

January-September 2022

# Interim report Q3

## The quarter in summary

- Careium's net sales amounted to SEK 175.9 million (140.2), an increase of 25.5 percent. Service sales amounted to 134.3 million (111.5) an increase of 20.4 percent. Product sales amounted to 41.7 million (28.7) an increase of 45.2 percent.
- Gross margin amounted to 34.8 percent (39.6).
- Operating profit (EBIT) amounted to SEK -18.2 million (-2.1) corresponding to an operating margin of -10.3 percent (-1.5). Operating profit was negatively affected by non-recurring items of SEK -2.2 million.
- Free cash flow of SEK -34.2 million (-35.7).
- Organic growth amounted to 18.6 percent.
- Earnings per share amounted to SEK -0.67 (-0.09).

## The first three quarters in summary

- Careium's net sales amounted to SEK 528.9 million (425.1), an increase of 24.4 percent. Service sales amounted to 405.7 million (337.9) an increase of 20.1 percent. Product sales amounted to 123.2 million (87.3) an increase of 41.2 percent.
- Gross margin amounted to 37.1 percent (41.2).
- Adjusted operating profit (EBIT) amounted to SEK -7.6 million (10.6) excluding restructuring costs of SEK 21.5 million. Including restructuring costs EBIT amounted to SEK -29.1 million (9.1) corresponding to an operating margin of -5.5 percent (2.1). In addition, operating profit was positively affected by non-recurring items of SEK 11.9 million.
- Free cash flow of SEK -33.7 million (-85.9).
- Organic growth amounted to 14.9 percent.
- Earnings per share amounted to SEK -0.82 (0.24).

Key Ratios	Q3			Jan-Sep			Full-year
	2022	2021	%	2022	2021	%	2021
Net sales	175.9	140.2	25.5%	528.9	425.1	24.4%	587.5
Net sales growth, %	25.5%	12.9%		24.4%	12.0%		12.1%
Organic growth %	18.6%	5.7%		14.9%	2.7%		2.7%
Gross margin %	34.8%	40.1%		37.1%	41.2%		40.9%
EBITDA	0.8	10.4	-92.1%	27.0	48.3	-44.2%	65.2
EBITDA margin	0.5%	7.4%		5.1%	11.4%		11.1%
Adjusted EBITDA*	0.8	11.4	-92.8%	48.4	49.8	-2.9%	68.1
Adjusted EBITDA margin*	0.5%	8.1%		9.2%	11.7%		11.6%
EBIT	-18.2	-2.1	-770.3%	-29.1	9.1	-418.4%	8.6
EBIT margin, %	-10.3%	-1.5%		-5.5%	2.1%		1.5%
Adjusted EBIT*	-18.2	-1.1	-1567.7%	-7.6	10.6	-171.2%	11.5
Adjusted EBIT margin*, %	-10.3%	-0.8%		-1.4%	2.5%		2.0%
Earnings per share, SEK	-0.67	-0.09	-619.3%	-0.82	0.24	-445.8%	0.19

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



## CEO's comment

Careium strives to become the market leader in technology-enabled care in Europe. During the third quarter, sales increased significantly by 25.5 percent compared to the previous year, and our organic growth was 18.6 percent.

In Sweden, we continued to win and implement new contracts profitably and achieved revenue growth of 36.4 percent in the Nordics with a new high in the number of connections in our alarm receiving centers. The United Kingdom & Ireland region continued to generate strong product sales driven by an increased demand for our digital security alarms. The region's product sales increased by 58.8 percent compared to the previous year, while the service sales declined by 17.5 percent in the UK.

We are strengthening and further developing our offering in technology-enabled care. Applications that involve family or friends in the care chain will become a priority for both customers and end-users for a stronger, safer, and more inclusive care. During the quarter, we were proud to launch the i-care® plus app (available on the App Store and Google Play) which connects users, care providers and relatives. We are excited as the app provides peace of mind with improved communications within the care chain, new functionality, as well as important time and cost savings.

