

Interim report Q1

24 April 2024



Driving efficiency and quality in the world of care

Agenda

- 1 Highlights Q1
- 2 Company update
- 3 Financial update

Today's presenters



Daniel Öhman
CEO



Svein Martin Bjørnstad
CFO

Update

- New financial targets
- New agreement with VGR regarding Medrave
- E-referrals released
- The relisting process continues with aim of first day of trading in Stockholm in Q4

Growth

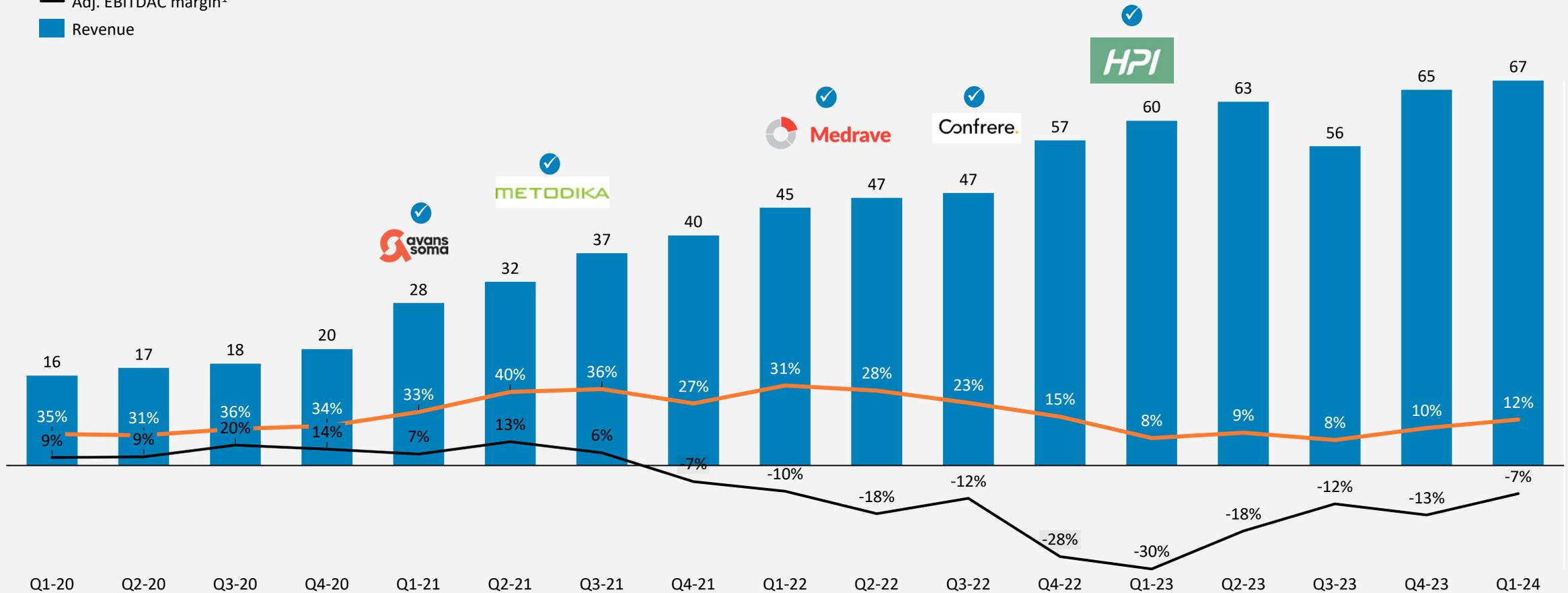
- Signed not implemented ARR amounts to NOK 14m
- 20% organic growth in signed ARR

Profitability

- Additional cost savings as a result of continued efficiency focus
- Significant YoY improvements; positive EBITDA – capex, excluding Webdoc X
- Cash flow positive in Q1

