

Interim report Q4

15 February 2024



Driving efficiency and quality in the world of care

Agenda

- 1 Highlights Q4
- 2 Company update
- 3 Financial update

Today's presenters



Daniel Öhman
CEO



Svein Martin Bjørnstad
CFO

Q4 2023 Summary

1

Revenue growth of
15% YoY

2

Organic growth in
recurring revenues of
13% YoY

3

Signed agreement with
Volvat for Metodika

4

Cash dividend of NOK 133
million in Q4, total
distribution of NOK 250
million in 2023

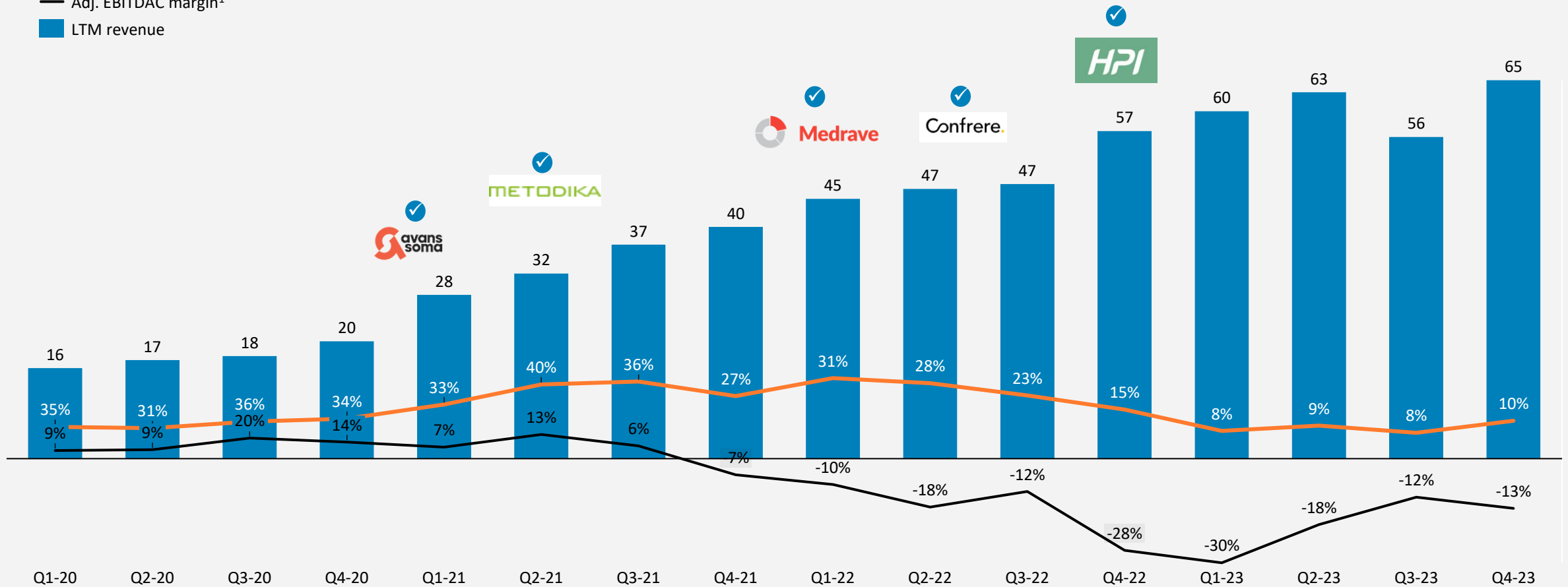
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New financial targets



Track record of growth

- Adj. EBITDA margin
- Adj. EBITDAC margin¹
- LTM revenue



1: Defined as EBITDA less capitalized development expenses

Actions taken to address growth issues

Too rapid growth – status YE 2022

- Carasent had during a short period of time grown very rapidly
 - Multiple acquisitions
 - Large new development projects
 - Very rapid hiring
 - Management left the daily business and the feeling was that money was not an issue
 - Unclear organizational structure

Actions taken in 2023

Improving efficiency – Cost savings program of NOK 40m

Prioritization – strategic review of all opportunities.
Closed down Webdoc Norway

Reduced complexity – Setting clear organizational and financial structures in line with business

Business focus – Focus on sales and financial performance with strong sense of urgency

Improving capital structure - distribution of NOK 250m to shareholders

Sale of Confrere assets in Q1 2024

Transaction details

Rationale

Transaction highlights

- Carasent acquired the customer contracts and the brand Confrere from Confrere 4 AS in August 2022
- On 5 February Carasent sold the Confrere brand and customer contracts to Compodium International AB

