

Interim Financial Report
Q1 2026
Avonova BidCo AB (publ)

Avonova Q1 2026 highlights

Key financials

Figures in SEK million	Q1 2026	Q1 2025	Δ
Revenue	475.3	467.0	8.4
Revenue growth % YoY	1.8%		
Management Adj EBITDA	53.3	46.9	6.4
Adj EBITDA margin %	11.2%	10.0%	1.2%
EBITDA Adjustments	20.6	14.0	6.6
ARR	472.1	379.3	92.8
ARR growth % YoY	24.5%		

For performance measures definitions, please see Notes in Pages 14-15.



CEO comments

The first quarter of 2026 marks a continued strengthening of Avonova's operational and financial trajectory. We entered the year with a clearer strategic direction, a more efficient operating model, and further evidence that the transformation initiatives implemented over the past 18 months are translating into tangible results.

During the quarter, we delivered stable underlying activity levels combined with improved profitability. While revenue development remains mixed across segments, overall performance reflects a business that is increasingly driven by quality of earnings rather than pure volume growth. At group level, profitability continues to track ahead of last year, supported by structural margin improvements and disciplined cost control.

A key focus for the quarter has been the continued optimisation of our operational Smart Delivery model. Booking and administration from our national centers of excellence, and digital service delivery whenever possible, are now embedded in the organisation. These measures are improving customer satisfaction, lifting Avonova staff utilisation, and avoiding revenue leakage.

From a commercial perspective, we continue to see strong momentum in our Solutions segment, with sustained growth in recurring revenues driven by new customer activations. This not only strengthens the group's growth profile but also supports Health through increased demand for services from a broader customer base. At the same time, Health has remained somewhat below expectations in the quarter, reflecting lower sales intensity in prior periods and continued pressure on non-mandatory services.

Importantly, the underlying fundamentals of the Health business remain solid. The customer base is diversified with low concentration and limited churn. And we continue to see positive development in revenue per customer driven by pricing and mix improvements. This comes from a more customer value adding set of services to each customer, based on customer insight.

Profitability continues to improve structurally. The rightsizing of the organisation, combined with increased digital delivery and tighter cost discipline, has led to a meaningful uplift in EBITDA over the recent quarters.

Looking ahead, our focus is clear. We will accelerate commercial execution in Health, particularly in Sweden, while continuing to scale Solutions and leverage the interaction between the two segments. At the same time, we will maintain strict cost discipline and continue to drive operational excellence across the organisation.

The market environment remains supportive, with stable demand for both compliance-driven and preventive occupational health services, particularly within mental health and value-adding offerings. Combined with our strengthened operational platform, this positions Avonova well for continued profitable growth.





In summary, Q1 confirms that the actions taken over the past years are delivering results. While there are areas requiring further improvement, particularly on the top line in parts of the business, the overall direction is positive. We are entering the remainder of 2026 with improving profitability, stronger operational execution, and sustainable growth.



Significant events during the period

Acquisitions completed

In January 2026, Avonova completed the acquisition of BHT Bergen, a well-established, locally anchored occupational healthcare provider in Western Norway focused on the SME segment. The acquisition enables BHT Bergen's customers to access Avonova's broader service offering, including its subscription-based digital services package, Avonova Assist.

In March 2026, Avonova completed the acquisition of Hemis, a regional occupational healthcare provider in northern Norway with a strong local presence and established customer relationships across both public and private segments. The acquisition strengthens Avonova's geographic footprint and market position in Norway, while providing Hemis' customers access to Avonova's broader and more scalable service offering, including digital solutions.

Completion of operational excellence program in Sweden

The group completed a Sweden-focused operational improvement project aimed at standardising processes, improving booking quality and strengthening resource allocation and customer intake across the Health-organisation.

Finance readiness and bond listing preparations

During the quarter, Avonova initiated a finance readiness program in preparation for the planned listing of its bond on Nasdaq. The workstreams include strengthening financial reporting, governance, internal controls and external compliance, as well as preparation of documentation and investor-related processes.

Significant events after the period

Integration of acquisitions

Following the acquisitions of BHT Bergen and Hemis, integration planning and execution have been initiated. The integration of BHT Bergen is underway and the integration of Hemis is expected to be carried out during Q3–Q4 2026.

