

January-December 2022

# Year-end report Q4

## The quarter in summary

- Net sales amounted to SEK 196.2 million (162.3), an increase of 20.9 percent. Service sales amounted to 145.1 million (126.8) an increase of 14.4 percent. Product sales amounted to 51.1 million (35.5) an increase of 43.9 percent.
- Gross margin amounted to 39.4 percent (40.5).
- Adjusted operating profit (EBIT) amounted to SEK 16.5 million (1.0) excluding restructuring costs of SEK 3.3 million. Including restructuring costs EBIT amounted to SEK 13.2 million (-0.4) corresponding to an operating margin of 6.8 percent (-0.2). In addition, operating profit was positively affected by non-recurring items of SEK 7.2 million.
- Free cash flow amounted to SEK -53.4 million (15.5).
- Organic growth amounted to 20.9 percent.
- Earnings per share amounted to SEK 0.35 (-0.04).

## January-December in summary

- Net sales amounted to SEK 725.1 million (587.5), an increase of 23.4 percent. Service sales amounted to 550.8 million (464.0) an increase of 18.7 percent. Product sales amounted to 174.3 million (123.5) an increase of 41.1 percent.
- Gross margin amounted to 37.8 percent (40.9).
- Adjusted operating profit (EBIT) amounted to SEK 9.0 million (11.5) excluding restructuring costs of SEK 24.8 million. Including restructuring costs EBIT amounted to SEK -15.8 million (8.6) corresponding to an operating margin of -2.2 percent (1.5). In addition, operating profit was positively affected by non-recurring items of SEK 19.1 million.
- Free cash flow amounted to SEK -87.1 million (-70.9).
- Organic growth amounted to 16.6 percent.
- Earnings per share amounted to SEK -0.47 (0.19).
- No dividend is proposed.

Key Ratios	Q4			Jan-Dec		
	2022	2021	%	2022	2021	%
Net sales	196.2	162.3	20.9%	725.1	587.5	23.4%
Net sales growth, %	20.9%	12.2%		23.4%	12.1%	
Organic growth %	20.9%	3.5%		16.6%	2.7%	
Gross margin %	39.4%	40.5%		37.8%	40.9%	
EBITDA	31.8	17.0	87.1%	58.8	65.2	-9.7%
EBITDA margin	16.2%	10.5%		8.1%	11.1%	
Adjusted EBITDA*	35.1	18.4	90.8%	83.5	68.1	22.6%
Adjusted EBITDA margin*	17.9%	11.3%		11.5%	11.6%	
EBIT	13.2	-0.4	3395.6%	-15.8	8.6	-282.6%
EBIT margin, %	6.7%	-0.2%		-2.2%	1.5%	
Adjusted EBIT*	16.5	1.0	1552.6%	9.0	11.5	-21.5%
Adjusted EBIT margin*, %	8.4%	0.6%		1.2%	2.0%	
Earnings per share, SEK	0.35	-0.04	1073.8%	-0.47	0.19	-353.0%

\* Adjusted for restructuring costs but not for non-recurring items



# CEO's commentary

Careium finished its first full year as an independent company by delivering its strongest quarterly sales and operating profit (excluding items affecting comparability) during Q4 driven by our action program for business transformation. Sales increased 21 percent for the quarter and 23 percent for the full year. The sales growth is in line with our strategy to provide customers with innovative and efficient technology-enabled care solutions.

On the service side, the Nordic markets grew 21 percent in the quarter, largely due to new and renewed contracts in Sweden. We also continue a positive momentum in Central Europe with a 25 percent increase in service sales mainly driven by new connections in the Netherlands. Product sales in the UK grew 131 percent, reflecting the ongoing transformation from analog to digital solutions.

Our operating profit (EBIT) increased significantly compared both to the last quarter of 2021 and the third quarter of 2022 amounting to SEK 13.2 million (-0.4). The profit was burdened by restructuring costs related to staff reductions of SEK 3.3 million. Operating profit was also increased by SEK 7.2 million from reversed provisions for earn-outs related to company acquisitions. Operating profit excluding transformation costs and other items affecting comparability amounted to SEK 9.3 million. Despite the positive result, free cash flow was negative by SEK 53.4 million. This is driven by a temporarily higher working capital balance as high sales toward the end of the quarter tied up capital in accounts receivable and also by accounts payable paid down during the quarter.

In the quarter, we began the rollout in Norway of digital keys for home care, a system that simplifies the process for caregivers and users alike. The offering, which is accompanied by proprietary software from Careium, has attracted considerable interest in Norway and the rest of the Nordic region. Another product novelty launched in Q4 was Ellis, Careium's new alarm trigger, which is designed as a piece of jewelry with the aim of minimising stigma as a way of increasing usage and thus safety.

