



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	926 978 209
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	NORDHEALTH AS
Forretningsadresse:	Hasleveien 28A 0571 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2023 - 31.12.2023
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Konsern

Mørselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Mari Laine
Dato for fastsettelse av årsregnskapet:	30.05.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 06.08.2025



Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Sum inntekter		0	0
Kostnader			
Personnel expenses	5	449 000	2 201 000
Other operating expenses	5	5 984 000	7 804 000
Sum kostnader		6 433 000	10 005 000
Driftsresultat		-6 433 000	-10 005 000
Finansinntekter og finanskostnader			
Inntekt på investering i datterselskap og tilknyttet selskap		16 659 000	
Other financial items	7	-250 000	270 000
Sum finansinntekter		16 409 000	270 000
Netto finans		16 409 000	270 000
Ordinært resultat før skattekostnad		9 976 000	-9 735 000
Ordinært resultat etter skattekostnad		9 976 000	-9 735 000
Taxes	13		
Årsresultat		9 976 000	-9 735 000
Årsresultat etter minoritetsinteresser		-23 166 832 000	
Overføringer og disponeringer			
Overføring EK		-9 976 000	9 735 000
Sum overføringer og disponeringer		-9 976 000	9 735 000



Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap	8	3 134 032 000	3 168 763 000
Sum finansielle anleggsmidler		3 134 032 000	3 168 763 000
Sum anleggsmidler		3 134 032 000	3 168 763 000
Omløpsmidler			
Varer			
Fordringer			
Other short-term receivables		186 000	338 000
Konsernfordringer		16 717 000	0
Sum fordringer		16 903 000	338 000
Bankinnskudd, kontanter og lignende			
Bank deposits, cash in hand, etc.		2 295 000	1 477 000
Sum bankinnskudd, kontanter og lignende		2 295 000	1 477 000
Sum omløpsmidler		19 198 000	1 815 000
SUM EIENDELER		3 153 230 000	3 170 578 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	9	79 045 000	80 192 000
Overkurs	9	3 120 327 000	3 120 327 000
Sum innskutt egenkapital		3 199 372 000	3 200 519 000
Opptjent egenkapital			



Balanse

Beløp i: NOK	Note	2023	2022
Udekket tap	9	47 423 000	32 903 000
Sum opptjent egenkapital		-47 423 000	-32 903 000
Sum egenkapital	9	3 151 949 000	3 167 616 000
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Leverandørgjeld		32 000	13 000
Kortsiktig konserngjeld	10,11	1 232 000	2 052 000
Other currents liabilities		12 000	40 000
Accured expenses and deferred income		6 000	858 000
Sum kortsiktig gjeld		1 282 000	2 963 000
Sum gjeld		1 282 000	2 963 000
SUM EGENKAPITAL OG GJELD		3 153 231 000	3 170 579 000



Konsernets resultatregnskap

Beløp i: EUR	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Recurring revenue	4	33 085 000	28 216 000
Other Revenue		3 740 000	2 833 000
Other Operation income		102 000	229 000
Sum inntekter		36 927 000	31 278 000
Kostnader			
Material and services		5 171 000	4 780 000
Personnel expenses	5	22 490 000	22 255 000
Depreciation and amorization	9	3 701 000	2 236 000
Amorization of goowill	9	6 438 000	6 467 000
Other operating charges	6	10 514 000	10 218 000
Sum kostnader		48 314 000	45 956 000
Driftsresultat		-11 387 000	-14 678 000
Finansinntekter og finanskostnader			
Other finacial income	8	1 131 000	2 082 000
Sum finansinntekter		1 131 000	2 082 000
Annen rentekostnad	8	8 000	17 000
Other finacial expense	8	542 000	1 517 000
Sum finanskostnader		550 000	1 534 000
Netto finans		581 000	548 000
Ordinært resultat før skattekostnad		-10 806 000	-14 130 000
Taxes	7	326 000	136 000
Ordinært resultat etter skattekostnad		-11 132 000	-14 266 000
Årsresultat	15	-11 132 000	-14 266 000
Årsresultat etter minoritetsinteresser		-4 731 000	1 928 000
Overføringer og disponeringer			



Konsernets resultatregnskap

Beløp i: EUR	Note	2023	2022
Profit/ loss for the period		11 132 000	-4 731 000
Sum overføringer og disponeringer		11 132 000	-4 731 000



Konsernets balanse

Beløp i: EUR	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Intangible assets	9	12 480 000	10 280 000
Utsatt skattefordel	7	547 000	585 000
Other capitalizes Long-term	9	101 000	32 000
Goodwill	9	49 008 000	57 813 000
Sum immaterielle eiendeler		62 136 000	68 710 000
Varige driftsmidler			
Machinery and equipment	9	498 000	733 000
Sum varige driftsmidler		498 000	733 000
Finansielle anleggsmidler			
Other shares and similar rights of ownership	9	720 000	834 000
Loan recivable, long-term		196 000	64 000
Sum finansielle anleggsmidler		916 000	898 000
Sum anleggsmidler		63 550 000	70 341 000
Omløpsmidler			
Varer			
Fordringer			
Accounts receivable	10	4 896 000	4 035 000
Other		522 000	526 000
Prepayments	11	797 000	793 000
Sum fordringer		6 215 000	5 354 000
Investeringer			
Money market funds	12	17 119 000	23 684 000
Sum investeringer		17 119 000	23 684 000
Bankinnskudd, kontanter og lignende			
Cash at bank and in hand	12	5 052 000	15 514 000
Sum bankinnskudd, kontanter og lignende		5 052 000	15 514 000



