

Interim report Q3

24 October 2024



Driving efficiency and quality in the world of care

Agenda

- 1 **Company update**
- 2 **Financial update**

Today's presenters



Daniel Öhman
CEO



Svein Martin Bjørnstad
CFO

Update

- Strong financial quarter
- EGM approved relisting to Nasdaq Stockholm – target first day of trading in December
- High one time costs related to potential bid from EG, relisting and acquisition project in Germany
- Implementation of new large contracts on time will be key to reach our revenue target next year

Growth

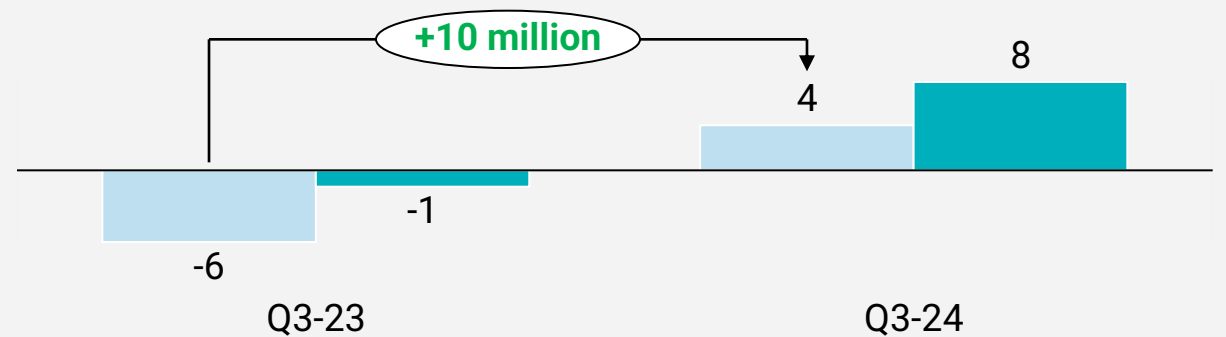
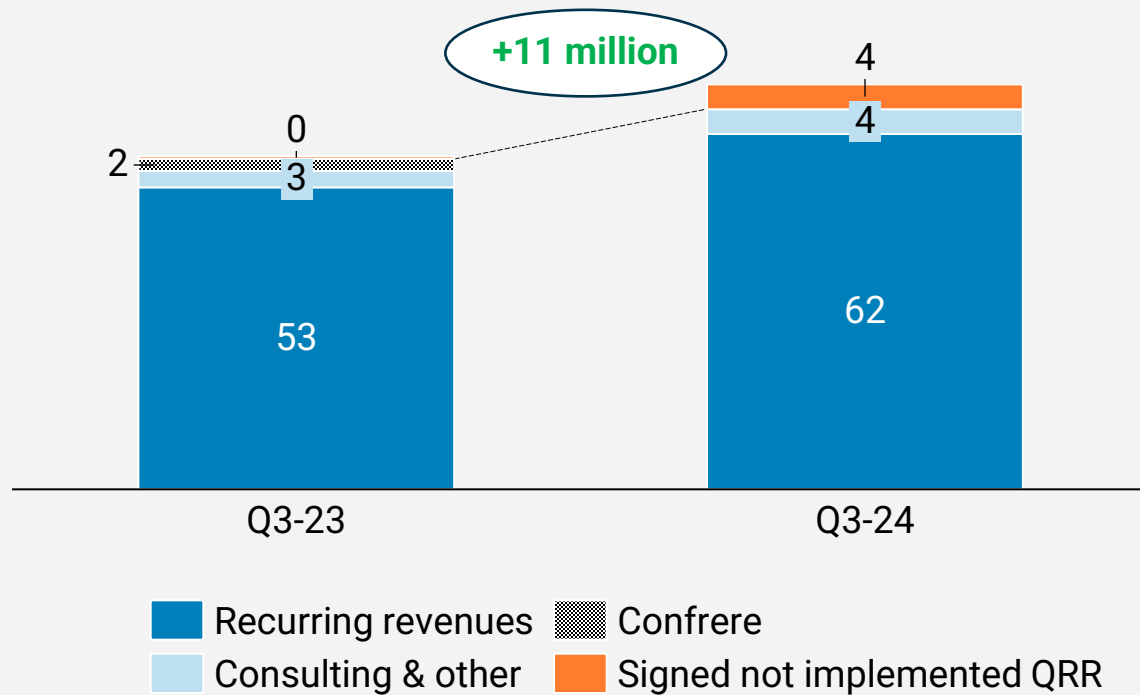
- Signed not implemented ARR amounts to NOK 17m
- 17% organic recurring revenue growth and 23% contracted ARR growth

