



CARASENT



Q4 and FY 2023

Interim Report

Table

of contents

Overview

Carasent at a glance	3
Highlights	4
Letter to our shareholders	7
Key Figures	8

Financial Statements

Financial results	11
Consolidated statement of income	17
Consolidated statement of comprehensive income	18
Consolidated statement of financial position	19
Consolidated statement of cash flows	20
Consolidated statement of changes in equity	21

Notes

Note 1 – General information	22
Note 2 – Revenue	23
Note 3 – Other operating expenses	24
Note 4 - Derecognition of intangible assets	24
Note 5 – Equity	25
Note 6 – Other financial income	25
Note 7 – Events after the balance sheet date	26
Alternative Performance Measures	

Carasent

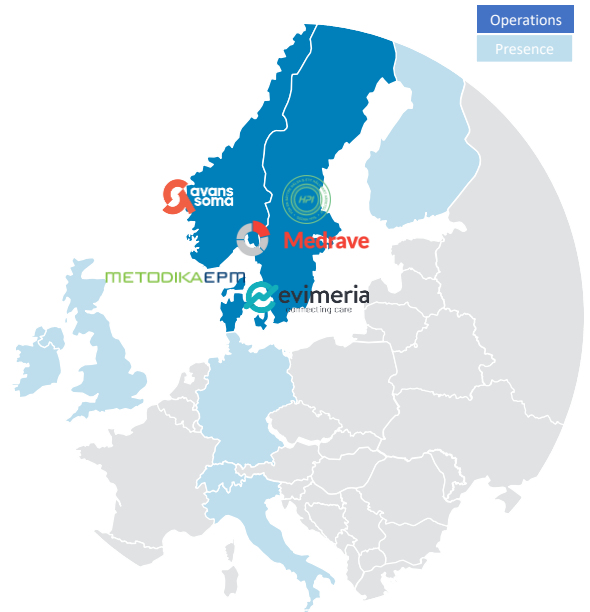
at a glance

244 MNOK
Revenue
2023

239 MNOK
ARR
Dec 2023

9%
Adj. EBITDA Margin
2023

25%
YoY Revenue
growth 2023



Carasent delivers cloud based EHR solutions, with Webdoc as the leading platform, and a broad ecosystem of platform services, including solutions for patient communication and business intelligence. Since 2020 five acquisitions have been completed, adding new products to our portfolio, including the EHR solutions Metodika, Ad Curis and Ad Opus, the business intelligence software Medrave and occupational care platform HPI. This provides customers with a full service offering within our systems.

Our ecosystem of solutions makes Carasent unique. Carasent is a one-stop shop for clinics and can cover all needs. We believe in innovation that offers a new kind of accessibility and availability for patients and practices.

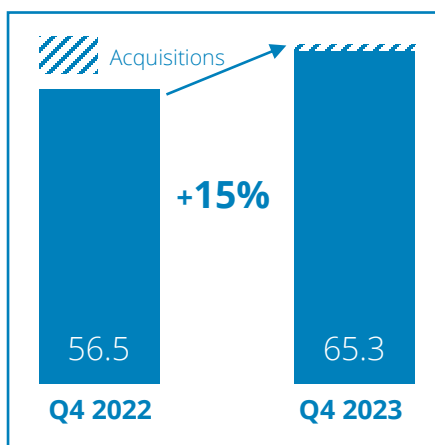
Carasent is on a very exciting journey within the e-health sector, and our ambition is to continue to expand our business both organically and through acquisitions. Our growth strategy is built on expanding our business through three main dimensions: new products and services, new customer segments and new geographic areas.

Q4 Highlights

Financials

Revenue

MNOK



Revenue up 15% to NOK 65.3 million. Acquisitions in the last twelve months accounted for NOK 1.3 million of the growth

Organic growth

8%

Organic YoY revenue growth of 8% in Q4, with constant currency rates

13%

Organic YoY recurring revenue growth of 13% in Q4, with constant currency rates

Margins

10%

Adjusted EBITDA of NOK 6.3 million and margin of 10% in Q4 2023

-7%

Adjusted EBIT of NOK -4.4 million and margin of -7% in Q4 2023

Q4 Highlights

Other

1

Signed agreement with Volvat. Carasent and Volvat Medisinske Senter entered into an agreement to implement the EHR system Metodika EPM. Annual revenue from the contract is estimated to 7-9 MNOK. It is expected that the first centres will start using Metodika EPM by the second half of 2024.

2

Distribution of NOK 250 million. Cash dividend of NOK 133 million distributed in Q4. The total cash distribution in 2023 was NOK 250 million, including the share repurchase completed in Q3.

3

New financial targets. Updated financial targets targeting average annual organic revenue growth above 15% during 2024 to 2026. Carasent also targets improved profitability, with reported EBITDA margin reaching 25% by 2026 and a reported EBITDA - capex margin to reach 15% by 2026.