The gross margin in the third quarter amounted to 34.8 percent, which was lower than in the previous quarter and the same period last year. Above all, high costs in the UK operations, to ensure quality in service delivery, continued to impact the gross margin negatively. High shipping and component costs as well as weakened Swedish krona continue to have a negative impact on the margin.

Regarding the inflationary environment, Careium is a non-cyclical business thanks to a large share of recurring revenue contracts. Contractual price increases in the majority of the contracts are starting to become effective at the beginning of the next year.

Operating profit excluding transformation costs and other items affecting comparability amounted to SEK -16.0 million. The challenges in the UK continued to impact the group's



profitability negatively. Despite the efforts during the year, the transformation is taking more time than anticipated. Many actions are now done in order to drive operational efficiency in service delivery and administrative functions. During the year, we moved our operations to a single location in Blackburn, implemented a unified platform for alarm handling, started to terminate unprofitable customer contracts, and strengthened the leadership team. During the end of the quarter, the operating cost of the UK business started to decrease.

Overall focus will continue to be in the transformation of the UK operations and ensuring performance improvements in the rest of the group. The communicated transformation costs notwithstanding, our ambition remains to increase operating profit by approximately SEK 60-80 million on an annual basis by the turn of the year 2022/2023.

As I now hand over the baton as outgoing CEO, I would like to express my thanks to our competent and motivated employees throughout the group developing Careium as the market leader in technology-enabled care in Europe.

Carl-Johan Zetterberg Boudrie,  
President and CEO

# Net sales

## Highlights during the third quarter

Careium's net sales for the third quarter amounted to SEK 175.9 million (140.2), an increase of 25.5 percent compared to the third quarter of 2021. Organic growth was 18.6 percent, adjusted for currency effects, it amounted to 15.0 percent.

The number of connections at the end of the period was 407,400 (389,800).

## Net sales divided in products and services

SEKm	Q3			Jan-Sep			Full-year
	2022	2021	%	2022	2021	%	2021
Product sales	41.7	28.7	45.2%	123.2	87.3	41.2%	123.5
Service Sales	134.3	111.5	20.4%	405.7	337.9	20.1%	464.0
<b>Total</b>	<b>175.9</b>	<b>140.2</b>	<b>25.5%</b>	<b>528.9</b>	<b>425.1</b>	<b>24.4%</b>	<b>587.5</b>
Connections (thousand)	407.4	389.8	4.5%	407.4	389.8	4.5%	390.0

# Operating profit

## Highlights during the third quarter

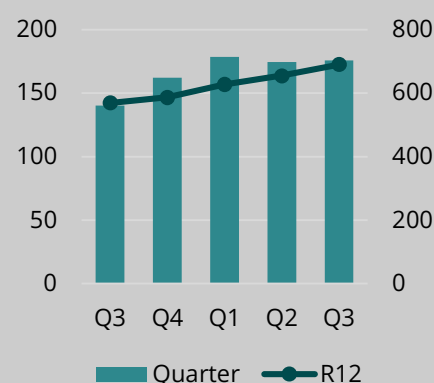
Gross margin amounted to 34.8 percent (40.1) during the third quarter of 2022.

EBITDA for the third quarter decreased by 92.1 percent to SEK 0.8 million (10.4) which corresponds to an EBITDA-margin of 0.5 percent (7.4).

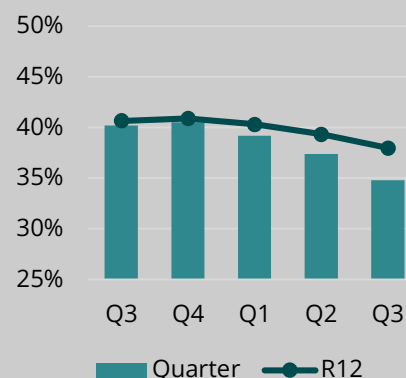
EBITA for the third quarter decreased to SEK -13.8 million (-0.2). Planned depreciation of intangible assets from company acquisitions was SEK -4.4 million (-1.9) during the quarter, resulting in an EBIT of SEK -18.2 million (-2.1) and an EBIT-margin of -10.3 percent (-1.5). The lower EBIT margin is explained by continued high costs for the transformation of the UK operations. In the third quarter EBIT was negatively affected by SEK -2.2 million from items affecting comparability mainly related to the transformation of UK. These costs refer to consolidating into a single service centre in Blackburn, severance pay and costs for reorganization of operations in order to create the synergies in service delivery and administrative functions.