Track record of growth

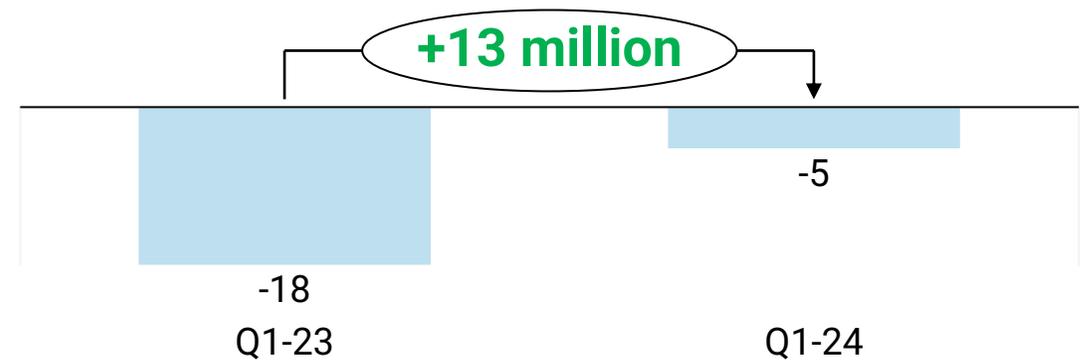
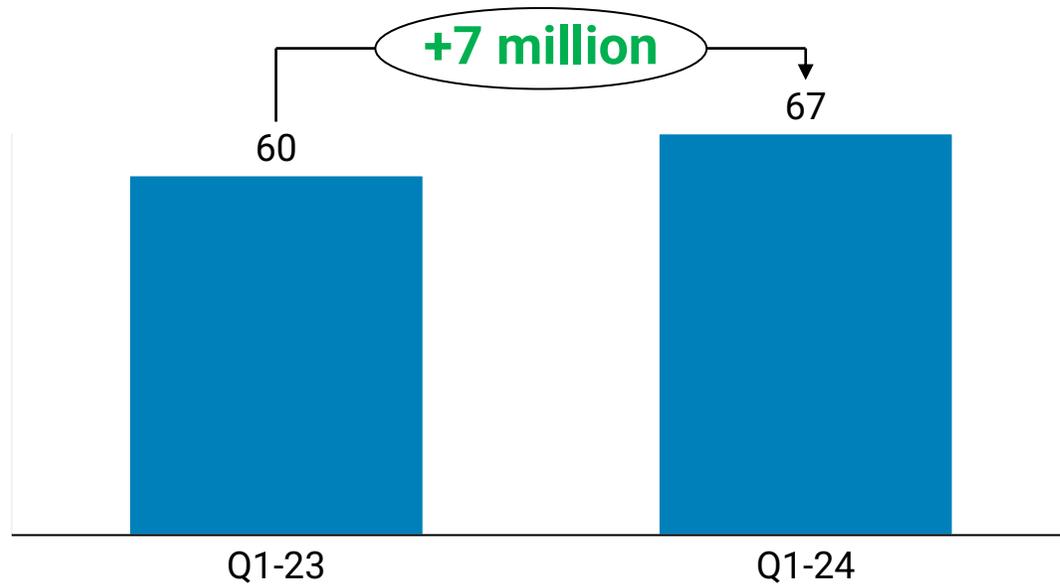
- Adj. EBITDA margin
- Adj. EBITDAC margin¹
- Revenue



1: Defined as EBITDA less capitalized development expenses

Scaling into the cost base

Significant improvement through cost efficiencies and growth
Revenue growth is the key to drive margins going forward



■ Revenue

■ Adj. EBITDA - capex¹

1: Defined as EBITDA less capitalized development expenses

Major steps taken the last 18 months

- Focus on customers
- Improvements of products and delivery
- Professionalized marketing efforts
- Outbound sales efforts
- New development to open up new markets

Plenty of room to grow

~20% market share

~1.5bn target market

Non-cyclical and growing
market

High barriers to entry

Limited competition

Proven traction

New focus is generating effects

Large new contracts secured 2024-2025

NOK 14 million signed not implemented ARR

Equals +6% growth

Major new contracts:



Strong pipeline

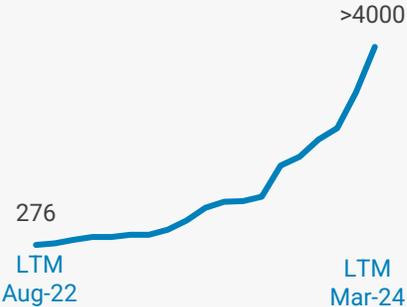
Several additional large potential contracts in pipeline

Increased inflow for Webdoc (21% YoY growth)

New functionality

Surgery, e-referral, patient journey etc

HPIs new services growing exponentially¹



Underlying growth

New customer growth of ~5%

Net retention of ~110%

Note: Underlying growth based on Q1 recurring revenue growth
1: Graph shows development of number of medical controls completed by HPI customers LTM per month since august 2022

Strong visibility on next 18 months

New targets 2024 – 2025

- Backlog secures high visibility on growth for 2024-2025
- Additional cost savings in Q1
- Close to breakeven on cash profitability in Q2

	2023A	2024	2025
Revenue	NOK 244m	NOK 270m	NOK 320m
EBITDA	13m	+40m	+80m
EBITDA – capex	-52m	~neutral	+40m
EBITDA – capex excl. Webdoc X	-26m	+20m	+60m

Keeping costs flat with ~85% gross margin results in rapid cash flow growth

Financial performance Q1 2024

Well functioning base with strong scalability

Ambition to keep costs flat and accelerate growth

HPI & Ad Opus with significant improvements YoY (adjusted for 1m one-offs for additional savings)

Divestment of Confrere cleans up structure and lets us focus

NOKm	Operations (excl. HPI, Ad Opus)	HPI & Ad Opus	WDX	HQ	Confrere (divested in Q1)	Group
Total revenues	57	9	0	-	1	67
Share of revenue	86 %	13 %	0 %	<i>nm</i>	1%	100 %
Organic recurring growth	16 %	4 %	<i>nm</i>	<i>nm</i>	<i>nm</i>	15 %
Adj. EBITDA						
Q1 2024	14	1	-1	-6	0	8
Q1 2023	11	1	0	-7	0	5
Margin 2024	24 %	14 %	<i>nm</i>	<i>nm</i>	<i>nm</i>	12 %
Margin 2023	22 %	14 %	<i>nm</i>	<i>nm</i>	<i>nm</i>	8 %
Adj. EBITDA – capex						
Q1 2024	8	-1	-6	-6	0	-5
Q1 2023	0	-4	-8	-7	0	-18
Margin 2024	14 %	-8 %	<i>nm</i>	<i>nm</i>	<i>nm</i>	-7 %
Margin 2023	1 %	-48 %	<i>nm</i>	<i>nm</i>	<i>nm</i>	-30 %

Journey Ahead and Q1 Highlights

Strong organic growth

- 15% organic growth in recurring revenues in Q1
- Signed agreement with C-Medical, VGR, 9 new Capio clinics
- New sales model with digital marketing, new webpages, CRM and new remuneration model

Efficient use of resources

- Continuous efficiency gains
- Additional cost savings – 1.7m one-off costs related to lay-offs
- Optimize operating cost base – procurement and prioritization

Launch Webdoc X

- Development focus on certifying for Germany
- Working with partners to identify and initiate dialogue with acquisition targets

Strong foundation of mission critical solutions with minimal churn in a growing and non-cyclical industry



