



CARASENT



Q3 2023

Interim Report

Table

of contents

Overview

Carasent at a glance	3
Highlights	4
Letter to our shareholders	6
Key Figures	7

Financial Statements

Financial results	10
Consolidated statement of income	12
Consolidated statement of comprehensive income	13
Consolidated statement of financial position	14
Consolidated statement of cash flows	16
Consolidated statement of changes in equity	17

Notes

Note 1 – General information	18
Note 2 – Revenue	19
Note 3 – Other operating expenses	20
Note 4 - Derecognition of intangible assets	20
Note 5 – Equity	21
Note 6 – Events after the balance sheet date	21
Alternative Performance Measures	22

Carasent

at a glance

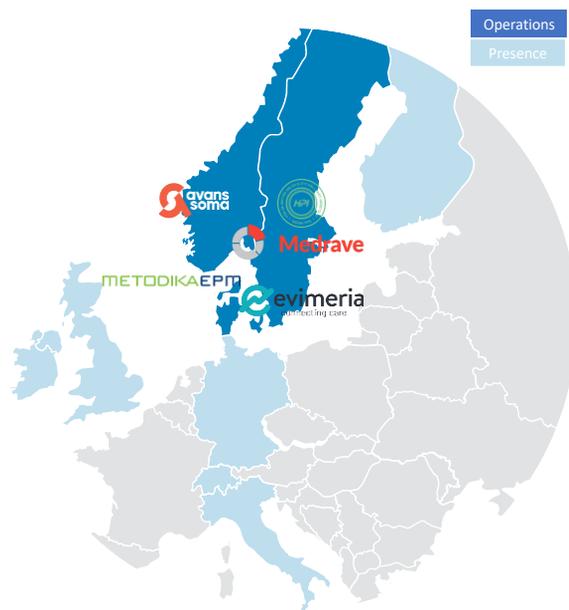
56 MNOK
Revenue
Q3 2023

222 MNOK
ARR
Sep 2023

8%
Adj. EBITDA Margin
Q3 2023

17%
YoY Revenue
growth Q3 2023

637 MNOK
Cash balance



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.

Q3 Highlights

Financials

Revenue

MNOK



Revenue up 17% to NOK 55.5 million. Acquisitions in the last twelve months accounted for NOK 3.9 million of the growth

Organic growth

7%

Organic YoY revenue growth of 7% in Q3, with constant currency rates

13%

Organic YoY recurring revenue growth of 13% in Q3, with constant currency rates

Margins

8%

Adjusted EBITDA of NOK 4.5 million and margin of 8% in Q3 2023

-9%

Adjusted EBIT of NOK -5.0 million and margin of -9% in Q3 2023

Q3 Highlights

Other

1

28 clinics signed for Webdoc in Sweden

2

Announced distribution of NOK 250 million.

Following a review of the Company's capital structure, the Board decided on 21 September 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 28 September, Carasent resolved to buy 7,295,747 shares at a price per share of NOK 16.00, corresponding to NOK 117 million. The remaining NOK 133 million will be distributed as a one-time cash dividend.

Letter

to our shareholders

During the third quarter we have continued to implement our new strategy. We have a solid foundation in our simplified structure in the decentralised organisation. This makes us nimbler, and closer to our customers with clear lines of responsibility. The focus on Webdoc X being the only system going for a new geographical market increases the likelihood of success and allows us to develop more for our existing markets where we have a lot of market share left to gain. The initial responses from customers on our coming functionality, e-referrals and surgery, have been very positive.

During the third quarter we adjusted our capital structure with a share buy-back program where we bought shares through a reverse book building process. We will continue with a one-time dividend, in the form of a repayment of paid in capital. The remaining cash balance will be used for acquisitions at a sensible pace and price. I look forward to sharing more about how we plan to use our balance sheet at the coming capital markets day on the 7th of November.