Net financial items for the third quarter totaled SEK -1.5 million (-0.9). Group tax for the quarter was SEK 4.1 million (0.6). Profit after tax for the period was SEK -15.6 million (-2.2).

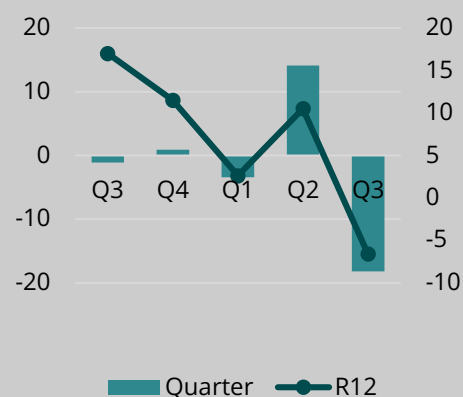
Net sales, SEKm



Gross margin



Adjusted EBIT, SEKm



## Operating profit

SEKm	Q3			Jan-Sep			Full-year
	2022	2021	%	2022	2021	%	2021
Net sales	175.9	140.2	25.5%	528.9	425.1	24.4%	587.5
Gross profit	61.2	55.5	10.3%	196.4	174.4	12.6%	240.3
<i>Gross margin</i>	<i>34.8%</i>	<i>39.6%</i>		<i>37.1%</i>	<i>41.0%</i>		<i>40.9%</i>
EBIT	-18.2	-2.1	-770.3%	-29.1	9.1	-418.4%	8.6
<i>EBIT margin %</i>	<i>-10.3%</i>	<i>-1.5%</i>		<i>-5.5%</i>	<i>2.1%</i>		<i>1.5%</i>
Adjusted EBIT	-18.2	-1.1	-1567.7%	-7.6	10.6	-171.2%	11.5
<i>Adjusted EBIT margin %</i>	<i>-10.3%</i>	<i>-0.8%</i>		<i>-1.4%</i>	<i>2.5%</i>		<i>2.0%</i>
Investment in product development	5.2	4.9	7.4%	18.5	19.8	-6.6%	28.8

# Financial development

## Cash flow, investments and financial position

Cash flow from operating activities during the third quarter amounted to SEK -20.8 million (-25.8). The improvement compared to the third quarter of 2021 is the change in working capital. Free cash flow amounted to SEK -34.2 million (-35.7). Investments during the period amounted to SEK 13.4 million (9.9).

Cash and cash equivalents totaled SEK 43.7 million (47.1) at the end of the third quarter. At the same time, the equity ratio was 56.0 percent (57.4).

Net debt amounted to SEK 204.8 million at the end of the third quarter, compared with a net debt of SEK 167.1 million at the end of the previous quarter and a net debt of SEK 191.0 million at the end of the third quarter of 2021.

At the end of the third quarter, the company broke one of the covenants in the financing agreement with the bank. The bank has issued a waiver for this covenant and the company thus continues to have access to bank financing.

## Group summary

SEKm	Q3		%	Jan-Sep		%	Full-year
	2022	2021		2022	2021		2021
Operating profit/loss after depreciation and write-downs, EBIT	-18.2	-2.1	-770%	-29.1	9.1	-418%	8.6
Cash flow from current activities	-20.8	-25.8	19%	11.6	-53.4	122%	-19.8
Investments in intangible and tangible fixed asset	13.4	9.9	35%	45.3	32.5	39%	51.1

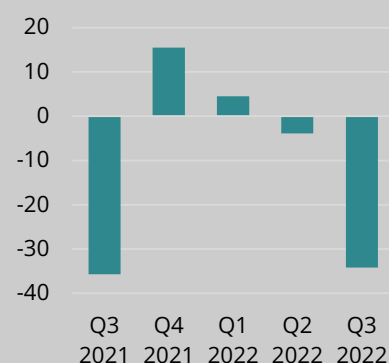
## Significant events during the period

Carl-Johan Zetterberg Boudrie leaves his position as CEO and President of Careium.

