



**Nordhealth**

**Interim financial statements**

**H1 2022**

**1 January – 30 June 2022**

## Overview

### Business

Nordhealth acquires, manages, and builds SaaS healthcare practice management software ("PMS") for select healthcare niches. Currently over 50,000+ veterinary and therapeutic (such as, physiotherapy, psychotherapy, occupational and speech therapy) professionals across 13,000+ clinics and hospitals located in over 30 countries use our PMS products every day. The PMS is a mission-critical software, that includes an extensive array of features such as electronic medical records, outpatient and inpatient workflow management, customer relationship management, unified communication services (SMS, Email, Voice), marketing automation, appointment calendars, online booking, shift scheduling, task management, billing, inventory management, financial and operational reporting, and payments.

### Mission

Our mission is to build software that helps healthcare professionals deliver great care, delight patients/pet parents, increase productivity and grow practice revenue.

### Strategy

Nordhealth's strategy is to build one intuitive and efficient cloud-based software for each healthcare niche. Provet Cloud and Diarium are the flagship software for veterinarians and therapists, respectively. Nordhealth's flagship software are cloud-based, easy-to-use, efficient, modular, and open. Our open approach enables us to seamlessly integrate with any third-party software and devices such as accounting software packages, imaging devices, in clinic lab devices, external diagnostic laboratories, wholesalers, insurance companies, financing providers and government reporting databases. In addition, our customers can customize or add functionality to our core products by building their own two-way integration into their own applications or any other application they choose via our well-documented REST API.

Nordhealth grows organically by acquiring new customers for current products and upselling current customers. In addition, Nordhealth is able to accelerate growth through acquisitions of a) veterinary and therapy Practice Management Software (PMS) products to accelerate our entrance into new geographies then migrate them to the flagship product b) PMS in new healthcare niches and c) add-on products we can upsell to our current customer base.

Nordhealth continues to support legacy systems from companies that they have acquired until these products and customers are ready to migrate to the Company's flagship cloud-based products. These include Sanimalis, Vetserve, Novasoft, Provet Net, Provet Win and Provet Pet, Aspit.

In the medium term, our objective is to be a global leader in the veterinary and therapy SaaS sector by continuing our proven two-pronged strategy of organic growth and acquisition-led expansion. In the long term, we will expand to other healthcare niches.

## Our values

With every ambition, comes a set of values. Ones that shape our day to day culture, define who we are, what we do, and how we push forward.



### Put customers first

Never overlook what really matters. Great service, ease of use, honest pricing, and respect for our customer's time, money, and trust.



### Take ownership

Think long-term and take initiative. Care about the outcome. Be accountable. Do the right thing for us, our customers, and the team.



### Do more with less

Simplicity is the key to great results. Create fewer features, but make them great instead of just good. Dare to say "no" to prevent the core from being lost in the noise.



### Be stronger together

Engage beginners and attract experts to grow excellent teams. This isn't something we do on our own — it's all about sharing and exchanging ideas.

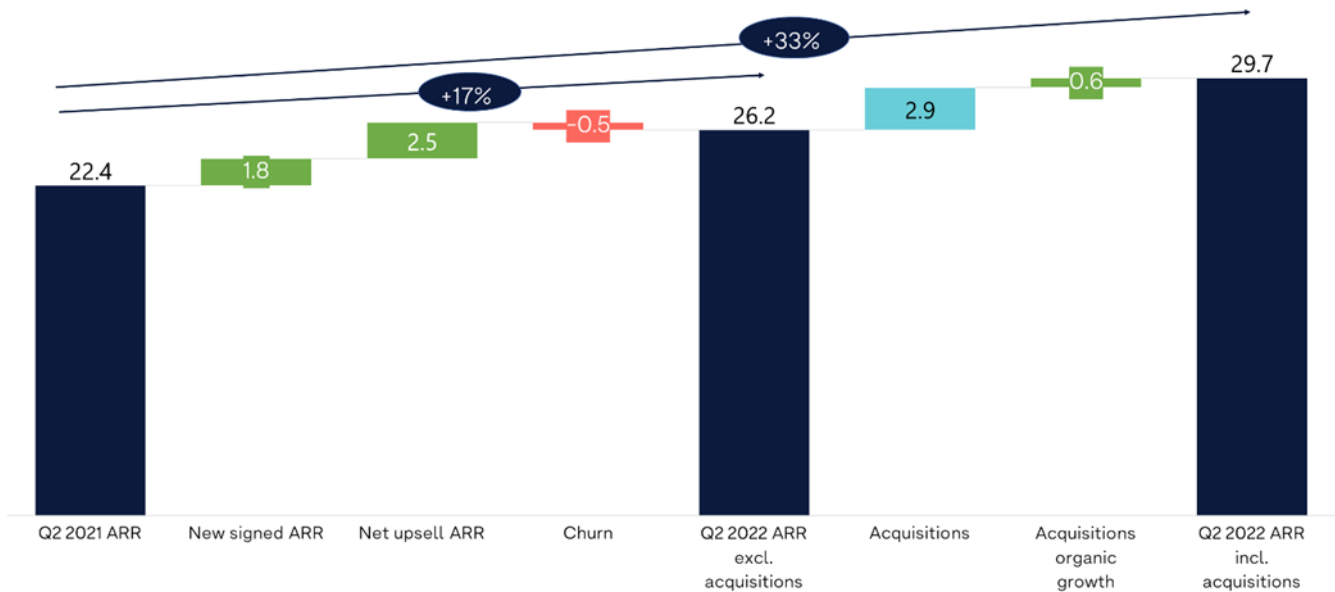


### Embrace change

Challenge the status quo. Seek out and embrace continuous change, evolution, and improvement.