Historically, the sale of our solutions has been based on our good reputation and customers contacting us to buy. It is therefore very positive that the updated strategy has enabled us to do a lot of small improvements within Webdoc, resulting in among other things 37% less support contacts the last 6 months compared to the same period last year, even though the number of users have increased. Also, within delivery (setting up the system for new customers) the new organisation has delivered great results with an overall grade of 4.5 on a scale of 0-5 the last ~50 implementations. I see these as important improvements to drive our reputation and the existing way of sales.

In September we had the highest number of clinics ever to buy Webdoc in a single month. These did, however, not include any really large ones and we are setting up the sales organisation to focus more on larger customers which takes longer but adds much more to top and bottom line. We are also experimenting with different sorts of inbound marketing where we have seen promising lead generation from some initiatives and less so with others. The important thing is that we continue to develop and refine our sales process.

Our recurring revenues grew in line with history also in the third quarter. Our revenue from consulting is lower in Q3 as these revenues are more uneven and we had finished a couple of large projects in Q2. We also primarily focus on growing our recurring revenues and winning new customers. Carasent as a group continues to have low churn rates at around 2%.

At the moment we have a lot of focus on Webdoc X. We have been meeting potential customers and collaboration partners in prioritized markets and we feel a very positive and strong response. I look forward to seeing you all at the capital markets day where we will discuss this and much more.

Daniel Öhman
CEO

Key Figures

NOK million	Q3 2023	Q3 2022	YTD Q3 2023	YTD Q3 2022
Revenue	55.5	47.4	178.7	138.7
Revenue growth	17 %	28 %	29 %	52 %
Organic growth ²	7 %	12 %	13 %	16 %
Adjusted EBITDA ¹	4.5	11.1	14.8	37.8
Adj. EBITDA margin	8.2 %	23.3 %	8.3 %	27.3 %
Adjusted EBIT ¹	-5.0	4.0	-16.5	18.2
Adj. EBIT margin	-9.1 %	8.5 %	-9.3 %	13.2 %
Capitalized development	-10.7	-16.5	-50.8	-56.5

Growth Metrics

Total revenues grew by 17% in Q3

We grew total revenues to NOK 55.5 (47.4) million in Q3 2023, up 17% from Q3 last year.

Acquisitions accounted for NOK 3.9 million, 48% of the increase. Organic growth year-over-year (YoY) amounted to 7% (12%)² in Q3 2023. Growth rates were impacted by a decrease in consulting revenues compared to Q3 2022.

We grew our recurring revenues – Webdoc EHR, other EHR and Platform Services – by 23%, reaching NOK 52.7 million in Q3 2023 compared to NOK 43.0 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 rates¹ 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 0.9 million compared to Q3 2022. The average SEK/NOK currency exchange rate was 0.97 in Q3 2023 vs. 0.95 in Q3 2022.

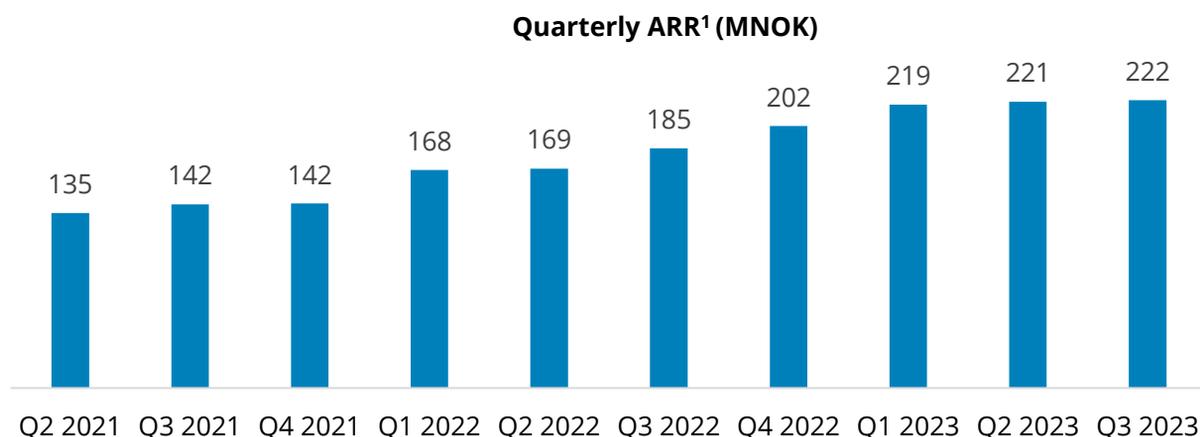
NOK million	Q3 2023	Q3 2022	YTD Q3 2023	YTD Q3 2022
Webdoc EHR	15.0	13.1	45.0	36.3
Other EHR	11.6	11.3	34.8	33.3
Platform Services	26.0	18.6	82.7	56.8
Consulting & Other	2.8	4.4	16.1	12.4
Total revenue	55.5	47.4	178.7	138.7

