112	-63	-174
Share issues	0	64	0	64	73
Share capital increase not registered	0	9	0	9	0
Acquisition/disposal of non-controlling interests	0	-2	-24	-42	-50
Repayment of bond loan	0	0	0	0	-300
Payment of lease liability	-22	-16	-37	-30	-51
Change in RCF utilization	-350	0	-500	0	900
Net change in other credit facilities utilization	291	0	291	0	0
Net cash flow from financing activities	-143	21	-382	-62	398
Net increase (decrease) in cash and cash equivalents	-56	425	-259	-10	275
Cash and cash equivalents at beginning of period	1,413	785	1,530	1,217	1,217
Currency translation	48	4	134	6	38
Cash and cash equivalents at end of period	1,405	1,213	1,405	1,213	1,530

Condensed Consolidated Statement of Changes in Shareholder's Equity

June 30, 2022

Attributable to equity holders of Crayon Group Holding ASA

(NOK millions)	Share capital	Own shares	Share premium	Other Equity	Total	Non-controlling interests	Total equity
Balance at Dec 31, 2021	88	-0	1,734	299	2,122	36	2,158
Restatement	0	0	0	195	195	0	195
Balance at Dec 31, 2021	88	-0	1,734	494	2,316	36	2,353
Net income	0	0	0	63	63	17	80
Currency translation	0	0	0	216	216	2	218
Total comprehensive income	0	0	0	279	279	19	298
Share issues	1	0	63	0	64	0	64
Share capital increase not registered	0	0	9	0	9	0	9
Share-based compensation	0	0	0	12	12	0	13
Transactions with non-controlling interests	0	0	0	-50	-50	-8	-58
Transactions with owners	1	0	72	-38	34	-7	27
Balance as of end of period	89	-0	1,806	735	2,630	48	2,678

June 30, 2023

Attributable to equity holders of Crayon Group Holding ASA

(NOK millions)	Share capital	Own shares	Share premium	Other Equity	Total	Non-controlling interests	Total equity
Balance at Dec 31, 2022	89	-0	1,818	604	2,511	30	2,540
Net income	0	0	0	-29	-29	6	-23
Currency translation	0	0	0	314	314	4	319
Total comprehensive income	0	0	0	285	285	10	295
Share-based compensation	0	0	0	24	24	1	25
Transactions with non-controlling interests	0	0	0	-12	-12	-8	-20
Transactions with owners	0	0	0	12	12	-7	5
Balance as of end of period	89	-0	1,818	901	2,808	33	2,841

Notes

Note 1 – Corporate information

The Board of Directors has approved the condensed interim financial statements as at June 30, 2023, for publication on August 24, 2023. These Group financial statements have not been subject to audit or review.

Crayon Group Holding ASA is a public limited company registered in Norway. The headquarter is located at Gullhaug Torg 5, 0484 Oslo, Norway. Crayon Group Holding ASA is listed on Oslo Stock Exchange (Oslo Børs) under the ticker "CRAYN".

Crayon specializes in supporting customers across all industry sectors with complex local, regional and global IT estates. Crayon helps clients specify, plan, deploy, manage and optimize technology ecosystems.

Crayon had 3,878 full-time equivalents across 46 countries at the end of the period.

Note 2 – Basis of preparation

The consolidated condensed interim financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS), IAS 34 "Interim Financial Reporting". The condensed interim financial statements do not include all information and disclosures required in the annual financial statement and should be read in accordance with the Group's Annual Report for 2022, which has been prepared according to IFRS as adopted by EU.

The preparation of interim financial statements requires the Group to make certain estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates and judgements are continually evaluated by the management based on historical experience and other factors, including expectations of future events that are deemed to be reasonable under the circumstances. Actual results may differ from these estimates. The most significant judgements used in preparing these interim financial statements and the key areas of estimation uncertainty are the same as those applied in the consolidated annual report for 2022.

Note 3 – Significant accounting principles

The accounting policies applied in the preparation of the consolidated interim financial statement are consistent with those applied in the preparation of the annual IFRS financial statement for the year ended December 31, 2022.

Change in accounting policy due to IFRS 15-principal vs agent IASB Interpretation Committee agenda decision

In 2022 and as part of the Q4 reporting and the Annual Report for 2022, Crayon reassessed whether the group acts as a principal or an agent for transactions under the software and cloud divisions. The reassessment caused need for restatement of annual numbers for 2021 and for prior quarters in 2022. For further information see Note 2.5 and 2.6 in the Annual Report for 2022.