Events after Q4

1

Sale of Confrere customer agreements and brand. On February 5th 2024, Carasent sold the Confrere brand and customer contracts to Compodium AB. The Confrere assets' financial impact on Carasent LTM Q3 2023 was a turnover of 9.3 MNOK and EBITDA effect of -1MNOK.

Letter

to our shareholders

The highlight of the quarter is undoubtedly our new agreement with Volvat, the largest new customer contract in Carasent's history. The deal means that the entire Volvat group is transitioning to Metodika and will generate annual revenues of 7-9 MNOK per year post implementation. This contract is strong evidence that our customer-centric refocus on our core markets is effective. We now have many promising dialogues with new and existing customers, which makes me very optimistic about our ability to increase growth and scalability as we keep our costs flat.

Recently, we have implemented several measures to strengthen sales. We are building new websites, refining all messages, setting up in-house digital marketing, and finally, we have a CRM system in place. The key is to demonstrate that switching systems is not as challenging as perceived, and our systems are worth the effort. We have developed new functionality that allows users to access their old records directly in Webdoc when switching. Typically all users which switches system have had to use dual systems for about two years in order to have the correct patient information available in the care of patients, which was both expensive and cumbersome. To further support the transition of our sales process the sales team now have lower base salaries and larger variable compensation based on individual sales performance.

In the quarter, we clearly see the effects of the cost-saving program, something that will become even more evident in 2024. We also feel confident that we will see a gradual improvement in our cash flow as we grow our revenues without increasing our costs. During the implementation phase of Volvat, Metodika is expected to have a slight negative effect on the group's margins. However, this investment will be recovered with a substantial margin in the following years through recurring revenues. Instead, it is other parts of the group that will drive improved margins in 2024.

The work on Webdoc X is progressing according to plan. We have continuous interaction with potential customers and expect to certify the system for the German market in 2024. We continually evaluate our strategy, but with each contact and step in the German market, we feel increasingly confident in our choice.

During 2023, three products that account for only 16% of revenue have had a significant adverse impact on margin and growth. Confrere has been sold as it doesn't fit into our ecosystem concept, and standalone video solutions face fierce competition. Unfortunately, Ad Opus will shrink further in the first half of 2024, but the new Ad Opus Web has received a very positive response. The authority, NAV, which procures our clients' offerings, has just received the largest GDPR fines for a government entity ever in Norway for using systems that do not comply with legal requirements. This makes us think it's worth waiting a bit before taking further action. HPI also has promising signals, with ongoing training of all doctors and nurses at our largest customer in our new solutions during the quarter.

To increase transparency about what's happening in this area, we will clearly show the progress of these three products in quarterly presentations until we, in one way or another, have turned the situation around.

After a rather turbulent situation on the ownership side, we now have a good dialogue with the largest owners. This makes me confident that we can focus on working in the direction we have set, providing clarity for the entire company.

Daniel Öhman
CEO

Key Figures

NOK million	Q4 2023	Q4 2022	FY 2023	FY 2022
Revenue	65.3	56.5	244.0	195.3
Revenue growth	15%	46%	25%	52%
Organic growth ²	8%	16%	12%	16%
Reported EBITDA	6.1	2.4	13.3	32.7
Adj. EBITDA ¹	6.3	8.4	21.3	46.3
Adj. EBITDA margin	9.6 %	14.9 %	8.7 %	23.7 %
Adj. EBIT ¹	-4.4	0.6	-20.7	18.9
Adj. EBIT margin	-6.7 %	1.1 %	-8.5 %	9.7 %
Capitalized development	-14.9	-22.2	-65.5	-79.3

Growth Metrics

Total revenues grew by 15% in Q4

We grew total revenues to NOK 65.3 (56.5) million in Q4 2023, up 15% from Q4 last year.

Acquisitions in the last twelve months accounted for NOK 1.3 million of the growth. Organic growth year-over-year (YoY) amounted to 8% (12%)² in Q4 2023. Organic growth was driven by recurring revenue growth.

We grew our recurring revenues – Webdoc EHR, other EHR and Platform Services – by 21%, reaching NOK 59.4 million in Q4 2023 compared to NOK 48.9 million the same quarter last year. The organic recurring revenue growth was in line with previous quarters at 13%. The growth composed of net retention rates² at 108% for the group and growth from new customers of 5%. Growing our recurring revenue base from existing and new customers is a key strategic focus.