Initial commercial synergies realised

Conversion of BHT Bergen and Hemis customers to Avonova's subscription-based digital offering (Avonova Assist) has commenced and is progressing well, supporting early commercial synergies.



Financial overview, Q1 2026

Revenues

Total operating income increased by 1.8% to SEK 475.3 million (467.0). Sales revenues increased to SEK 465.8 million (454.4), corresponding to growth of 2.5%, while other operating income decreased to SEK 9.6 million (12.5). The development reflects broadly stable underlying activity with modest year-on-year growth, supported by continued operational improvements and a more focused commercial platform.

Operating profit

Operating loss improved significantly to SEK -3.6 million (-14.3), corresponding to an EBIT margin of -0.8% (-3.1%). The improvement was primarily driven by lower cost of goods sold, reduced depreciation and amortisation, and continued cost discipline. Total operating expenses decreased to SEK -478.9 million (-481.3), despite somewhat higher payroll costs and other operating expenses.

Financial items

Net financial expenses amounted to SEK -12.8 million (-8.9), reflecting higher financing costs compared with the same period last year. The increase in financial expenses partly offset the improvement in operating profit.

Tax

Tax for the period amounted to SEK 0.0 million (0.0), reflecting the continued negative earnings position.

Profit/loss for the period

Loss for the period improved to SEK -16.3 million (-23.2). The improvement was driven by the stronger operating result, partly offset by higher net financial expenses.

Cash flow and financial position

Cash flow from operating activities strengthened materially to SEK 78.7 million (8.5), supported by improved operating performance and a positive working capital contribution of SEK 37.1 million, compared with a working capital outflow of SEK -36.6 million in the corresponding period last year. Cash flow from investing activities amounted to SEK -27.6 million (-14.6), reflecting investments in property, plant and equipment, while cash flow from financing activities was SEK 0.0 million (0.0). Net cash flow for the period amounted to SEK 51.1 million (-6.1). Cash and cash equivalents increased to SEK 171.4 million at the end of



March 2026, compared with SEK 120.2 million at year-end 2025 and SEK 22.0 million at the end of March 2025.

Total assets amounted to SEK 667.3 million (656.6), broadly in line with Q1 2025. The balance sheet development reflects higher cash and cash equivalents, partly offset by lower trade receivables and intangible assets. Total equity remained negative at SEK -519.9 million (-355.3), driven by accumulated losses. Total liabilities amounted to SEK 1 187.2 million (1 011.8), including long-term liabilities of SEK 481.4 million (0.5) and current liabilities of SEK 705.7 million (1 011.3). The shift in capital structure compared with the prior year reflects the refinancing completed during 2025, with a substantial reclassification from current to long-term liabilities.

Employees

The number of full-time employees was 1 089 at the end of Q1 2026, compared with approximately 1 134 at the end of Q1 2025.

Bond Covenants

Liquidity: Liquidity shall be at least SEK 50.0 million at each Reference Date. Liquidity as of March 31, 2026 was SEK 221.4 million.

Leverage: Leverage (Net Interest Bearing Debt / Financing EBITDA) shall be lower than 5.00:1 at each Reference Date. Leverage as of March 31, 2026 was 3.23:1



Condensed income statement

Amounts in SEK million	Jan-Mar 2026	Jan-Mar 2025	Apr 2025 – Mar 2026	Jan-Dec 2025
Sales revenues	465.8	454.4	1 689.3	1 678.0
Other operating income	9.6	12.5	41.2	44.1
Total operating income	475.3	467.0	1 730.5	1 722.1
Cost of goods sold	-69.6	-71.6	-266.1	-268.1
Payroll costs	-277.6	-275.7	-997.3	-995.4
Other operating expenses	-101.3	-98.6	-409.0	-406.3
Depreciation of tangible and intangible assets	-30.4	-35.4	-126.2	-131.2
Total operating expenses	-478.9	-481.3	-1 798.6	-1 800.9
Operating profit/loss	-3.6	-14.3	-68.1	-78.8
Net financial expenses	-12.8	-8.9	-78.5	-74.6
Profit before tax	-16.3	-23.2	-146.6	-153.4
Tax on the year's profit	0.0	0.0	0.0	0.0
Profit for the period	-16.3	-23.2	-146.6	-153.4



