



Careium reports first quarter results 2024

The quarter in summary

- Net sales amounted to SEK 210.7 million (194.0), an increase of 8.6 percent. Service sales amounted to 155.0 million (142.5), an increase of 8.8 percent. Product sales amounted to 55.8 million (51.6), an increase of 8.1 percent.
- Gross margin amounted to 42.9 percent (38.9).
- Operating profit (EBIT) amounted to SEK 19.1 million (7.3) corresponding to an operating margin of 9.1 percent (3.8).
- Free cash flow amounted to SEK 16.6 million (28.2).
- Earnings per share amounted to SEK 0.56 (0.23).

CEO's commentary

Careium delivers a solid start to 2024 with growth, strong profitability, and positive cash flow. The headwinds faced in the UK following the government's changes to the analogue-to-digital transition persisted throughout January, yet with a governmental update on the timeline and a firm 2025 date in place, sales normalized for both February and March.

Careium delivered net sales of SEK 210.7 million (194.0), an increase of 8.6 percent. Gross margin increased to 42.9 percent (38.9) reflective of our work to continuously effectives our business and active steering of the product mix. We delivered a markedly increased EBIT of SEK 19.1 million (7.3), corresponding to an operating margin of 9.1 percent (3.8), an increase of 160.8 percent. Organic growth continued with an increase of 8.8 percent in services year-on-year and corresponding 8.1 percent increase in product sales reflecting the demand for our innovative hardware. Free cash flow generated was SEK 16.6 million (28.2). While the quarter's free cash flow was lower than previous year, the latest six-month free cash flow including Q4 2023 reached SEK 52.4 million, a significant increase from SEK -25.2 million the year before.

Across the quarter, the Nordic sales were SEK 97.6 million (89.6), growing by 8.9 percent and reaching a gross margin of 39.2 percent (38.1) indicating improved performance. The UK and Ireland sales kept stable at SEK 78.0 million (78.1), with a significantly improved gross margin of 39.6 percent (34.0). The Netherlands delivered sales of SEK 19.0 million (17.4), growing by 9.2 percent with an improved gross margin of 61.5 percent (58.6). Sales in region Other markets (Germany and France) grew by 80.1 percent to SEK 16.1 million (9.0) with a strong gross margin of 58.6 percent (52.7).

A stand-out highlight in the quarter was that our new mobile social alarm "Abby" – Aimed for seniors who are out and about and the younger senior – has surpassed any past Careium product in sales/orders for its first quarter on the market. This is a strong indication of the markets' receptiveness to innovative devices and peripheral launches and highly relevant for retail and direct-to-consumer channels.

Another important achievement was surpassing 100,000 installed units of the Eliza family – Our premiere 4G hub unit serving as the center for data, connectivity and the very heart of the ecosystem around our seniors, connecting all sensors, data flows and alarms. This installed base will be a foundational asset for add-on services and innovation for many years to come.

During the quarter our UK business has taken its next steps toward greater efficiencies building on the changes made during winter – 65% increase in local EBITDA vs first quarter 2023 and multiple contract wins in the SEK 1-3 million per annum range. I'm also proud, as both CEO and interim UK director, to hand over the UK reins to industry veteran Joe McLoughlin, joining as permanent director for UK starting 3 June 2024. Joe's strong multi-year sector experience, leadership, and unique combination of a commercial and technical background with strong industry networks is the perfect combination to lead Careium UK and its talented teams.

The first quarter of 2024 did not fully meet our guidance in relation to the growth outlook. However, we are proud of how our team has delivered strong profitability in the quarter. We retain our guidance for growth and profitability for the full year.

Christian Walén,
President and CEO

Webcast

Careium will publish the report for the first quarter of 2024 on Thursday 25 April 2024 at 8am (CEST).

A live broadcast report presentation will be held the same day at 10.00 am (CEST) when President and CEO Christian Walén will present the report. The webcast is accessed at

<http://www.youtube.com/watch?v=w-yZIVxP2VA>

The presentation material is available on Careium's financial website at <http://www.careium.com/en-gb/investors/financial-information/presentations2/>.

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This information is information that Careium AB is obliged to disclose in accordance with the EU Market Abuse Regulation. The information was submitted for publication by the contact persons above on Thursday 25 April 2024, at 8.00 (CEST).

Careium is today one of the leading players in technology-enabled care in Sweden, Norway, the United Kingdom and the Netherlands. This position means that Careium is one of the leading players in Europe that provides technology-enabled care. Careium's innovative solutions improve the safety, quality of life and independence of seniors both inside and outside the home. For the care provider, the Company's solutions mean increased efficiency and the opportunity to invest resources in more valuable activities. Careium is one of the few players that can offer the entire chain with security alarms, sensors (fall sensors, smoke detectors, motion detectors, etc.), accessories (cameras, electronic locks, robotic medication assistive devices, etc.) and secure communication with alarm response: we offer a complete digital alarm chain. FNCA Sweden AB is appointed certified adviser.