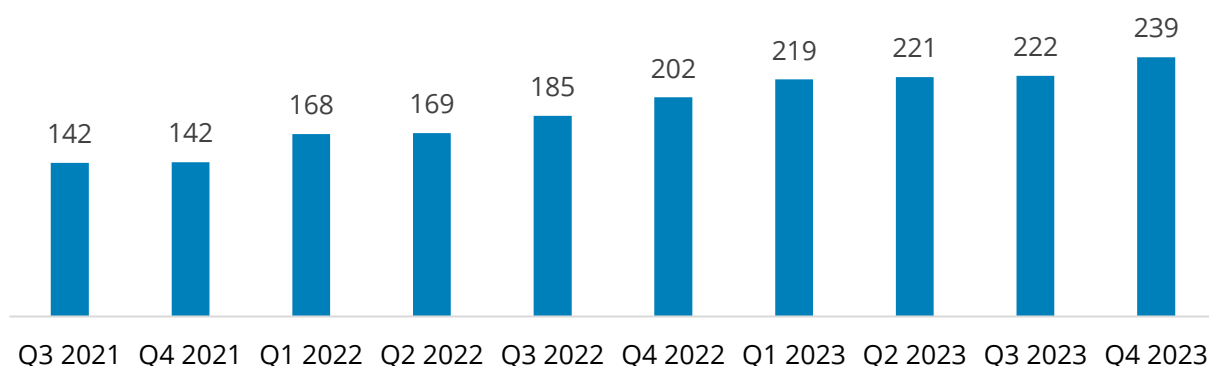
Currency differences affected revenues positively with NOK 3.2 million compared to Q4 2022. The average SEK/NOK currency exchange rate was 1.02 in Q4 2023 vs. 0.95 in Q4 2022.

NOK million	Q4 2023	Q4 2022	FY 2023	FY 2022
Webdoc EHR	16.2	13.8	61.2	50.1
Other EHR	12.6	11.7	47.4	45.1
Platform Services	30.5	23.4	113.2	80.1
Consulting & Other	5.9	7.6	22.1	20.0
Total revenue	65.3	56.5	244.0	195.2

Annual Recurring Revenue (ARR) growth of 18%

Annual Recurring Revenues (ARR) grew to NOK 239 (202) million in Q2 2023, corresponding to a growth of 18%.

Quarterly ARR¹ (MNOK)



Consulting & other revenues of NOK 5.9 million

Consulting and other revenues continued to show a slowdown after a highly active H1 decreasing 22% to NOK 5.9 million. Our main focus is on generating long term recurring revenues. Metodika, which was the primary driver of consulting revenues in H1, was focused on winning the Volvat tender process during Q4.

Profitability and investments

In Q2 Carasent completed a cost savings program with annual effect of around NOK 40 million in savings, and a majority of the savings had full effect in Q4. The cost savings was primarily related to capital expenditures not affecting EBITDA margins.

Adjusted EBITDA margin of 10%

Adjusted EBITDA amounted to NOK 6.3 million in Q4, where margins decreased from 15% to 10% for the group. We are continuing to invest into future growth and our operations are in most areas scaled to manage larger volumes.

Ending Q4, the number of employees in the Group was 165, a net increase of 1 employees compared to Q2 2023. 97 employees are working in Research & Development (R&D), 16 in Sales and Marketing (S&M), 10 in General & Administrative (G&A) and 42 in Operations. Carasent also uses external consultants for individual projects.

Capitalized development

Capitalized development totaled NOK 14.9 (22.2) million decreasing 33% compared to Q4 2022 as a result of the cost savings program.

Capitalized development of NOK 8.9 (8.3) million was related to expansion of our existing markets. This included development of existing and upcoming products in our existing markets.

NOK million	Q4 2023	Q4 2022	FY 2023	FY 2022
Existing markets	8.9	8.3	31.9	30.3
New initiatives	6.0	13.8	33.6	49.0
Total capitalized development	14.9	22.2	65.5	79.3

After discontinuing the Webdoc Norway project, the new initiatives category only includes Webdoc X. Capitalized development costs related to new initiatives totaled NOK 6.0 (13.8) million in Q4 2023.

The investments in tangible and intangible assets, amounted to NOK 15.4 million during Q4 2023. Investments in tangible assets totaled NOK 0.5 million during Q4.

Financial Results

Financial Results – Q4 2023

Net revenue

Revenue of NOK 65.3 million in Q4 2023, an increase of 15.5% as compared to NOK 56.5 million in Q4 2022. Revenue growth was driven by a combination of organic growth of 8% (constant currency) and the acquisition of HPI. The acquisition accounted for 1.3 million or 15% of the increase in revenues.

Gross profit

Gross profit of NOK 52.9 million in Q4 2023, increasing YoY by NOK 7.3 million or 16.1%. The increase in gross profit is primarily attributed by the 15.5% YoY revenue growth within the quarter. Gross margin increased 0.4 percentage points to 81.1% in Q4 2023 compared to 80.7% in Q4 2022.