1: See Alternative Performance Measures

2: With constant currency rates

Annual Recurring Revenue (ARR) growth of 20%

Annual Recurring Revenues (ARR) grew to NOK 222 (185) million in Q3 2023, corresponding to a growth of 20%.



Consulting & other revenues of NOK 2.8 million

Consulting and other revenues showed a slowdown after a highly active first half of 2023, decreasing 35% to NOK 2.8 million compared to Q3 2022. Consulting revenues are driven by specific projects and Metodika was the primary driver in H1. Metodika has been focused on winning new customers during Q3. The summer months are also typically slower due to vacations.

Profitability and investments

Carasent completed a cost savings program in Q2, and a majority of the savings had full effect in Q3. The cost savings was primarily related to capital expenditures not affecting EBITDA margins.

Adjusted EBITDA margin of 8%

Adjusted EBITDA amounted to NOK 4.5 million in Q3, where margins decreased from 23% to 8% for the group. An increased focus on backlog and minor improvements as the new development initiatives are being designed leads to higher opex and lower capital expenditures. We are continuing to invest into future growth and our operations are in most areas scaled to manage larger volumes.

Ending Q3, the number of employees in the Group was 164, a net decrease of 2 employees compared to Q2 2023. 95 employees are working in Research & Development (R&D), 15 in Sales and Marketing (S&M), 10 in General & Administrative (G&A) and 44 in Operations. Carasent also uses external consultants for individual projects.

Capitalized development

The investments in tangible and intangible assets, amounted to NOK 10.8 million during Q3 2023. Capitalized development totaled NOK 10.7 (16.5) million decreasing 36% compared to Q3 2022.

Capitalized development of NOK 6.6 (6.0) million was related to growth in our existing markets. This included development of existing and upcoming products in our existing markets.

NOK million	Q3 2023	Q3 2022	YTD Q3 2023	YTD Q3 2022
Existing markets	6.6	6.0	22.9	21.3
New initiatives	4.1	10.6	27.6	35.0
Total capitalized development	10.7	16.5	50.5	56.3

After discontinuing the Webdoc Norway project, the new initiatives category only includes Webdoc X. Capitalized development costs related to new initiatives totaled NOK 4.1 (10.6) million in Q3 2023.

Financial Results

Financial Results – Q3 2023

Net revenue

Revenue of NOK 55.5 million in Q3 2023, an increase of 17.2% as compared to NOK 47.4 million in Q3 2022. Revenue growth was driven by a combination of organic growth of 7% (constant currency) and the acquisitions of Confrere and HPI. The acquisitions accounted for 3.9 million or 48% of the increase in revenues.

Gross profit

Gross profit of NOK 44.6 million in Q3 2023, increasing YoY by NOK 5.8 million or 14.9%. The increase in gross profit is primarily attributed by the 17.2% YoY revenue growth within the quarter. Gross margin decreased 1.6 percentage points to 80.3% in Q3 2023 compared to 81.9% in Q3 2022. The decrease in margin is primarily related to the acquisition of Confrere, where we have the potential to increase gross profit as we move customers to our own solution.

