

Sanolium AB interim report, April - June 2023

Cambio constitutes the operating entities under Sanolium AB. All figures in () refer to the comparable figures from previous year. FY 2019 up until February 20th includes operating activities pro forma, as that is prior to the establishment of Sanolium AB.

Revenue in the second quarter amounted to 273.0 MSEK, representing a growth of 24.4%

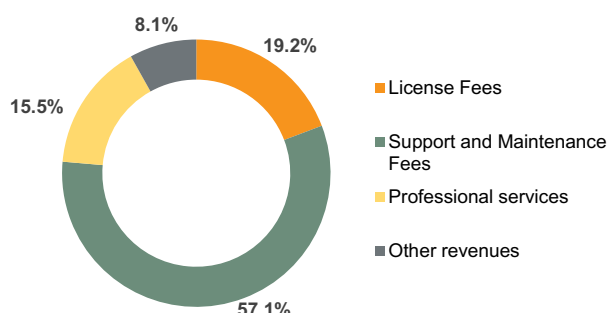
Q2, April - June 2023

- Revenue amounted to 273.0 (219.5) MSEK in the second quarter, representing a growth of 24.4%
- Adjusted EBITDA amounted to 48.4 (61.0) MSEK, representing a decrease of -20.6%
- Income before tax amounted to -66.0 (11.1) MSEK
- Net income per share was negative (0.05) SEK

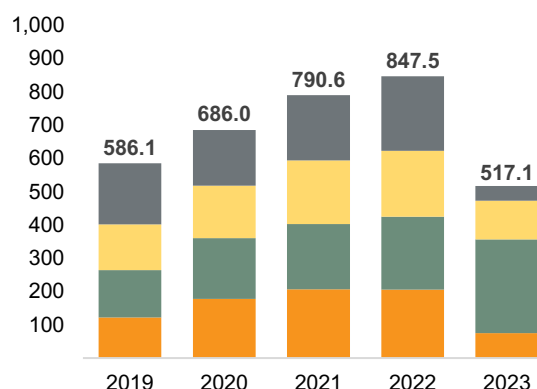
January - June 2023

- Revenue during January – June amounted to 517.1 (424.8) MSEK
- Adjusted EBITDA amounted to 88.4 (119.2)
- Income before tax amounted to -95.5 (38.8) MSEK
- Net income per share was negative (0.19) SEK

Q2, revenue



Pro forma revenue, MSEK



Key figures

MSEK	Q2 2023	Q2 2022	Jan-Jun 2023	Jan-Jun 2022
Revenue	273.0	219.5	517.1	424.8
Adjusted EBITDA	48.4	61.0	88.4	119.2
Adjusted EBITDA-margin	17.7%	27.8%	17.1%	28.1%
EBIT	-43.9	15.0	-55.8	29.3
Financial net	-22.1	-3.9	-39.7	9.5
Income before tax	-66.0	11.1	-95.5	38.8
Net income	-64.3	7.9	-95.0	31.5

Sanolium AB is the parent company in the Cambio Group, since February 20, 2019. The largest operating subsidiary in that group is Cambio Healthcare Systems which was founded in 1993 to deliver comprehensive IT solutions for healthcare organizations. Today, Cambio is an e-health company providing smart, reliable and user-friendly solutions to improve healthcare and patient safety with a market leading position in the Nordics including more than 100 000 users. We are committed to improve healthcare and patient safety.

CEO's Comments

About Cambio

Cambio is well positioned to become the Nordic leader within health tech. Today we deliver core product and services to Nordic regions and municipalities, that enables them to provide patients and inhabitants with qualitative and efficient health and social care.

The constantly growing and aging population creates a need for increased productivity and efficiency in health- and social care and in a world with limited resources, digitalization is key.

Cambio's solutions enable tomorrow's health and social care today by delivering high quality, open and collaborative solutions for social and health care professionals as well as for patients and inhabitants.

About second quarter

Cambio continues to take steps on the journey to implement our strategy and to digitize health and social care in our prioritized markets. The second quarter has been characterized by continued build-up of our business within key customer groups.

For Sussa Samverkan, one of our major customer groups consisting of 9 Swedish regions, we have passed the Acceptance Test 2 in April, meaning that our solution has had the final acceptance from our customers. This means that we can now continue to work closely with the customer group to support them going live during 2024.

For Region Stockholm, we are planning for the implementation of the obstetrics health record system with Cosmic Birth, a contract that we were awarded last quarter and that will go live in 2026. With this solution we are glad to be able to support Region Stockholm in their digitalization journey, building a foundation for better and more efficient health care.