The strengthened profitability is the result of actions taken during the fourth quarter and earlier in the year. A new organisational structure was implemented following a careful analysis of the business. Merging product and technology development together well as merging region Other markets



*"The action program has been implemented and we now see that the positive effects make us well equipped for the future"*

into Nordic region has created, a smaller and more unified Group management team and strengthened the conditions for moving quickly from decision to action. Efficiency gains from the organisational changes have contributed to Q4 profit improvement.

In the UK the rightsizing of the operations and the efficiencies from merging three alarm centres into one are being harnessed and a new management team has been appointed. Results from the UK service business improved towards the end of the quarter and key metrics for our alarm centre continues to improve in the first quarter of 2023.

Given the actions we have taken, our aim is to pursue this positive trajectory with continued profitable growth. The population is ageing and Careium is transforming the care of the elderly. Currently, significant growth opportunities exist in the digital shift, with the UK's decision to go fully digital by the end of 2024 as well as several countries' final phase-out of 2G networks.

Finally, I would like to express my sincere thanks to all employees in the Group who have worked hard to ensure that we completed our action program to get back to profit and are well equipped for the future.

Maria Khorsand,  
President and CEO

# Net sales

## Highlights during the fourth quarter

Careium's net sales for the fourth quarter amounted to SEK 196.2 million (162.3), an increase of 20.9 percent compared to the fourth quarter of 2021. Organic growth was 20.9 percent. Adjusted for currency effects, organic growth amounted to 15.5 percent.

The number of connections at the end of the period was 379,900 (389,800). The loss of a few large customer contracts in the UK explains the decrease in connections. As part of the transformation of the UK business, we prioritize securing profitable connections in the service business, avoiding lowest price strategy in tenders.

## Net sales divided in products and services

SEKm	Q4			Jan-Dec		
	2022	2021	%	2022	2021	%
Product sales	51.1	35.5	43.9%	174.3	123.5	41.1%
Service Sales	145.1	126.8	14.4%	550.8	464.0	18.7%
<b>Total</b>	<b>196.2</b>	<b>162.3</b>	<b>20.9%</b>	<b>725.1</b>	<b>587.5</b>	<b>23.4%</b>
Connections (thousand)	379.9	389.8	-2.5%	379.9	389.8	-2.5%

# Profitability

## Highlights during the fourth quarter

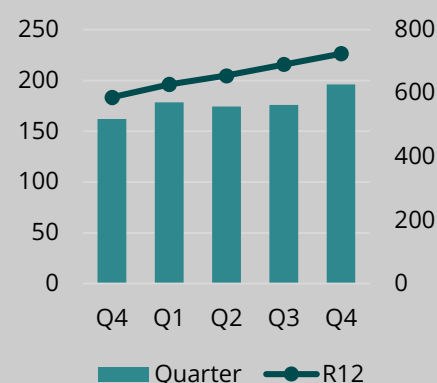
Gross margin amounted to 39.4 percent (40.5) during the fourth quarter of 2022.

EBITDA increased 86.7 percent to SEK 31.8 million (17.0) which corresponds to an EBITDA-margin of 16.2 percent (10.5).

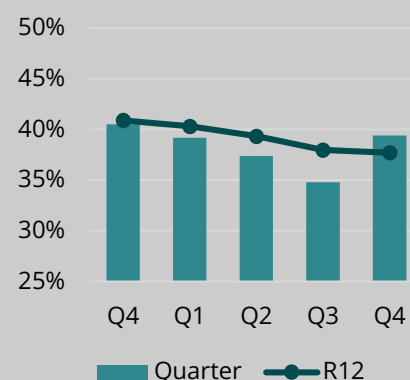
EBITA increased to SEK 17.7 million (5.6). Planned depreciation of intangible assets from company acquisitions was SEK -4.5 million (-6.0) during the quarter, resulting in an EBIT of SEK 13.2 million (-0.4) and an EBIT-margin of 6.8 percent (-0.2). The improved EBIT margin is explained by the growth in sales and the measures taken during the year to decrease operating costs. EBIT includes SEK 7.2 million referring to reversed provisions for the estimated additional purchase price for acquisitions. This is reported under other income and expenses. In the fourth quarter EBIT was negatively affected by SEK -3.3 million due to restructuring costs to streamline product development and integrate the sales organisation.

Net financial items for the fourth quarter totaled SEK 1.2 million (2.2). Group tax for the quarter was SEK -5.3 million (-2.6). Profit after tax for the period was SEK 9.2 million (-0.8).