Financials

- Confrere assets financial impact was a turnover of 9.3 MNOK and EBITDA effect of -1 MNOK LTM Q3 2023
- Negative growth of 18% YoY 2023
- Sale will result in a write-off of approximately NOK 5m
- Can be reduced if Compodium is successful in it's transfer of customers

Reduced complexity

Improve financial results

Focus on core

Financial performance FY 2023

Cost reductions completed in Q2, impacting FY figures
Webdoc Norway discontinued in Q2 2023

FY 2023 (NOKm)	Operations (excl. HPI, Ad Opus, Confrere)	HPI, Ad Opus, Confrere	WDX	HQ	Group
Total revenues	205	39	0.2	-	244
Share of revenue	84 %	16 %	0 %	<i>nm</i>	100 %
Organic growth (pro forma)	15 %	-8 %	<i>nm</i>	<i>nm</i>	12 %
Reported EBITDA	47	0	-1	-32	13
Margin	23 %	-1 %	<i>nm</i>	<i>nm</i>	5 %
EBITDA - Capex (Reported)	19	-13	-26	-32	-52
EBITDA - Capex (Adjusted)	21	-13	-25	-27	-44
Margin	9 %	-38 %	<i>nm</i>	<i>nm</i>	-20 %

- Well functioning base
- Ambition to keep costs flat and accelerate growth

- Cost reductions in Q4 2023 taking products near cash neutrality
- Confrere sold

- Webdoc X for Germany

- Cost reductions completed during 2023

Financial performance Q4 2023

Growth rates of operations impacted by low consulting revenues, recurring revenue growth is stable
Ambition is to keep cost base relatively flat and accelerate growth for the group

FY 2023 (NOKm)	Operations (excl. HPI, Ad Opus, Confrere)	HPI, Ad Opus, Confrere	WDX	HQ	Group
Total revenues	55	10	0.2	-	65
Share of revenue	84 %	16 %	0 %	<i>nm</i>	100 %
Organic growth (pro forma)	10 %	0 %	<i>nm</i>	<i>nm</i>	8 %
Reported EBITDA	13	0	0	-6	6
Margin	23 %	3 %	0 %	<i>nm</i>	10 %
EBITDA - Capex (Reported)	6	-2	-6	-6	-9
EBITDA - Capex (Adjusted)	6	-2	-6	-6	-9
Margin	11 %	-23 %	<i>nm</i>	<i>nm</i>	-13 %

- Well functioning base
- Ambition to keep costs flat and accelerate growth

- Cost reductions in Q4 2023 taking products near cash neutrality
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Journey Ahead and Q4 Highlights

Strong organic growth

- 13% organic growth in ARR in Q4
- Signed agreement with Volvat
- New sales model with digital marketing, new webpages, CRM and new remuneration model

Efficient use of resources

- Continuous efficiency gains through targeted reductions
- 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