## Significant events after the period

Maria Khorsand was appointed interim CEO as from 24 October 2022.

Free cash flow



# Highlights by region

Net sales for Careium in the third quarter amounted to SEK 175.9 million (140.2), an increase of 25.5 percent compared to the third quarter of 2021. Service sales increased by 20.4 percent to SEK 134.3 million (111.5) and product sales increased by 45.2 percent to SEK 41.7 million (28.7). The increased service sales were mainly driven by the Nordic region and Central Europe. In the Central Europe region, the acquired entity Innocom has been included the whole quarter, but in 2021 Innocom was only consolidated from 1 September. The increase in product sales were driven by increased sales in the UK.

## Nordic

SEKm	Q3			Jan-Sep			Full-year
	2022	2021	%	2022	2021	%	2021
Product Sales	7.4	5.1	43.7%	23.3	17.5	33.2%	29.2
Service Sales	80.6	59.4	35.8%	228.3	183.8	24.2%	252.6
<b>Total</b>	<b>88.0</b>	<b>64.5</b>	<b>36.4%</b>	<b>251.5</b>	<b>201.3</b>	<b>25.0%</b>	<b>281.7</b>
Connections (thousand)	134.6	121.9	10.4%	134.6	121.9	10.4%	124.5

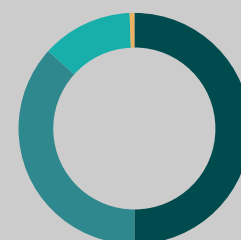
Net sales in the Nordics increased by 36.4 percent to SEK 88.0 million (64.5) compared with the third quarter of 2021. The increase in sales is largely attributable to Sweden where both renewed and new contracts grew in the quarter. The level of sales of services in Norway was also above last year due to increased activity in existing contracts, but still low tender activity in the quarter.

## United Kingdom & Ireland

SEKm	Q3			Jan-Sep			Full-year
	2022	2021	%	2022	2021	%	2021
Product Sales	26.8	16.9	58.8%	72.1	41.4	74.2%	54.7
Service Sales	37.8	45.8	-17.5%	129.2	146.4	-11.8%	189.2
<b>Total</b>	<b>64.5</b>	<b>62.6</b>	<b>3.0%</b>	<b>201.3</b>	<b>187.8</b>	<b>7.2%</b>	<b>243.9</b>
Connections (thousand)	243.9	240.7	1.3%	243.9	240.7	1.3%	238.1

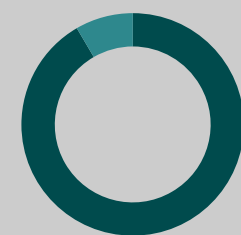
Net sales in the United Kingdom and Ireland increased by 3.0 percent to SEK 64.5 million (62.6) compared to the third quarter of 2021. The lower service sales are caused by the loss of a few large customer contracts. This is compensated by significant increase in product sales in the quarter, which is in line with the digital transformation the region is undergoing. The restructuring measures have continued at a high pace during the quarter to improve both quality and efficiency. We expect to see a gradual effect of these measures during the fourth quarter.

Sales by market, %



- Nordic
- UK & Ireland
- Central Europe
- Other markets

Sales divided in products and services, Nordic %



- Services
- Products

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



- Services
- Products

## Central Europe

SEKm	Q3			Jan-Sep			Full-year
	2022	2021	%	2022	2021	%	2021
Product Sales	6.6	6.6	0.9%	24.2	25.5	-5.1%	34.7
Service Sales	15.6	6.2	152.4%	47.3	7.3	546.5%	21.5
<b>Total</b>	<b>22.3</b>	<b>12.8</b>	<b>74.4%</b>	<b>71.5</b>	<b>32.9</b>	<b>117.7%</b>	<b>56.2</b>
Connections (thousand)	28.9	27.1	6.8%	28.9	27.1	6.8%	27.8

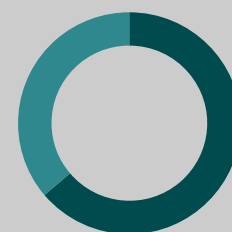
Net sales in Central Europe increased by 74.4 percent to SEK 22.3 million (12.8) compared to the third quarter of 2021. The increased service sales were mainly due to acquisition of Innocom that was consolidated from 1 September 2021.