Operating expenses

Personnel expenses totaled NOK 29.9 million in Q3 2023, an increase of 48.7% compared to the same quarter last year. The increase was driven by an increasing number of employees compared to 2022, the acquisitions completed during the period, and a shift of focus from the Webdoc Norway team to prioritize development backlog and minor developments, leading to a lower degree of capitalized development costs.

Other operational and administrative expenses totaled NOK 10.9 million in Q3 2023, an increase of 9.8% compared to the same quarter last year.

EBITDA

Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) of NOK 3.8 million in Q3 2023, compared to NOK 8.8 million in Q3 2022.

Financial Results – Q3 2023

Adjusted EBITDA

Adjusted Earnings before Interest, Taxes, Depreciation and Amortization (Adjusted EBITDA) of NOK 4.5 million in Q3 2023, compared to NOK 11.1 million in Q3 2022. Adjusted EBITDA is adjusted for non-recurring expenses of NOK 0.8 million in Q3 2023, out of which NOK 0.2 million were additional restructuring costs related to the cost savings program, and the remaining 0.6 million related to M&A costs (0.4 million) and share based payments (0.2 million).

D&A

Depreciation and amortization in the Group in Q3 2023 totaled NOK 12.9 (8.7) million, of which NOK 1.7 (1.7) million was PPA related amortization and NOK 1.7 million related to a write-off of a lease-asset related to a cancelled office lease (non-cash).

EBIT

Earnings before Interest and Taxes (EBIT) of NOK -9.1 (0.1) million in Q3.

Adjusted EBIT

Adjusted Earnings before Interest and Taxes (Adjusted EBIT) of NOK -5.0 million compared to NOK 4.0 million in Q3 2022. Adjusted EBIT is adjusted for non-recurring expenses of NOK 0.8 million and non-cash amortization of NOK 3.3 million including PPA related amortization of NOK 1.7 million and NOK 1.7 million related to a write-off of a lease-asset related to a cancelled office lease.

Net profit

The result was a net loss of NOK -4.5 million in Q3 2023, compared to a net profit of NOK 10.4 million during Q3 2022.

Cash balance

Cash balance was NOK 637 million as per end of Q3 2023.

Consolidated statement of income

(Amounts in NOK 1 000)	Note	3 Months Ended		9 Months Ended	
		September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Revenue		55 520	47 391	178 690	138 728
Operating Revenues	2	55 520	47 391	178 690	138 728
Cost of Sales		10 954	8 589	33 863	22 924
Gross Profit		44 567	38 801	144 827	115 804
Operating Expenses					
Employee Compensation and Benefits		29 917	20 122	99 413	56 790
Other Operational and Administrative Expenses	3	10 885	9 916	38 181	28 671
Depreciation and Amortization		12 907	8 697	38 413	24 594
Derecognition intangible assets	4	-	-	39 968	-
Total Operating Expenses		53 709	38 735	215 975	110 055
Net Operating Income/(Loss)		(9 143)	66	(71 148)	5 748
Financial Items					
Interest (Income)/Expenses		(4 316)	175	(11 069)	871
Other Financial (Income)/Expenses		(544)	(11 721)	(4 255)	(38 255)
Net Financial Items		(4 860)	(11 546)	(15 324)	(37 384)
Net Income/(Loss) Before Income Taxes		(4 282)	11 612	(55 824)	43 133
Income Tax Expense/(Income)		195	1 200	993	4 929
Net Income/(Loss)		(4 478)	10 412	(56 817)	38 203
Attributable to Equity Holders of the Parent		(4 478)	10 412	(56 817)	38 203
Earnings Per Share:					
Basic earnings per share		(0.06)	0.13	(0.71)	0.48
Diluted earnings per share		(0.06)	0.13	(0.71)	0.48