Q4 2023

Carasent – Q4 financial highlights

65

Million revenue
Q4 2023

13%

Organic growth recurring
revenues

10%

EBITDA margin

239

Million ARR per
YE 2023

108%

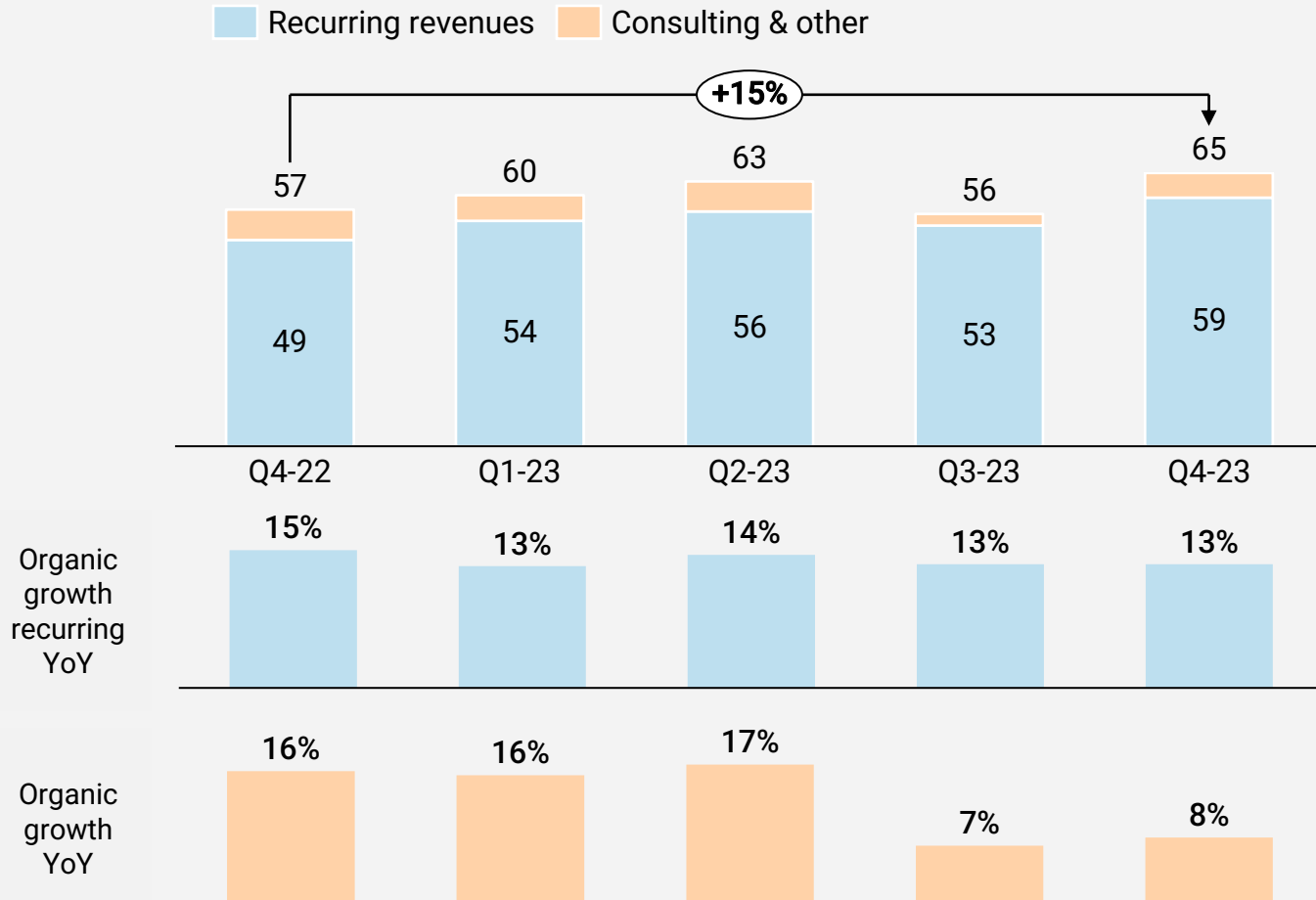
Net retention
rate

-13%

EBITDA – capex margin

15% growth driven by recurring revenues

Revenue development (NOKm)