## Other markets

SEKm	Q3			Jan-Sep			Full-year
	2022	2021	%	2022	2021	%	2021
Product Sales	0.9	0.9	7.8%	3.6	3.6	0.5%	5.0
Service Sales	0.3	0.2	67.6%	0.9	0.3	246.4%	0.7
<b>Total</b>	<b>1.2</b>	<b>1.0</b>	<b>16.9%</b>	<b>4.5</b>	<b>3.9</b>	<b>17.0%</b>	<b>5.7</b>

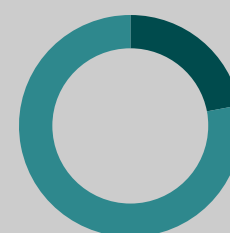
Net sales in other markets decreased by 16.9 percent to SEK 1.2 million (1.0) compared to the third quarter of 2021. Sales in other markets are mainly driven by product sales in France.

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 30 September 2022, the number of issued shares was 24,326,214. Total equity amounted to SEK 548.0 million (507.4).

## Employees

On 30 September 2022, Careium had 670 (716) full-time equivalents. Of these 243 (229) are based in the Nordic region, 50 (48) in Central Europe, 366 (428) in United Kingdom and Ireland and 11 (10) in the rest of the world.

## Risks

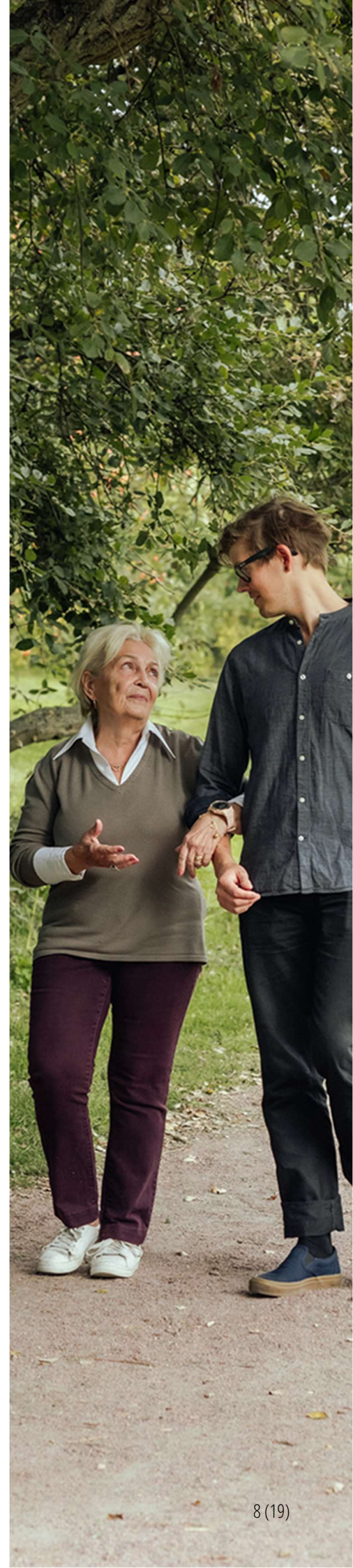
Careium's position is affected by operational, strategical, financial and sustainability risks. In general, Careium's most significant external risks are the macroeconomic factors and market trends combined with public sector contracts and policy decisions, as well as competition. In Careium and within 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 direct operational or economic impact on the Group, but it cannot be ruled out that this will happen in the future.