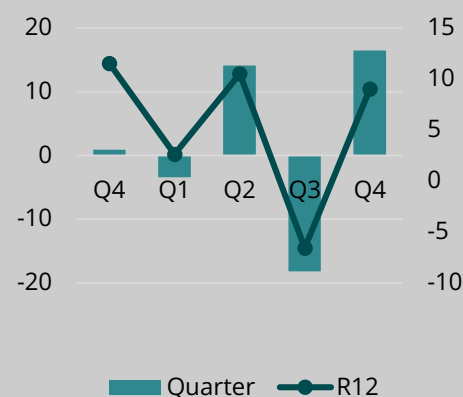
Net sales, SEKm



Gross margin



Adjusted EBIT, SEKm



## Key figures

SEKm	Q4			Jan-Dec		
	2022	2021	%	2022	2021	%
Net sales	196.2	162.3	20.9%	725.1	587.5	23.4%
Gross profit	77.3	65.9	17.3%	273.7	240.3	13.9%
<i>Gross margin</i>	39.4%	40.5%		37.8%	40.8%	
EBIT	13.2	-0.4	3395.6%	-15.9	8.6	-283.7%
<i>EBIT margin %</i>	6.7%	-0.2%		-2.2%	1.5%	
Adjusted EBIT	16.5	1.0	1552.6%	9.0	11.5	-21.5%
<i>Adjusted EBIT margin %</i>	8.4%	0.6%		1.2%	2.0%	
Investment in product development	5.5	9.0	-38.9%	24.0	28.8	-16.7%

# Financial development

## Cash flow, investments and financial position

Cash flow from operating activities during the fourth quarter amounted to SEK -32.7 million (34.1). This is explained by a temporarily increased working capital balance as high sales towards the end of the quarter tied up capital in accounts receivable and also by accounts payable paid down during the quarter.

Free cash flow amounted to SEK -53.4 million (15.5). Investments during the period amounted to SEK 20.6 million (18.6).

Cash and cash equivalents totaled SEK 39.9 million (142.5) at the end of the fourth quarter. The bank overdraft facility, set up in 2022, of SEK 50 million showed available cash of SEK 20.8 million. The equity ratio was 56.7 percent (52.6). Net debt amounted to SEK 253.6 million at the end of the fourth quarter, compared with a net debt of SEK 204.8 million at the end of the previous quarter and a net debt of SEK 149.7 million at the end of the fourth quarter of 2021.

At the end of the fourth quarter, Careium complies with the agreed bank covenant waiver.

## Group summary

SEKm	Q4			Jan-Dec		
	2022	2021	%	2022	2021	%
Operating profit/loss after depreciation and write-downs, EBIT	13.2	-0.4	3405%	-15.8	8.6	-283%
Cash flow from current activities	-32.7	34.1	-196%	-21.2	-19.8	-7%
Investments in intangible and tangible fixed asset	20.6	18.6	11%	65.9	51.1	29%

## Significant events during the period

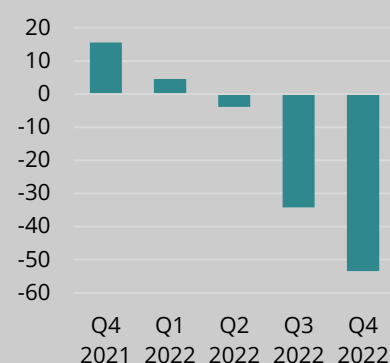
Carl-Johan Zetterberg Boudrie left his position as CEO and President of Careium and Maria Khorsand was appointed interim CEO as of 24 October 2022.

In December, Careium announced Christian Walén as new CEO and President, effective 27 March 2023.

## Significant events after the period

No significant events were reported after the period.

Free cash flow, SEKm



# Highlights by region

Net sales for Careium in the fourth quarter amounted to SEK 196.2 million (162.3), an increase of 20.9 percent compared to the fourth quarter of 2021. Service sales increased 14.5 percent to SEK 145.1 million (126.7) and product sales increased 43.9 percent to SEK 51.1 million (35.5). The increased service sales were mainly driven by the Nordic region and Central Europe. The increase in product sales were mainly driven by the UK.