Konsernets balanse

Beløp i: EUR	Note	2023	2022
Sum omløpsmidler		28 386 000	44 552 000
SUM EIENDELER		91 936 000	114 893 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	15	7 749 000	7 848 000
Overkurs	15	109 400 000	109 400 000
Sum innskutt egenkapital		117 149 000	117 248 000
Opptjent egenkapital			
Other equity	15	-34 382 000	-18 618 000
Sum opptjent egenkapital		-34 382 000	-18 618 000
Sum egenkapital		82 767 000	98 630 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Other non-current liabilities		136 000	270 000
Sum annen langsiktig gjeld		136 000	270 000
Sum langsiktig gjeld		136 000	270 000
Kortsiktig gjeld			
Current liabilities to credit institutions		0	25 000
Leverandørgjeld		1 531 000	878 000
Advance		986 000	4 518 000
Other	16	1 386 000	5 833 000
Accured		5 130 000	4 740 000
Sum kortsiktig gjeld		9 033 000	15 994 000
Sum gjeld		9 169 000	16 264 000

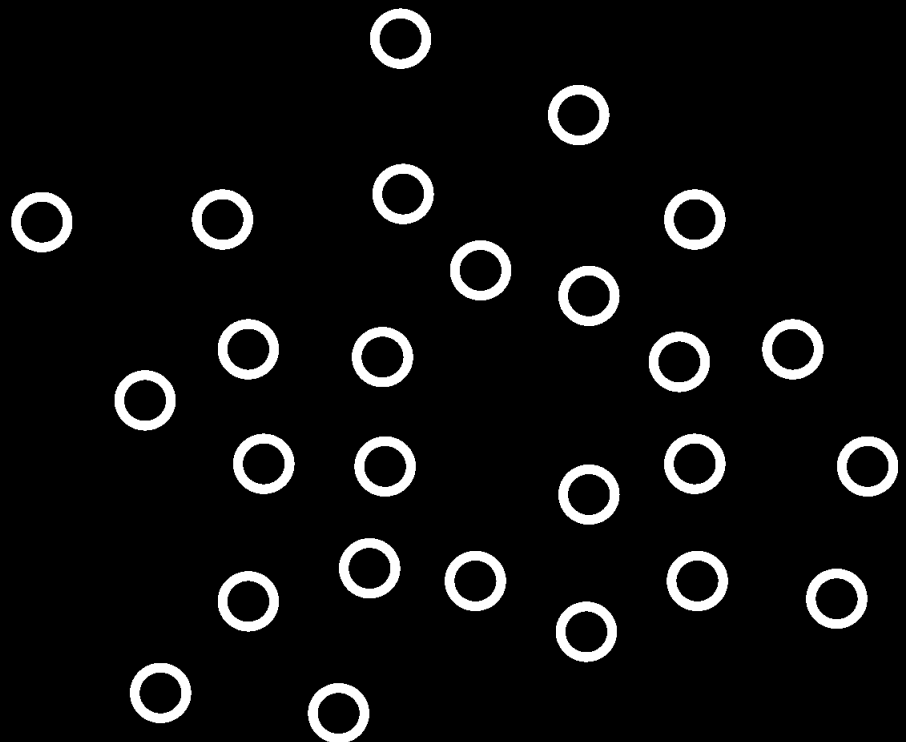


Konsernets balanse

Beløp i: EUR	Note	2023	2022
SUM EGENKAPITAL OG GJELD		91 936 000	114 894 000



Annual Report 2023





2023 CEO letter to shareholders



To our Shareholders:

Enhancing Care, Efficiency and Growth for Veterinary and Therapy Practices

Nordhealth is committed to revolutionizing healthcare delivery through innovative software solutions. Our flagship Practice Management Software (PMS), Provet Cloud for veterinary practices and EasyPractice for therapy practices, empower healthcare professionals to streamline operations, improve patient care and fuel business growth.

We are capitalizing on the shift from on-premise or hosted software towards cloud-based software. Cloud-based solutions offer clinics increased accessibility, improved scalability, enhanced data security, and reduced IT burden. Provet Cloud and EasyPractice are well positioned to be leaders in this transition in their industries, especially given the attractiveness of cloud-based software to veterinary clinics chains. We remain committed to helping clinics embrace this evolution and achieve long-term success by providing intuitive and fast software.

Mission-critical Software

Our PMS is a mission-critical software for veterinary or therapy practices, functioning seamlessly as both the front and back office system of record:

- **Appointment scheduling and shift management:** Simplify scheduling, optimize staff allocation, and ensure smooth clinic operations.
- **Patient management and electronic health records (EHR):** Store and manage patient information efficiently, enabling informed care decisions.
- **Billing and invoicing:** Automate billing processes, improve cash flow and minimize errors.
- **Reporting and analytics:** Gain valuable insights to make data-driven decisions and drive success.
- **Government compliance:** Streamline reporting for regulations like HelseNorge (Norway) or Kanta (Finland) with automated tools and comprehensive dashboards.
- **Communication tools:** Enhance communication with patients and staff for better collaboration.
- **Inventory management and workflow automation:** Reduce time spent on manual tasks and optimize resource utilization.

Clinics rely on Nordhealth as their core platform, integrating all essential tools and storing critical patient information. Switching costs are high, as evidenced by our low churn rate of 2.6% over five years. This loyalty reflects the mission-critical nature of our PMS. Nonetheless, high switching costs can also present a challenge in acquiring new customers.



Multi Product

In 2023, we continued to expand our product offerings beyond our core PMS. New additions include integrated payments, treatment sheets, insurance integrations, and nordhealth.fi, a consumer booking portal. These features seamlessly integrate with our PMS products, minimizing friction and cost.

Our multi-product strategy fostered exceptional customer loyalty and a net retention rate of 114% over the past five years. Acquiring new customers is costly, so offering multiple products expands Average Revenue Per User (ARPU), Total Addressable Market (TAM) and develops deeper customer relationships, as clients often seek a single point of accountability. We remain committed to add additional products, ensuring our platform evolves alongside customer needs.