## Parent company

The parent company's net sales during the third quarter amounted to SEK 3.0 million (0.0). Profit after tax amounted to SEK -0.0 million (-0.5).

## 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.





# Confirmation by the board

The board and managing director affirm that this interim 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.

Malmö, 21 October 2022

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

Carl-Johan Zetterberg Boudrie  
CEO

# Auditor's report

Careium AB (publ) reg. no. 559121-5875

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## Introduction

We have reviewed the condensed interim financial information (interim report) of Careium AB (publ) as of 30 September 2022 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

## Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Malmö, 21 October 2022

Öhrlings PricewaterhouseCoopers AB

Johan Rönnbäck  
Authorized Public Accountant

# Financial reports

## Careium-group

### Income statement

SEKm	Q3		Jan-Sep		Full-year
	2022	2021	2022	2021	2021
Net sales	175.9	140.2	528.9	425.1	587.5
Cost of goods and services sold	-114.8	-84.7	-332.5	-250.7	-347.2
<b>Gross profit</b>	<b>61.2</b>	<b>55.5</b>	<b>196.4</b>	<b>174.4</b>	<b>240.3</b>
Selling, distribution and marketing expenses	-37.8	-31.1	-109.7	-89.3	-126.9
Research and development expenses	-4.5	-4.9	-12.7	-14.5	-18.6
Administrative expenses	-37.7	-24.0	-133.1	-64.7	-99.4
Other income and expense	0.6	1.8	30.0	3.3	13.3
<b>Total operating expenses</b>	<b>-79.4</b>	<b>-58.3</b>	<b>-225.5</b>	<b>-165.3</b>	<b>-231.7</b>
whereof depreciation and amortisation of intangible and tangible fixed assets	-19.0	-12.5	-56.1	-39.1	-56.5
<b>Operating profit/loss before depreciation and amortisation (EBITDA)</b>	<b>0.8</b>	<b>10.4</b>	<b>27.0</b>	<b>48.3</b>	<b>65.2</b>
<b>Operating profit/loss after depreciation and amortisation (EBIT)</b>	<b>-18.2</b>	<b>-2.1</b>	<b>-29.1</b>	<b>9.1</b>	<b>8.6</b>
Net financial items	-1.5	-0.9	-0.8	-1.7	0.5
<b>Profit/loss before taxes</b>	<b>-19.7</b>	<b>-2.9</b>	<b>-29.9</b>	<b>7.5</b>	<b>9.2</b>
Taxes	4.1	0.6	12.1	-1.9	-4.5
<b>Profit/loss for the period</b>	<b>-15.6</b>	<b>-2.2</b>	<b>-17.8</b>	<b>5.7</b>	<b>4.7</b>
Where of related to Parent company's shareholders	-16.3	-2.2	-19.9	5.7	4.5
Average number of shares, thousands	24,326	23,998	24,326	23,998	24,032
Average number of shares after dilution, thousands*	24,326	23,998	24,326	23,998	24,032
Earnings per share, SEK	-0.67	-0.09	-0.82	0.24	0.19
Earnings per share, after dilution, SEK*	-0.67	-0.09	-0.82	0.24	0.19

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



## Statement of comprehensive income

SEKm	Q3		Jan-Sep		Full-year
	2022	2021	2022	2021	2021
Profit/loss for the period	-15.6	-2.2	-17.8	5.7	4.7
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</b>					
Translation differences	3.7	2.9	14.3	8.4	14.6
Effects from cash flow hedges	-	-	-	-	-
Deferred tax	-	-	-	-	-
<b>Total Result</b>	<b>-11.9</b>	<b>0.7</b>	<b>-3.5</b>	<b>14.1</b>	<b>19.3</b>
<i>where of related to Parent company's shareholders</i>	-12.6	0.7	-5.6	14.1	19.1