## Nordic

SEKm	Q4			Jan-Dec		
	2022	2021	%	2022	2021	%
Product Sales	10.3	11.7	-12.0%	33.5	29.1	15.1%
Service Sales	82.9	68.7	20.7%	311.2	252.6	23.2%
<b>Total</b>	<b>93.2</b>	<b>80.4</b>	<b>16.0%</b>	<b>344.8</b>	<b>281.7</b>	<b>22.4%</b>
Connections (thousand)	134.7	121.9	10.5%	134.7	121.9	10.5%

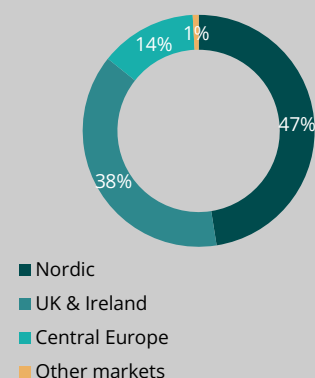
Net sales in the Nordics increased 16.0 percent to SEK 93.2 million (80.4) compared with the fourth quarter of 2021. The increase in sales is largely attributable to Sweden, where both renewed and new contracts were implemented during the quarter. Service sales in Norway were also above the previous year, mainly due to increased activity in existing agreements. Product sales were lower than last year, but higher than prior quarters during 2022. We see an increased interest in investing in 4G products ahead of the announced shutdown of Nordic 2G networks at the end of 2024.

## United Kingdom & Ireland

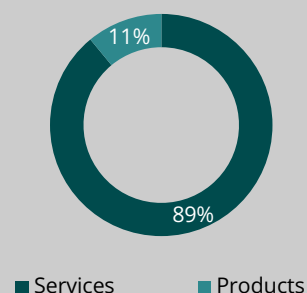
SEKm	Q4			Jan-Dec		
	2022	2021	%	2022	2021	%
Product Sales	30.7	13.3	131.0%	102.8	54.7	88.0%
Service Sales	44.2	42.8	3.3%	173.4	189.2	-8.4%
<b>Total</b>	<b>74.9</b>	<b>56.1</b>	<b>33.5%</b>	<b>276.2</b>	<b>243.9</b>	<b>13.2%</b>
Connections (thousand)	215.5	240.7	-10.5%	215.5	240.7	-10.5%

Net sales in the United Kingdom and Ireland increased 33.5 percent to SEK 74.9 million (56.1) compared to the fourth quarter of 2021. Service sales were in line with the fourth quarter of 2021, while product sales increased. The digital transformation in the region has gained momentum during the year. The number of connections decreased following the loss of a few large customer contracts. As part of the transformation of the UK business, we prioritize securing profitable connections in the service business, avoiding lowest price strategy in tenders. The work to restructure and integrate the UK operations continued intensively during the quarter and we also see the effects through lower costs for both service delivery and administration.

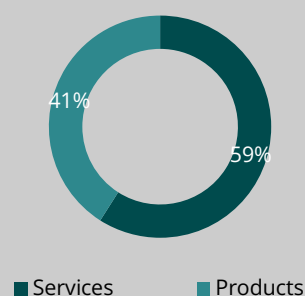
Sales by market, %



Sales divided in products and services, Nordic %



Sales divided in products and services, United Kingdom & Ireland, %



## Central Europe

SEKm	Q4			Jan-Dec		
	2022	2021	%	2022	2021	%
Product Sales	8.9	9.2	-3.3%	33.1	34.7	-4.7%
Service Sales	17.7	14.2	24.6%	65.0	21.5	202.3%
<b>Total</b>	<b>26.5</b>	<b>23.3</b>	<b>13.6%</b>	<b>98.1</b>	<b>56.2</b>	<b>74.5%</b>
Connections (thousand)	29.7	27.1	9.5%	29.7	27.1	9.5%

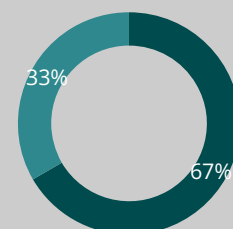
Net sales in Central Europe increased 13.6 percent to SEK 26.5 million (23.3) compared to the fourth quarter of 2021. The increased service sales were mainly due to an increase in the number connections in the Netherlands.

## Other markets

SEKm	Q4			Jan-Dec		
	2022	2021	%	2022	2021	%
Product Sales	1.3	1.4	-7.7%	4.9	5.0	-1.8%
Service Sales	0.3	1.0	-71.4%	1.2	0.7	70.4%
<b>Total</b>	<b>1.6</b>	<b>2.4</b>	<b>-35.2%</b>	<b>6.1</b>	<b>5.7</b>	<b>7.1%</b>

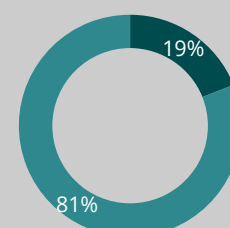
Net sales in other markets decreased to SEK 1.6 million (2.4) in the fourth quarter of 2022. The decrease is explained by an accounting error in the services sales in Q4 2021, which was overstated by SEK 0.6 million. Sales in other markets are mainly driven by product sales in France.