Conclusion

The preceding year has been characterized by remarkable progress and achievements for Nordhealth, driven by our talented team and unwavering commitment to continuous improvement. Looking ahead, we are enthusiastic about the opportunities that lie ahead and confident in our ability to foster growth, deliver value to our customers, and generate long-term shareholder value.

We will continue to make investment decisions to ensure market leadership in the long-term. We will work hard to spend wisely and maintain our lean culture. We will balance our focus on growth with emphasis on long-term profitability. At this stage, we choose to prioritize growth over short-term profitability, as we believe scale is central to achieving the potential of our business model.

We will continue to focus on hiring and retaining talented employees. We initiated a Performance Share plan to attract and retain key employees, each of whom must think like, and therefore must actually be, an owner.

We extend our heartfelt gratitude for your continued support and trust, as we embark on this journey together. With your partnership and the dedication of our team, I am confident that Nordhealth will become a leader in the healthcare technology industry for years to come.



Board of Directors' report



Growth

By year-end 2023, approximately 60,000 healthcare users were utilizing our practice management software, a notable increase from c.50,000 at year-end 2022. This user growth translated into an implemented annual recurring revenue (ARR) growth of 23.3% in 2023 (in constant currency as of December 31, 2022) to EUR 36.6M. Signed ARR, excluding approximately EUR 4M additional ARR from CVS and Vets for Pets post-pilot rollout, grew to EUR 38.5M, marking an 11.3x increase over the last five years.

Profitability

Our EBITDA - CAPEX loss, serving as a conservative proxy for free cash flow, improved from EUR -12.3M in 2022 to EUR -6.6M in 2023. This improvement stemmed from operating leverage resulting from growth, evidenced by reductions in R&D and G&A costs as a percentage of revenue, as well as enhancements in go-to-market efficiency.

Therapy

In 2023, Therapy ARR grew 6.6% (constant currency), slightly below expectations. Although new customers ARR grew 9.4% year over year (or EUR 1.5M), growth was offset by a lower net retention rate of 97.2%. Key factors contributing to this low net retention included churn of Fysios and Coronaria removal of the Nordhealth Connect add-on. Despite challenges, such as a 6.7% deterioration of the NOK relative to the Euro, efficiency improvements across all therapy functions led to an increase in Therapy EBITDA - CAPEX (excluding Group G&A) from EUR -0.4M in 2022 to EUR 3.4M in 2023.

In January 2023, we made the strategic decision to sunset the development of a new therapy platform we had been developing from scratch, and instead decided to invest in order to make EasyPractice our new flagship practice management software for therapists. We prioritized the migration of Physica and Psykbase (Aspit) users, with migration of pilot clinics commencing in H2 2023, onboarding 26 pilot customers by year-end 2023. Significant development efforts were made in 2023 to localize the solution for Norway and enhance EasyPractice functionality to accommodate the more complex workflows of larger clinics.

In 2023, we launched Nordhealth.fi, a booking portal enabling patients to find and book therapy appointments in Finland. The initial customers in Finland were onboarded and began using the platform in 2023. We plan to roll this further out to all Diarium customers in 2024.

Looking ahead, we foresee significant growth and expansion opportunities in the Therapy division, driven by the increasing global demand for rehabilitation services. We are committed to leveraging technology to improve patient outcomes and enhance efficiency in therapy service delivery.



Veterinary

The Veterinary unit witnessed remarkable organic growth of 43% in 2023, surpassing rates observed in the past five years. Additionally, gross margins increased from 83% to 86%, indicative of improved efficiency and profitability. Notably, there was a substantial improvement in EBITDA - CAPEX (excluding Group G&A), from EUR -9.9M in 2022 to EUR -4.0M in 2023.

In 2023, we migrated 249 clinics, including Provet Net, Vetserve, Novasoft, and Sanimalis. We phased out Provet Win by the end of 2023 and plan to sunset Vetserve by the end of Q2 2024. Notably, we initiated the CVS pilot implementation and secured the largest deal in Nordhealth's history with the signing of Vets for Pets.

The past year marked significant progress and expansion in the Veterinary division, underscoring our commitment to investing in technology and talent in order to enhance our offerings and deliver greater value to customers. With our team's dedication and expertise, I am confident that Nordhealth will continue to lead veterinary software innovation for years to come.



Consolidated Financial Results for the Group

The financial statements are prepared in accordance with Norwegian legislation and Norwegian Generally Accepted Accounting Principles. 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 thousand euros, so they may not add up to precise totals. The numbers in brackets within text refer to the value in the corresponding period a year earlier, unless otherwise stated except for balance sheet items which refer to the end of the previous financial year.

Total revenue grew by 19 (53) % in 2023 and amounted to EUR 36,825 (31,050) thousand. The share of recurring revenue of the total revenue in 2023 was 90 (91) % amounting to EUR 33,085 (28,216) thousand resulting in 17 (53) % growth.

Total personnel costs in 2023 amounted to 61 (72) % of revenues. The decrease is in line with growth in revenues and decrease in headcount during 2023 as a result of cost optimisation measures taken. Other operating charges amounted to 29 (33) % of total revenues.

Reported EBITDA amounted to EUR -1,248 (-5,975) thousand in 2023.

Net financial items in 2023 totaled EUR 581 (549) thousand consisting mainly of foreign currency and money market fund revaluations.

Non-recurring items in 2023 amounted to EUR 537 (527) thousand and relate mainly to reorganisation measures continued during 2023.