Financial update

Q1 2024

Carasent – Q1 financial highlights

67

Million revenue
Q1 2024

20%

Organic growth in signed
ARR

12%

Adj. EBITDA margin

260

Million signed ARR per
Q1 2024

110%

Net retention
rate

-7%

Adj. EBITDA – capex
margin

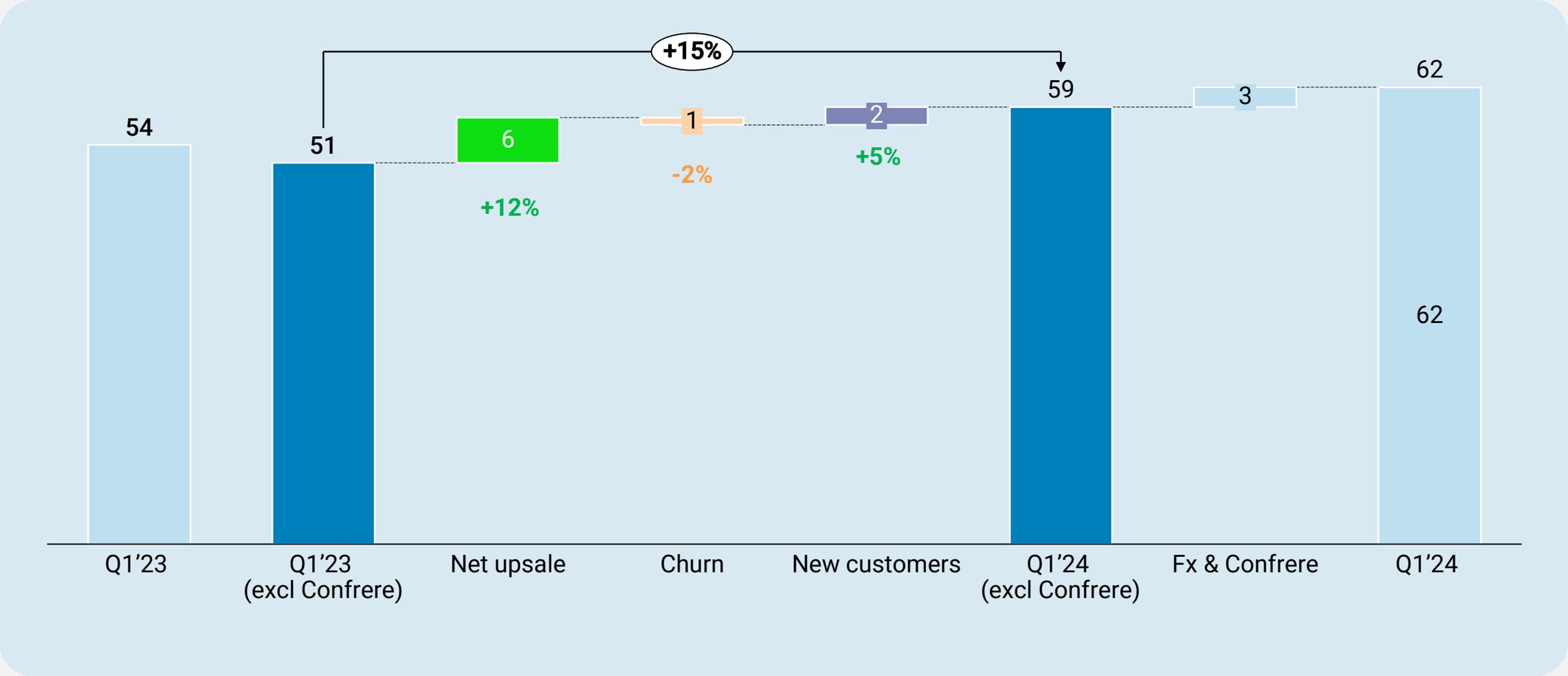
Strong YoY improvements

NOKm	Q1 2024	Q1 2023	YoY growth
Webdoc	33.5	26.8	25%
Other EHR	14.7	13.4	9%
Platform products	13.4	13.6	-1%
Consulting and other	5.3	6.1	-13%
Revenue	66.9	59.9	12%
COGS	-10.7	-11.8	
Gross profit	56.2	48.1	17%
<i>Gross profit margin</i>	84%	80%	
Personnel expenses	-36.5	-31.2	
Other operating costs	-13.4	-14.6	
EBITDA	6.3	2.3	175%
Non-recurring expenses	1.7	2.6	
Adj. EBITDA	8.0	4.9	64%
<i>Adj. EBITDA margin</i>	12%	8%	
Capitalized development	-12.9	-23.1	
Adj. EBITDA - capex	-4.9	-18.2	nm
<i>Adj. EBITDA - capex margin</i>	-7%	-30%	
Adj. EBITDA - capex excl. Webdoc X	1.0	-10.7	nm
<i>Adj. EBITDA - capex margin</i>	1 %	-18 %	