Sales divided in products and services, Central Europe, %



■ Services ■ Products

Sales divided in products and services, Other markets, %



■ Services ■ Products



# Other information

## Equity and the Careium share

Careium's share is listed on Nasdaq First North Growth Market. On 31 December 2022, the number of issued shares was 24,326,214. Total equity amounted to SEK 566.6 million (551.5).

## Employees

On 31 December 2022, Careium had 595 (672) full-time equivalents. Of these 230 (227) are based in the Nordic region, 51 (48) in Central Europe, 306 (387) in the United Kingdom and Ireland and 8 (10) in the rest of the world.

## Risks

Careium's position is affected by operational, strategical, financial and sustainability risks. In general, Careium's most significant external risks are the macroeconomic factors and market trends combined with public sector contracts and policy decisions, as well as competition. In Careium and within the different parts of the Group we continuously work to identify, assess and mitigate risks. For more information, see the section about risks in the Annual Report 2021. The war in the Ukraine has not had a significant operational or economic impact on the Group, but such effects cannot be ruled out for the future.

## Parent company

The parent company's net sales during the fourth quarter amounted to SEK 2.6 million (1.0). Profit after tax amounted to SEK 0.6 million (3.1).

## Accounting principles

This interim report has been prepared for the group in accordance with IAS 34. "Interim Financial Reporting" and for the parent company in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2. "Accounting for legal entities". The accounting principles and calculation methods applied correspond to those that were used to prepare the most recent annual report.

## Dividend

The Board of Directors will propose to the Annual General Meeting that no dividend should be paid for 2022.





# Confirmation by the board

The board and CEO affirm that this year-end report provides an accurate overview of the operations, position and earnings of the company and group and that it also describes the principal risks and uncertainty factors faced by the company and its subsidiaries.

This year-end report has not been reviewed by the company's auditors.