### Operational highlights

The total ARR at the end of H1 2022 amounted to 29.7 (22.4) M€, resulting in a 33 % growth. The Group continued to execute its strategy of increasing ARR per share via organic growth and acquisitions, constantly evaluating the most financially reasonable strategy in each market. Acquired entities accounted for 3.5 M€ of the total ARR in H1 of 2022. The total organic ARR in H1 of 2022 amounted to 26.2 M€, leading to an organic ARR growth of 17 % compared to H1 2021. The organic net retention rate in the last twelve-month period was 109% and the organic churn rate was 2.3 %.



On 31 January 2022, Nordhealth completed the acquisition of EasyPractice, a leading cloud-based practice management software provider for therapists. Founded in 2012 in Copenhagen, Denmark by Emil Højbjerg and Bo Møller, EasyPractice helps therapists easily manage bookings, invoices, and journals. EasyPractice is used daily by thousands of therapists across Denmark and 20+ other countries and has helped serve more than 1 million patients. EasyPractice does not have any salespeople but instead has a fully product-led and self-service solution.

With EasyPractice, Nordhealth will gain a leading position in the Danish therapy software market and an affordable and intuitive solution that can be used by therapists internationally. As part of Nordhealth, EasyPractice will be well-positioned to extend its mission of improving the work life of therapists. EasyPractice will operate independently under the EasyPractice brand, driving forward a continued focus on its mission, customers, and community, and continue to be led by founders Bo and Emil and the current leadership team.

On 1 February 2022, Yoma Consulting and its Provet Cloud implementation and developments specialists joined Nordhealth.

On 10 March 2022, Nordhealth announced the acquisition of Vetera, a leading veterinary practice management software provider in the DACH region. The acquisition was completed on 1 June 2022. Founded in 1989 and headquartered in Eltville am Rhein, Germany, Vetera has become a market-leading software and service provider for veterinarians with its comprehensive and fully integrated portfolio of practice management solutions. Vetera and its team of 30 employees serve more than 2,000 veterinary practices, clinics, and partners throughout Germany, Austria, and Switzerland.

With Vetera, Nordhealth will gain a leading position in the German-speaking Practice Management Software market. As a part of Nordhealth, Vetera will be well-positioned to extend its mission of improving the daily life of veterinary professionals. Vetera will remain operating independently under the Vetera brand and will continue to be led by CEO Alexander Felber with the support of his management team.

## Financial review H1 2022

These condensed interim financial statements have been prepared in accordance with Norwegian GAAP (NRS 11). The Reporting currency is EUR. All numbers are presented in EUR thousands, unless otherwise stated. The figures in the tables have been rounded to the nearest thousands of euros, so they may not add up to precise totals. The numbers in brackets refer to the value in the corresponding period a year earlier, unless otherwise stated.

### Revenue, result and financial position

The first half revenue grew by 79 % and amounted to EUR 14,565 (8,129) thousand. In the first half of 2022 the share of recurring revenue of the total revenue was 93 (89) % amounting to EUR 13,596 (7,230) thousand resulting in 88 % growth. Organic recurring revenue grew by 23 (28) %.

The total personnel costs in first half of 2022 amounted to 70 (45) % of revenues. The increase is due to active recruitment activities in line with the growth strategy. Other operating charges amounted to 36 (44) % of total revenues. The increase is mainly the result of entering new markets and is in line with the growth strategy.

The first half reported EBITDA amounted to EUR -3,095 (-432) thousand.

Net financial items in the first half totaled EUR 695 (-409) thousands comprising mainly of foreign currency revaluations.

The Group did not incur any material non-recurring items during the first half of 2022. The reported EBITDA for the first half of 2021 include EUR 2,366 thousand non-recurring costs resulting mainly from the IPO and M&A activities.

Total non-current assets amounted to EUR 71,219 (48,627) thousand at the end of June 2022. The change is driven by the increase in goodwill, resulting from EasyPractice (Q1/2022) and Vetera (Q2/2022) acquisitions. Total intangible assets amounted to EUR 69,463 (47,671) thousand at the end of the period. In addition to goodwill, intangible assets mainly consist of capitalized product development costs. Ongoing development activities focus on adding new features to existing products as well as on the localization of the products for new market entry.