## Statement of financial position

SEKm	30 Sep 2022	30 Sep 2021	31 Dec 2021
<b>Non-current assets</b>			
Intangible assets	565.0	534.6	548.4
Property, plant and equipment	107.1	93.7	95.6
Financial assets	30.5	5.0	9.7
Deferred tax asset	14.9	4.4	1.8
<b>Current assets</b>			
Inventories	58.1	34.0	39.7
Current receivables	159.0	165.8	213.9
Cash and cash equivalents	43.7	47.1	142.5
<b>Total assets</b>	<b>978.3</b>	<b>884.6</b>	<b>1,051.7</b>
<b>Equity and liabilities</b>			
Equity	548.0	507.4	551.5
Long-term liabilities*	43.8	281.8	317.9
Current liabilities*	386.5	95.4	182.2
<b>Total shareholders equity and liabilities</b>	<b>978.3</b>	<b>884.6</b>	<b>1,051.7</b>

\*Bank loans have been moved from Long-term liabilities to Short-term liabilities as the company broke one of the covenants for the financing agreement at the end of the quarter. The company has received a waiver from the bank and thus has continued access to bank financing. The waiver was received on 20 October 2022 and from this point on, bank loans are again classified as long-term liabilities.

## Statement of cash flows

SEKm	Q3		Jan-Sep		Full-year
	2022	2021	2022	2021	2021
Operating profit/loss after depreciation and write-downs, EBIT	-18.2	-2.1	-29.1	9.1	-11.0
Depreciation according to plan	19.1	12.4	56.1	39.1	56.5
Net paid financial items	-4.5	-0.6	-3.9	-1.6	0.5
Taxes paid	-3.0	-3.9	-5.9	-6.9	-5.3
Changes in working capital (incl changes in provisions)	-14.2	-31.6	-5.6	-93.1	-80.1
<b>Cash flow from current activities</b>	<b>-20.8</b>	<b>-25.8</b>	<b>11.6</b>	<b>-53.4</b>	<b>-19.8</b>
Investments in intangible and tangible fixed assets	-13.4	-9.9	-45.3	-32.5	-51.1
<b>Total Free Cash flow before acquisitions</b>	<b>-34.2</b>	<b>-35.7</b>	<b>-33.7</b>	<b>-85.9</b>	<b>-70.9</b>
Acquisitions	-	-70.6	-	-112.5	-112.6
<b>Cash flow from investment activities</b>	<b>-13.4</b>	<b>-80.5</b>	<b>-45.3</b>	<b>-145.0</b>	<b>-163.7</b>
Transactions with Group companies	-	84.0	-	106.9	99.1
Amortisation of debt	-5.9	-4.5	-65.9	-11.4	-180.4
New loans	-	32.4	-	116.2	372.3
<b>Cash flow from financial activities</b>	<b>-5.9</b>	<b>111.9</b>	<b>-65.9</b>	<b>211.7</b>	<b>291.0</b>
Exchange rate differences in cash and cash equivalents	0.0	-0.1	0.8	1.6	2.7
Change in liquid funds	-40.1	5.5	-98.8	14.9	110.3
<b>Net debt</b>	<b>204.8</b>	<b>191.0</b>	<b>204.8</b>	<b>191.0</b>	<b>149.7</b>

## Statement of change in equity

SEKm	30 Sep 2022	30 Sep 2021	31 Dec 2021
<b>Opening balance</b>	<b>551.5</b>	<b>386.5</b>	<b>386.5</b>
Total Result related to Parent company's shareholders	-3.5	14.1	19.3
Other transactions with shareholders	-	106.8	145.7
<b>Closing balance</b>	<b>548.0</b>	<b>507.4</b>	<b>551.5</b>