Malmö, 16 February 2023

Lennart Jacobsen  
Chairman of the Board

Cecilia Ardström  
Board member

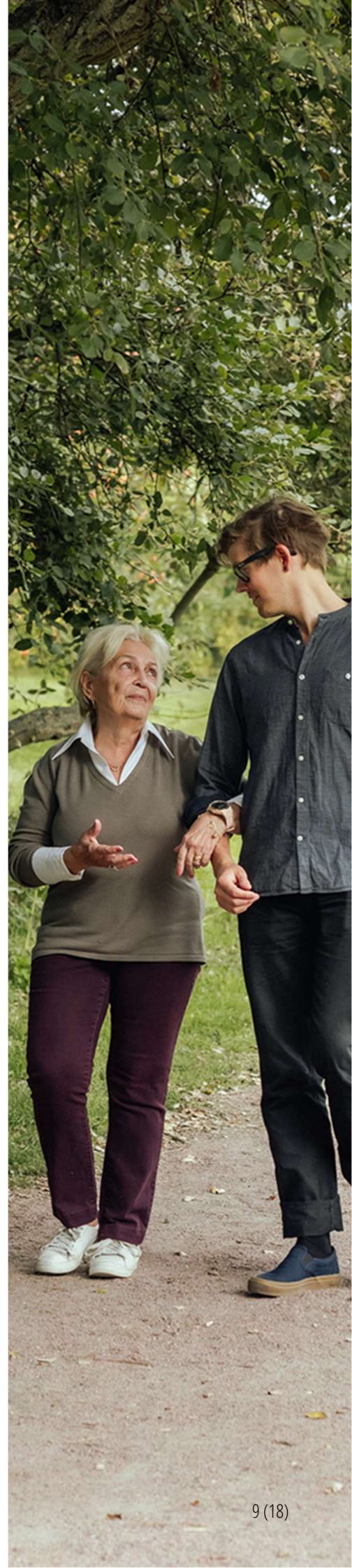
Stefan Berg  
Board member

Towa Jexmark  
Board member

Christian Walén  
Board member

Kai Tavakka  
Board member

Maria Khorsand  
CEO



# Financial reports

## Careium-group

### Income statement

SEKm	Q4		Jan-Dec	
	2022	2021	2022	2021
Net sales	196.2	162.3	725.1	587.5
Cost of goods and services sold	-118.9	-96.4	-451.4	-347.2
<b>Gross profit</b>	<b>77.3</b>	<b>65.9</b>	<b>273.7</b>	<b>240.3</b>
Selling, distribution and marketing expenses	-39.0	-37.5	-148.7	-126.9
Research and development expenses	-5.0	-4.1	-17.7	-18.6
Administrative expenses	-27.8	-34.7	-160.9	-99.4
Other income and expense	7.7	10.0	37.7	13.3
<b>Total operating expenses</b>	<b>-64.0</b>	<b>-66.3</b>	<b>-289.5</b>	<b>-231.7</b>
whereof depreciation and amortisation of intangible and tangible fixed assets	-18.5	-17.4	-74.6	-56.5
<b>Operating profit/loss before depreciation and amortisation (EBITDA)</b>	<b>31.8</b>	<b>17.0</b>	<b>58.8</b>	<b>65.2</b>
<b>Operating profit/loss after depreciation and amortisation (EBIT)</b>	<b>13.2</b>	<b>-0.4</b>	<b>-15.8</b>	<b>8.6</b>
Net financial items	1.2	2.2	0.4	0.5
<b>Profit/loss before taxes</b>	<b>14.5</b>	<b>1.8</b>	<b>-15.4</b>	<b>9.2</b>
Taxes	-5.3	-2.6	6.8	-4.5
<b>Profit/loss for the period</b>	<b>9.2</b>	<b>-0.8</b>	<b>-8.6</b>	<b>4.7</b>
Where of related to Parent company's shareholders	8.5	-1.1	-11.4	4.5
Average number of shares, thousands	24,326	24,130	24,326	24,032
Average number of shares after dilution, thousands*	24,326	24,130	24,326	24,032
Earnings per share, SEK	0.35	-0.04	-0.47	0.19
Earnings per share, after dilution, SEK*	0.35	-0.04	-0.47	0.19

\*The effect of dilution is considered only when the effect on earnings per share is negative.

## Statement of comprehensive income

SEKm	Q4		Jan-Dec	
	2022	2021	2022	2021
Profit/loss for the period	9.2	-0.8	-8.6	4.7
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</b>				
Translation differences	9.4	6.1	23.7	14.6
<b>Total Result</b>	<b>18.6</b>	<b>5.3</b>	<b>15.1</b>	<b>19.3</b>
<i>where of related to Parent company's shareholders</i>	<i>17.9</i>	<i>5.1</i>	<i>12.3</i>	<i>19.1</i>

## Statement of financial position

SEKm	31 Dec 2022	31 Dec 2021
<b>Non-current assets</b>		
Intangible assets	576.1	548.4
Property, plant and equipment	101.9	95.6
Financial assets	35.5	9.7
Deferred tax asset	11.8	1.8
<b>Current assets</b>		
Inventories	50.4	39.7
Current receivables	175.1	213.9
Cash and cash equivalents	39.9	142.5
<b>Total assets</b>	<b>990.6</b>	<b>1,051.7</b>
<b>Equity and liabilities</b>		
Equity	566.6	551.5
Long-term liabilities	284.0	317.9
Current liabilities	140.0	182.2
<b>Total shareholders equity and liabilities</b>	<b>990.6</b>	<b>1,051.7</b>



## Statement of cash flows

SEKm	Q4		Jan-Dec	
	2022	2021	2022	2021
Operating profit/loss after depreciation and write-downs, EBIT	13.2	-0.5	-15.8	8.6
Depreciation according to plan	18.5	17.9	74.6	56.5
Net paid financial items	-3.9	2.1	-7.8	0.5
Taxes paid	1.5	1.6	-4.4	-5.3
Changes in working capital (incl changes in provisions)	-62.0	13.0	-67.6	-80.1
<b>Cash flow from current activities</b>	<b>-32.7</b>	<b>34.1</b>	<b>-21.2</b>	<b>-19.8</b>
Investments in intangible and tangible fixed assets	-20.6	-18.6	-65.9	-51.1
<b>Total Free Cash flow before acquisitions</b>	<b>-53.4</b>	<b>15.5</b>	<b>-87.1</b>	<b>-70.9</b>
Acquisitions	-2.7	-0.1	-2.7	-112.6
<b>Cash flow from investment activities</b>	<b>-23.4</b>	<b>-18.7</b>	<b>-68.7</b>	<b>-163.7</b>
Transactions with Group companies	-	-7.8	-	99.1
Amortisation of debt	-3.4	-169.0	-69.3	-180.4
New loans	25.0	256.1	25.0	372.3
Change in bank overdraft liability	29.2	-	29.2	-
<b>Cash flow from financial activities</b>	<b>50.7</b>	<b>79.3</b>	<b>-15.1</b>	<b>291.0</b>
Exchange rate differences in cash and cash equivalents	1.5	1.1	2.3	2.7
Change in liquid funds	-3.9	95.8	-102.7	110.2
<b>Net debt</b>	<b>253.6</b>	<b>149.7</b>	<b>253.6</b>	<b>149.7</b>