Customer Group KGC (Kundgrupp Cosmic), that consist of 8 Swedish regions and one private care giver, has made a public announcement that they intend to extend the Cosmic contract with Cambio beyond the current contract, which ends this year. This is a testament of the strong relation between KGC and Cambio that has been developed over the years. This will form a foundation for Cambio in the years to come.

While we continue to build up key customer relations, we also strengthen the organization to become a more comprehensive health tech provider, which is capable of serving the needs of a broader customer base. That means we are investing in functions such as service delivery, quality, product management, healthcare consulting and technological development.

In a world with a challenging economic climate, Cambio stands strong with solid, long-lasting customer relations and our commitment to support health care providers to deliver the best care possible.



Rami Avidan, CEO

Second quarter

Revenue in the second quarter amounted to 273,1 (219,5) MSEK, representing an increase of 24.4%. Support and maintenance fees constitute the largest share of the revenue, where a majority of the increase comes from Sussa as a consequence of the successful Acceptance Tests. On the other hand, the decline of Professional service revenue is also due to Sussa moving phases after the Acceptance Tests, even though Professional service revenue from other contracts is increasing. License revenues are primarily attributable to the development of the existing solution, where we add functionality in order to continuously improve the offering

Adjusted EBITDA in the second quarter amounted to 48.4 (61.0) MSEK resulting in an adjusted EBITDA margin of 17.7% (27.8%). The margin has been negatively affected by the build-up of the organization to deliver on our strategic journey. On the non-adjusted EBITDA, the results is impacted by the 30 MSEK one-time payment to Sussa for an adjustment of the timeline.

Employee related expenses amounted to 169.5 (123.1) MSEK, representing an increase of 37.7 %. The number of full time equivalents (FTE) was 856 at the end of the second quarter, an increase of 21.9 % from the comparable figure last year. Of these were 45 % women. The cost increase comes as we build the service delivery organization, while we are also investing in quality, product management and technological development.

Depreciation and amortization amounted to 49.3 MSEK, of which 29.2 MSEK relates to amortization of intangible assets linked to M&A activities, 6.0 MSEK refers to financial leases and 10.1 MSEK refers to amortization of capitalized R&D. The remaining depreciation of tangible assets amounted to 4.0 MSEK. Non-recurring items amounted to 43.0 and are specified in the table on page 8.

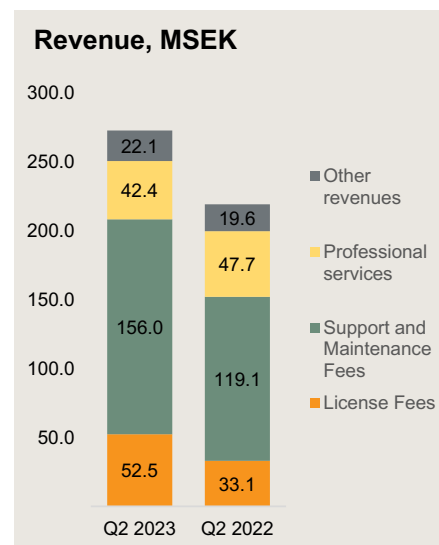
Long-term outlook

The global trend of a constantly growing and aging population is driving the need to invest in health- and social care, especially in technologies that drives patient security, scalability and efficiencies to allow for a redistribution of funds towards value accretive areas within the social and healthcare sectors. In a world with limited resources these areas of care face increasing pressure to become more productive and efficient, resulting in a greater demand for digitization. A key pillar of the digital transformation is communication and in particular the way in which health- and social care institutions interact. A solid flexible yet stable IT infrastructure is key to the development of a future-proof way of working.

Today there is a sizeable gap between the available technologies and the technical solutions used by health- and social care organizations. Cambio's solutions address that technology gap, resulting in a strong and sustainable demand for our offerings.

Liquid funds and cash conversion

At the end of the second quarter, Cambio's cash amounted to 399.6 MSEK. Additionally, Cambio has a non-utilized credit facility amounting to 160.0 MSEK.



Cambio's strong cash conversion is driven by maintenance fees invoiced one year in advance. Since most of the invoices are issued in the fourth quarter of each year, a quarterly comparison of Cambio's cash conversion does not provide a fair comparison.