Total current assets amounted to EUR 52,994 (76,500) thousand at the end of June 2022. Cash and cash equivalents amounted to EUR 24,434 (26,210) thousand. The company has EUR 23,864 (46,458) thousand of cash in fully liquid money market funds. The combined value of money market fund holdings and cash amounted to EUR 48,298 (72,668) thousand at the end of the reporting period.

Total equity at the end of June 2022 amounted to EUR 107,051 (114,506) thousand. On 25 May 2021, the Company resolved to complete a private placement, consisting of a share capital increase for a total amount of approximately NOK 1,224 million, by issuing 30,000,000 Shares with a par value of NOK 1 each at a subscription price of the NOK equivalent of EUR 4 per Share. Costs of EUR 3,472 thousand relating directly to the equity increase, were booked within equity.

Total interest-bearing liabilities amounted to EUR 983 (49) thousand at the end of June 2022. Interest-bearing loans amounting to EUR 1,942 thousand to credit institutions were repaid in 2021.

Total current liabilities totaled EUR 16,109 (9,846) thousand at the end of June 2022. The increase is driven by the increase in Advances received from customers and earn-out debt related to EasyPractice acquisition.

Net cash flow from operating activities in the first half of 2022 was EUR -2,591 (5,567) thousand. Net cash flow from investing activities amounted to EUR 1,796 (-92,140) thousand, with acquisition related payments totaling EUR 17,642 (42,246) thousand and proceeds from money market funds to cash for EUR 22,500 (-46,515) thousand. Net cash flow from financing activities amounted to EUR -982 (109,015) thousand.

Cash at end of June 2022 amounted to EUR 24,434 (26,210) thousand and holdings in money market funds amounted to EUR 23,864 (46,458) thousand. The total of money market fund holdings and cash amounted to EUR 48,298 (72,668) thousand in the end of June 2022.

## Risks

### Operational risks

Although most of the Group's contracts with customers for use of the Group's Software-as-a-Service ("SaaS") services are automatically renewed, the Group is still dependent on retaining existing contracts and obtaining new contracts on acceptable terms, to maintain and/or increase its revenues. If the Group fails in retaining existing customers and attracting new customers, it could have a material adverse effect on its results of operations, cash flow, financial condition and/or prospects.

The effectiveness of the Group's software platform is highly dependent on valuable partnerships with respect to IT-applications used by the Group and integration with necessary software, especially integration with various systems utilised by the Group's customers and partners. Although the Group has successfully entered into valuable partnerships and integrated their technology with third party suppliers, any changes in such third-party systems may result in the Group's technology being incompatible with such system and in turn may have a material adverse effect on the Group's results of operations, financial condition and/or prospects.

The Group is handling data within the healthcare sector and other sectors that may be linked to individual persons, which by its nature is highly sensitive. The Group is liable to its customers, regulatory authorities, and the individuals whose personal data is handled for damages caused by unauthorised use or disclosure of personal data as well as sensitive and confidential information. Unauthorised disclosure of any such information may result in significant fines and may damage the Group's brand and/or reputation and may lead to customer attempting to cancel existing agreements with the Group. These factors may in turn have an adverse effect on the Group's ability to attract and retain customers and partners and in turn adversely affect the Group's business, cash flow, operating results, and financial position.

The Group's business requires specialized and skilled personnel. There is a risk that the Group will be unable to keep enough appropriate key executives, key employees, and qualified new employees to effectively manage the business. There can be no assurance that the Group will be successful in retaining its key executives, key employees and qualified employees or replace such personnel with corresponding qualifications. If the Group fails to do so, it could have a material adverse effect on the Group's business, prospects, financial results and/or results of operations.

### Financial risks

The Group may require new financing agreements to fund its operations, working capital or capital expenditures in the future. The Group cannot assure that it will be able to obtain any additional financing on terms that are acceptable, or at all. If funding is insufficient at any time in the future, the Group may be unable to execute its business strategy or take advantage of business opportunities, any of which could adversely impact the Group's business, results of operations, cash flows and financial condition.

The Group is dependent on having access to long-term funding and may in the future require additional funding in the form of either debt or equity to successfully execute its strategy and to finance further growth. There can be no assurance that the Group will be able to raise additional capital necessary to conduct its ongoing and future operations, at the required time or on acceptable terms and there can be no assurance that the Group will not experience net cash flow shortfalls exceeding the Group's available funding sources. If required funds are not available, this could have a material adverse effect on the Group's business, financial condition, and prospects.

### Mergers and acquisitions

As part of the Group's growth strategy, the Group considers the acquisition of other companies to expand the Group's existing business and create economic value. The Group cannot assure that it will be able to consummate any such transactions or that any future acquisitions will be consummated at acceptable prices and terms.

The Group continually evaluates potential acquisition opportunities in the ordinary course of business, including those that could be material in size and scope. Acquisitions involve a number of special risks, including (i) the diversion of management's attention and resources to the assimilation of the acquired companies and their employees and to the management of expanding operations, (ii) problems associated with maintaining relationships with employees of acquired businesses, (iii) the increasing demands on the Group's operational systems and technical capabilities, (iv) ability to integrate and implement effective disclosure controls and procedures and internal controls for financial reporting within allowable time frames, (v) risks associated with the ability to fund expected and unexpected capital costs and expenses associated with any acquired entity/assets and (vi) the loss of key employees of acquired entities/assets.