Condensed consolidated balance sheet

ASSETS (Amounts in SEK million)	Mar, 2026	Mar, 2025	Dec 31, 2025
Balanced expenses	74.2	67.6	73.0
Goodwill	212.9	298.2	231.2
Total intangible assets	287.1	365.8	304.2
Investments	152.3	161.9	143.7
Depreciation	-138.4	-129.5	-132.7
Total tangible assets	13.9	32.4	11.0
Investments in shares and participations	0.0	0.2	0.2
Deferred tax asset	1.7	1.6	1.6
Other long-term receivables	2.2	1.2	2.0
Total financial assets	3.9	3.0	3.8
TOTAL NON-CURRENT ASSETS	304.9	401.2	318.9
Trade receivables	83.9	122.7	147.2
Intercompany Receivables	0.0	0.0	0.0
Corporate tax	13.3	12.2	9.3
Other current receivables	93.8	98.5	70.2
Total receivables	191.0	233.4	226.7
Bank deposits, cash, etc.	171.4	22.0	120.2
TOTAL CURRENT ASSETS	362.4	255.4	346.9
TOTAL ASSETS	667.3	656.6	665.8



EQUITY & LIABILITIES (Amounts in SEK million)	Mar, 2026	Mar, 2025	Dec 31, 2025
Equity attributable to owners of the parent	-518.6	-354.8	-474.6
Non-controlling interests	-1.2	-0.5	-1.9
TOTAL EQUITY	-519.9	-355.3	-476.4
Provisions	0.0	0.0	0.0
Total provisions for liabilities and charges	0.0	0.0	0.0
Other long-term liabilities	481.4	0.5	480.8
Total other long-term liabilities	481.4	0.5	480.8
Trade payables	97.0	132.3	49.6
Intercompany Payables	185.8	87.3	182.2
Prepayment from customer	170.1	129.7	199.7
VAT & Social security payable	68.0	300.4	72.7
Other current liabilities	184.9	361.7	157.3
Total current liabilities	705.7	1 011.3	661.5
TOTAL LIABILITIES	1 187.2	1 011.8	1 142.3
TOTAL EQUITY AND LIABILITIES	667.3	656.6	665.8



Consolidated statement of cash flow

Amounts in MSEK	Jan-Mar 2026	Jan-Mar 2025	Apr 2025 – Mar 2026	Jan-Dec 2025
Operating profit/loss	-3.6	-14.3	-68.1	-78.8
Adjustments for non-cash items	60.9	70.9	252.4	262.3
Net interest	-12.8	-8.9	-78.5	-74.6
Taxes paid	-2.9	-2.6	-10.4	-8.2
Change in NWC	37.1	-36.6	-80.9	-161.9
Net Cash Flow from Operations	78.7	8.5	14.4	-61.2
Investments in property, plant and equipment	-27.6	-14.6	-52.7	-39.7
Net Cash Flow from Investing Activities	-27.6	-14.6	-52.7	-39.7
Drawdown / repayment of RCF	0.0	0.0	0.0	0.0
Issuance / repayment of debt	0.0	0.0	193.0	193.0
Net Cash Flow from financing activities	0.0	0.0	193.0	193.0
Net Cash Flow	51.1	-6.1	154.8	92.1
Cash OB	120.2	28.1	16.6	28.1
Cash CB	171.4	22.0	171.4	120.2



Condensed Parent Company income statement

Amounts in SEK million	Jan-Mar 2026	Jan-Mar 2025	Apr 2025 – Mar 2026	Jan-Dec 2025
Sales revenues	0.0	0.0	0.0	0.0
Other operating income	0.1	0.0	0.1	0.0
Total operating income	0.1	0.0	0.1	0.0
Cost of goods sold	0.0	0.0	0.0	0.0
Payroll costs	0.0	0.0	0.0	0.0
Other operating expenses	-1.2	-0.3	-3.8	-2.9
Depreciation of tangible and intangible assets	0.0	0.0	0.0	0.0
Total operating expenses	-1.2	-0.3	-3.8	-2.9
Operating profit/loss	-1.1	-0.3	-3.7	-2.9
Net financial expenses	-6.9	-2.1	-5.6	-0.9
Profit before tax	-7.9	-2.3	-9.3	-3.7
Tax on the year's profit	0.0	0.0	0.0	0.0
Profit for the period	-7.9	-2.3	-9.3	-3.7