Beginning of May 2022, Sanolium AB (publ) successfully issued subsequent senior secured bonds of a total amount of 300 MSEK under its existing framework of 1,000 MSEK. After the subsequent bond issue, bonds corresponding to a total of 800 MSEK are outstanding. The issue price was 101.25% of par amount. The subsequent bonds are due in September 2024 and carry a floating interest rate of STIBOR 3m + 4.25 per cent.

Leverage

At the end of the second quarter the leverage amounted to 5.4x LTM Q2-23 EBITDA. The leverage is calculated according to the table on the right. This calculation is in line with the definitions agreed in the existing bond terms. The increase of the leverage ratio is primarily due to the 30 MSEK one-time payment to Sussa for an adjustment of the timeline, which has not been adjusted for in the EBITDA calculation, in accordance with the bond terms. Leverage ratio with a full adjustment of non-recurring costs is 4.1x.

Leverage, MSEK

Liability	799.2
Financial lease K3	2.7
Cash	399.6
80 percent of deferred income	290.3
Net debt (Liability-surplus cash)	692.6
Applicable LTM EBITDA	128.2
Leverage (Net debt/EBITDA)	5.4

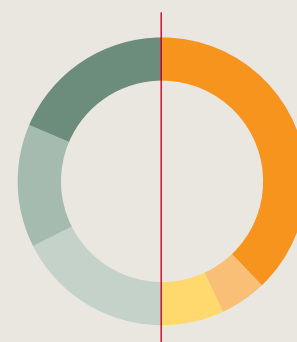
Balance sheet

Cambio's fixed assets amount to 75.7% of total assets and of which 94.5 % refer to intangible assets subject to impairment tests. Management believes that these assets provide for a solid foundation to drive future profitability and growth.

The external interest-bearing debts amounted to 887.0 MSEK, of which 799.2 MSEK relates to the utilized bond facility and 87.8 MSEK relates to a financial lease liability under IFRS 16.

The Senior Secured 800 MSEK bond rolls with a 3-months-STIBOR + 4.25%. In order to reduce that exposure Sanolium AB has entered into an Interest Rate Cap Transaction. In conjunction to that Sanolium AB has secured the floating part of the interest on bond value of 400 MSEK, to a maximum of 4%. The termination date of this derivative is September 2024. The derivative is valued at fair market value according to a technique based on fully observable market information.

Balance sheet



Fixed Assets	76%
Short term assets	10%
Liquid funds	14%
Equity	35%
Utilized bond facility	28%
Other liabilities	37%

Products and technology

Cambio's vision is to enable tomorrow's healthcare today. This will be achieved in close partnership and cooperation with the regions, municipalities and private companies and with continued investments in innovation and technology to further strengthen our product offering.

Cambio COSMIC, is a healthcare information system used in university hospitals, primary care clinics and community care homes. Cambio COSMIC is built on a modern proprietary platform with a wide range of associated subsystems and modules supporting various healthcare disciplines.

Cambio VIVA is used in municipalities. It is an operating system used to coordinate the activities and processes of social services, healthcare and care professionals. VIVA's proprietary platform enables a digital working environment supporting work processes and organizational developments and changes.

In addition to these two major product categories, Cambio offers other connected services and solutions. Cambio is also preparing and planning to deliver Managed Service offering in the future.



Cambio COSMIC health care information system. Improving the efficiency of daily tasks and patient outcomes for users.

Customers

Following the newly agreed contract with the option regions within the Susa customer group Cambio will now cover 17 out of 21 regions in Sweden.

Today, Cambio has active users in 8 out of 21 regions in Sweden. Cambio VIVA covers 39 out of the 290 municipalities in Sweden.

The ambition is to increase the number of customers and to increase the depth and breadth of our product offering so that end users benefit from as much support as possible. In Denmark and the UK, Cambio offers a wide range of products and our ambition is to reach more end users with relevant offerings over time.

Sustainability

Cambio's business model is built on accelerating sustainability in organizations within health- and social care. Cambio's sustainability report is published on www.cambiogroup.com under Investor Relations.



Market and legislation

The market for delivering e-Health software services is regulated by the Medical Device Directive MDD 93/42/EEC. This regulation will be replaced in 2024 by the Medical Device Regulation MDR 2017/45.

Almost all tenders ask for a certified Quality Management System, an active Environmental work, and an active Information Security Work. Cambio has the most relevant ISO certifications for the business, such as ISO 9001, 14001, 20000 and 27001.

Most of our customers are publicly financed organizations that are subject to rules and regulations regarding public tender processes. To comply, Cambio needs to be fully aware of those formal processes and act within those frameworks. Cambio is fully compliant with GDPR.