The Group may also become responsible for unexpected liabilities that the Group failed or was unable to discover in the course of performing due diligence in connection with historical acquisitions and any future acquisitions and indemnification rights which have been obtained, or will in the future be obtained, may not be enforceable, collectible or sufficient in amount, scope or duration to fully offset the possible liabilities associated with the assets acquired. Any of these liabilities, individually or in the aggregate, would, if materialised, have a material adverse effect on the Group's businesses, products, prospects, financial condition and results of operations.

### **Currency risk**

Currency risk is the risk that the value of a financial instrument will fluctuate due to exchange rate fluctuations. Exposure to currency risks arises primarily when receivables and payables are denominated in a currency other than the operating company's local currency. In addition, the Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures on translation, primarily with respect to fluctuations in the EUR/NOK, EUR/SEK, and EUR/USD exchange rate. The Group manages its currency risk by closely monitoring the currency fluctuations and does not hedge its currency risk.

### **Credit risk**

The Group has a significant amount of trade receivables and will be dependent on being able to collect such receivables. Consequently, the Group may be exposed to financial loss if a customer or counterparty fails to meet its contractual obligations. To the extent payment is done by payment letter or credit or otherwise given, the Group is vulnerable to credit risk and any failure by its counterparties to meet their obligations may affect the Group's income. Failure to collect its trade receivables or customers' unwillingness or inability to pay could have a material impact on the Group's business and financial condition.

With a wide customer base, credit risk from a single counterparty is limited.

### **Significant events after the reporting period**

There has been no significant events after the reporting period.

### **Guidance for 2022**

Signed organic ARR growth of 20%, leading to signed ARR estimate of EUR 32,5 million before future acquisitions.

# Consolidated Interim Financial Statements

## Consolidated Income Statement

EUR in thousands	Note	H1/2022 (Unaudited)	H1/2021 (Unaudited)	2021 (Audited)
Recurring revenue	1	13 596	7 230	18 464
Other revenue		968	899	1 836
<b>Total revenue</b>		<b>14 565</b>	<b>8 129</b>	<b>20 300</b>
Other operating income		65	20	31
<b>Total operating income</b>		<b>14 630</b>	<b>8 149</b>	<b>20 331</b>
Material and services		(2 268)	(1 326)	(3 562)
Personnel expenses	2	(10 169)	(3 660)	(10 073)
Other operating charges	3	(5 288)	(3 593)	(6 918)
<b>Total operating expenses</b>		<b>(17 725)</b>	<b>(8 581)</b>	<b>(20 553)</b>
<b>Operating profit (loss), before Depreciation (EBITDA)</b>		<b>(3 095)</b>	<b>(432)</b>	<b>(222)</b>
Depreciation and amortization	4	(932)	(630)	(1 305)
Amortization of goodwill	4	(3 036)	(578)	(2 931)
<b>Total depreciation and amortization</b>		<b>(3 968)</b>	<b>(1 208)</b>	<b>(4 236)</b>
<b>Operating profit (EBIT)</b>		<b>(7 063)</b>	<b>(1 639)</b>	<b>(4 458)</b>
Other interest and financial income		1 320	50	758
Interest expenses		(12)	(36)	(41)
Other financial expenses		(613)	(423)	(905)
<b>Total financial income and expense</b>		<b>695</b>	<b>(409)</b>	<b>(188)</b>
<b>Profit (loss) before tax</b>		<b>(6 368)</b>	<b>(2 048)</b>	<b>(4 646)</b>
Taxes		(195)	396	(85)
<b>Net profit (loss)</b>		<b>(6 562)</b>	<b>(1 652)</b>	<b>(4 731)</b>



## Consolidated Balance Sheet

ASSETS			H1 2022	2021
EUR in thousands	Note		(Unaudited)	(Audited)
<b>Intangible assets</b>				
Intangible assets	4		7 687	4 556
Deferred tax assets			43	45
Other capitalized long-term expenses	4		48	68
Goodwill	4		61 685	43 002
<b>Total intangible assets</b>			<b>69 463</b>	<b>47 671</b>
<b>Tangible assets</b>				
Machinery and Equipment	4		857	765
<b>Total tangible assets</b>			<b>857</b>	<b>765</b>
<b>Financial assets</b>				
Other shares and similar rights of ownership	4		834	191
Other long-term receivables			64	-
<b>Total financial assets</b>			<b>899</b>	<b>191</b>
<b>Total non-current assets</b>			<b>71 219</b>	<b>48 627</b>
<b>Current assets</b>				
Accounts receivable			2 370	2 306
Loan receivables, short-term			-	49
Other receivables			1 317	827
Prepayments and accrued income			1 009	650
<b>Total receivables</b>			<b>4 696</b>	<b>3 832</b>
Money market funds			23 864	46 458
<b>Total investments</b>			<b>23 864</b>	<b>46 458</b>
Cash and cash equivalents			24 434	26 210
<b>Total cash and cash equivalents</b>			<b>24 434</b>	<b>26 210</b>
<b>Total current assets</b>			<b>52 994</b>	<b>76 500</b>
<b>Total assets</b>			<b>124 213</b>	<b>125 127</b>