## Statement of change in equity

SEKm	31 Dec 2022	31 Dec 2021
<b>Opening balance</b>	<b>551.5</b>	<b>386.5</b>
Total Result related to Parent company's shareholders	15.1	19.3
Other transactions with shareholders	-	145.7
<b>Closing balance</b>	<b>566.6</b>	<b>551.5</b>

## Other key figures

SEKm	31 Dec 2022	31 Dec 2021
<b>OTHER KEY FIGURES</b>		
Equity/assets ratio, %	57.2%	52.4%
Number of shares at the end of the period, thousands	24,326	24,326
Number of shares at the end of the period after dilution, thousands*	24,326	24,326
Equity per share, SEK	23.29	22.67
Equity per share, after dilution SEK*	23.29	22.67
Return on average shareholders' equity, %	-1.5%	1.0%
Return on average capital employed, %	-2.1%	1.3%
Share price at period's end, SEK	8.96	30.15
Market value, SEKm	218.0	733.4

\*The effect of dilution is considered only when the effect on earnings per share is negative.

## Parent company

### Income statement

SEKm	Q4		Jan-Dec	
	2022	2021	2022	2021
Net sales	2.6	1.0	9.5	1.0
Cost of goods and services sold	0.1	0.0	-0.0	0.0
<b>Gross profit</b>	<b>2.7</b>	<b>1.0</b>	<b>9.5</b>	<b>1.0</b>
Operating expenses	-3.3	-1.5	-11.8	-1.6
<b>Operating profit/loss (EBIT)</b>	<b>-0.6</b>	<b>-0.4</b>	<b>-2.3</b>	<b>-0.5</b>
Net financial items	1.8	4.0	2.8	3.6
<b>Profit/loss after financial items</b>	<b>1.2</b>	<b>3.6</b>	<b>0.5</b>	<b>3.1</b>
Group contribution	-0.6	-	-0.6	-
Taxes	-0.0	-0.4	-0.0	-0.4
<b>Profit/loss for the period</b>	<b>0.6</b>	<b>3.1</b>	<b>-0.1</b>	<b>2.7</b>

### Statement of comprehensive income

SEKm	Q4		Jan-Dec	
	2022	2021	2022	2021
Profit/loss for the period	0.6	3.1	-0.1	2.7
Other comprehensive income to be reclassified to profit or loss in subsequent periods:	-	-	-	-
<b>Total Result</b>	<b>0.6</b>	<b>3.1</b>	<b>-0.1</b>	<b>2.7</b>

### Statement of financial position

SEKm	31 Dec 2022	31 Dec 2021
<b>Non-current assets</b>		
Intangible assets	-	-
Property, plant and equipment	-	-
Financial assets	599.5	622.5
<b>Current assets</b>		
Inventories	-	-
Current receivables	99.9	5.2
Cash and cash equivalents*	0.0	85.5
<b>Total assets</b>	<b>699.5</b>	<b>713.2</b>
Shareholders' equity	413.5	413.7
Provisions	-	-
Longterm liabilities	254.2	286.2
Current liabilities	31.7	13.3
<b>Total shareholders equity and liabilities</b>	<b>699.5</b>	<b>713.2</b>

\*Set up of Group cash pool explains the reduction of reported cash in the parent company



# Notes

## Not 1. Region reporting

Careium has changed the reporting so that the Group reports in four regions, the Nordic countries, the United Kingdom and Ireland, Central Europe, and Other markets. Earlier, "Other" included all markets now split between Central Europe and Other markets. Central Europe includes the countries, Germany, the Netherlands, Austria, and Switzerland. Other markets include countries that are not part of another region.

## Not 2. Accounting for operating expenses

Careium has changed the reporting of operating expenses compared to previous years to follow the organisation of the business. Costs for product management have been moved from research and development costs to sales, distribution and marketing costs. Costs for IS / IT have been moved from administration costs to sales, distribution and marketing costs. Costs for certain IT services and write-downs of accounts receivable have been moved from costs of goods and services sold to sales, distribution and marketing costs and administration costs, respectively. Previous periods have been recalculated according to new principles. The changes have no effect on reported operating profit (EBIT) and a marginal effect on gross profit for previous periods.

# Definitions

## Financial definitions

<b>Average number of shares after dilution</b>	The average number of shares adjusted for the dilution effect of subscription options calculated as the difference between the presumed number of shares issued at the redemption price and the presumed number of issued shares at the average market price for the period.
<b>Profit per share</b>	Profit after tax divided by the average number of shares for the period.
<b>Profit per share after dilution</b>	Profit after tax divided by the average number of shares for the period after the dilution effect.
<b>Number of shares at period end period after dilution effect</b>	The number of shares at the end of the period adjusted for the dilution effect of subscription options calculated as the difference between the presumed number of shares issued at the redemption price and the presumed no of issued shares at the market price at the end of the period.
<b>Equity per share</b>	Equity on the balance date divided by the number of shares on the balance date.
<b>Equity per share after dilution</b>	Equity on the balance date divided by the number of shares at the end of the period after dilution effects.
<b>Net debt/Net cash</b>	Cash and bank deposits less interest-bearing liabilities.
<b>Market value</b>	Share price at the end of the period times the number of shares at the end of the period.