Comparable numbers for Q2, 2022 has been restated according to IAS 8. The adjusted amounts for comparative periods are presented in the table below.

Effect of Restated Statement of Income

(NOK millions)	Q2 2022		Year to date Q2 2022			
	Reported	Restatement	Restated	Reported	Restatement	Restated
Revenue	1,300	116	1,416	2,340	147	2,487
Cost of sales	-171	0	-171	-282	0	-282
Gross profit	1,130	116	1,245	2,058	147	2,205
Payroll and related expenses	-661	-99	-760	-1,326	-151	-1,477
Other operating expenses	-139	-1	-140	-257	-3	-260
Share based compensation	1	0	1	-3	0	-3
Other income and expenses	-4	0	-4	-6	0	-6
EBITDA	327	16	343	466	-7	459
Adjustments	2	0	2	9	0	9
Adjusted EBITDA	330	16	345	476	-7	468
Operating profit/EBIT	253	16	269	323	-7	316
Net income before tax	21	16	37	124	-7	116
Income tax expense on ordinary result	-10	-3	-13	-38	2	-36
Net income	11	12	24	86	-6	80

Effect of Restated Statement of Balance Sheet

	June 30, 2022	June 30, 2022	
(NOK millions)	Reported	Restatement	Restated
Non-current assets:			
Total non-current assets	4,328	0	4,328
Current assets:			
Total inventory	4	0	4
Accounts receivable	7,965	0	7,965
Other current receivables	2,277	198	2,475
Total receivables	10,241	198	10,440
Cash & cash equivalents	1,213	0	1,213
Total current assets	11,458	198	11,656
Total assets	15,786	198	15,984
Shareholders' equity:			
Total paid-in equity	1,895	0	1,895
Retained earnings	546	189	735
Total equity attributable to parent company shareholders	2,441	189	2,630
Non-controlling interests	48	0	48
Total shareholders' equity	2,489	189	2,678
Non-current liabilities:			
Interest-bearing liabilities	1,774	0	1,774
Deferred tax liabilities	132	53	185
Lease liabilities	120	0	120
Other non-current liabilities	25	0	25
Total non-current liabilities	2,051	53	2,105
Current liabilities:			
Accounts payable	8,340	0	8,340
Income taxes payable	62	0	62
Public duties	882	0	882
Current lease liabilities	44	0	44
Other current interest-bearing liabilities	435	0	435
Other current liabilities	1,483	-44	1,439
Total current liabilities	11,246	-44	11,201
Total liabilities	13,297	9	13,306
Total equity and liabilities	15,786	198	15,984

Effect of Restated Segment Information

(NOK millions)	Q2 2022						Year to date Q2 2022					
	Software & Cloud			Services			Software & Cloud			Services		
	Direct	Channel	Software & Cloud Economics	Consulting	Admin & Eliminations	Total	Direct	Channel	Software & Cloud Economics	Consulting	Admin & Eliminations	Total
Revenue reported	427	231	178	547	-83	1,300	708	428	329	1,048	-171	2,340
IFRS 15 - change in principle	2	0	0	0	113	116	-16	0	0	0	163	147
Revenue restated	430	231	178	547	30	1,416	691	428	329	1,048	-8	2,487
Gross profit reported	427	231	151	314	6	1,130	708	428	286	632	6	2,058
IFRS 15 - change in principle	2	0	0	0	113	116	-16	0	0	0	163	147
Gross profit restated	430	231	151	314	119	1,245	691	428	286	632	169	2,205
Operating expenses reported	-151	-106	-128	-268	-149	-802	-300	-205	-251	-541	-296	-1,592
EBITDA reported	277	125	23	46	-143	327	408	222	35	91	-290	466
IFRS 15 - change in principle	0	0	0	0	-100	-100	0	0	0	0	-154	-154
Operating expenses restated	-151	-106	-128	-268	-249	-902	-300	-205	-251	-541	-450	-1,746
EBITDA restated	279	125	23	46	-130	343	392	222	35	91	-281	459
Net income before tax reported					21						9	9
Net income before tax restated					37							
Adjustments					2							
Adjusted EBITDA reported	277	125	23	46	-141	330	408	222	35	91	-281	476
Adjusted EBITDA restated	279	125	23	46	-128	345	392	222	35	91	-272	468

Note 4 – Depreciation, amortization and impairment

Depreciation, amortization and impairment consist of the following:

(NOK millions)	Year to date		Year to date		Full year 2022
	Q2 2023	Q2 2022	Q2 2023	Q2 2022	
Depreciation	31	27	60	50	111
Amortization of intangibles	49	47	101	93	192
Impairment	0	0	0	0	31
Total	79	74	161	143	334

See Note 8 for breakdown of intangible assets. See Note 12 for more information on Right-of-use-assets.