Profitability

- Positive EBITDA – capex in Q3, partly driven by holiday effects
- Significant YoY improvements

Scaling into the cost base

Significant improvement through cost efficiencies and growth
 Revenue growth is the key to drive margins going forward



1: Defined as EBITDA less capitalized development expenses

Adj. EBITDA - capex¹ Adj. EBITDA - capex excl. Webdoc X

Financial performance Q3 2024

Well functioning base with strong scalability

Ambition to keep costs flat and accelerate growth

NOK 13m EBITDAC from operations

HPI & Ad Opus included in operations

Divestment of Confrere cleans up structure and lets us focus

NOKm	Operations	WDX	HQ	Group
Total revenues	66	0		66
Share of revenue	100%	0%	nm	100%
Organic recurring growth	17%	nm	nm	17%
Adj. EBITDA				
Q3 2024	18	0	-5	12
Q3 2023	11	0	-7	5
Margin 2024	28%	nm	nm	19%
Margin 2023	20%	nm	nm	7%
Adj. EBITDA – capex				
Q2 2024	13	-4	-5	4
Q2 2023	5	-5	-7	-6
Margin 2024	20%	nm	nm	6%
Margin 2023	8%	nm	nm	-9%

The situation in VGR

The region is planning to force the private providers in primary care into the system they have bought, Millennium. The private providers and we are trying to stop it. There are three potential scenarios:

The regions succeeds

Churn:

One time churn of 15-25 MSEK late 2026 (based on current timeline)

New sales:

Unaffected

The middle

Churn:

One time churn below 15 MSEK

New sales:

Likely to increase

The providers succeeds

Churn:

Zero churn

New sales:

Big increase in new sales

- Last update in June 2024: VGR excluded private specialists from the project which was previously intended to be included

Strong organic growth

- Key to deliver implementation projects and new development on time
- Big interest in surgery, aiming to sign multiple contracts during the autumn/spring

Efficient use of resources

- Continuous efficiency gains
- Cost control through prioritization and diligent financial follow up
- Additional cost savings – during Q2 we continued to move from consultants to employed

Launch Webdoc X

- Development focus on certifying for Germany – in H1 2025
- First German pilots going live
- Acquire a strong German position

Strong foundation of mission critical solutions with minimal churn in a growing and non-cyclical industry



Financial update

Q3 2024

Carasent – Q3 financial highlights

277

Million contracted ARR
per Q3 2024

17%

Organic recurring
revenue growth

19%

Adj. EBITDA margin

23%

Contracted ARR growth
(organic)

