



Careium reports first quarter results 2023

The quarter in summary

- Net sales amounted to SEK 194.0 million (178.5), an increase of 8.7 percent. Service sales amounted to 142.5 million (139.4), an increase of 2.2 percent. Product sales amounted to 51.6 million (39.1), an increase of 31.9 percent.
- Gross margin amounted to 38.9 percent (39.2).
- Operating profit (EBIT) amounted to SEK 7.3 million (-24.3) corresponding to an operating margin of 3.8 percent (-13.6). Operating profit was not affected by restructuring costs nor non-recurring items (-27.8).
- Free cash flow amounted to SEK 28.2 million (4.5).
- Earnings per share amounted to SEK 0.23 (-0.82).
- Christian Walén started as President and CEO on 27 March 2023.
- On 23 March 2023, Careium experienced a cyber-attack that caused an 18-hour service interruption affecting social alarms in Sweden. Investigation discovered a personal data breach according to GDPR of a limited nature. Careium regained full control of the operations after the interruption and worked with the customers and authorities throughout the process.

CEO's commentary

As the new CEO, it is impossible not to be amazed by the potential, relevance and value that Careium brings for individuals and societies. The potential is undeniable with our position as an innovative technology company across both software and hardware coupled with a strong commitment to excellence in care services and high levels of trust and appreciation from our customers. Adding to this, the changing western demographics with growing elderly populations, increased need for innovation in care and healthcare to balance costs and the rapid closing down of analog infrastructure across the EU speaks volumes to the near- and long-term future of Careium.

Careium generated net sales of SEK 194.0 million (178.5), an increase of 8.7 percent. Gross margin remained at 38.9 percent (39.2) while we achieved a markedly increased EBIT of SEK 7.3 million (-24.3), corresponding to an operating margin of 3.8 percent (-13.6). Organic growth continued with a 2.2 percent increase in services and a 31.9 percent increase in product sales reflecting the strength of our product portfolio. Free cash flow grew to SEK 28.2 million (4.5) as a result of improved profitability and working capital reduction, showing our work toward a stronger financial position.

Starting this year, we will disclose performance in different markets to promote greater transparency. Be aware of different markets having varying business models, impacting like-for-like comparisons. Over the quarter, the Nordic sales were SEK 89.6 million (82.3), growing by 8.9 percent and reaching a gross margin of 38.1 percent (38.5) indicating stable performance. The UK and Ireland sales were SEK 78.1 million (69.4), growing by 12.6 percent with a gross margin of 34.0 percent (35.8). The product sales continued strong in the UK. The Netherlands delivered sales of SEK 17.4 million (15.5), growing by 12.4 percent with a gross margin of 58.6 percent (53.2). Sales in region Other markets (Germany and France) were SEK 9.0 million (11.4) with a gross margin of 52.7 percent (46.4). With some headwind related to component costs and seasonality effects still in play – the year is off to a good start.

With our aim set to continued profitable growth, our action program has delivered, it is now time to move into its next phase with more mid-term and far-reaching improvements set to realize the potential of the business. Over the upcoming quarters the focus will be on driving digitization, increasing effectiveness, and moving towards a more integrated entity to the

benefit of customers, employees and shareholders. The next phase of our business transformation starts now.

During the end of the quarter, Careium Sweden was a target of a cyber-attack forcing disruption of services. Our preparedness, resolute action, and collaboration together with legal, cyber and technology partners allowed services to recover the same day. Careium has held a close dialogue with all its impacted customers supporting them throughout the recovery and forensic investigation. While no one is safe from attacks like this – I want to thank the team that worked relentlessly to resolve the situation.

In closing, I am more than impressed by meeting the leaders, teams and employees of Careium who all display high levels of engagement and commitment to Careium's purpose in enabling rich and safe lives via excellent services and innovative technology. I am excited to lead a company that is on the forefront of tackling one of the greatest challenges of the western world – changing demographics, challenges to care/healthcare systems and the shift from analog to digital. Let's get going!

Christian Walén,

President and CEO

Webcast

Careium will publish the report for the first quarter of 2023 on Thursday 27 April 2023 at 8am (CET). A webcast conference call will be held the same day at 10am (CET) when President and CEO Christian Walén will present the report. The webcast is accessed at <http://ir.financialhearings.com/careium-q1-2023>.

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 <http://conference.financialhearings.com/teleconference/?id=5009593>.

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

For more information, please contact:

Christian Walén, president and CEO, +46 (0) 739 09 59 65

Mathias Carlsson, CFO, +46 (0) 727 09 56 65

E-mail : ir@careium.com

This information is information that Careium AB is obliged to disclose in accordance with the EU Market Abuse Regulation. The information was submitted for publication by the contact persons above on Thursday, 27 April 2023, at 8.00 (CET).

Careium is a leading player 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 products and services to ~400,000 seniors in Sweden, Norway, the UK, Netherlands, Germany and France. 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. FNCA Sweden AB is appointed certified adviser.