Note 5 – Other financial income and expenses

Other financial income and expenses, consists of the following:

(NOK millions)	Year to date		Year to date		Full year 2022
	Q2 2023	Q2 2022	Q2 2023	Q2 2022	
Interest income	6	8	12	15	29
Impairment losses on financial assets	0	0	0	0	-14
Other financial expense, net	-63	-195	-222	-131	-180
Total	-57	-187	-210	-116	-164

Other financial expenses largely relate to currency changes from foreign to functional currencies related to monetary assets such as accounts receivables, accounts payables, loans and cash, including group internal balances. The weakening of NOK towards some of our main currencies such as EUR, USD, DKK and SEK during the quarter is the most important reason. Correspondingly the weakening of NOK caused a positive translation difference from functional currencies to NOK reported as Other Comprehensive Income in Q2, 2023 of NOK 122m, of which effect of translating cash in subsidiaries to NOK contributed with NOK 48m. Impairment losses on financial assets in 2022 relate to impairment on loans to our former Russian subsidiary.

Note 6 – Segment information

The Group regularly reports revenue, gross profit and adjusted EBITDA in operating segments and geographical market clusters to the Board of Directors (the Group's chief operating decision makers). While Crayon uses all three measures to analyze performance, the Group's strategy of profitable growth means that adjusted EBITDA is the prevailing measure of performance. Our internal operating and reporting model focus on us acting as a principal rather than an agent, and consequently our segment information reports accounting to our prior year principle except for revenues being reported net. The adjustment to the new accounting principle following the IFRIC decisions is included as an adjustment under Admin and Elimination for Market Clusters.

The reporting segment are Software & Cloud Direct, Software & Cloud Channel, Software & Cloud Economics and Consulting in addition to Admin & Shared services. Further information is found in Note 2 in the Annual report for 2022.

- **Software & Cloud Direct** is Crayon's license offering from software vendors (e.g., Microsoft, Adobe, Symantec, Citrix, Vmware, Oracle, IBM and others). The emphasis is towards standard software, which customers consistently use year after year, and which plays a key role in their technological platforms and critical commercial processes.
- **Software & Cloud Channel** is Crayon's offering towards hosters, system integrators and independent software vendors (ISV) which includes license advisory/optimization, software license sales and access to Crayons proprietary tools and IP.
- **Software & Cloud Economics** services include processes and tools for enabling clients to build in-house Software Asset Management (SAM) capabilities, license spend optimization, and support for clients in vendor audits.
- **Consulting** consists of Cloud Consulting and Solution Consulting services related to infrastructure consulting, cloud migration and deployment, bespoke software deployment and follow-up of applications.
- **Admin & Shared services** includes administrative income and costs, corporate administrative costs (excluding other income and expenses), unallocated global shared costs and eliminations.

The market clusters are composed of operations in the different geographical areas. Crayon operates with five geographical areas: Nordics, Europe, APAC & MEA and US in addition to HQ & Eliminations. HQ & Eliminations includes corporate admin costs excluding other income and expenses, unallocated global shared cost, IFRS 15 adjustments and eliminations.

Segment Information June 30, 2023

(NOK millions)	Q2 2023						Year to date Q2 2023					
	Software & Cloud			Services			Software & Cloud			Services		
	Software & Cloud Direct	Software & Cloud Channel	Software & Cloud Economics	Consulting	Admin & Eliminations	Total	Software & Cloud Direct	Software & Cloud Channel	Software & Cloud Economics	Consulting	Admin & Eliminations	Total
Revenue												
Nordics	190	54	52	376	1	674	362	107	99	759	-0	1,326
Europe	190	55	54	72	1	371	300	90	120	135	3	647
APAC & MEA	100	120	21	172	3	415	169	262	39	297	-2	766
US	56	14	99	27	0	197	94	28	185	49	0	356
HQ	19	0	-4	8	180	203	24	0	-4	8	257	285
Eliminations	4	11	-0	-0	-161	-146	14	30	-0	-1	-292	-249
Revenue	560	253	223	654	25	1,715	962	516	439	1,249	-34	3,132
Gross profit												
Nordics	190	54	44	255	1	545	362	107	86	530	-0	1,084
Europe	190	55	49	46	1	341	300	90	95	85	3	572
APAC & MEA	100	120	18	82	3	322	169	262	31	149	-2	610
US	56	14	86	14	0	171	94	28	162	30	0	315
HQ	19	0	-4	8	180	203	24	0	-4	8	257	285
Eliminations	4	11	0	0	-65	-49	14	30	0	0	-119	-75
Gross profit	560	253	193	405	121	1,533	962	516	370	803	139	2,790
Operating expenses	-264	-123	-174	-401	-275	-1,236	-480	-230	-330	-777	-494	-2,311
EBITDA	296	130	19	5	-154	296	483	286	40	26	-355	480
Depreciation and Amortization						-79						-161
Share of results from associates						0						-0
Net financial income and expenses						-126						-337
Net income before tax						92						-19
Adjustments						55						57
Adjusted EBITDA	296	130	19	5	-99	351	483	286	40	26	-298	536