- Webdoc with 25% YoY growth (21% excl. fx effects)
- Consulting revenues down 13% as we prioritize recurring revenues
- Gross profit margin increased from 80% to 84%
- Increase in personnel expenses as a result of lower degree of capitalization of costs and one-offs related to lay-offs (capitalized development decreased ~10m)
- Non-recurring expenses exclusively related to layoffs in Q1 2024

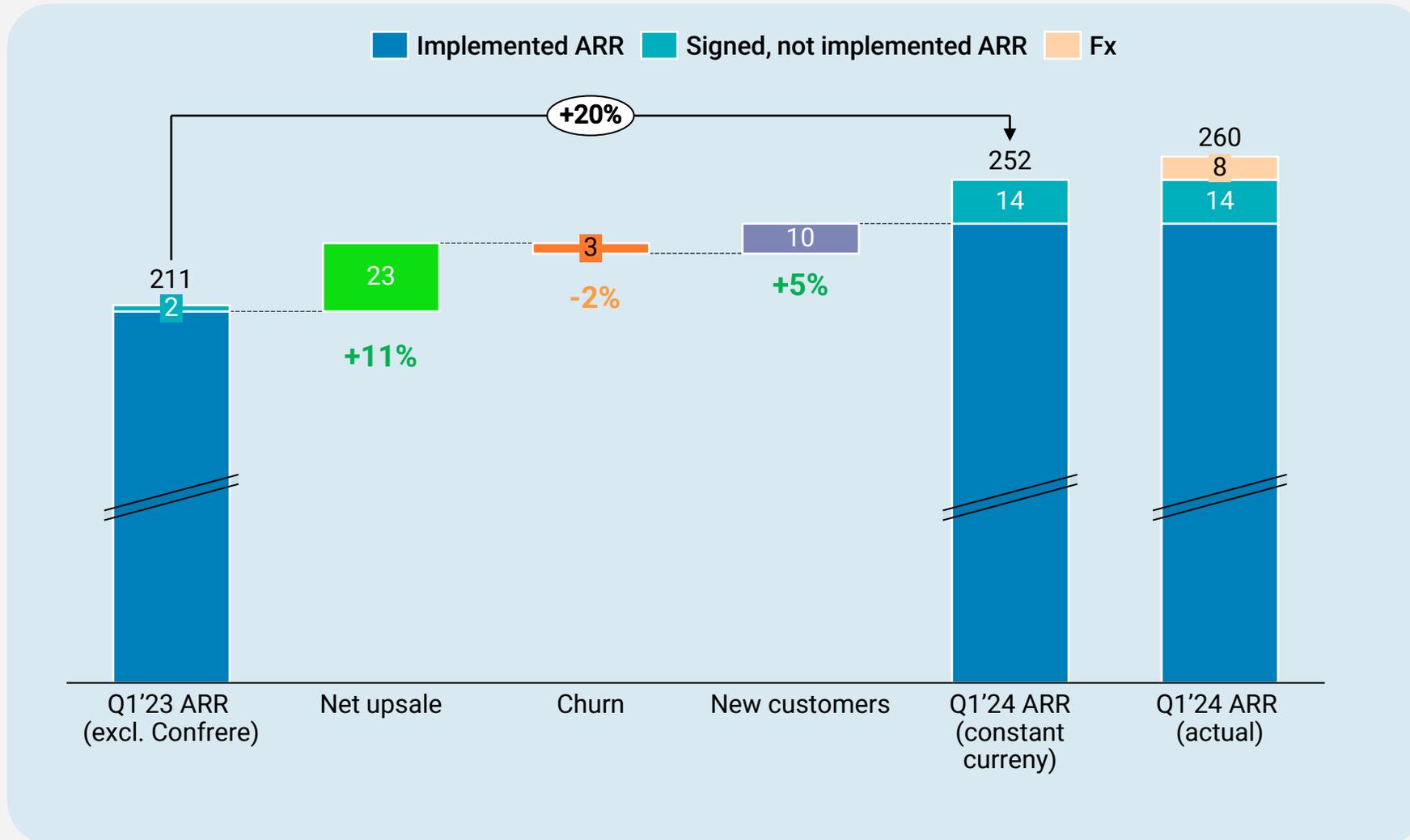
15% recurring revenue growth Q1 YoY

15% organic growth – strong market position with high stickiness and low churn



20% organic growth in signed ARR

Sales initiatives starting to pay off – strong growth in revenue backlog



- Significant uptick in recurring revenue growth driven by large new contracts
- Signed not implemented ARR of NOK 14m vs. 2m YE Q1 2023
- Churn at 1.7%, and even lower excluding Ad Opus