Total non-current assets amounted to EUR 63,550 (70,342) thousand at the end of December 2023. Total intangible assets amounted to EUR 62,136 (68,710) 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 28,386 (44,552) thousand at the end of December 2023

Cash and cash equivalents amounted to EUR 5,052 (15,514) thousand. The company has EUR 17,119 (23,684) thousand of cash in fully liquid money market funds. The combined value of money market fund holdings and cash amounted to EUR 22,171 (39,198) thousand at the end of the reporting period.

Total equity at the end of December 2023 amounted to EUR 82,766 (98,630) thousand. The Company completed two share buyback programs during 2023 and acquired 1,146,637 shares under the program for a total consideration of EUR 2,387 thousand.

Total current liabilities totaled EUR 9,034 (15,995) thousand at the end of December 2023.

Net cash flow from operating activities in the full year 2023 was EUR -5,487 (-6,525) thousand. Net cash flow from investing activities amounted to EUR -2,627 (-2,089) thousand, with investments in tangible and intangible assets of EUR -5,723 (-6,802) thousand. Net cash flow from financing activities amounted to EUR -2,348 (-2,082) thousand.



Financial results for Nordhealth AS

Nordhealth AS was incorporated on 6 April 2021. The financial statements of Nordhealth AS are prepared in accordance with Norwegian legislation and Norwegian Generally Accepted Accounting Principles. The Reporting currency is NOK. All numbers are presented in NOK thousands, unless otherwise stated. The figures in the tables have been rounded to the nearest thousand NOK, so they may not add up to precise totals. The numbers in brackets within text refer to the value in the corresponding period a year earlier, unless otherwise stated except for balance sheet items which refer to the end of the previous financial year.

Nordhealth AS does not have any revenues or employees. As of 2022 Nordhealth AS has paid board remuneration fees for external board members. Operating costs for 2023 amounted to NOK 6,433 (10,006) thousand and net financial items totalled NOK 250 (270) thousand. Net result for the year was NOK 9,976 (-9,736) thousand.

In 2023 cash flow from operations was NOK -8,269 (-1,541) thousand. At the end of 2023 cash and cash equivalents amounted to NOK 2,295 (1,477) thousand.

At the end of 2023 total assets amounted to NOK 3,153,231 (3,170,578) thousand consisting mainly of shares in subsidiaries. Total equity amounted to NOK 3,151,949 (3,167,616) thousand. The Company has no long-term liabilities.

Dividend payment

On 31 December 2023 the parent company's distributable funds totalled NOK 3,072,904 thousand. The Board of Directors proposes to the Annual General Meeting that no ordinary dividends be distributed for the financial year 2023.

Going Concern

In accordance with the Norwegian Accounting Act, the Board of Directors confirms that the annual accounts have been prepared in accordance with the going concern assumption. The confirmation is based on an estimated long-term profitable growth and Group's equity standing and strong cash position.

Research and development

The Group focuses heavily on developing its cloud-based flagship products. The acquisition of EasyPractice enables Nordhealth to focus its development efforts to make EasyPractice its flagship PMS for therapists and continues to develop Provet Cloud for veterinarians. Building customisable products enables the Group's ability to expand internationally. Maintaining current market leader position and to serve future demands requires the Group to deliver new technology and/or make the necessary updates to existing products. Failure to do so could result in both loss of existing customers and failure to attract new ones. In 2023, development expenses totalling EUR 5,184 (5,865) thousand have been capitalized and EUR 7,944 (7,349) thousand have been recorded as an expense.



Impact on external environment

As a software company the Group's operations do not directly have any negative effect on the environment. Wherever possible, the Group chooses renewable energy sources in their operations. The Group's remote-first model reduces carbon footprint and effective collaboration tools reduce unnecessary physical travel.

The Norwegian Transparency Act

The Company is dedicated to ensuring that basic human rights and decent working conditions of everyone connected to its business are respected. The company has published a full report on the company web-pages at nordhealth.com.

Headcount and personnel expenses

People and their well-being are at the core of all activities. Responsibility is reflected in Nordhealth's operations in the everyday lives of employees. These include securing our employer's promises and employee benefits. Nordhealth as an employer emphasizes opportunities for professional progression, and a work-life balance in an inclusive culture. The Group's remote-first model is an opportunity to work from anywhere. This can only be achieved by ensuring that the general principles used when recruiting and onboarding strengthen equality and inclusion – without interfering with the background, nationality, gender or age of the staff.

Nordhealth had 395 (398) employees at the end of 2023 including EOR (Employer of Record) and Consultants. Employees represent more than 41 different nationalities in over 26 countries of all ages. Absence due to sick leave averaged to 1,8 (1,2) % in 2023. No accidents or injuries occurred during the year. As at the end of 2023, members of the management team consisted of 2 males and 2 females. The Board of Directors consisted of 3 males.

	Group 2023	Group 2022
Average number of employees	384	400
Personnel by country 31.12.*		
Finland	172	182
Norway	81	87
Other Nordic countries	51	43
Other countries	91	86
Total	395	398

* Including EOR and Consultants



Board of Directors

The Board of Directors on Nordhealth AS consists of 1 to 7 members. During 2023 the Board consisted of a Chairperson and until the Annual General Meeting held on 24 April 2023 of four Board Members and thereafter of three members.

Name	Role	Served since	Term-expires
Didier Breton	Chairperson	2021	2025
Janne Huttunen	Board Member	2021	2025
Olli Venemies	Board Member	2021	24.4.2023
Javier Mata	Board Member	2021	24.4.2023
Philippe Vimard	Board Member	24.4.2023	2025

The liabilities of the Company's Board of Directors and the Group's key management is covered by a Directors and Officers (D&O) insurance policy.