Operating expenses

Personnel expenses totaled NOK 32.7 million in Q4 2023, an increase of 26.0% compared to the same quarter last year. The increase was driven by a shift of focus from the development team to prioritize backlog and minor developments, leading to a lower degree of capitalized development costs. Capitalized development costs decreased by NOK 7.3 million the same period.

Other operational and administrative expenses totaled NOK 14.1 million in Q4 2023, a decrease of 18.3% compared to the same quarter last year.

EBITDA

Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) was NOK 6.1 million in Q4 2023, compared to NOK 2.4 million in Q4 2022.

Financial Results – Q4 2023

Adjusted EBITDA

Adjusted Earnings before Interest, Taxes, Depreciation and Amortization (Adjusted EBITDA) was NOK 6.3 million in Q4 2023, compared to NOK 8.4 million in Q4 2022. Adjusted EBITDA is adjusted for non-recurring expenses of NOK 0.2 million in Q4 2023 related to share-based payments.

D&A

Depreciation and amortization in the Group in Q4 2023 totaled NOK 12.5 (9.5) million, of which NOK 1.9 (1.7) million was PPA related amortization.

EBIT

Earnings before Interest and Taxes (EBIT) of NOK -6.4 (-7.1) million in Q4.

Adjusted EBIT

Adjusted Earnings before Interest and Taxes (Adjusted EBIT) of NOK -4.4 million compared to NOK 0.7 million in Q4 2022. Adjusted EBIT is adjusted for non-recurring expenses of NOK 0.2 million including PPA related amortization of NOK 1.9 million.

Net profit

The result was a net profit of NOK 10.4 million in Q4 2023, compared to NOK -7.0 million during Q4 2022.

Cash balance

Cash balance was NOK 374 million as per end of Q4 2023.

Financial Results – FY 2023

Net revenue

Revenue of NOK 244.0 million in 2023, an increase of 25.0% as compared to NOK 195.3 million in 2022. Revenue growth was driven by a combination of organic growth and the acquisitions of Confrere and HPI. The acquisitions accounted for 17.9 million or 37% of the increase in revenues.

Gross profit

Gross profit increased YoY in 2023 by NOK 36.4 million or 22.5%. The increase in gross profit is driven by the 25.0% YoY revenue growth within the year. Gross margin decreased 2.0 percentage points to 81.1% in 2023 compared to 82.7% in 2022.

Operating expenses

Personnel expenses totaled 132.1 million in 2023, an increase of 59.7% compared to 2022. Other operational and administrative expenses totaled 52.3 million in 2023, an increase of 13.8% compared to last year.

EBITDA

Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) of NOK 13.3 million in 2023, compared to NOK 32.7 million in 2022.

Adjusted EBITDA

Adjusted Earnings before Interest, Taxes, Depreciation and Amortization (Adjusted EBITDA) of NOK 21.3 million in 2023, compared to NOK 46.3 million in 2022. Adjusted EBITDA is adjusted for non-recurring expenses of NOK 8.0 million in 2023, out of which NOK 4.4 million were restructuring costs related to the cost savings program, and the remaining 3.6 million related to M&A costs (1.2 million), share based payments (0.8 million) and the strategy process (1.6 million).

D&A

Depreciation and amortization in the Group in 2023 totaled NOK 50.9 (34.1) million, of which NOK 7.3 (6.7) million was PPA related amortization.

Financial Results – FY 2023

Derecognition of intangible assets

Carasent announced a change of focus in April after an internal strategy process concluded that a larger and more attractive market can be reached with less investment by developing Webdoc for new segments in Sweden instead of continuing development of Webdoc for Norway. Therefore, intangible assets of NOK 40 million was derecognized in Q2 2023.

EBIT

Earnings before Interest and Taxes (EBIT) of NOK -77.5 (-1.4) million in 2023.

Adjusted EBIT

Adjusted Earnings before Interest and Taxes (Adjusted EBIT) of NOK -20.7 million compared to NOK 18.9 million in 2022. Adjusted EBIT is adjusted for non-recurring expenses of NOK 8.0 million, derecognition of intangible assets of NOK 40 million and non-cash amortization of NOK 9.0 million including PPA related amortization of NOK 7.3 million and NOK 1.7 million IFRS cost related to a write-off of a lease-asset related to a cancelled office lease.

Net profit

The result was a net profit of NOK -46.5 million in 2023, compared to NOK 31.2 million in 2022.

Cash balance

Cash balance was NOK 374 million as per end of 2023.