EQUITY AND LIABILITIES		H1 2022	2021
EUR in thousands	Note	(Unaudited)	(Audited)
<b>Paid-in equity</b>			
Share Capital	7	7 848	7 829
Share premium reserve	7	109 400	108 886
<b>Total paid-in equity</b>		<b>117 248</b>	<b>116 715</b>
<b>Retained earnings</b>			
Other equity	7	(10 197)	(2 209)
<b>Total retained earnings</b>		<b>(10 197)</b>	<b>(2 209)</b>
<b>Total equity</b>		<b>107 051</b>	<b>114 506</b>
<b>Non-current liabilities</b>			
Non-current liabilities to credit institutions		911	25
Other non-current liabilities		143	751
<b>Total non-current liabilities</b>	<b>8</b>	<b>1 053</b>	<b>775</b>
<b>Current liabilities</b>			
Current liabilities to credit institutions		73	25
Advances received	9	5 082	3 806
Accounts payable		1 070	1 055
Other current liabilities		5 870	1 662
Accrued expenses and deferred income		4 014	3 298
<b>Total current liabilities</b>		<b>16 109</b>	<b>9 846</b>
<b>Total equity and liabilities</b>		<b>124 213</b>	<b>125 127</b>

## Consolidated Cash Flow Statement

EUR in thousands	H1 2022 (Unaudited)	H1 2021* (Unaudited)	31 Dec 2021 (Audited)
<b>Cash flow from operations</b>			
Profit (loss) before income taxes	(6 368)	(2 048)	(4 646)
Taxes paid for the period	(53)	(129)	(36)
Non-cash items	904	308	905
Depreciation and amortization	3 968	1 207	4 236
Change in inventory	-	(4)	-
Change in trade debtors	(183)	(1 235)	(1 281)
Change in trade creditors	(51)	1 107	577
Change in other provisions	(808)	3 118	5 812
<b>Net cash flow from operations</b>	<b>(2 591)</b>	<b>2 324</b>	<b>5 567</b>
<b>Cash flow from investments</b>			
Investments in tangible and intangible assets	(3 061)	(1 611)	(3 377)
Disposal (purchase) of shares and investments	(17 642)	(40 871)	(42 246)
Disposal (purchase) of other investments	-	(2)	(2)
Proceeds from / (investments in) money market funds	22 500	-	(46 515)
<b>Net cash flow from investments</b>	<b>1 796</b>	<b>(42 484)</b>	<b>(92 140)</b>
<b>Cash flow from financing</b>			
Change in debt	(982)	(1 631)	(3 583)
Issuance of Equity	-	116 329	116 329
Payment of dividend	-	(3 731)	(3 731)
<b>Net cash flow from financing</b>	<b>(982)</b>	<b>110 966</b>	<b>109 015</b>
Net change in cash and cash equivalents	(1 776)	72 614	22 442
Cash and cash equivalents at the beginning of the period	(26 210)	3 768	3 768
Cash and cash equivalents at the end of the period	(24 434)	76 383	26 210
<b>Money market fund</b>	<b>23 864</b>	<b>-</b>	<b>46 458</b>

\* EUR 907 thousand reclassified between Issuance of Equity and Disposal (purchase) of shares and investments

# Notes to the Interim Financial Statements

## Basis of presentation

Nordhealth AS (the "Company" and, together with its consolidated subsidiaries, the "Group" or "Nordhealth") is a Company registered in Norway and traded on the Euronext Growth Oslo. The Company's registered business address is Eikremsvingen 9, 6422 Molde, Norway.

These condensed interim financial statements have been prepared in accordance with Norwegian GAAP (NRS 11) and in accordance with the accounting principles published in the 2021 financial statements, which can be found from Nordhealth website [www.nordhealth.com](http://www.nordhealth.com). The Reporting currency is EUR. All numbers are presented in EUR thousands, unless otherwise stated. The figures in the tables have been rounded to the nearest thousands of euros, so they may not add up to precise totals. The numbers in brackets refer to the value in the corresponding period a year earlier, unless otherwise stated. The interim financial information is unaudited.