113%

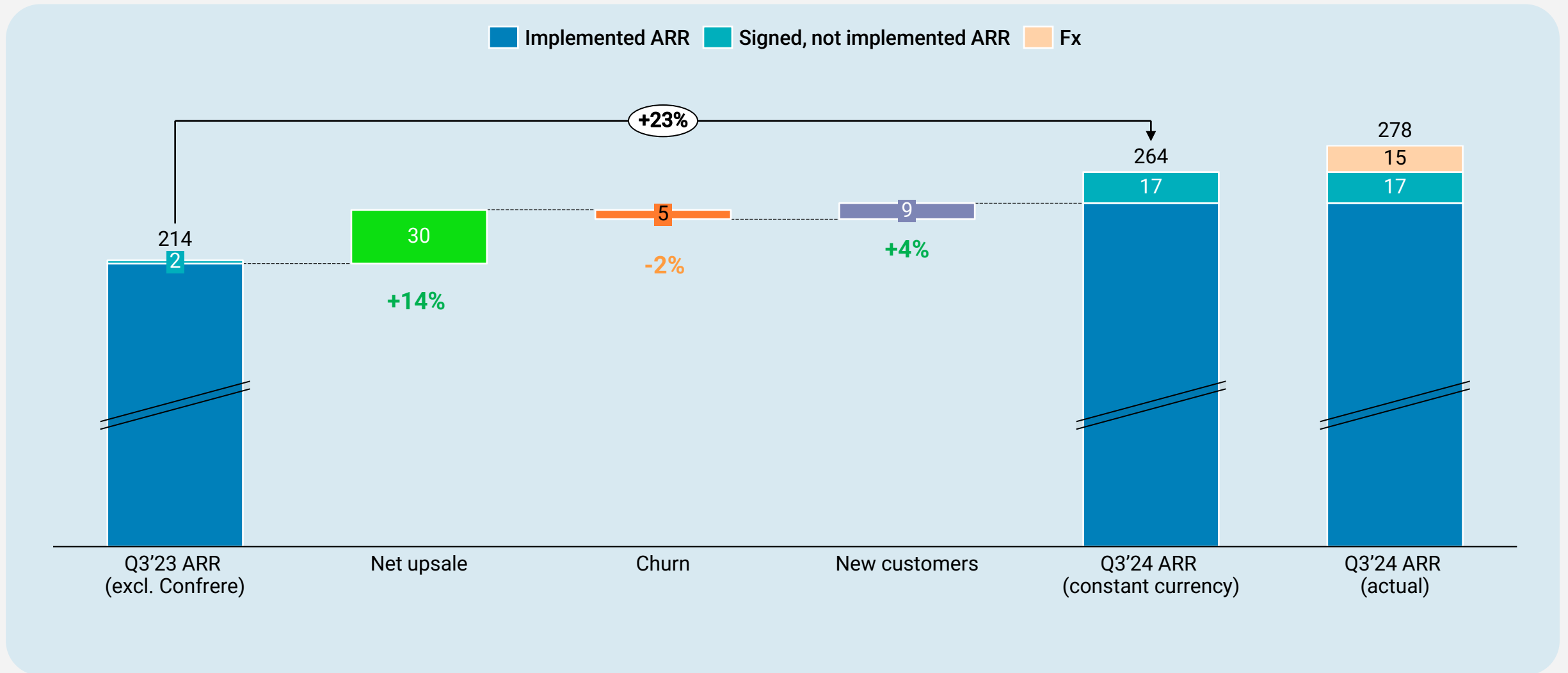
Net retention rate

6%

Adj. EBITDA – capex
margin

23% organic growth in contracted ARR

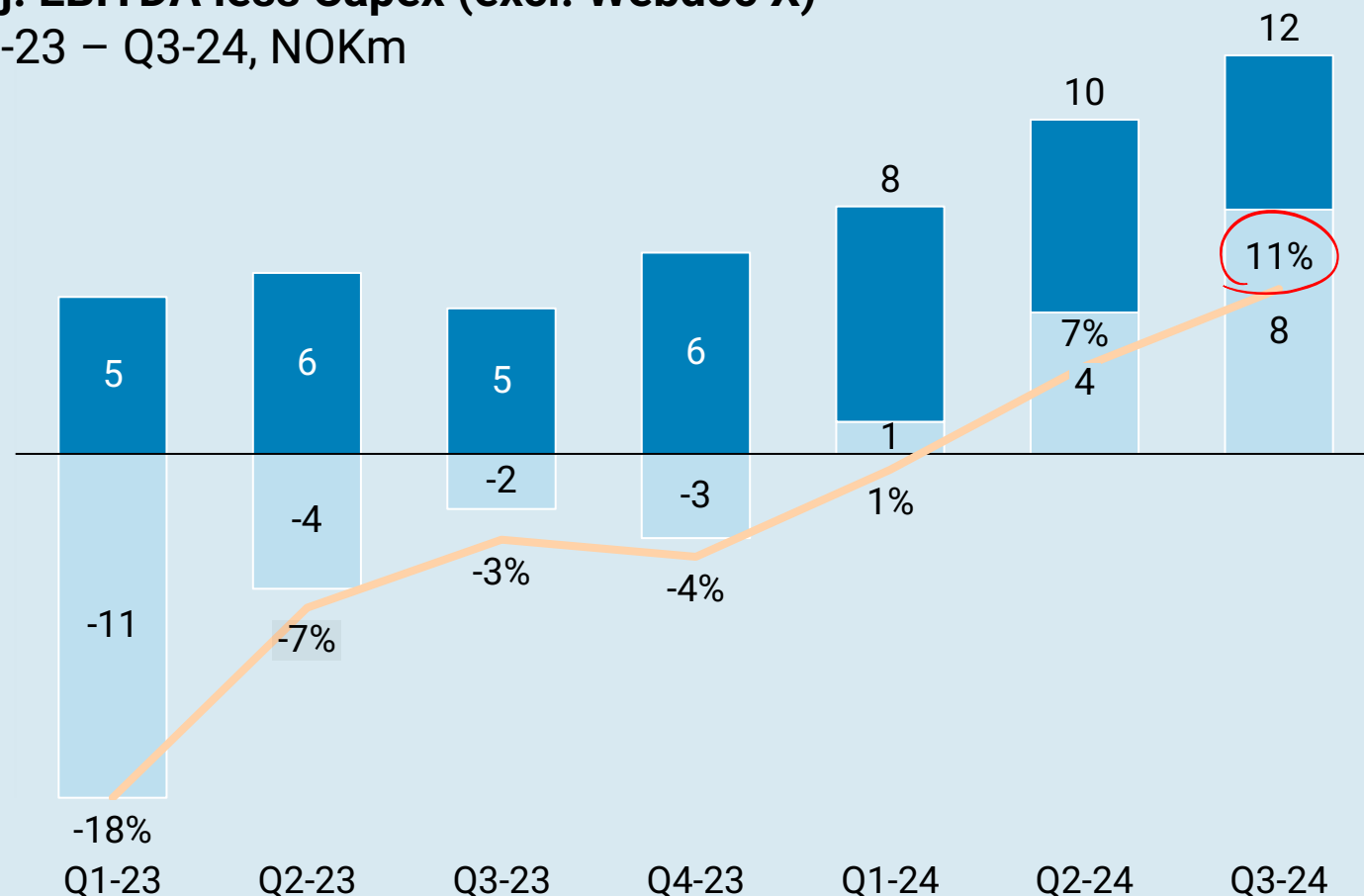
ARR growth driven by strong upsell, continued low churn and new contracts