## Other key figures

SEKm	30 Sep 2022	30 Sep 2021	31 Dec 2021
<b>OTHER KEY FIGURES</b>			
Equity/assets ratio, %	56.0%	57.4%	52.6%
Number of shares at the end of the period, thousands	24,326	23,998	24,326
Number of shares at the end of the period after dilution, thousands*	24,326	23,998	24,326
Equity per share, SEK	22.53	21.14	22.67
Equity per share, after dilution SEK*	22.53	21.14	22.67
Return on average share holders' equity, %	-3.1%	0.4%	1.0%
Return on average capital employed, %	-4.1%	-	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	Q3		Jan-Sep		Helår
	2022	2021	2022	2021	2021
Net sales	3.0	-	6.9	-	1.0
Cost of goods and services sold	-0.1	-	-0.1	-	0.0
<b>Gross profit</b>	<b>2.9</b>	<b>-</b>	<b>6.8</b>	<b>-</b>	<b>1.0</b>
Operating expenses	-2.6	-0.1	-8.5	-0.1	-1.5
<b>Operating profit/loss (EBIT)</b>	<b>0.3</b>	<b>-0.1</b>	<b>-1.8</b>	<b>-0.1</b>	<b>-0.5</b>
Net financial items	-0.3	-0.4	1.0	-0.4	3.6
<b>Profit/loss after financial items</b>	<b>0.0</b>	<b>-0.5</b>	<b>-0.7</b>	<b>-0.5</b>	<b>3.1</b>
Group contribution	-	-	-	-	-
Taxes	-	-	-	-	-0.4
<b>Profit/loss for the period</b>	<b>0.0</b>	<b>-0.5</b>	<b>-0.7</b>	<b>-0.5</b>	<b>2.7</b>

### Statement of comprehensive income

SEKm	Q3		Jan-Sep		Full-year
	2022	2021	2022	2021	2021
Profit/loss for the period	0.0	-0.5	-0.7	-0.5	2.7
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</b>					
Effects from cash flow hedges	-	-	-	-	-
Deferred tax	-	-	-	-	-
<b>Total Result</b>	<b>0.0</b>	<b>-0.5</b>	<b>-0.7</b>	<b>-0.5</b>	<b>2.7</b>

### Statement of financial position

SEKm	30 Sep 2022	30 Sep 2021	31 Dec 2021
<b>Non-current assets</b>			
Intangible assets	-	-	-
Property, plant and equipment	-	-	-
Financial assets	600.1	499.5	622.5
<b>Current assets</b>			
Inventories	-	-	-
Current receivables	6.4	401.9	5.2
Cash and cash equivalents	19.6	2.1	85.5
<b>Total assets</b>	<b>626.0</b>	<b>903.5</b>	<b>713.2</b>
Shareholders' equity	412.9	360.5	413.7
Provisions	-	-	-
Longterm liabilities	9.6	45.7	286.2
Current liabilities	203.5	497.3	13.3
<b>Total shareholders equity and liabilities</b>	<b>626.0</b>	<b>903.5</b>	<b>713.2</b>

# 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. This means that Other is no longer reported as it was in the company description for Careium. 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 organization 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>No of shares at period end period after dilution effect</b>	The no 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 liabilities/Net cash</b>	Cash and bank deposits less interest-bearing liabilities.
<b>Market value. SEK million</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	Q3		Jan-Sep	
	2022	2021	2022	2021
<b>Currency adjusted sales growth</b>				
Currency adjusted sales growth	29.9	7.4		
Currency effect	5.8	8.6		
<b>Reported sales growth</b>	<b>35.7</b>	<b>16.0</b>		
<b>Capital employes</b>				
Total assets			978.3	884.6
Non-interest bearing liabilities			181.8	129.7
Cash and cash equivalents			43.7	47.1
<b>Reported capital employed</b>			<b>752.8</b>	<b>707.8</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 over 400,000 seniors in Sweden, Norway, Netherlands and United Kingdom. Most of the seniors are connected to one of Careium's five 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

Q4-report, January-December 2022	16 February 2023
Q1-report, January-March 2022	27 April 2023

## Contact

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## Webcast

A webcast conference call will be held Friday 21 October at 10.00 pm (CEST) when President and CEO Carl-Johan Zetterberg Boudrie will present the report. The webcast is accessed at <https://ir.financialhearings.com/careium-q3-2022>. The presentation material is available on Careium's financial website <https://www.careium.com/sv-se/investerare>.

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*This information is information that Careium is obliged to disclose in accordance with the EU Market Abuse Regulation. The information was submitted for publication on Friday, October 21, 2022, at the time of the above contact persons, 8.00 (CEST).*