## 1 – Revenue

### Revenue by operating segment

	H1 2022	%	H1 2021	%
Veterinary	7 004	48 %	3 557	44 %
Therapy	6 690	46 %	2 507	31 %
Other*	871	6 %	2 066	25 %
<b>Total</b>	<b>14 565</b>	<b>100 %</b>	<b>8 129</b>	<b>100 %</b>

\*Mainly EasyPractice

### Revenue by geographical areas

	H1 2022	%	H1 2021	%
Norway	6 892	47 %	1 495	18 %
Finland	3 276	23 %	2 454	30 %
Sweden	1 798	12 %	1 727	22 %
Other Countries	2 599	18 %	2 454	30 %
<b>Total</b>	<b>14 565</b>	<b>100 %</b>	<b>8 129</b>	<b>100 %</b>

## 2 – Personnel and remuneration

Personnel expenses	H1 2022	H1 2021
Salaries	8 254	2 892
Pensions	1 096	507
Other social security expenses	819	260
<b>Total</b>	<b>10 169</b>	<b>3 660</b>

Average numbers of employees in H1 2022 was 336 (155).

In H1 2022, personnel expenses totalling EUR 1,998 (845) thousand have been capitalised as development cost.

## 3 – Other operating expenses

	H1 2022	H1 2021
Other voluntary personnel expenses	403	104
Premises	440	283
IT expenses	857	362
Travel expenses	318	18
Marketing expenses	799	97
Administrative expenses	2 166	2 721
Other operative costs	305	7
<b>Total</b>	<b>5 288</b>	<b>3 593</b>

In H1 2021, other operating expenses include EUR 465 thousand of transfer tax from the share for share exchange.

## 4 – Intangible and tangible assets

Intangible Assets	Development expenses	Intangible rights	Other capitalized long-term expenses	Goodwill	Total
<b>Acquisition value 1.1.</b>	9 402	559	151	47 121	57 233
Acquisition of EasyPractice A/S	-	-	-	14 937	14 937
Acquisition of Vetera GmbH	647	442	-	7 981	9 070
Acquisition of Yoma consulting	-	-	-	304	304
FX Rate movements	(122)	(21)	(3)	(1 605)	(1 750)
Increases	2 791	-	2	8	2 801
<u>Acquisition value 30.06.</u>	<u>12 718</u>	<u>980</u>	<u>151</u>	<u>68 746</u>	<u>82 595</u>
<b>Amortization 1.1.</b>	(5 065)	(340)	(84)	(4 119)	(9 608)
Acquisition of EasyPractice A/S	-	-	-	(622)	(622)
Acquisition of Vetera GmbH	-	-	-	(67)	(67)
Acquisition of Yoma consulting	-	-	-	(16)	(16)
FX Rate movements	129	13	1	175	317
Amortization	(700)	(49)	(20)	(2 412)	(3 181)
<u>Amortization 30.06.</u>	<u>(5 635)</u>	<u>(376)</u>	<u>(103)</u>	<u>(7 061)</u>	<u>(13 176)</u>
<b>Net book value</b>	<b>7 083</b>	<b>604</b>	<b>48</b>	<b>61 685</b>	<b>69 419</b>

Management exercises judgement in determining whether the incurred development expenses meet capitalisation criteria and whether the carrying amount of capitalised development exceeds the expected future cash flows of the software they relate to.

In H1 2022, development expenses totalling EUR 2,791 (1,568) thousand have been capitalised. Personnel expenses totalling EUR 1,998 (845) thousand have been capitalised as development cost. 72 % of the capitalized development costs in total have been internally developed.

Development costs totalling EUR 3,330 (1,360) thousand have been expensed through profit and loss.

Tangible assets	Machinery and equipment	Other tangible assets	Total
<b>Acquisition value 1.1.</b>	2 667	9	<b>2 676</b>
Acquisition of EasyPractice A/S	6	-	<b>6</b>
Acquisition of Vetera GmbH	60	-	<b>60</b>
FX Rate movements	(47)	(0)	<b>(47)</b>
Increases	223	-	<b>223</b>
Deductions	(77)	-	<b>(77)</b>
<u>Acquisition value 30.6.</u>	<u>2 833</u>	<u>8</u>	<u><b>2 841</b></u>
<b>Depreciation 1.1.</b>	(1 910)	-	<b>(1 910)</b>
Acquisition of EasyPractice A/S	(3)	-	<b>(3)</b>
Acquisition of Vetera GmbH	(2)	-	<b>(2)</b>
FX Rate movements	9	-	<b>9</b>
Depreciation	(77)	-	<b>(77)</b>
<u>Amortization 30.6.</u>	<u>(1 984)</u>	<u>-</u>	<u><b>(1 984)</b></u>
<b>Net book value</b>	<b>849</b>	<b>8</b>	<b>857</b>

Investments	Other shares	Total
<b>Acquisition value 1.1.</b>	191	<b>191</b>
Shares in PetLeo GmbH	643	<b>643</b>
<u>Acquisition value 30.6.</u>	<u>834</u>	<u><b>834</b></u>
<b>Net book value</b>	<b>834</b>	<b>834</b>

## 5 – Investments in group companies

Companies included in Nordhealth Group

	Parent Company	Business office	Ownership %	Functional currency
Nordhealth AS		Molde, Norway		NOK
Nordhealth Oy	Nordhealth AS	Helsinki, Finland	100 %	EUR
Nordhealth Norway AS	Nordhealth Oy	Molde, Norway	100 %	NOK
Nordhealth Sweden AB	Nordhealth Norway AS	Västerås, Sweden	100 %	SEK