Operating Leverage

Heavy investment period behind us, significant margin expansion ahead

Adj. EBITDA less Capex (excl. Webdoc X)
Q1-23 – Q3-24, NOKm



Adj. EBITDA-Capex margin improvement from -18% in Q1-23 to +11% in Q3-24 on the back of:

- Continued solid revenue growth
- Strong cost control
- Refocused capex spend on highest ROI projects
- Continued investments in core platform to drive future growth

Adj. EBITDA - capex (excl. Webdoc X)
Adj. EBITDA
EBITDA - capex margin

Strong YoY improvements

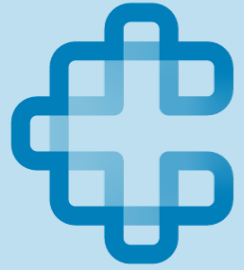
NOKm	Q3 2024	Q3 2023	YoY growth	YTD 2024	YTD 2023
Webdoc	34.5	26.6	30%	101.3	81.9
Other EHR	14.8	13.7	8%	44.5	41.1
Platform products	12.7	12.4	2%	39.0	39.6
Consulting and other	4.3	2.8	54%	14.8	16.1
Revenue	66.3	55.5	19%	199.5	178.7
COGS	-9.7	-11.0		-30.2	-33.9
Gross profit	56.6	44.6	27%	169.3	144.8
<i>Gross profit margin</i>	85%	80%		85%	81%
Personnel expenses	-32.5	-29.9		-102.1	-99.4
Other operating costs	-17.7	-10.9		-46.6	-38.2
EBITDA	6.5	3.8	72%	20.6	7.2
Non-recurring expenses	6.0	0.8		10.2	7.6
Adj. EBITDA	12.4	4.5	174%	30.8	14.8
<i>Adj. EBITDA margin</i>	19%	8%		15%	8%
Capitalized development	-8.5	-10.7		-33.3	-50.5
Adj. EBITDA - capex	3.9	-6.2	nm	-2.4	-35.7
<i>Adj. EBITDA - capex margin</i>	6%	-11%		-1%	-20%
Adj. EBITDA - capex excl. Webdoc X	7.6	-1.4	nm	12.9	-16.6
<i>Adj. EBITDA - capex margin</i>	11%	-3%		6%	-9%

- Strong underlying organic growth for all product categories
- Consulting revenues up as Q3 last year had very low activity – priority is recurring revenues
- Gross profit margin increased from 80% to 85%
- NOK 6 million costs for relisting and EG process – additional costs in Q4 for relisting
- Positive EBITDA – Capex margin for the group
- Holiday effects on personnel expenses in Q3

Strong cash flow improvement YTD

NOKm	Q3 2024	Q3 2023	YTD 2024	YTD 2023
Revenue	66.3	55.5	199.5	178.7
Reported EBITDA	6.5	3.8	20.6	7.2
Change in working capital	-10.8	-14.0	1.9	-14.1
Operating cash flow	-4.3	-10.2	22.6	-6.9
<i>Share of revenue</i>	-7%	-18%	11%	-4%
Investments in tangible and intangibles	-8.8	-10.8	-34.2	-53.7
Free cash flow	-13.2	-21.0	-11.6	-60.6
<i>Share of revenue</i>	-20%	-38%	-6%	-34%
Other investments and financing cash flow	-0.1	3.2	0.2	0.0
Total change in cash	-13.3	-17.8	-11.5	-60.6
Cash end of period	362.4	636.7	362.4	636.7

- Significant improvements in profitability and operating cash flow YTD
- One-off costs in Q3
- Negative working capital effects in Q3 from holiday payments
- Capex significantly down YOY
- Other cash flow mainly related to interest investments and leasing payments



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Q&A