Segment Information June 30, 2022 - Restated

(NOK millions)	Q2 2022						Year to date Q2 2022					
	Software & Cloud			Services			Software & Cloud			Services		
	Software & Cloud Direct	Software & Cloud Channel	Software & Cloud Economics	Consulting	Admin & Eliminations	Total	Software & Cloud Direct	Software & Cloud Channel	Software & Cloud Economics	Consulting	Admin & Eliminations	Total
Revenue												
Nordics	175	44	41	323	13	596	297	93	81	667	8	1,145
Europe	126	29	45	79	-0	279	196	57	72	117	1	442
APAC & MEA	82	146	26	130	2	386	140	257	41	236	4	678
US	44	12	67	15	0	138	75	21	135	28	0	259
HQ	0	-0	0	0	26	26	0	-0	0	0	50	51
Eliminations	2	0	0	0	-11	-9	-16	0	0	0	-72	-88
Revenue	430	231	178	547	30	1,416	691	428	329	1,048	-8	2,487
Gross profit												
Nordics	175	44	33	213	4	468	297	93	66	435	4	895
Europe	126	29	38	33	1	227	196	57	65	60	2	379
APAC & MEA	82	146	15	59	3	306	140	257	25	117	5	544
US	44	12	65	9	0	130	75	21	130	19	0	245
HQ	0	-0	0	0	26	26	0	-0	0	0	50	51
Eliminations	2	0	0	0	85	87	-16	0	0	0	107	91
Gross profit	430	231	151	314	119	1,245	691	428	286	632	169	2,205
Operating expenses	-151	-106	-128	-268	-249	-902	-300	-205	-251	-541	-450	-1,746
EBITDA	279	125	23	46	-130	343	392	222	35	91	-281	459
Depreciation and Amortization						-74						-143
Share of results from associates						0						-1
Net financial income and expenses						-232						-199
Net income before tax						37						116
Adjustments						2						9
Adjusted EBITDA	279	125	23	46	-128	345	392	222	35	91	-272	468

(NOK millions)	Q2 2023	Q2 2022 Restated	Year to date	Year to date	Full year
			Q2 2023	Q2 2022 Restated	2022
Adj EBITDA - Operating Segment					
- Software & Cloud Direct	296	279	483	392	727
- Software & Cloud Channel	130	125	286	222	504
Total Adj EBITDA - Software & Cloud	427	404	769	614	1,231
- Software & Cloud Economics	19	23	40	35	88
- Consulting	5	46	26	91	148
Total Adj EBITDA - Services	24	69	66	126	236
Admin & shared services	-99	-128	-298	-272	-628
Total Adjusted EBITDA	351	345	536	468	839
(NOK millions)	Q2 2023	Q2 2022 Restated	Year to date	Year to date	Full year
			Q2 2023	Q2 2022 Restated	2022
Adj EBITDA per Market Cluster					
- Nordics	158	180	334	329	600
- Europe	86	64	103	76	132
- APAC & MEA	43	112	77	145	269
- US	10	30	1	37	29
- HQ	55	-41	21	-119	-191
Total Adjusted EBITDA	351	345	536	468	839

Note 7 – Share options

Please refer to Note 6 in Annual Report 2022 for overview and details on the different ongoing option and employee share purchase programs. Costs in Q2 2023 includes general manager share grant program for 2023 with similar conditions as previous years and increased participation in employee share purchase programs.

Cost related to share-based compensation, as displayed in the table below, includes employee social security tax. Negative amounts are related to reversal of accrued employee social security tax because of a reduction in share price during the quarter.