Shares and shareholders

As at 31 December 2023 the Nordhealth AS had a total of 79,045,109 shares outstanding. The Company's shares are divided into two share classes. A-shares comprise a total of 45,191,747 shares and carry one vote and equal rights in all respects, including rights to dividends. All A-shares are freely transferable and subject to trading in the Euronext Growth Marketplace. B-shares comprise a total of 34,999,999 shares and 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 24 April 2023, Annual General Meeting of Nordhealth AS was held. In this meeting, Board of Directors was granted an authorisation to increase the Company's share capital, in one or more rounds, by up to NOK 12,028,761.90 which is equivalent to approximately 15% of the current share capital, by issuance of A-shares. The shareholders' preferential right to subscribe for the new shares pursuant to Section 10-4 of the Norwegian Private Limited Liability Companies Act may be deviated from. The authorization comprises share capital increases against contribution in kind and the right to incur specific obligations on behalf of the Company, cf. Section 10-2 of the Norwegian Private Limited Liability Companies Act. The authorization covers share capital increases in connection with mergers pursuant to Section 13-5 of the Norwegian Private Limited Liability Companies Act. Board of Directors was also granted an authorisation to acquire own shares with a total nominal value of up to NOK 12,028,761.90, which is equivalent to approximately 15% of the current share capital. The maximum amount which can be paid for each share is NOK 50 and the minimum is NOK 1. These authorization are valid until the Company's annual general meeting in 2024, but no longer than 30 June 2024.

The Company completed two share buyback programs during 2023 and acquired 1,146,637 shares under the program for a total consideration of NOK 26.8 million.



TOP 10 shareholders on 31 December 2023

Investor	A-shares	B-shares	Number of total shares	% of total	Type	Country
J.P. Morgan SE *	12 328 210	29 794 638	42 122 848	53 %	Nominee	Luxembourg
State Street Bank and Trust Comp	6 399 999	0	6 399 999	8 %	Nominee	US
Nordnet Bank AB	1 009 429	5 033 226	6 042 655	8 %	Nominee	Sweden
Goldman Sachs & Co. LLC	4 546 253	0	4 546 253	6 %	Nominee	US
GOLDMAN SACHS BANK EUROPE SE	3 290 000	0	3 290 000	4 %	Nominee	Germany
FJARDE AP-FONDEN	3 270 000	0	3 270 000	4 %	Ordinary	Luxembourg
Skandinaviska Enskilda Banken AB	2 471 677	0	2 471 677	3 %	Nominee	Luxembourg
Avanza Bank AB	1 682 950	0	1 682 950	2 %	Nominee	Sweden
Morgan Stanley & Co. Int. Plc.	1 472 184	0	1 472 184	2 %	Nominee	UK
The Bank of New York Mellon SA/ NV	1 400 000	0	1 400 000	2 %	Nominee	Belgium
Total number owned by top 10	37 870 702	34 827 864	72 698 566	91 %		
Total number of shares	45 191 747	34 999 999	80 191 746	100 %		

*) Charles MacBain and his family members

On 16 November 2023, Three Plus Group Luxembourg SA, a majority owned company and close associate of Charles MacBain entered into an agreement to transfer 4,904,387 class A shares and 29,794,638 class B shares, in total 34,699,025 shares held by TPG in the Company to Boxwood Holdings Ltd ("Boxwood"), a company which is also majority owned and a close associate of Charles MacBain. Simultaneously, Boxwood approved the subsequent transfer of such Company shares to the Boxwood shareholders, namely Charles MacBain and members of his family. Following the transfers, Charles MacBain will retain the power to vote and, with certain exceptions, dispose of the Company shares held by his family members. Overall, the CEO owns 38.03% and the CEO and his family own 53.29% of Nordhealth outstanding shares respectively.



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 unauthorized use or disclosure of personal data as well as sensitive and confidential information. Unauthorized 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 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 materialized, 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.



Dividend policy

The Company currently intends to retain future earnings to finance the growth and development of its business. The Company's dividend policy will be reviewed from time to time and payment of any future dividends will be effective after the Shareholders approval as recommended by the Board of Directors of the Company after considering various factors including the Group's business prospects, cash requirements, financial performance, new product development, plans for international expansion and the legal restrictions. If the Company declares any dividends, the same dividend per share will be paid on the Shares and the Unlisted Shares.



Significant events after the reporting period

There have been no significant events after the reporting period.

Guidance for 2024

The management estimates a 15-20% growth in recurring revenue in 2024 from 2023, calculated at a constant currency rate as of 31 December 2023 and Q1 2025 EBITDA - CAPEX breakeven.

The Board of Directors of Nordhealth AS, Oslo 11 April 2024

Charles MacBain
CEO

Didier Breton
Chairman of the Board

Philippe Vimard
Board Member

Janne Huttunen
Board Member



Consolidated Financial Statements



Consolidated Income Statement

EUR in thousands	Note	2023	2022
Recurring revenue	4	33 085	28 216
Other revenue		3 740	2 833
Total revenue		36 825	31 050
Other operating income		102	229
Total operating income		36 927	31 279
Material and services		(5 171)	(4 780)
Personnel expenses	5	(22 490)	(22 255)
Other operating charges	6	(10 514)	(10 218)
Total operating expenses		(38 175)	(37 254)
Operating profit (loss) (EBITDA)		(1 248)	(5 975)
Depreciation and amortization	9	(3 701)	(2 236)
Amortization of goodwill	9	(6 438)	(6 467)
Total depreciation and amortization		(10 139)	(8 702)
Operating profit (EBIT)		(11 387)	(14 677)
Other interest and financial income	8	1 131	2 082
Interest expenses	8	(8)	(17)
Other financial expenses	8	(542)	(1 517)
Total financial income and expenses		581	549
Profit (loss) before tax		(10 806)	(14 128)
Taxes	7	(326)	(136)
Net profit (loss)	15	(11 132)	(14 264)