Consolidated statement of income

(Amounts in NOK 1 000)	Note	3 Months Ended		12 Months Ended	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Revenue		65 294	56 532	243 984	195 260
Operating Revenues	2	65 294	56 532	243 984	195 260
Cost of Sales		12 354	10 916	46 216	33 840
Gross Profit		52 940	45 617	197 767	161 420
Operating Expenses					
Employee Compensation and Benefits		32 707	25 949	132 120	82 739
Other Operational and Administrative Expenses	3	14 125	17 290	52 307	45 961
Depreciation and Amortization		12 482	9 488	50 895	34 081
Derecognition intangible assets	4	-	-	39 968	-
Total Operating Expenses		59 314	52 726	275 289	162 782
Net Operating Income/(Loss)		(6 374)	(7 110)	(77 522)	(1 361)
Financial Items					
Interest (Income)/Expenses		(4 232)	403	(15 301)	1 274
Other Financial (Income)/Expenses	6	(7 889)	1 746	(12 144)	(36 509)
Net Financial Items		(12 121)	2 149	(27 445)	(35 235)
Net Income/(Loss) Before Income Taxes		5 747	(9 259)	(50 077)	33 874
Income Tax Expense/(Income)		(4 625)	(2 225)	(3 632)	2 704
Net Income/(Loss)		10 371	(7 034)	(46 445)	31 170
Attributable to Equity Holders of the Parent		10 371	(7 034)	(46 445)	31 170
Earnings Per Share:					
Basic earnings per share		0.13	(0.09)	(0.64)	0.39
Diluted earnings per share		0.13	(0.09)	(0.64)	0.39

Consolidated statement of comprehensive income

	3 Months Ended		12 Months Ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
(Amounts in NOK 1 000)				
Net Income/ (Loss)	10 371	(7 034)	(46 445)	31 170
Changes in Translation Differences	13 069	(10 114)	25 089	(10 402)
Items that may be Reclassified Subsequently to the Income Statement	13 069	(10 114)	25 089	(10 402)
Total Other Comprehensive Income/(Loss) for the Period	13 069	(10 114)	25 089	(10 402)
Total Comprehensive Income/(Loss) for the Period	23 441	(17 147)	(21 356)	20 768
Attributable to Equity Holders of the Parent	23 441	(17 147)	(21 356)	20 768

Consolidated statement of financial position

(Amounts in NOK 1 000)	Note	December 31, 2023	December 31, 2022
ASSETS			
Non-Current Assets			
Goodwill		405 450	385 181
Customer Relationships		41 279	45 240
Technology	4	169 461	164 806
Other intangible assets		1 265	1 437
Total Intangible Assets		617 455	596 664
Tools and Equipment		3 965	3 030
Right of Use Asset		47 534	36 993
Deferred Tax Assets		-	-
Total Non-Current Assets		668 954	636 688
Current Assets			
Customer Receivables		36 548	27 575
Other Receivables		6 702	2 667
Prepaid Expenses		7 554	6 692
Cash and Cash Equivalents		373 884	697 276
Total Current Assets		424 688	734 210
TOTAL ASSETS		1 093 642	1 370 898

Consolidated statement of financial position

(Amounts in NOK 1 000)	Note	December 31, 2023	December 31, 2022
LIABILITIES AND SHAREHOLDERS EQUITY			
Equity Attributed to Equity Holders of the Parent			
Share Capital		96 337	106 055
Other Paid-in Capital		895 479	1 136 377
Other reserves		13 704	(12 161)
Retained Earnings		(51 714)	(5 269)
Warrants outstanding		1 600	1 600
Total Shareholders Equity		955 406	1 226 601
Liabilities to Credit Institutions		-	625
Lease Liability		37 635	28 225
Deferred Tax Liability		10 116	12 945
Other Non-Current Liabilities		-	8 517
Total Non-Current Liabilities		47 751	50 311
Current Liabilities			
Trade Accounts Payable		16 301	20 245
Accrued Expenses		27 023	26 393
Contract Liability		34 133	25 029
Current Liabilities to Credit Institutions		-	968
Current Lease Liability		12 535	9 065
Other Current Liabilities		493	12 285
Total Current Liabilities		90 484	93 985
TOTAL LIABILITIES AND EQUITY		1 093 642	1 370 898