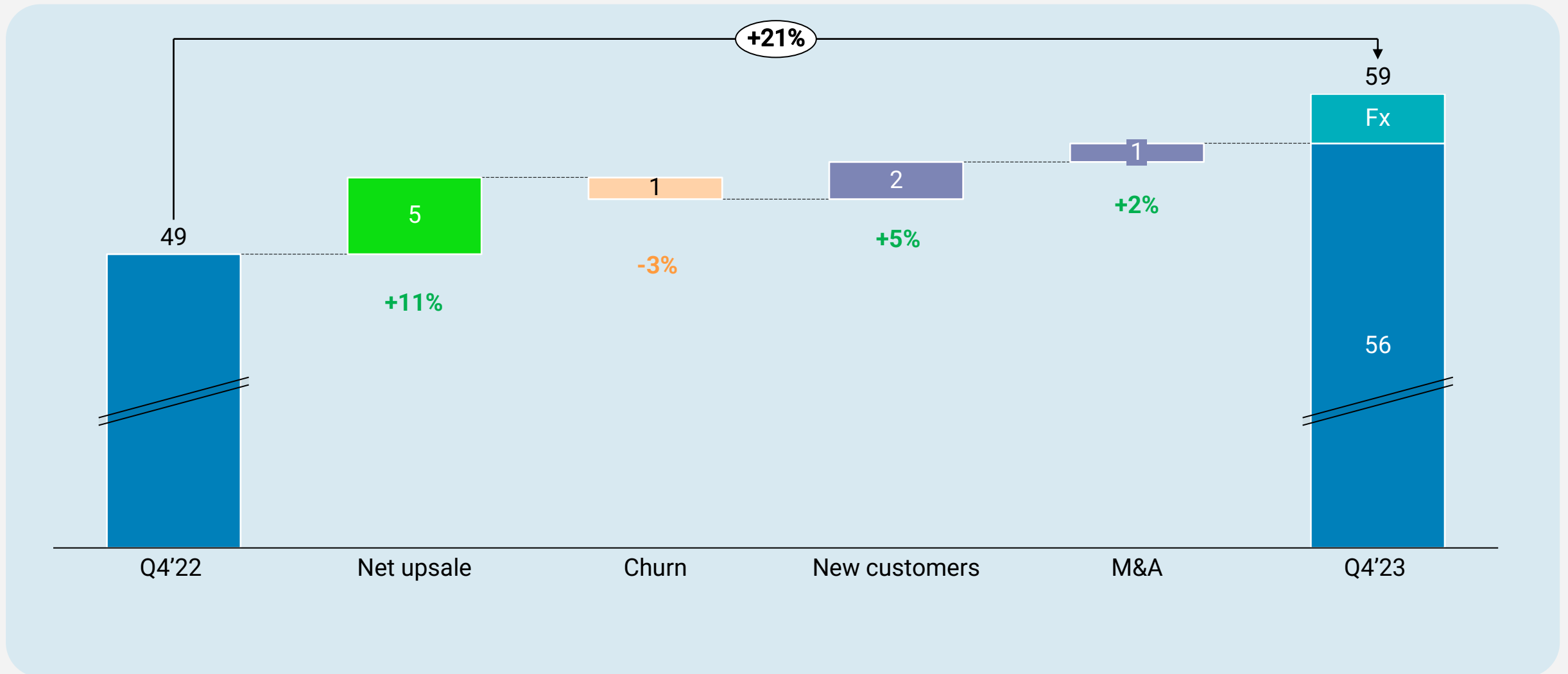


Key highlights

- Revenues of NOK 65m in Q4, up 15% from last year
- Sticky revenue base with recurring revenues >90% in Q4
- Stable growth for recurring revenues at 13% organically in Q4
- Slow quarter for consulting revenues as focus is on growing recurring revenues