Consolidated statement of comprehensive income

	3 Months Ended		9 Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
(Amounts in NOK 1 000)				
Net Income/ (Loss)	(4 478)	10 412	(56 817)	38 203
Changes in Translation Differences	(5 786)	3 250	12 020	(288)
Items that may be Reclassified Subsequently to the Income Statement	(5 786)	3 250	12 020	(288)
Total Other Comprehensive Income/(Loss) for the Period	(5 786)	3 250	12 020	(288)
Total Comprehensive Income/(Loss) for the Period	(10 264)	13 662	(44 797)	37 916
Attributable to Equity Holders of the Parent	(10 264)	13 662	(44 797)	37 916

Consolidated statement of financial position

(Amounts in NOK 1 000)	Note	September 30, 2023	December 31, 2022
ASSETS			
Non-Current Assets			
Goodwill		394 430	385 181
Customer Relationships		41 768	45 240
Technology	4	156 651	164 806
Other intangible assets		1 347	1 437
Total Intangible Assets		594 197	596 664
Tools and Equipment		3 633	3 030
Right of Use Asset		48 760	36 993
Deferred Tax Assets		-	-
Total Non-Current Assets		646 589	636 688
Current Assets			
Customer Receivables		40 594	27 575
Other Receivables		4 791	2 667
Prepaid Expenses		6 143	6 692
Cash and Cash Equivalents		636 667	697 276
Total Current Assets		688 195	734 210
TOTAL ASSETS		1 334 784	1 370 898

Consolidated statement of financial position

(Amounts in NOK 1 000)	Note	September 30, 2023	December 31, 2022
LIABILITIES AND SHAREHOLDERS EQUITY			
Equity Attributed to Equity Holders of the Parent			
Share Capital		106 055	106 055
Other Paid-in Capital		1 136 378	1 136 377
Treasury shares	5	(117 432)	-
Other reserves		444	(12 161)
Retained Earnings		(62 086)	(5 269)
Warrants outstanding		1 600	1 600
Total Shareholders Equity		1 064 958	1 226 601
Liabilities to Credit Institutions		646	625
Lease Liability		39 341	28 225
Deferred Tax Liability		14 347	12 945
Other Non-Current Liabilities		4 854	8 517
Total Non-Current Liabilities		59 187	50 311
Current Liabilities			
Trade Accounts Payable		14 940	20 245
Accrued Expenses		28 126	26 393
Contract Liability		35 787	25 029
Current Liabilities to Credit Institutions		330	968
Current Lease Liability		11 805	9 065
Other Current Liabilities	5	119 650	12 285
Total Current Liabilities		210 639	93 985
TOTAL LIABILITIES AND EQUITY		1 334 784	1 370 898