Consolidated statement of cash flows

	Note	3 Months ended		12 Months ended	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
(Amounts in NOK 1 000)					
Cash Flows from Operating Activities					
Profit/(Loss) Before Tax		5 747	(9 259)	(50 077)	33 874
Depreciation and Amortization		12 482	9 488	50 895	34 081
Interest (Income)/Expenses		(4 232)	408	(15 301)	1 279
Derecognition intangible assets	4	-	-	39 968	-
Fair Value Adjustments Stock Options		-	(35)	-	(38 669)
Fair Value Adjustment Contingent Consideration		(5 113)	(664)	(9 127)	(664)
Derecognition IFRS 16					(1 614)
Unrealised agio/disagio		(3 166)	2 169	(4 548)	2 169
Share based payment		191	-	776	1 929
Change in Accounts Receivable		4 046	1 429	(8 973)	(3 385)
Change in Accounts Payable		1 360	8 797	(3 944)	10 079
Change in Current Assets & Liabilities		(1 907)	(2 032)	2 845	(243)
Income Tax Paid		(6 982)	(3 295)	(6 982)	(3 295)
Net Cash Flows Provided by Operating Activities		2 425	7 006	(4 467)	35 541
Cash Flows from Investing Activities					
Investments in Intangible and Tangible Assets		(15 467)	-	(69 203)	(63 046)
Acquisition of Company, Net of Cash Paid		-	-	-	(99 449)
Received interest		4 730	-	13 677	-
Settlement of purchased debt		-	(13 053)	-	(13 053)
Cash Flows Used in Investing Activities		(10 737)	(13 053)	(55 526)	(175 548)
Cash Flows from Financing Activities					
Issuance of Shares		-	-	-	5 475
Transaction Cost Related to Issuance of Shares		-	-	-	(273)
Share buy back		(116 732)	-	(116 732)	-
Transaction Cost Related to Share buy back		(806)	-	(806)	-
Dividend paid		(133 078)	-	(133 078)	-
Cash Settlement Stock Options			(7 569)		(7 569)
Issuance of Warrants		-	800	800	800
Payment Lease Liability		(2 056)	(2 001)	(9 908)	(7 191)
Repayment of Debt to Credit Institutions		(976)	(158)	(1 593)	(158)
Net paid Interest		(630)	(408)	(1 961)	(1 279)
Cash Flows Used in Financing Activities		(254 277)	(9 336)	(263 278)	(10 195)
Effect of Exchange Rates on Cash and Cash Equivalents		(195)	-	(121)	237
Net Change in Cash and Cash Equivalents		(262 784)	(15 383)	(323 392)	(149 964)
Cash and Cash Equivalents at Beginning of Period		636 668	750 789	697 276	883 756
Cash and Cash Equivalents at End of Period		373 884	735 406	373 884	733 792

Consolidated statement of changes in equity

	<u>Other reserves</u>						Total Equity
	Share Capital	Other Paid-in Capital	Warrants outstanding	Share based payment reserve	Translation Difference Reserves	Retained Earnings	
(Amounts in NOK 1 000)							
Equity December 31, 2021	104 719	1 105 556	-	-	(2 560)	(36 439)	1 171 274
Net Income for the Period	-	-	-	-	-	31 170	31 170
Other Comprehensive Income/(Loss)	-	-	-	-	(10 402)	-	(10 402)
Income/(Loss)	-	-	-	-	(10 402)	31 170	20 768
Share Issuance	1 336	29 726	-	-	-	-	31 061
Transaction Costs	-	(273)	-	-	-	-	(273)
Share Based Payments	-	1369	-	801	-	-	2 169
Share Based Payments	-	-	1600	-	-	-	1 929
Equity December 31, 2022	106 055	1 136 378	1 600	801	(12 962)	(5 269)	1 226 601

	<u>Other reserves</u>						Total Equity
	Share Capital	Other Paid-in Capital	Warrants out-standing	Share based payment reserve	Translation Difference Reserves	Retained Earnings	
(Amounts in NOK 1 000)							
Equity December 31, 2022	106 055	1 136 378	1 600	801	(12 962)	(5 269)	1 226 601
Net Income for the Period	-	-	-	-	-	(46 445)	(46 445)
Other Comprehensive Income/(Loss)	-	-	-	-	25 089	-	25 089
Income/(Loss)	-	-	-	-	25 089	(46 445)	(21 356)
Share Issuance	-	-	-	-	-	-	-
Share buy back	(9 718)	(107 014)	-	-	-	-	(116 732)
Transaction costs	-	(806)	-	-	-	-	(806)
Dividend paid	-	(133 078)	-	-	-	-	(133 078)
Share Based Payments	-	-	-	776	-	-	776
Equity December 31, 2023	96 337	895 480	1 600	1 577	12 127	(51 715)	955 406

Note 1 – General information

Carasent ASA (“Carasent”, the “Company” or the “Group”) is a public Company registered in Norway and traded on the Oslo Stock Exchange with a registered business address Rådhusgata 30b, Oslo, Norway.

The condensed consolidated financial statements for Q4 were approved by the Board of Directors for publication on February 15, 2024. The interim financial information is unaudited.

The condensed consolidated financial statements comprise Carasent ASA and its subsidiaries. The interim financial statements are prepared in accordance with the International Accounting Standard (IAS) 34. The condensed consolidated financial information does not include all information and disclosures required in the annual financial statements and should be read in conjunction with the consolidated financial statements for the year ended December 31, 2022, which have been prepared in accordance with International Financial Reporting Standards as adopted by the EU (IFRS).