Condensed Parent Company Balance Sheet

ASSETS (Amounts in SEK million)	Mar, 2026	Mar, 2025	Dec 31, 2025
Total intangible assets	0.0	0.0	0.0
Total tangible fixed assets	0.0	0.0	0.0
Shares in group companies	850.5	850.5	850.5
Total financial fixed assets	850.5	850.5	850.5
TOTAL NON-CURRENT ASSETS	850.5	850.5	850.5
Inventories	0.0	0.0	0.0
Intercompany receivables	232.3	0.0	240.7
Other current receivables	12.3	2.0	4.1
Total receivables	244.5	2.0	244.8
Bank deposits, cash, etc.	1.3	0.1	1.4
TOTAL CURRENT ASSETS	245.8	2.1	246.2
TOTAL ASSETS	1 096.3	852.5	1 096.6
EQUITY & LIABILITIES (Amounts in SEK million)	Mar, 2026	Mar, 2025	Dec 31, 2025
Equity attributable to owners of the parent	581.9	591.2	589.8
TOTAL EQUITY	581.9	591.2	589.8
Total provisions for liabilities and charges	0.0	0.0	0.0
Other long-term liabilities	480.9	0.0	480.3
Total other long-term liabilities	480.9	0.0	480.3
Trade payables	0.3	0.2	0.4
Intercompany payables	20.2	67.0	20.8
Other current liabilities	13.0	194.3	5.3
Total current liabilities	33.5	261.4	26.5
TOTAL LIABILITIES	514.4	261.4	506.8
TOTAL EQUITY AND LIABILITIES	1 096.3	852.5	1 096.6



Notes

Note 1 - Accounting principles

The quarterly accounts have been prepared in accordance with the Swedish Annual Accounts Act and BFNAR 2012:1 Annual and Consolidated Financial Statements (K3).

The accounting principles applied for preparing consolidated financial statements are disclosed in more detail in the annual report. The accounting principles are unchanged from the latest annual report.

Note 2 – Definitions

The company uses the definitions of performance measures as per the Bond Term Agreement signed June 3rd 2025 and available at www.avonova.com where relevant. These and other performance measures are described below:

Financing EBITDA Profit for the period as per the income statement plus tax, financial net, depreciation, amortization and transaction fees adjusted for acquired and divested businesses, reorganisation costs and severance pay until June 30 2025, extraordinary non-recurring items* (capped at 10% of EBITDA) and certified forward looking cost synergies and savings* (capped at 10% of EBITDA)

*combined cap of 15% of EBITDA after 30 September 2025, as per bond agreement.

Management Adjusted EBITDA Operating profit plus depreciation of tangible and intangible assets adjusted for non-recurring, non-operational, or extraordinary items as defined by management - such as restructuring personnel costs and one-time consulting support. Management Adjusted EBITDA excludes forward-looking synergies and is intended to reflect underlying historical performance

Annual Recurring Revenue (ARR) Represents the annualized value of contracted, recurring subscription revenues at a specific point in time. It excludes non-recurring revenues such as one-off fees, project income, and usage-based revenues that are not contractually recurring.

Net Interest Bearing Debt Includes Senior secured bonds, drawn revolving credit facility (RCF), other external interest-bearing debt minus unrestricted cash and cash equivalents.



Liquidity	In respect of any date, the aggregate of (i) the Group's freely available and unrestricted cash at bank and in hand and (ii) the aggregate amount available to be drawn under any unutilised committed credit facilities of the Group, in each case freely available to be utilized by the Group and not subject to any Security, pledge, blocking, escrow or other restriction
Group	Means the Issuer and all its Subsidiaries from time to time (each a "Group Company").