## Use of non-IFRS results measurement

Guidelines regarding alternative key figures for companies with securities listed on a regulated market within the EU have been issued by the ESMA (European Securities and Markets Authority). These guidelines shall be applied to alternative key figures that are used with effect from 3 July 2016. The interim report has references to a number of non-IFRS result measurements that are used to help both investors and management in analysing the company's activities. Below we describe the non-IFRS result measurements that are used as a supplement to the financial information that is reported according to IFRS.

SEKm	Q4		Jan-Dec	
	2022	2021	2022	2021
<b>Currency adjusted sales growth</b>				
Currency adjusted sales growth	25.1	18.0		
Currency effect	8.8	-1.1		
<b>Reported sales growth</b>	<b>33.9</b>	<b>16.9</b>		
<b>Capital employed</b>				
Total assets			990.6	1,051.7
Non-interest bearing liabilities			130.5	185.2
Cash and cash equivalents			39.9	142.5
<b>Reported capital employed</b>			<b>820.2</b>	<b>724.0</b>

## Description of financial result measurements that are not found in the IFRS rules

<b>Non-IFRS result measurement</b>	<b>Description</b>	<b>Reason for use of measurement</b>
<b>Restructuring costs</b>	Costs of impairment and personnel costs in connection with restructuring.	This measurement shows the specific costs that arise in connection with restructuring of a specific activity, which contributes to better understanding of the underlying cost level in the ongoing operational activities.
<b>Gross margin %</b>	Net sales minus cost of goods and services sold as a percentage of net sales.	The gross margin is an important measurement for showing the margin before other costs.
<b>Organic growth %</b>	Net sales for the period minus net sales for companies acquired during the period minus net sales for the corresponding period in the previous year as a percentage of net sales for the corresponding period in the previous year.	Organic growth shows the group's sales growth excluding company acquisitions.
<b>Currency adjusted sales growth %</b>	Net sales for the period recalculated with exchange rates for the corresponding period the previous year minus net sales for the corresponding period the previous year as a percentage of net sales for the corresponding period the previous year.	This measurement shows sales growth with currency effects cancelled out.
<b>Equity ratio</b>	Equity expressed as a percentage of total assets.	A traditional measurement for showing financial risk, expressed as the percentage of the total capital that is financed by the owners.
<b>Return on average equity</b>	Rolling 12-month profit after financial items and tax divided by average equity.	Shows from a shareholder perspective what the return is on the owners' invested capital.
<b>Capital employed</b>	Total assets less non-interest-bearing liabilities and cash and bank deposits.	The measurement shows how much total capital is used in the operation and is thus the only component in measuring return from the activities.
<b>Return on average capital employed</b>	Rolling 12-month operating profit divided by the average quarterly capital employed.	The key measurement for measuring the return on all the capital in the company.
<b>Number of connections</b>	Number of subscription customers connected to alarm reception.	This measurement shows the volume of customers in the services activities.





## About Careium

Careium is today one of the leading players in technology-enabled care in Europe. Careium's innovative solutions improve the safety, quality of life and independence of seniors both inside and outside the home. Careium provides its services to 400,000 seniors in Sweden, Norway, Netherlands and United Kingdom. Most of the seniors are connected to one of Careium's alarm receiving centers in Sweden, Norway and the United Kingdom where approximately 25,000 alarms are handled every day by one of our 600 employees in the alarm receiving center.

## Calendar

Q1-report, January-March 2023	27 April 2023
Annual General Meeting	27 April 2023
Q2-report, January-June 2023	14 July 2023
Q3-report, January-September 2023	26 October 2023
Year-end report, January-December 2023	15 February 2024

## Contact

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## Webcast

A webcast conference call will be held Thursday 16 February at 11.00 pm (CET) when President and CEO Maria Khorsand will present the report. The webcast is accessed at <https://ir.financialhearings.com/careium-q4-2022>.

If you wish to participate via teleconference, please register on the link below. After registration you will be provided phone numbers and a conference ID to access the conference. You can ask questions verbally via the teleconference at <https://conference.financialhearings.com/teleconference/?id=5009668>

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

*This information is information that Careium 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, 16 February 2023, at 8.00 (CET).*