Consolidated Balance Sheet

EUR in thousands	Note	2023	2022
ASSETS			
Intangible assets			
Intangible assets	9	12 480	10 280
Deferred tax assets	7	547	585
Other capitalized long-term expenses	9	101	32
Goodwill	9	49 008	57 813
Total intangible assets		62 136	68 710
Tangible assets			
Machinery and Equipment	9	498	733
Total tangible assets		498	733
Financial assets			
Other shares and similar rights of ownership	9	720	834
Other long-term receivables		196	64
Total financial assets		916	899
Total non-current assets		63 550	70 342
Accounts receivable	10	4 896	4 035
Other receivables		522	526
Prepayments and accrued income	11	797	793
Total receivables		6 215	5 354
Money market funds	12	17 119	23 684
Total investments		17 119	23 684
Cash and cash equivalents	12	5 052	15 514
Total cash and cash equivalents		5 052	15 514
Total current assets		28 386	45 552
Total assets		91 936	114 895



Equity and liabilities

EUR in thousands	Note	2023	2022
Paid-in equity			
Share Capital	15	7 749	7 848
Share premium reserve	15	109 400	109 400
Total paid-in equity		117 149	117 248
Retained earnings			
Other equity	15	(34 382)	(18 618)
Total retained earnings		(34 382)	(18 618)
Total equity		82 766	98 630
Other non-current liabilities			
		136	270
Total non-current liabilities		136	270
Current liabilities			
Current liabilities to credit institutions		-	25
Advances received		986	4 518
Accounts payable		1 531	878
Other current liabilities	16	1 386	5 833
Accrued expenses and deferred income		5 130	4 740
Total current liabilities		9 034	15 995
Total equity and liabilities		91 936	114 895

The Board of Directors of Nordhealth AS, Oslo 11 April 2024

Charles MacBain
CEO

Didier Breton
Chairman of the Board

Philippe Vimard
Board Member

Janne Huttunen
Board Member



Consolidated Cash Flow Statement

EUR in thousands	2023	2022
Cash flow from operations		
Profit (loss) before income taxes	(10 806)	(14 128)
Taxes paid for the period	(51)	(153)
Other non-cash items	749	969
Depreciation and amortization	10 139	8 702
Change in trade debtors	(861)	(832)
Change in trade creditors	653	(242)
Change in deferred revenue*	(3 532)	712
Change in other accruals	(1 514)	(1 290)
Net cash flow from operations	(5 223)	(6 301)
Cash flow from investments		
Investments in tangible and intangible assets	(5 723)	(6 802)
Disposal (purchase) of shares and investments, net of acquired cash	(4 034)	(17 786)
Proceeds from / (investments in) money market funds	7 130	22 500
Net cash flow from investments	(2 627)	(2 089)
Cash flow from financing		
Change in debt	(25)	(2 082)
Purchase of own shares	(2 323)	-
Net cash flow from financing	(2 348)	(2 082)
Net change in cash and cash equivalents	(10 198)	(10 472)
Cash and cash equivalents at the beginning of the period	15 514	26 210
Translation difference	(263)	(224)
Cash and cash equivalents at the end of the period	5 052	15 514
Money market fund	17 119	23 684

* As of January 2024, Aspit AS switched from its earlier bi-annual invoicing (June and December) to monthly invoicing which impacted the Group's deferred revenue balance and cash flow in comparison to previous year.



Notes to the Consolidated Financial Statements



1. General information

Nordhealth AS (the “Company” and, together with its consolidated subsidiaries, the “Group” or “Nordhealth”) is a public limited company registered in Norway and traded on the Euronext Growth Oslo. The Company’s registered business address is Strandveien 50, 1366 Lysaker, Oslo, Norway.

Nordhealth AS was incorporated on 6 April 2021 and issued its first financial statements for the year ended 31 December 2021. The Company is a holding company which owns 100% of the shares in Nordhealth Oy, the former parent company of the Group, incorporated on 14 January 2008. The Company became the new parent company of the Group following completion of the Pre-Admission Reorganisation, completed on 18 May 2021. The consolidated financial statements for 2021 were prepared for the accounting period of 12 months from January 1 to December 31.

These consolidated financial statements were authorized for issue by the Board of Directors of Nordhealth AS on 11 April 2024.

2. Basis of presentation

The 2023 consolidated financial statements of Nordhealth AS and its subsidiaries are prepared in compliance with the Norwegian accounting act and generally accepted accounting principles in Norway.

The presentation currency of Nordhealth is euro (EUR). Nordhealth Group financial statements are presented in thousands of EUR. The figures in the tables have been rounded to the nearest thousand euros, so they may not add up to precise totals. The numbers in brackets within text refer to the value in the corresponding period a year earlier, unless otherwise stated except for balance sheet items which refer to the end of the previous financial year. Nordhealth uses EUR as the presentation currency for the consolidated financial statements as this currency is used to analyze Group’s KPI’s and make operational decisions. Nordhealth operates in a global market, in terms of customers, employees, and investors so therefore EUR as the presentation currency can be seen more useful to Group’s stakeholders.

Individual figures and total sums have been rounded for presentation purposes, which may result in rounding errors in the calculated sum amounts presented. Key figures have been calculated using exact figures. The numbers in brackets within text refer to the value in the corresponding period a year earlier, unless otherwise stated.



3. Accounting principles

Consolidation principles

The consolidated financial statements comprise the parent company Nordhealth AS and companies in which the Group has control directly or indirectly. Subsidiaries are consolidated from the date on which control is transferred to Nordhealth and consolidated up to their date of their disposal. Intercompany transactions, receivables, liabilities, and unrealized margins, as well as distribution of profits within Group, are eliminated on consolidation. Shares in subsidiaries are eliminated in the consolidated financial statements against the acquired equity of the subsidiary. The acquisition cost of a subsidiary is allocated to identifiable assets and liabilities. Excess value that cannot be attributed to specific assets or liabilities is classified as goodwill and amortized over expected useful life.