(NOK millions)	Q2 2023	Q2 2022	Year to date	Year to date	Full year
			Q2 2023	Q2 2022	2022
Share incentive scheme (IPO)	0	-2	0	-3	-4
Employee share purchase programs	12	2	14	4	9
Management share option programs	13	-2	12	2	8
Total	25	-1	26	3	13

Note 8 – Intangible assets

(NOK millions)	Software licenses (IP)	Development costs	Contracts	Technology and software	Total
Acquisition cost at Jan 1, 2023	9	479	1,011	215	1,714
Additions	0	47	0	0	47
Currency translation	0	4	48	2	54
Acquisition cost at June 30, 2023	9	530	1,059	218	1,816
Amortization and impairment Jan 1, 2023	7	359	469	179	1,015
Amortization	0	45	42	14	101
Accumulated amortization and impairment at June 30, 2023	7	404	511	192	1,115
Net book value at June 30, 2023	2	126	547	25	701

Amortization period
Amortization method

0-5 years
Linear

3 years
Linear

5-20 years
Linear

3-10 years
Linear

The company recognizes intangible assets if it is likely that the expected future economic benefits attributable to the asset will flow to the company and the cost of the asset can be measured reliably. Intangible assets with a limited useful life are measured at cost less accumulated amortization and impairments. Amortization is recognized on a straight-line basis over the estimated useful life. Amortization period is reviewed annually. Amortization of intangible assets identified fair value adjustments as part of purchase price allocation from acquisitions amount to NOK 44m year to date.

The company divides its Intangible assets into the following categories in the balance sheet:

Software licenses (IP):

Intangible assets from historical acquisitions.

Development cost:

Crayon capitalizes expenses related to development activities according to IAS 38. Expenses capitalized include costs of materials and services used or consumed in generating the intangible asset and costs of employee benefits arising from the generation of the intangible asset. Capitalized development costs are amortized on a straight-line basis over the estimated useful life.

Contracts:

The intangible asset value related to contractual customers is mainly from the acquisitions of Sensa and rhipe. These assets are amortized on a straight-line basis over the estimated useful lifetime.

Technology and software:

Technology and software include intangible assets arising from the business combinations of Anglepoint and rhipe. Anglepoint contain capitalized software and technology developed internally by Anglepoint. Intangible assets from the rhipe acquisition are related to an internally developed subscription management platform used in the licensing business.

Note 9 – Goodwill

Goodwill arising on business combinations is initially measured at cost, being the excess of the cost of an acquisition over the net identifiable assets (including intangible assets) and liabilities assumed at the date of acquisition and relates to the future economic benefits arising from assets which are not capable of being identified and separately recognized. Following initial recognition, goodwill is measured at cost less accumulated impairment losses. Reconciliation of the carrying amount of goodwill is presented below:

(NOK millions)	Goodwill
Aquisition cost at Jan 1, 2023	3,256
Additions	4
Currency translation	197
Aquisition cost at June 30, 2023	3,458
Impairment at Jan 1, 2023	110
Impairment during the period	0
Accumulated Impairment at June 30, 2023	110
Net book value at June 30, 2023	3,349

The Group performs an impairment test for goodwill on an annual basis or when there are impairment indicators. There were no impairment indicators during Q2, 2023. See note 9 in the Annual Report for 2022 for further information.

Note 10 – Net interest-bearing debt

Interest-bearing debt is recognized at amortized cost.

On July 1, 2021, Crayon entered a NOK 1,800m 4-year senior unsecured floating rate bond with a coupon of 3 months NIBOR + 375 bps. The bond was issued July 15, 2021, and matures July 15, 2025 and is listed on the Oslo Stock Exchange (CRAYON 04). Transaction costs of NOK 29m related to the NOK 1,800m bond and the RCF are carried at amortized cost.

On June 30, 2023 the Group have utilized revolving credit facility (RCF) of NOK 400m. The facility mature on April 15, 2025. However, as the facility will be repaid to zero on a regular basis, the liability has been reclassified to current in Q2, 2023.

The Group entered into short term supplier financing agreements in the quarter. Total liability end of the quarter amounted to NOK 302m.

Total unused credit facilities (RCF and cash pool) amounted to NOK 912m at the end of the quarter. Transaction costs of NOK 29m related to the NOK 1,800m bond and the RCF are carried at amortized cost.

Net interest-bearing debt means senior debt to credit institutions and other interest-bearing debt including leasing less non-restricted cash.