Nordhealth Denmark AS	Nordhealth Norway AS	Hinnerup, Denmark	100 %	DKK
Nordhealth Finland Oy	Nordhealth Oy	Helsinki, Finland	100 %	EUR
Navicre Oy	Nordhealth Oy	Oulu, Finland	100 %	EUR
Estonian Net Solutions OÜ	Nordhealth Oy	Tallinn, Estonia	100 %	EUR
Nordhealth USA Inc.	Nordhealth Oy	Denver, USA	100 %	USD
Provet Cloud (UK)	Nordhealth Oy	London, United Kingdom	100 %	GBP
Aspit AS	Nordhealth Oy	Seljord, Norway	100 %	NOK
Aspit Sverige AB	Aspit AS	Gråbo, Sweden	100 %	SEK
EasyPractice ApS	Nordhealth Oy	Copenhagen, Denmark	100 %	DKK
Nordhealth Spain SL	Nordhealth Oy	Barcelona, Spain	100 %	EUR
Nordhealth Italy S.R.L	Nordhealth Oy	Milan, Italy	100 %	EUR
Vetera GmbH	Nordhealth Germany GmbH	Eltville, Germany	100 %	EUR
Nordhealth Germany GmbH	Nordhealth Oy	Munich, Germany	100 %	EUR

## 6 - Acquisitions

On 31 January 2022, Nordhealth completed its acquisition of EasyPractice, a leading cloud-based practice management software provider for therapists.

On 10 March 2022, Nordhealth announced the acquisition of Vetera, a leading veterinary practice management software provider in the DACH region. The acquisition was completed on 1 June 2022.

Had the acquisitions taken place at the beginning of 2022, the Group's pro-forma revenues for the first half of 2022 would have been EUR 15,723 thousand.

Consideration paid for the acquisitions	H1 2022
Paid in cash	18 253
Contribution in kind	554
Contingent consideration	4 031
<b>Total</b>	<b>22 838</b>

### The following assets and liabilities were recognized as a result of the acquisitions:

Investments	643
Intangible assets	1 020
Tangible assets	63
Non-current financial assets	64
Current assets	457
Cash balance	835
Non-current liabilities	(1 008)
Current liabilities	(2 149)
Goodwill	22 912
<b>Total</b>	<b>22 838</b>

On 1 April 2021, the Group completed the acquisition of Novasoft A/S. On 1 June 2021, Nordhealth completed the acquisition of Aspit AS. The companies have been consolidated in to Nordhealth Group from the date of closing.

Aspit AS is a leading supplier of electronic patient record systems (EHR) and IT operations to the healthcare sector in Norway with more than 6,000 therapists using Aspit's cloud-based Software as a Service ("SaaS") products. Aspit also provides IT-

operational services to several municipalities in Norway. Aspit is headquartered in Seljord and had at the time of acquisition 55 employees. Aspit's EHR systems have established a leading position within the psychotherapy market with the product Psykbase, and the physiotherapy/chiropractor markets with the product Physica.

Novasoft A/S is a SaaS based practice management software for veterinaries in Denmark with 7 employees at the time of acquisition.

Had the acquisitions taken place at the beginning of 2021, the Group's pro-forma revenues for the year 2021 would have been EUR 23,874 thousand.

Consideration paid for the acquisitions	2021
Paid in cash	41 274
Transferred liabilities	269
<b>Total</b>	<b>41 543</b>

**The following assets and liabilities were recognized as a result of the acquisitions:**

Tangible assets	503
Non-current financial assets	221
Current assets	1 862
Cash balance	622
Current liabilities	(2 592)
Goodwill	40 927
<b>Total</b>	<b>41 543</b>

## 7 – Equity and shares

### Statement of changes in equity

	Share capital	Share premium	Translation reserve	Retained earnings	Total Equity
<b>Equity 1.1.2022</b>	<b>7 829</b>	<b>108 886</b>	<b>1 610</b>	<b>(3 819)</b>	<b>114 506</b>
Dividends paid	-	-	-	-	(3 731)
Profit (loss) for the period	-	-	-	(6 562)	(6 562)
Increase of share capital	19	514	-	-	533
Translation reserve	-	-	(1 426)	-	(1 426)
<b>Total Equity 30.6.2022</b>	<b>7 848</b>	<b>109 400</b>	<b>184</b>	<b>(10 381)</b>	<b>107 051</b>

\* Costs include financial and legal assistance in carrying out activities related to transactions structure, market valuation, listing and other similar assistance.

On 17 February 2022, Extraordinary General Meeting of Nordhealth AS was held. In this meeting, Board of Directors was granted an authorisation to increase the share capital by issuance of new shares and an authorisation to acquire own shares. In accordance with Section 9-4 of the Companies Act, the board is granted an authorisation to acquire own shares on behalf of the Company with a total nominal value of up to NOK 7,999,999, i.e., up to 7,999,999 shares. The maximum amount which can be paid for each share is NOK 50 and the minimum is NOK 1. The authorisation was valid until the Annual General Meeting in 2022, held on 2 June.