Consolidated statement of cash flows

	Note	3 Months ended		9 Months ended	
		September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
(Amounts in NOK 1 000)					
Cash Flows from Operating Activities					
Profit/(Loss) Before Tax		(4 282)	11 612	(55 824)	43 133
Depreciation and Amortization		12 907	8 697	38 413	24 594
Interest (Income)/Expenses		(4 316)	175	(11 069)	871
Derecognition intangible assets	4	-	-	39 968	-
Fair Value Adjustments Stock Options		-	(11 510)	-	(38 634)
Fair Value Adjustment Contingent Consideration		(2 636)	-	(4 014)	-
Unrealised agio/disagio		1 499	-	(1 382)	-
Share based payment		171	250	585	1 929
Change in Accounts Receivable		(7 053)	(3 102)	(13 018)	(4 814)
Change in Accounts Payable		5 689	(165)	(5 304)	1 282
Change in Current Assets & Liabilities		(12 190)	(2 552)	4 752	1 789
Net Cash Flows Provided by Operating Activities		(10 212)	3 405	(6 892)	30 149
Cash Flows from Investing Activities					
Investments in Intangible and Tangible Assets		(10 835)	(21 823)	(53 736)	(63 046)
Acquisition of Company, Net of Cash Paid		-	-	-	(99 449)
Received interest		6 981	-	8 947	-
Cash Flows Used in Investing Activities		(3 854)	(21 823)	(44 789)	(162 495)
Cash Flows from Financing Activities					
Issuance of Shares		-	-	-	5 475
Transaction Cost Related to Issuance of Shares		-	-	-	(273)
Issuance of Warrants		-	-	800	-
Payment Lease Liability		(3 128)	(1 746)	(7 811)	(5 190)
Repayment of Debt to Credit Institutions		(181)	-	(617)	-
Net paid Interest		(502)	(175)	(1 331)	(871)
Cash Flows Used in Financing Activities		(3 812)	(1 922)	(8 960)	(858)
Effect of Exchange Rates on Cash and Cash Equivalents					
		84	(57)	33	237
Net Change in Cash and Cash Equivalents		(17 834)	(20 397)	(60 608)	(132 967)
Cash and Cash Equivalents at Beginning of Period		654 502	771 186	697 276	883 756
Cash and Cash Equivalents at End of Period		636 668	750 789	636 668	750 789

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	-	-	-	-	-	38 203	38 203
Other Comprehensive Income/(Loss)	-	-	-	-	(288)	-	(288)
Income/(Loss)	-	-	-	-	(288)	38 203	37 916
Share Issuance	1 173	26 700	-	-	-	-	27 873
Transaction Costs	-	(273)	-	-	-	-	(273)
Share Based Payments	-	1 369	-	561	-	-	1 929
Equity September 30, 2022	105 892	1 133 352	-	561	(2 848)	1 764	1 238 721

	<u>Other reserves</u>						Total Equity	
	Share Capital	Other Paid-in Capital	Treasury shares	Warrants outstanding	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	-	-	-	-	-	-	(56 817)	(56 817)
Other Comprehensive Income/(Loss)	-	-	-	-	-	12 020	-	12 020
Income/(Loss)	-	-	-	-	-	12 020	(56 817)	(44 797)
Share Issuance	-	-	-	-	-	-	-	-
Share buy back	-	-	(116 732)	-	-	-	-	(116 732)
Transaction costs	-	-	(700)	-	-	-	-	(700)
Share Based Payments	-	-	-	-	585	-	-	585
Equity September 30, 2023	106 055	1 136 378	(117 432)	1 600	1 386	(942)	(62 086)	1 064 958

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 Q3 were approved by the Board of Directors for publication on October 25, 2023. 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)	YTD Q3 2023	YTD Q3 2022	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Webdoc EHR	45 030	36 255	15 047	15 538	14 445	13 780	13 123
Other EHR	34 831	33 326	11 599	11 525	11 707	11 676	11 280
Platform Services	82 684	56 758	26 048	28 972	27 664	23 440	18 594
Consulting & Other	16 146	12 389	2 827	7 189	6 129	7 636	4 395
Total revenue	178 690	138 728	55 520	63 225	59 944	56 532	47 391
Sweden							
Webdoc EHR	45 030	36 255	15 047	15 538	14 445	13 780	13 123
Other EHR	2 149	2 595	748	526	874	765	867
Platform Services	68 944	49 754	21 611	24 223	23 110	18 998	15 288
Consulting & Other	6 246	6 963	1 440	1 863	2 944	3 459	2 047
Total	122 369	95 567	38 846	42 150	41 373	37 002	31 325
Norway							
Webdoc EHR	-	-	-	-	-	-	-
Other EHR	28 472	26 788	9 412	9 648	9 412	9 396	9 303
Platform Services	12 212	5 622	3 856	4 342	4 014	4 054	3 064
Consulting & Other	6 854	3 637	847	3 966	2 041	3 066	1 745
Total	47 538	36 047	14 115	17 956	15 467	16 517	14 112
International							
Webdoc EHR	-	-	-	-	-	-	-
Other EHR	4 210	3 944	1 439	1 351	1 421	1 515	1 110
Platform Services	1 527	1 382	581	407	540	388	241
Consulting & Other	3 045	1 789	540	1 361	1 144	1 111	603
Total	8 783	7 114	2 560	3 119	3 105	3 014	1 954