(NOK millions)	June 30, 2023	June 30, 2022	Dec 31, 2022
Bond loan, non-current liabilities	1,790	1,774	1,778
Revolving credit facility	400	0	900
Supplier financing	302	0	0
Bond loan, current liabilities	0	300	0
Lease liabilities	403	120	410
Current lease liabilities	76	44	73
Other current interest-bearing liabilities	123	135	122
Cash & cash equivalents	-1,405	-1,213	-1,530
Restricted cash	152	93	52
Net interest-bearing debt	1,840	1,253	1,805

Note 11 – Financial Risk

Crayon Group is exposed to a number of risks, including foreign currency exchange risk, interest rate risk, liquidity risk and credit risk. For a detailed description of these risks and how they are managed, please see the 2022 Annual Report, Note 19.

On April 26, 2022, Crayon announced its decision to cease operations in Russia due to the war in Ukraine. An agreement was signed in December 2022 for a management buyout. The transaction is still subject to governmental approval in Russia. The risk of the transaction not being approved was considered low, and consequently the sale transaction was recognized in December 2022.

Market risk

Interest rate exposure

The Group's interest rate risk arises from interest-bearing debt at floating rate (cash flow interest rate risk). The Group is sensitive for changes in NIBOR having impact on the NOK 1,800m bond and utilized amounts under the NOK 1,000m revolving credit facility and the NOK 400m cash-pool facility. The Group can also be sensitive to interests on other currencies due to a multicurrency cash-pool in Danske Bank and to other interest-bearing debt, including lease liabilities. No interest positions are hedged.

Foreign currency risk exposure

Crayon has revenues and operating costs in various currencies. The global expansion of Crayon has led to significant business growth as well as currency exposure. The gross cost and sales of licenses and proceeds for incentives are to a large extent determined in international markets, primarily denominated in Euro (EUR), US Dollar (USD), Swedish Kroner (SEK) and Australian Dollar (AUD) in addition to Norwegian Kroner (NOK), while our operating cost more often are denominated in local currencies. A rather comprehensive volume of transactions and balances in foreign currencies make the group volatile for exchange rate changes. The Group assesses business opportunities carefully to mitigate any current and future currency risks. The Group has a limited number of cash flow hedges to cover the risk of sale and purchase in different currencies. Crayon seeks primarily natural hedge to the extent it is economically viable, e.g. by having gross sales and gross cost of licences sold in same currency.

By having operational units in different functional currencies, the Group is exposed to currency translation risks related to subsidiaries. Crayon aims to establish natural hedging positions if this is possible and economically viable. Hedging derivatives are considered on larger acquisitions involving currency exposure.

Liquidity risk

Liquidity risk is the risk that the Group will be unable to meet its financial obligations when they are due, and that financing will not be available at a reasonable price. Crayon Group is impacted by liquidity fluctuation associated with its gross sales and growth. The cash flow from operating activities is mainly impacted by the EBITDA and changes in the net working capital managed by the subsidiaries.

The Group's covenants are attached to the revolving credit facilities and the bond loan. Net interest-bearing debt as of June 30, 2023, was NOK 1,840m, with a corresponding leverage ratio of 2.0x of Adj. EBITDA, providing significant headroom with regards to bank covenants (4.5x Adj. EBITDA) as of the end of the quarter.

The Group Treasury Department is responsible for Group cash flow forecasting and optimizing liquidity flows centrally. Group Treasury monitors forecasts of the Group's liquidity frequently and ensures that the operational requirements are met as well as always maintaining sufficient headroom on debt facilities. The Group has significant liquidity reserves available both through cash, multicurrency cash-pool and RCF, amounting to NOK 2,165m at the end of the quarter and the liquidity risk is therefore considered low.

Credit risk

The Group is exposed to credit risk from its operational activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions. The Group have deposits with sound financial institutions.

Management makes assessments of the credit risk and updates its estimates of losses and the corresponding provision for bad debt on a regular basis. Historical losses and ageing are analyzed, and additional credit risk premium based on geographical analysis and other statistic information on country risk have been incorporated in the loss provision model. Crayon measures allowance for bad debt based on lifetime expected credit losses (ELCs). This involves both backward and forward-looking information and analysis. The management estimate is most sensitive to the forward-looking analysis.