On 6 April 2022, it was resolved by the Board of Directors to increase share capital by NOK 191,747, divided into 191,747 Class A shares, each with nominal value of NOK 1.00. Following registration of the share capital increase on 4 May 2022, the Company has a share capital of NOK 80,191,746, divided into 45,191,747 Class A shares and 34,999,999 Class B shares, each with nominal value of NOK 1.00. The Company's shares are divided into two share classes. Only the A-shares are subject to trading in the Euronext Growth Marketplace. A-shares carry one vote and equal rights in all respects, including rights to dividends. All A-



shares are freely transferable. B-shares are unlisted shares. Each B-share carries 10 votes per share and may at any time, at the option of the holder, be converted into an A-share. If the Unlisted Shares constitute less than 5% of the outstanding number of shares in the Company, they will automatically be converted to A-shares.

On 2 June 2022, Annual General Meeting of Nordhealth AS was held. In this meeting, Board of Directors was granted an authorisation to increase the share capital by issuance of new shares and an authorisation to acquire own shares. In accordance with Section 9-4 of the Companies Act, the board is granted an authorisation to acquire own shares on behalf of the Company with a total nominal value of up to NOK 8,019,174.60 i.e., up to 8,019,174 shares by issuance of new shares and to acquire treasury shares for an amount of up to NOK 12,028,761.90 i.e., up to 12,028,761 shares. The maximum amount which can be paid for each share is NOK 50 and the minimum is NOK 1. These authorizations replaced the previous authorizations issued at the EGM held on 17 February 2022.

Investor	A-shares	B-shares	Number of total shares	% of total	Type	Country
J.P. Morgan SE	4 956 027	29 742 998	34 699 025	43 %	Nominee	Luxembourg
State Street Bank and Trust Comp	6 494 310	0	6 494 310	8 %	Nominee	US
Nordnet Bank AB	1 093 529	5 084 866	6 178 395	8 %	Nominee	Sweden
FJARDE AP-FONDEN	3 500 000	0	3 500 000	4 %	Ordinary	Luxembourg
GOLDMAN SACHS BANK EUROPE SE	3 290 000	0	3 290 000	4 %	Nominee	Germany
SKANDINAVISKA ENSKILDA BANKEN AB	1 918 539	0	1 918 539	2 %	Nominee	Luxembourg
Goldman Sachs & Co. LLC	1 850 039	0	1 850 039	2 %	Nominee	US
Avanza Bank AB	1 758 997	0	1 758 997	2 %	Nominee	Sweden
Skandinaviska Enskilda Banken AB	1 573 079	0	1 573 079	2 %	Nominee	Luxembourg
Morgan Stanley & Co. Int. Plc.	1 469 872	0	1 469 872	2 %	Nominee	UK
<b>Total number owned by top 10</b>	<b>27 904 392</b>	<b>34 827 864</b>	<b>62 732 256</b>	<b>78 %</b>		
<b>Total number of shares</b>	<b>45 191 747</b>	<b>34 999 999</b>	<b>80 191 746</b>	<b>100 %</b>		

## 8 – Non-current liabilities

	H1 2022	H1 2021
Liabilities to credit institution	911	25
Other non-current liabilities	143	2 428
<b>Total</b>	<b>1 053</b>	<b>2 452</b>

All other non-current liabilities fall due within less than five years.

## 9 – Other current liabilities

	H1 2022	H1 2021
Advances received from customers	5 082	3 625
<b>Total</b>	<b>5 082</b>	<b>3 625</b>

Other current liabilities comprise of an earn-out debt relating to EasyPractice acquisition amounting to EUR 4,033 thousand and of earn-out relating to Novasoft acquisition amounting to EUR 269 thousand.

# Key definitions

## Alternative performance measures

To enhance the understanding of Nordhealth's performance, Nordhealth presents certain measures and ratios considered as Alternative Performance Measures (APMs) as defined by the European Securities and Markets Authority and should not be viewed as substitute for any financial measures (IFRS or other legislation). The APMs include, but not limited to, Annual Recurring Revenue (ARR), organic revenue, adjusted revenue, recurring revenue, adjusted recurring revenue, EBITDA, and adjusted EBITDA. These APMs are presented as Nordhealth considers them to be important supplemental measures to understand the overall picture of revenue and profit generation in Nordhealth's operating activities.

**ARR** is the value of recurring revenue of software subscriptions that has been normalised for a single calendar year. These include all active subscriptions and subscriptions that have been signed but not yet implemented. ARR also includes the annualised value of volume-based transactions (e.g., SMS messages) based on their latest calculation period value as well as rebates from third parties (e.g., payment solution providers).

**Adjusted EBITDA** is revenue less all operating expenses excluding depreciation and amortization, M&A and equity funding transactions, other similar non-recurring items, and changes in contingent consideration.

## Further information:

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