Currency Translation

The income statements of group companies have been converted to euros by using the monthly average exchange rate for the financial period. In equity, share capital and other paid in equity are converted at acquisition date rates and other equity has been converted at historical rate. Other balance sheet lines have been converted by using the official European Central Bank rates at the end of the financial period.

Transaction risk

The sales revenue and, respectively, purchases from Group companies are mainly generated in the local currency. Transaction risk arises from transactions and payments in currencies other than the unit's functional currency, and when the related cash inflows and outflows differ in amount or timing. Transactions in foreign currencies are translated into the companies' functional currencies at the rate of exchange prevailing at the date of the transaction. Exchange rate gains and losses from operations are included in financial income and expenses in the statement of income.

Translation risk or equity-related exchange rate risk

The Group incurs translation risk when the equity of foreign Group companies is denominated in a currency other than the acquiring company's functional currency. In addition, the Group incurs translation risk from converting items related to goodwill or purchase price allocations denominated in a currency other than the acquiring company's functional currency into the acquiring company's functional currency.

Translation differences from exchange rate differences resulting from the translation of the financial period's result into the financial period's average exchange rate and the translation of the balance sheet items to the closing rate are recognized in equity. Cumulative translation differences related to foreign currency subsidiaries are transferred to profit or loss when the foreign currency subsidiary is divested.



Cost of issuing equity

Material transaction costs directly related to an equity transaction are recorded as a deduction from other paid-in equity. This applies to issuance of shares and results in decrease of equity.

Cash flow statement

The cash flow statement has been prepared following the indirect method. Cash and cash equivalents include cash, bank deposits, and other short-term investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.

Use of estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the measurement of the reported assets and liabilities and other information, such as contingent assets and liabilities and the recognition of income and expenses in the consolidated statement of income.

The estimates are based on prior experience and assumptions concerning the future deemed most likely on the balance sheet date, related to factors such as the expected development in the Group's financial operating environment with regards to sales and cost levels. The Group regularly monitors the accuracy of the estimates and assumptions and changes in their supporting factors together with its business units, using several internal and external data sources. Any changes in the estimates and assumptions are entered in accounting in the period during which the estimates and assumptions are adjusted, as well as in all subsequent periods. Although these estimates and assumptions are based on the management's best knowledge of current events and actions, actual results may differ from the estimates used in the preparation of financial statements.

Management judgment is also needed in the application of accounting standards in which alternative recognition, measurement or disclosure methods exist under the current accounting standards.

The most significant management judgements relate to assumptions used in the following:

- **Goodwill** – Note 9. Management judgment is used in the assessment whether goodwill impairment indicators exist and whether goodwill impairment testing is to be performed. If performed, projected cash flows used in impairment calculations are based on management estimates
- **Deferred tax assets** – Note 7. Management estimates the amount of deferred tax assets and the probability of utilization on each balance sheet date.
- **Capitalized development expenses** – Note 9. Management estimates the future benefit the capitalized assets will create, the value of these assets and how many years a product or technology will generate benefit for.



Classification of assets and liabilities

Non-current assets consist of tangible and intangible assets and financial assets which mature in more than 12 months. Current financial assets include trade receivables and other receivables and other financial assets which mature in less than 12 months.

Financial liabilities are classified as non-current liabilities if they mature in more than 12 months. Liabilities maturing in less than 12 months are classified as current.

Valuation of financial assets and liabilities

At initial recognition financial assets and liabilities are measured at cost and subsequently measured at amortized cost. Permanent changes in fair value of financial assets and liabilities are recognised through profit or loss. Investment in money market fund is measured at the lower of fair value and acquisition cost with changes in fair value recognised in profit or loss.

Revenue recognition

Majority of Groups revenue is recurring revenue where the software is taken into use at the customers, and the customer has the right to use the software according to the license agreement. Customers are charged a base fee per user per billing period or a percentage of revenue for the core features and can purchase additional modules through an additional subscription price or a transaction fee based on usage. Invoices are generated on annual, semi-annual, quarterly, or monthly on an upfront basis and revenue is carried over to the subscription period. Recurring revenue totalled to 90 (91) % of Group's revenue in 2023.

Group also offers additional services related to implementation of the SaaS systems, including consultancy services, education, and data conversion. Revenue from services is recognized as income during the financial period during which the services are rendered.

The Group's revenues consist primarily of revenues related to Software-as-a-Solution services. Revenue is recognized on a straight-line basis over the lifetime of the underlying agreement.

Development expenses capitalization

Development expenses capitalized are mainly software development costs. Software development costs are capitalized when it is probable that future economic benefits attributable to the software will flow to the entity through revenue generation and / or cost reduction. Development costs include external direct costs for services and internal labor related costs directly and indirectly involved in the development of the software. Capitalized software development costs are amortized on a straight-line basis over three to ten years, during which the benefits are expected to be realized.

Expenses related to research activities are expensed as they occur.



Goodwill

Group goodwill arises from business acquisition and value is based on the excess value of the acquisition cost compared to acquiree's identifiable fair value of net assets at the time of the acquisition. Goodwill is recorded in the functional currency of the acquired entity and therefore subject to conversion difference if the functional currency in the subsidiary is not EUR. Goodwill is amortized on a straight-line basis over 10 years.

Taxes

Tax expenses in the consolidated income statement comprise of tax based on taxable income together with changes in deferred taxes. The taxes based on the taxable income for the period are calculated according to the effective tax rates in each country.