The Group Treasury overlooks the credit risk on a centralized level whilst the subsidiaries are responsible for enforcing standard payment and delivery terms and conditions towards the clients. Credit risk exposure is largely impacted by outstanding receivables related to gross sales and contract assets. Credit check and control procedure conducted by local subsidiaries ensure the credit quality of the customers of Crayon. The Group continues to intensify collection efforts over accounts receivable as a precaution against risk brought about by increased operations in new markets outside the core Nordic region.

Crayon present losses on accounts receivable as operating expenses. The impact of accounts receivable is presented below.

Allowance for doubtful accounts in the balance sheet

(NOK millions)	June 30, 2023	June 30, 2022	Dec 31, 2022
Balance at Jan 1	116	86	86
Currency translation	14	12	-0
Net reversal/allowance	8	-5	30
Closing balance	138	93	116

Profit or loss effect of bad debt

	Q2 2023	Q2 2022	Full year 2022
(NOK millions)			
Realized losses	6	18	28
Allowance for doubtful accounts	8	-5	30
Net accounting losses on receivables	14	14	58

Accounts receivables include a significant delayed public sector payment from the Department of Budget and Management Procurement Services ("PS-DBM") in the Philippines, amounting to approximately USD 45m. The agreement has been subjected to an audit by the Commission of Audit (CoA). The audit has led to delay in payments, as timing have been dependent on official audit completion. The audit was completed in July 2023 and the PS-DBM has started the internal process to release payment of USD 37m. The remaining outstanding amount of USD 8m relates to new taxation included in the price of the licenses, where PS-DBM is instructed to coordinate with NEDA (National Economic and Development Authority) and endorse the request for the pricing change. No bad debt provision has been made for this agreement.

Note 12 – Right-of-use assets

(NOK millions)	Right-of-use assets
Acquisition cost at Jan 1, 2023	630
Additions	20
Disposals	-8
Adjustments	-8
Currency translation	29
Acquisition cost at June 30, 2023	664
Depreciation at Jan 1, 2023	178
Depreciation during the period	40
Disposals	-8
Currency translation	5
Accumulated amortization at June 30, 2023	216
Net book value at June 30, 2023	448
Depreciation period	1-10 years
Depreciation method	Linear

Note 13 – Contract assets

Contract assets are included in Other current receivables and amounts to:

	June 30, 2023	June 30, 2022	Dec 31, 2022
(NOK millions)	Restated		
Contract assets	243	198	199
Total	243	198	199

Contract assets are subsequent period net payments for multiple-period contracts where Crayon transfers services to a customer before the customer pays consideration. The assets are related to contracts under the software and cloud divisions that were reassessed in 2022 as described in note 3.

Note 14 – Seasonality of operations

The group's result of operations and cash flows has varied, and are expected to continue to vary, from quarter to quarter and period to period. These fluctuations have resulted from a variety of factors including contractual renewals being skewed towards Q2 and Q4, year-end campaigns by key vendors (Microsoft's fiscal year ends June 30, Oracle fiscal year ends May 31), and the number of working days in a quarter resulting in shorter production periods for consultants.

Note 15 – Events after the balance sheet date

No significant events to report after the balance sheet date.

Responsibility statement by the Board and CEO

The Board and CEO have considered the condensed set of interim financial statements for the period January 1 to June 30, 2023. We confirm to the best of our knowledge that the condensed set of financial statements for the above-mentioned period:

- Has been prepared in accordance with IAS 34 (Interim Financial Reporting).
- Gives a true and fair view of the Group's assets, liabilities, financial position, and overall results for the period viewed in in their entirety.
- That the business and financial review includes a fair overview of any significant events that arose during the above-mentioned period and their effect on the financial report.
- Gives a true picture of any significant related parties' transactions, principal risks and uncertainties faced by the Group.

Oslo, August 23, 2023



Rune Syversen
Chairman



Grethe Viksaas



Dagfinn Ringås



Jennifer Koss



Wenche Marie Agerup



Jens Winther Moberg



Mette Wam



Jens Rugseth



Lars H. Larhammer



Liv Hege Jensen



Melissa Mulholland
CEO

Alternative Performance Measures and definitions

The financial information in this report is prepared under International Financial Reporting Standards (IFRS), as adopted by the EU. To enhance the understanding of Crayon's performance, the company has presented several alternative performance measures (APMs). An APM is defined by ESMA guidelines as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the relevant accounting rules (IFRS). Alternative performance measures should not be viewed as a substitute for financial information presented in accordance with IFRS but rather as a complement. The Group believes that APMs such as adjusted EBITDA are commonly reported by companies in the markets in which Crayon compete and are widely used by investors in comparing performance on a consistent basis without regard to factors such as other share-based payments and other income and expenses, which can vary significantly from period to period, especially due to M&A transactions and related reorganizations. Crayon discloses the APMs to permit a more complete and comprehensive analysis of its underlying operating performance relative to other companies and across periods. Because companies may calculate gross sales, gross profit, adjusted EBITDA, other income and expenses, net working capital and liquidity reserve differently, the Company's presentation of these APMs may not be comparable to similar titled measures used by other companies.