The accounting policies applied by Carasent in these interim financial statements are consistent with those of the financial year 2022. The presentation currency is NOK (Norwegian Krone). All financial information is presented in NOK thousands, unless otherwise stated. The income statements are translated at the average exchange rate year to date.

Carasent ASA acquired the Swedish company HPI Health Profile Institute AB (HPI), on October 18, 2022. HPI is a market leader in Sweden within software for occupational healthcare providers. HPI was consolidated in the Group from November 01, 2022. Consequently, comparable figures for the year ended December 31, 2022 only include HPI from November.

Note 2 – Revenue

(Amounts in NOK 1000)	FY 2023	FY 2022	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Webdoc EHR	61 238	50 035	16 208	15 047	15 538	14 445	13 780
Other EHR	47 447	45 002	12 616	11 599	11 525	11 707	11 676
Platform Services	113 227	80 198	30 543	26 048	28 972	27 664	23 440
Consulting & Other	22 072	20 025	5 927	2 827	7 189	6 129	7 636
Total revenue	243 984	195 260	65 294	55 520	63 225	59 944	56 532
Sweden							
Webdoc EHR	61 238	50 035	16 208	15 047	15 538	14 445	13 780
Other EHR	2 909	3 359	761	748	526	874	765
Platform Services	94 969	68 752	26 025	21 611	24 223	23 110	18 998
Consulting & Other	8 467	10 422	2 221	1 440	1 863	2 944	3 459
Total	167 584	132 568	45 215	38 846	42 150	41 373	37 002
Norway							
Other EHR	38 787	36 184	10 315	9 412	9 648	9 412	9 396
Platform Services	16 276	9 676	4 064	3 856	4 342	4 014	4 054
Consulting & Other	8 786	6 704	1 932	847	3 966	2 041	3 066
Total	63 849	52 564	16 311	14 115	17 956	15 467	16 517
International							
Other EHR	5 751	5 459	1 540	1 439	1 351	1 421	1 515
Platform Services	1 982	1 769	454	581	407	540	388
Consulting & Other	4 819	2 900	1 774	540	1 361	1 144	1 111
Total	12 551	10 128	3 768	2 560	3 119	3 105	3 014

Note 3 – Other operating expenses

(Amounts in NOK 1 000)	3 months ended		12 months ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Marketing	657	380	1 925	1 467
Travel and entertainment	899	802	2 546	1 978
Rent and office expenses	1 366	(370)	5 249	1 479
Professional services	6 760	13 370	27 062	30 404
Utilities and maintenance costs	1 555	1 218	2 777	4 032
IT services	4 352	1 713	9 723	6 171
Other operating expenses	1 645	175	3 025	430
Total operating expenses	14 125	17 290	52 307	45 961

Other operating expenses are presented net of capitalization and SkatteFUNN

Note 4 – Derecognition of intangible assets

On 24 April 2023 Carasent ASA concluded that a larger and more attractive market can be reached with less investment by developing Webdoc for new segments in Sweden instead of continuing development of Webdoc for Norway. Carasent have assessed that Webdoc NO has no alternative or further use, and no future economic benefits are expected. As a consequence, intangible assets of NOK 40 million related to Webdoc NO was fully derecognized in Q2 2023.

Carasent, through its leading product Webdoc, holds a strong position in the Swedish market. In the last couple of years, a considerable part of the Company's R&D capacity has been invested in adopting Webdoc for the Norwegian market. The strategic review process executed during 2023 concluded that other opportunities are more attractive to pursue. We continue to have a strong position in Norway through Ad Curis, Ad Opus and Metodika.

Note 5 – Equity

Following a review of the Company's capital structure, the Board decided to reduce the Company's significant net cash position by returning NOK 250 million to shareholders through a share buyback and a cash distribution.

On September 25th Carasent resolved to buy 7,295,747 shares at price per share of NOK 16.00 after the end of a reverse book building process. As such, the total share repurchase amounted to 116,731,952 NOK

An Extraordinary General Meeting on November 14th approved a cash dividend of NOK 133 million bringing the total distribution, across the share repurchase and the extraordinary cash distribution, up to NOK 250 million.

Note 6 – Other financial income

Earnout HPI

As of December 31, 2022, the Company recognized a contingent earnout liability related to the acquisition of HPI, which includes a maximum payout of SEK 13 million. The fair value of this contingent liability was determined by thresholds achieved after the close of the business combination and changes in interest rates, resulting in a financial liability of NOK 8.5 million by 31 December 2022.

As of December 31, 2023, it has been determined that the gross turnover targets for the financial year 2023 were not achieved. The change in in fair value for the year ended 2023 impacted the net income with NOK 9.1 million resulting in the financial liability was reduced to zero by 31 December 2023.