Risks

The group's operations are exposed to a number of financial risks such as market risks (currency risk and interest risk), credit risk and liquidity risk. The group aims to minimize potential adverse effects of these risks on the group's financial performance.

The group's exposure to currency risk consists primarily of transactions taking place in foreign currencies between subsidiaries of Cambio. The company does not use derivative instruments in order to reduce currency risks at present.

Since Sanolium AB in September 2019 issued a senior secured bond for a total amount of 800 MSEK, the Group is exposed to interest rate trends. In order to reduce this exposure Sanolium AB has entered into an Interest Rate Cap Transaction with DNB Bank ASA. More details are stated on page 4, section Balance sheet. For a more detailed description of the risks facing the Group please refer to the Annual Report 2022.

Stockholm, 31 August 2023

Rami Avidan

CEO

Consolidated income statement

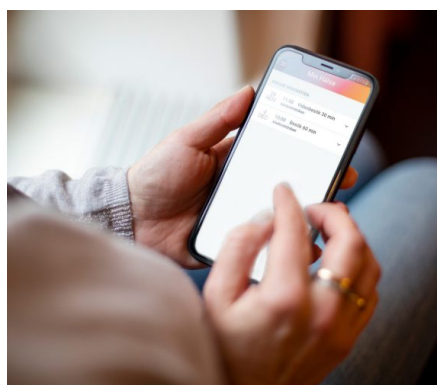
MSEK	Q2 2023	Q2 2022	Jan-Jun 2023	Jan-Jun 2022
License revenue	52.5	33.1	74.6	50.6
Maintenance revenue	156.0	119.1	281.9	236.4
Professional services	42.4	47.7	117.2	94.0
Other revenue	22.1	19.6	43.4	43.8
Revenue	273.0	219.5	517.1	424.8
Cost of services provided	-35.3	-19.3	-65.9	-40.7
Gross profit	237.7	200.2	451.2	384.1
Employee related expenses	-169.5	-123.1	-323.6	-234.7
Facilities	-3.1	-2.4	-5.8	-4.6
Marketing	-1.6	-1.3	-4.2	-2.2
Travel	-3.7	-2.1	-6.6	-3.0
Other expenses	-11.4	-10.3	-22.6	-20.4
Total operating expenses	-189.3	-139.2	-362.8	-264.9
Adjusted EBITDA	48.4	61.0	88.4	119.2
Depreciation	-49.3	-40.5	-95.3	-78.9
Adjusted EBIT	-0.9	20.5	-6.9	40.3
Non recurring items	-43.0	-5.5	-48.9	-11.0
EBIT	-43.9	15.0	-55.8	29.3
Financial net	-22.1	-3.9	-39.7	9.5
Income before tax	-66.0	11.1	-95.5	38.8
Tax	1.7	-3.1	0.5	-7.3
Net Income	-64.3	7.9	-95.0	31.5

Consolidated statement of Comprehensive income

MSEK	Q2 2023	Q2 2022	Jan-Jun 2023	Jan-Dec 2022
Net Income	-64,3	7,9	-95,0	31,5
Exchange differences in translating foreign operations	7,8	-4,1	12,2	-20,7
Total comprehensive income for the period	-56,5	3,8	-82,8	10,8
<i>Total comprehensive income attributable to:</i>				
Equity holders of the parent company	-56,5	3,8	-82,8	10,8
Non controlling interest	N/A	N/A	N/A	N/A

Non-Recurring items relating to:

MSEK	Q2 2023	Q2 2022	Jan-Jun 2023	Jan-Jun 2022
Non operational consultancy fee	-7.6		-11.4	
Management fees	-1.0	-0.6	-1.0	-0.6
New ERP system				-1.2
Additional fee, Sussa agreement	-30.0		-30.0	
Organizational adjustments	-4.2	-3.0	-6.1	-4.1
Other	-0.2	-1.9	-0.4	-5.1
Total non-recurring items	-43.0	-5.5	-48.9	-11.0



The app Min Hälsa contains all information a patient would need in relation with healthcare.