Positive cash flow in Q1

NOKm	Q1 2024	Q1 2023
Revenue	66.9	59.9
Reported EBITDA	6.3	2.3
Non-cash adjustments	0.2	0.0
Change in working capital	6.8	10.5
Operating cash flow	13.2	12.8
<i>Share of revenue</i>	20%	21%
Investments in tangible and intangibles	-13.4	-25.5
Free cash flow	-0.2	-12.7
<i>Share of revenue</i>	0%	-21%
Other investments and financing cash flow	0.2	-2.1
Total change in cash	0.0	-14.8
Cash end of period	373.9	683.0

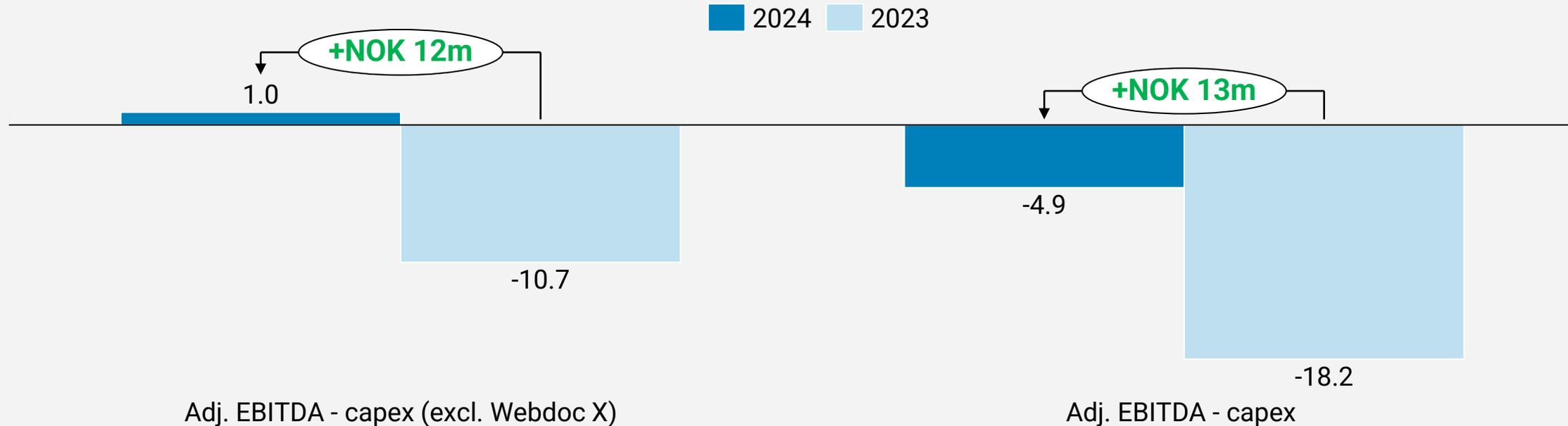
- Operating cash flow at 20% of revenues
- Strong working capital effects in Q1 from annual invoicing for some products
- Capex significantly down YOY
- Other cash flow mainly related to interest and leasing payments
- **Cash flow positive in Q1**

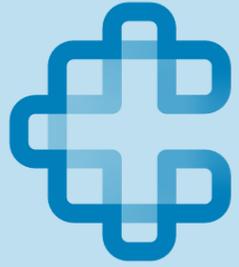
Improving profitability

Cash profitability has improved by cost savings

Aim to grow revenues significantly faster than costs going forward

Gross margin of 84% in Q1





CARASENT

Q&A