Note 7 – Events after the balance sheet date

Sale of Confrere brand and customer contracts

On February 5th 2024, Carasent has entered into a contract to sell the Confrere brand and customer contracts to Compodium AB. The Confrere assets' financial impact on Carasent LTM Q3 2023 was a turnover of 9.3 MNOK and EBITDA effect of -1MNOK.

Carasent acquired the customer contracts and the brand Confrere from Confrere 4 AS in August 2022. The technology was not acquired by Carasent but was instead licensed from American company Daily. The sale of the Confrere assets will result in a write-off of approximately 5 MNOK which can be reduced if Compodium is successful in its transfer of customers to their own solution.

There are no other events after the balance sheet date that need to be disclosed.

Alternative Performance Measures

Carasent ASA may disclose alternative performance measures as part of its financial reporting as a supplement to the financial statements prepared in accordance with IFRS. Carasent ASA believes that the performance measures provide useful supplemental information to management, investors and other stakeholders and are meant to provide an enhanced insight into the financial development of business operations and to improve comparability between periods.

EBITDA is defined as the Net Income/(Loss) for the period before income tax expense, net financial items, depreciation and amortization of fixed and intangible assets.

EBIT is defined as the Net Income/(Loss) for the period before net financial items and income tax expense.

Adjusted EBITDA is defined as the Net Income/(Loss) for the period before income tax expense, net financial items, depreciation and amortization of fixed and intangible assets adjusted for certain special operating items affecting comparability.

Adjusted EBIT is defined as the Net Income/(Loss) for the period before net financial items and income tax expense, adjusted for certain special operating items affecting comparability.

EBITDA Margin is defined as EBITDA as a percentage of revenues.

Adjusted EBITDA Margin is defined as Adjusted EBITDA as a percentage of revenues.

EBIT Margin is defined as EBIT as a percentage of revenues.

Adjusted EBIT Margin is defined as Adjusted EBIT as a percentage of revenues.

Annual Recurring Revenue ("ARR") is defined as the Monthly Recurring Revenue ("MRR") multiplied with 12. MRR is defined as the revenue the Group expects to receive on a monthly basis from customers from EHR solutions and Platform Services.

Net retention rates is defined as the retained revenues from existing customers from the compared period.

Transaction costs comprises costs occurred in M&A activity.

Share based payments comprises costs related to the discount given to employees in the share incentive program.

Other special operating items comprises costs related to issuance of new shares and other non-recurring items.

Amortization excess values comprises amortization on excess values related to business combinations.

	3 Months Ended		12 Months Ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
(Amounts in NOK 1 000)				
Net Income/(Loss)	10 371	(7 034)	(46 445)	31 170
Income Tax Expense/(Income)	(4 625)	(2 225)	(3 632)	2 704
Net Financial Items	(12 121)	2 149	(27 445)	(35 235)
Net Operating Income/(Loss)	(6 374)	(7 110)	(77 522)	(1 361)
Depreciation and Amortization	12 482	9 488	50 895	34 081
Derecognition intangible assets	-	-	39 968	-
(a) EBITDA	6 108	2 378	13 341	32 720
Adjusted for:				
Transaction costs	-	5 205	1 162	6 908
Share based payments	151	274	812	2 303
Other special operating items	-	570	1 649	4 332
Restructuring costs	-	-	4 350	-
(b) Adjusted EBITDA	6 259	8 428	21 314	46 263
(c) Operating revenue	65 294	56 532	243 984	195 260
EBITDA Margin (a/c)	9.35%	4.21%	5.47%	16.76%
Adjusted EBITDA Margin (b/c)	9.59%	14.91%	8.74%	23.69%

	3 Months Ended		12 Months Ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
(Amounts in NOK 1 000)				
Net Income/(Loss)	10 371	(7 034)	(46 445)	31 170
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Transaction costs	-	5 205	1 162	6 908
Share based payments	151	274	812	2 303
Other special operating items	-	570	1 649	4 332
Restructuring costs	-	-	4 350	-
Derecognition intangible assets	-	-	39 968	-
Write-off lease asset IFRS (non-cash)	-	-	1 662	-
Amortization excess values	1 847	1 705	7 237	6 713
(b) Adjusted EBIT	(4 376)	645	(20 682)	18 895
(c) Operating revenue	65 294	56 532	243 984	195 260
EBIT Margin (a/c)	-9.76%	-12.58%	-31.77%	-0.70%
Adjusted EBIT Margin (b/c)	-6.70%	1.14%	-8.48%	9.68%



CARASENT

Q4 and FY 2023

Interim Report

Carasent focuses on providing digital services to the health care industry. The Company's strategy is to continue to develop and expand digitalization that helps customers to meet challenges in providing efficient and qualitative health care services. For more information, visit carasent.com.

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