Consolidated Balance Sheet

MSEK	2023-06-30	2022-12-31
<i>Fixed Assets</i>		
Intangible assets	2,068.3	2,072.6
Tangible assets	33.8	31.3
Right-of-use assets	85.5	94.8
Financial assets	2.0	2.4
Total Fixed Assets	2,189.6	2,201.1
<i>Current Assets</i>		
Inventory	0.2	0.3
Contract assets	133.5	155.8
Accounts receivables	77.1	250.8
Other receivables	7.7	7.0
Tax receivables	29.3	19.1
Prepaid expenses and accrued income	54.7	43.6
Cash and cash equivalents	399.6	490.0
Total Current Assets	702.1	966.6
Total Assets	2,891.7	3,167.7
<i>Equity</i>		
Share capital	1.7	1.7
Other equity including net income for the financial year	1,071.6	1,097.9
Total Equity	1,016.8	1,099.5
<i>Non-current liabilities</i>		
Pension obligations	12.8	7.8
Bond loan	799.2	798.9
Lease liabilities	67.0	73.0
Deferred tax liabilities	337.6	337.1
Total non-current liabilities	1,216.6	1,216.8
<i>Other liabilities</i>		
Advance payments	0.8	
Accounts payable	23.1	20.4
Lease liabilities	20.8	23.7
Other liabilities	140.4	164.6
Accrued expenses	110.3	92.1
Deferred income	362.9	550.6
Total Other Liabilities	658.3	851.4
Total Equity and Liabilities	2,891.7	3,167.7

Changes in group equity

MSEK	Jan-Jun 2023	Jan-Jun 2022
Opening Balance	1,099.5	1,116.1
Total comprehensive income for the period	-82.7	10.8
Total change excluding owner transactions	1,016.8	1,126.8
Equity at the end of the period	1,016.8	1,126.8
Attributable to equity holders of the parent company	1,016.8	1,126.8
Non-controlling interest	N/A	N/A

Consolidated cashflow statement

MSEK	Jan-Jun 2023	Jan-Jun 2022
Income after financial items	-95.5	38.8
Adjusted for non-cash items	112.6	62.9
Taxes paid	-10.6	-13.4
Changes in working capital	-5.9	-238.7
Cash flow from operating activities	0.6	-150.5
Investments in intangibles/tangibles	-70.1	-79.1
Cashflow from investing activities	-70.1	-79.1
Bond issue		301.5
Settled purchase consideration	-8.3	-6.1
Lease payments	-12.6	-12.1
Change in bank loans		-50.0
Cashflow from financing activities	-20.9	233.3
Changes in cash and cash equivalents	-90.4	3.7
Opening cash and cash equivalents balance	490.0	413.0
Cash and cash equivalents by end of the period	399.6	416.8

Since the structure in the year end report differs from the annual report, in the table below the year to date consolidated income statement is shown in the annual report format.

Consolidated Income Statement – Annual report format

MSEK	Jan-Jun 2023	Jan-Jun 2022
Net sales	473.8	381.1
Other revenue	43.4	43.7
Capitalized R&D	69.3	68.4
Total	586.5	493.2
Other external expenses	-226.9	-146.1
Personnel cost	-320.1	-238.9
Depreciation	-95.3	-78.9
Operating income	-55.8	29.3
Financial net	-39.7	9.4
Income before tax	-95.5	38.7
Tax	0.5	-7.3
Net Income	-95.0	31.4

Segment reporting

The group recognizes only a single segment in accordance with the definition of operating segment in IFRS 8. The starting point for identifying operating segments on which separate information can be provided are the internal reports to and monitoring by the group management. The group management monitors operating income for the entire business as one operating segment.

Timing of revenue

MSEK	Q2 2023	Q2 2022
Timing of revenue recognition		
At a point in time	117.0	100.4
Over time	156.0	119.1
	273.0	219.5

At a point in time is defined as revenue correlated to working hours while "over time" is not.

Intangible assets

MSEK	Capitalized development expenditure	Customer contracts	Trademarks	Technology	Goodwill	Total
At 31 Dec 2022	319.8	453.7	89.0	742.8	467.3	2,072.6
Acquisitions for the period	69.3					69.3
Depreciation for the period	-19.6	-22.7		-35.7		-78.0
Exchange rate changes	2.1			2.3		4.4
At 30 Jun 2023	371.6	431.0	89.0	709.4	467.3	2,068.3

APPLICABLE ACCOUNTING RULES

Sanolium AB complies with IFRS standards and interpretations (IFRIC) as adopted by the EU. This Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting. The Parent Company's financial statements have been prepared in accordance with RFR 2. The accounting policies applied are consistent with those presented in the Annual Report for 2021, except for the adoption of standard amendments effective as of January 1, 2022. The amendments are not expected to have any material impact on the financial statements.