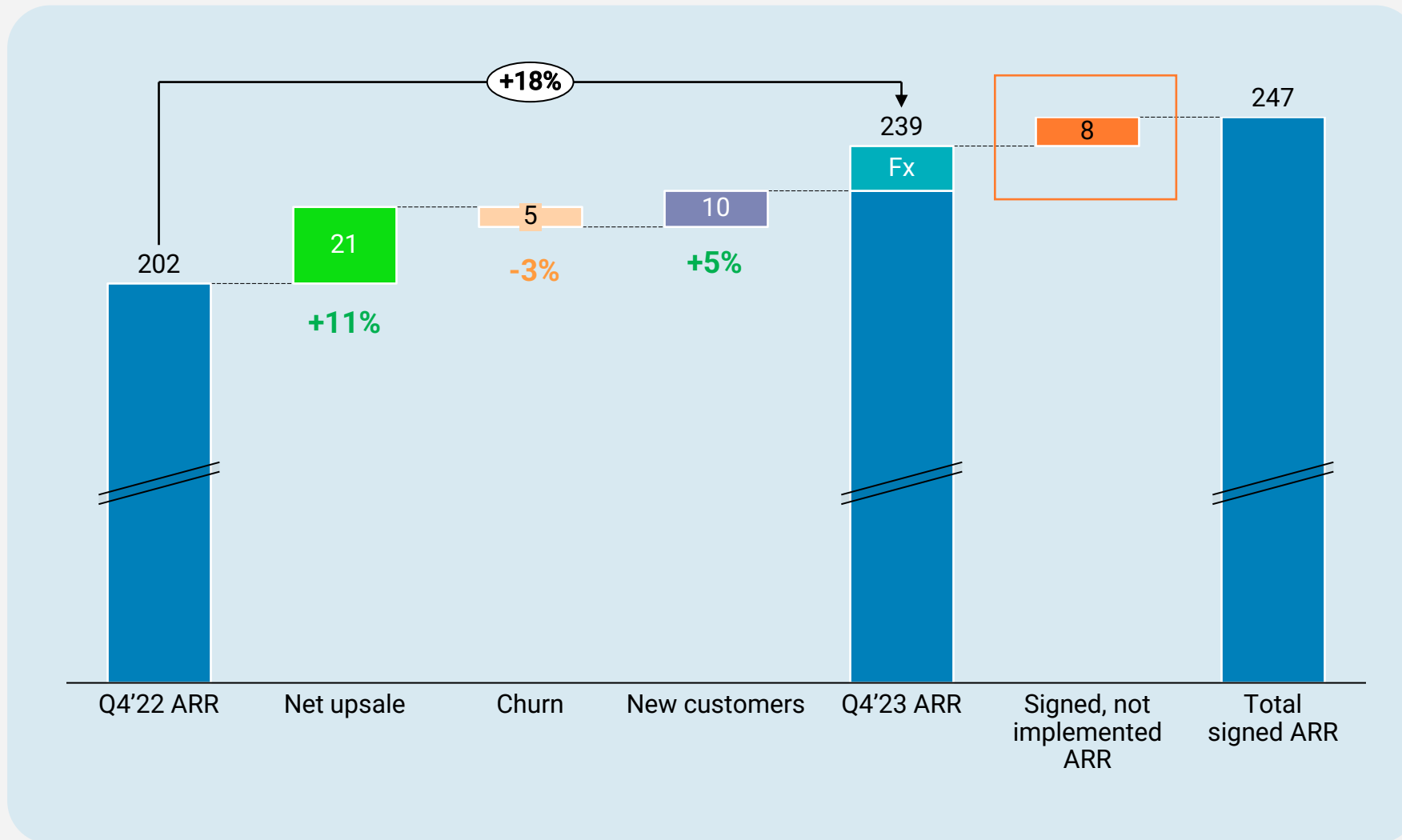
21% recurring revenue growth Q4 YoY

13% organic growth – strong market position with high stickiness and low churn



ARR of NOK 239m with growing backlog

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



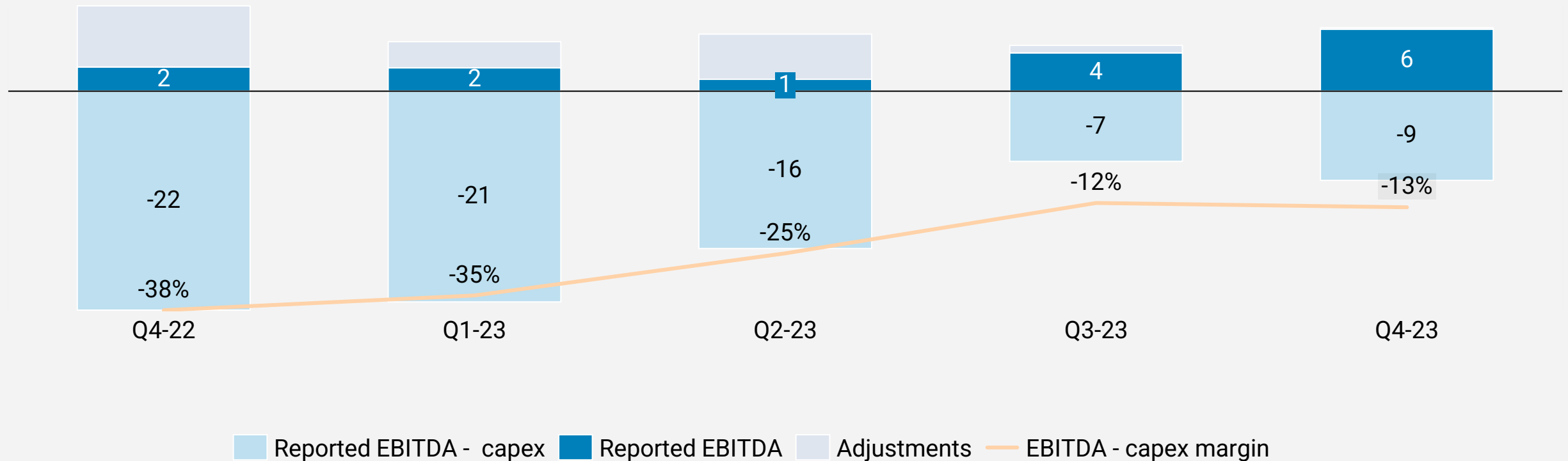
- Signed not implemented ARR of NOK 8m vs. 2m YE 2022
- Close to total recurring revenue from new customers LTM
- Boosted by Volvat agreement, main impact will be from 2025

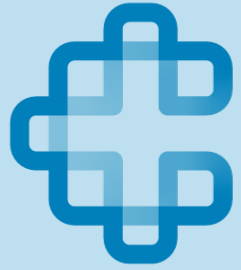
Improving profitability

Cash profitability has improved by cost savings, cost base remains high

Aim to grow revenues significantly faster than costs going forward

Gross margin of 81% in Q4





CARASENT

Q&A