Crayon uses the following APM's and definitions:

Adjusted (Adj) EBITDA: EBITDA excluding share-based compensation and other income and expenses.

(NOK millions)	Year to date	Year to date	Full year
	Q2 2023	Q2 2022	2022
EBITDA	480	459	751
<i>Adjustments:</i>			
Share based compensation	26	3	13
Other income and expenses	30	6	74
Adjusted EBITDA	536	468	839

Adjusted EBITDA margin: Adjusted EBITDA / Gross profit.

CAPEX: Capital expenditures that mainly consist of office equipment and capitalizes expenses related to development activities according to IAS 38.

Constant currency: Foreign currency transactions converted to constant currency.

EBIT: Earnings before interest expense, other financial items, and income taxes.

EBITDA: Earnings before interest expense, other financial items, income taxes, depreciation, impairment and amortization.

Gross profit: Operating Revenue less materials and supplies.

Gross sales: Gross revenues assuming we were principal and not agent on all software resale being restated and reflect the actual billing for the relevant period.

(NOK millions)	Year to date	Year to date	Full year
	Q2 2023	Q2 2022	2022
Gross Sales	27,037	20,845	38,761

Leverage ratio: Net interest-bearing debt (Note 10), divided by LTM adjusted EBITDA.

Liquidity reserve: Non-restricted cash and available credit facilities in each company where Crayon operates. The liquidity reserve does not consider any restrictions on cross border cash transfers.

(NOK millions)	June 30, 2023	June 30, 2022	Dec 31, 2022
	Restated		
Cash & cash equivalents	1,405	1,213	1,530
Restricted cash	-152	-93	-52
Non-restricted cash	1,253	1,120	1,477
Available credit facility	912	507	10
Liquidity reserve	2,165	1,627	1,487

LTM: Last twelve months.

Net interest-bearing debt: Interest-bearing debt including leasing less unrestricted cash (Note 10).

Net Working Capital: Non- interest-bearing current assets less non- interest-bearing current liabilities. Net Working Capital gives a measure of the funding required by the operations of the business.

(NOK millions)	June 30, 2023	June 30, 2022	Dec 31, 2022
	Restated		
Inventory	19	4	17
Accounts receivable	9,314	7,965	6,563
Accounts payable	-9,506	-8,340	-6,563
Trade working capital	-172	-372	17
Unbilled revenue	1,584	1,043	1,010
Public duty receivables	923	693	490
Contract assets	243	198	199
Prepaid expenses & other	180	541	378
Income taxes payable	-88	-62	-76
Public duties	-894	-882	-613
Accruals	-1,364	-754	-973
Employee benefits related accruals	-399	-345	-367
Prepayments & other	-145	-340	-185
Other working capital	40	92	-138
Net working capital	-132	-280	-121

Other income and expenses: Other income and expenses consist of M&A expenses and directly related reorganizations, subsequent adjustment of contingent considerations or other subsequent adjustments in business combinations including earn-out payments recognized in profit or loss and any other significant non-recurring items. Other personnel costs in 2022 are mainly related to redundancy costs for restructuring following the acquisition of rhipe.

(NOK millions)	Year to date	Year to date	Full year
	Q2 2023	Q2 2022	2022
M&A, business development expenses and legal structuring	-25	-1	-5
Tax reassessment	0	0	-30
Fair value adjustment earn-out	-5	0	-28
Other personell costs	0	-5	-11
Other income and expenses	-30	-6	-74

Organic growth: Comparable growth excluding effect of business combinations.

Trade Working Capital: The net amount of inventory, accounts receivables and accounts payables.

Restricted cash: The amount consists of employee taxes withheld and cash as collateral for bank guarantees.

YoY: Year over year, i.e. comparable period (e.g. quarter or YTD) last year.

YTD: Year to date.

Crayon Group Holding ASA
Gullhaug Torg 5
P.O. box 4384 Nydalen
0484 Oslo, Norway

+47 23 00 67 00
www.crayon.com

Investor Relations
<https://www.crayon.com/investor-relations>
ir@crayon.com