Note 3 – Other operating expenses

(Amounts in NOK 1 000)	3 months ended		9 months ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Marketing	237	128	1 268	1 087
Travel and entertainment	506	430	1 647	1 175
Rent and office expenses	1 058	730	3 883	1 849
Professional services	5 442	5 667	20 302	17 034
Utilities and maintenance costs	1 614	1 685	4 332	2 814
IT services	1 595	1 133	5 371	4 458
Other operating expenses	397	143	1379	255
Total operating expenses	10 885	9 916	38 181	28 671

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 28th 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 amounting to 116,731,952 NOK, was settled on October 3rd.

The company expects to call for an EGM to be held 14 November to seek approval for an extraordinary distribution of NOK 133 million bringing the total distribution, across the share repurchase and the extraordinary cash distribution, up to NOK 250 million, in line with what was communicated in the notice issued on 21 September 2023.

Note 6 – Events after the balance sheet date

There are no events after the balance sheet date that needs 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 in addition to PPA related amortization and depreciation.

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		9 Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
(Amounts in NOK 1 000)				
Net Income/(Loss)	(4 478)	10 412	(56 817)	38 203
Income Tax Expense/(Income)	195	1 200	993	4929
Net Financial Items	(4 860)	(11 546)	(15 324)	(37 384)
Net Operating Income/(Loss)	(9 143)	66	(71 148)	5 748
Depreciation and Amortization	12 907	8 697	38 413	24 594
Derecognition intangible assets	-	-	39 968	-
(a) EBITDA	3 765	8 763	7 233	30 342
Adjusted for:				
Transaction costs	370	718	1 133	1 702
Share based payments	192	281	661	2 029
Other special operating items	-	1 291	1 649	3 762
Restructuring costs	200	-	4 159	-
(b) Adjusted EBITDA	4 527	11 053	14 835	37 836
(c) Operating revenue	55 520	47 391	178 690	138 728
EBITDA Margin (a/c)	6.78 %	18.49 %	4.05 %	21.87 %
Adjusted EBITDA Margin (b/c)	8.15 %	23.32 %	8.30 %	27.27 %

	3 Months Ended		9 Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
(Amounts in NOK 1 000)				
Net Income/(Loss)	(4 478)	10 412	(56 817)	38 203
Income Tax Expense/(Income)	195	1 200	993	4929
Net Financial Items	(4 860)	(11 546)	(15 324)	(37 384)
(a) EBIT	(9 143)	66	(71 148)	5 748
Adjusted for:				
Transaction costs	370	718	1 133	1 702
Share based payments	192	281	661	2 029
Other special operating items	-	1 291	1 649	3 762
Restructuring costs	200	-	4 159	-
Derecognition intangible assets	-	-	39 968	-
Write-off lease asset IFRS (non-cash)	1 651	-	1 651	-
Amortization excess values	1 692	1 663	5 389	5 008
(b) Adjusted EBIT	(5 039)	4 019	(16 538)	18 250
(c) Operating revenue	55 520	47 391	178 690	138 728
EBIT Margin (a/c)	-16.47 %	0.14 %	-39.82 %	4.14 %
Adjusted EBIT Margin (b/c)	-9.08 %	8.48 %	-9.26 %	13.16 %



CARASENT

Q3 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.

For further information:



Daniel Öhman (CEO)
daniel.ohman@carasent.com
+46 708 55 37 07



Svein Martin Bjørnstad (CFO)
svein.martin.bjornstad@carasent.com
+47 979 69 493