Detailed information about the Group's accounting and valuation principles can be found in the Annual Report for 2022 which is available on www.cambio.se.

This interim report refers to certain key performance indicators which Cambio and others use when evaluating the performance of Cambio. These are referred to as alternative performance measures (APMs) and are not defined under IFRS. The figures give management and investors important information and enable both to analyze Cambio's business and trends. The APMs are not meant to replace but to complement the performance measures defined under IFRS.



Parent company

Sanolium AB is a holding company that invests in fast-growing companies within the e-health industry. The company is one of the largest e-Health companies in Northern Europe and has the ambition to grow faster than the market through organic opportunities as well as acquisitions. This should be done in a profitable and sustainable manner. Sanolium AB's operational subsidiaries' vision is to enable tomorrow's healthcare today.

The operating entities mainly deliver products and services in Sweden under the names Cambio COSMIC and Cambio VIVA.

Sanolium AB has no employees.

Income Statement Parent Company

MSEK	Q2 2023	Q2 2022	Jan-Jun 2023	Jan-Jun 2022
Other revenue	3.6	4.9	3.6	4.9
Revenue		4.9		4.9
Employee related expenses	-4.0	-4.4	-4.9	-5.7
Other expenses	-0.1	-2.5	-0.2	-2.5
Total operating expenses	-4.1	-6.9	-5.1	-8.2
Financial net	-14.5	-4.4	-26.9	-9.5
Net Income	-15.0	-6.4	-28.4	-12.8

Balance sheet Parent Company

MSEK	2023-06-30	2022-12-31
<i>Fixed Assets</i>		
Financial assets	1,813.0	1,813.4
Total Fixed Assets	1,813.0	1,813.4
<i>Current Assets</i>		
Other receivables	2.4	2.2
Other receivables - Group	49.6	17.4
Prepaid expenses and accrued income	1.7	3.2
Cash	424.7	450.6
Total Current Assets	478.4	473.4
Total Assets	2,291.4	2,286.8
<i>Equity</i>		
Share capital	1.7	1.7
Non-restricted equity	1,158.2	1,165.6
Net income for the year	-28.4	-7.4
Total Equity	1,131.6	1,159.9
Total Financial Liabilities	799.2	798.9
<i>Other liabilities</i>		
Other liabilities	102.8	102.3
Other liabilities - Group	257.1	225.1
Accrued expenses	0.7	0.6
Total Other Liabilities	360.6	328.0
Total Equity and Liabilities	2,291.4	2,286.8

Changes in Parent company equity

MSEK	Jan-Jun 2023	Jan-Jun 2022
Opening Balance	1,159.9	1,167.3
Total comprehensive income for the period	-28.4	-12.8
Total change excluding owner transactions	1,131.6	1,154.5
Equity at the end of the period	1,131.6	1,154.5
Attributable to equity holders of the parent company	1,131.6	1,154.5
Non-controlling interest	N/A	N/A

Parent company cash flow

MSEK	Jan-Jun 2023	Jan-Jun 2022
Income after financial items	-28.4	-12.8
Changes in working capital	2.4	-4.1
Cash flow from operating activities	-26.0	-16.9
Bond issue		301.5
Change in bank loans		-50.0
Cashflow from financing activities		251.5
Changes in cash and cash equivalents	-26.0	234.6
Opening cash and cash equivalents balance	450.6	43.6
Cash and cash equivalents by end of the period	424.7	278.2

Definitions

Adjusted EBIT

Income before non recurring items, financial net and tax.

Adjusted EBITDA

Income before depreciation, non-recurring items, financial net and tax.

Adjusted EBITDA margin

Adjusted EBITDA as a percentage of revenue.

Cash conversion

Operating cash flow divided by adjusted EBITDA.

EBIT

Income before financial net and tax.

Non-recurring items

Items excluded from the normal operating items e.g restructuring costs, costs related to introduction of a new ERP system, M&A related costs and costs regarding refinancing or to set a financing structure (excluding interest on external debt).

Operating cash flow

Adjusted EBITDA minus capital expenditures, capitalized R&D and net working capital changes.

Financial calendar



Annual report 2022, 2023-04-28
Interim report Q1, January-March, 2023-05-31
Interim report Q2, April-June, 2023-08-31
Interim report Q3, July-September, 2023-11-30
Year-end report, January-December, 2024-02-29

Presentation of the interim report

Cambio's interim reports will be published at cambiogroup.com at each of the dates stipulated above.

Information



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