Deferred taxes are calculated on all temporary differences between the carrying amount and tax value. Temporary differences arise from sources such as fair value measurement of financial assets, differences between taxable values and carrying amounts on fixed assets, and the capitalization of intangible rights recognized in connection with business acquisitions. Deferred tax is not recognized for non-deductible impairment of goodwill or undistributed earnings of subsidiaries to the extent that it is probable that the difference will not be realized in the foreseeable future. Deferred taxes have been calculated using the tax rates enacted or tax rates of which confirmed content has been published by the closing date. Deferred tax assets are recognized for tax losses carried forward and other temporary differences to the extent that corresponding taxable profits are likely to be generated in the future periods. Management estimates the amount of deferred tax assets and the probability of utilization on each balance sheet date. Deferred tax assets and liabilities are offset if the entity has a legally enforceable right to offset the tax assets and liabilities based on the period's taxable income, and the deferred tax assets and liabilities relate to income taxes within the same tax jurisdiction. Deferred tax assets and liabilities are presented on the balance sheet as separate items included in non-current assets or liabilities.

Government grants

The Group recognises government grants only when there is reasonable assurance that the entity will comply with the conditions attached to them and the grants will be received. Government grants are recognised in profit or loss in the corresponding line item to which the underlying expense relates to. In the case of grants related to assets they are deducted from the carrying amount of the asset. Government grants are recognised on a systematic basis over the periods in which the related costs for which the grants are intended to compensate are recognised. A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognised in profit or loss of the period in which it becomes receivable.

In 2022 Nordhealth Finland Oy received a government grant from the Centre for Economic Development, Transport and the Environment (ELY Center) related to the development and commercialisation of the Nordhealth Design System amounting to EUR 158 thousand.

In 2023 Nordhealth Finland Oy received a government grant from the Centre of Economic Development, Transport and Environment (ELY Center) related to the development of Provet Cloud preparation for the US market amounting to EUR 114 thousand.



4. Operating segments

Revenue by operating segment

	2023	%	2022	%
Veterinary	20 591	56 %	15 467	50 %
Therapy	16 234	44 %	15 582	50 %
Total	36 825	100 %	31 050	100 %

Revenue by geographical areas

	2023	%	2022	%
Norway	13 119	36 %	13 569	44 %
Finland	8 007	22 %	6 825	22 %
Sweden	3 870	11 %	3 659	12 %
Denmark	3 824	10 %	3 119	10 %
Germany	3 727	10 %	1 949	6 %
Other Countries	4 278	12 %	1 929	6 %
Total	36 825	100 %	31 050	100 %

5. Personnel and remuneration

Personnel expenses

	2023	2022
Salaries	18 075	17 772
Pensions	2 641	2 547
Social security expenses	1 775	1 936
Total	22 490	22 255

Average numbers of employees in 2023 was 361 (371).

In 2023, personnel expenses totalling EUR 3,742 (3,886) thousand have been capitalized as development cost.



Nordhealth operates various employee benefit plans in the countries it has a presence. The pension benefits provided by Nordhealth to its employees are organized through defined contribution plans. Under defined contribution plans, contributions are recorded as an expense in the accounting period in which they are paid.

The Group's pensions are handled by external pension insurance companies. The most significant defined contribution pension plan is the statutory Finnish employee pension scheme (Finnish Statutory Employment Pension Scheme "TyEL"), according to which the benefits are directly linked to the beneficiary's earnings. TyEL is arranged through pension insurance companies.

Performance Share Plan, share-based payments

The Company introduced a Performance Share Plan ("Plan") for key personnel in April 2023. There are 9 key persons participating in the plan on 31 December 2023. If the performance criterion is met during the earning period, the reward will be paid to the participants in the company's shares. Performance criterion means a financial, strategic or any other criterion set by the Board as a basis for measuring any Group Company's and/or Participant's performance.

The Plan consists of one Performance Period and three Commitment Periods. The Performance Period covers the financial year of 2023 and is followed by the Commitment Periods, spanning the calendar years of 2024, 2025 and 2026.

Participants will be allocated a Maximum Reward in cash converted to Shares that can be earned from the Performance Period 2023. The amount of the Reward is determined by the achievement of performance targets during the Performance Period. The Reward will be paid in Shares after the Performance Period and each Commitment Period. The Rewards to be paid based on the performance period 2023-2026 approximate maximum total of 126,986 shares. During the Performance Period, the Board may decide on including a new Participant in the Plan.

The Reward will be paid in four (4) equal installments. The value of each Reward installment will correspond to 25% of the confirmed Reward. The first Reward installment will be paid after the end of the Performance Period and the following three installments will be paid after each Commitment Period. If the employment of the Participant ends before the Performance Period has ended, they will lose the right to the Reward. If the employment of the key person terminates after the Performance Period, but before all Commitment Periods have ended, the participant is entitled to the Reward related to the ongoing Commitment Period (prorated) and any unpaid Reward installments for a Commitment Period already ended. The participant is not entitled to Reward installments from any other Commitment Period that has not commenced. Participants are entitled to keep Rewards already received before the termination of the employment.

Share-based payment expense for the awards is based on the fair value of the shares on the grant date and reflects the estimated probability that the performance and service conditions will be met during the vesting period. The share-based expense is adjusted in future periods for changes in the expected outcome of the performance related conditions until the vesting date. Full year expenses amounted to EUR 109 thousands. The amount recognized within equity was EUR 109 thousand on 31 December 2023.



CEO's salaries and benefits

	2023	2022
Salaries	148	148
Bonus	134	15
Social security expenses	17	50
Total	299	213

CEO bonuses are based on the Group's operational and financial KPIs approved by the board of directors on an annual basis. There are no share-based payments, existing loan agreements, provision of financial guarantees or any other agreements in place that would give rise to any additional liability or payments in the form of severance pay or in any other way.

In 2023 the Board members employed by Nordhealth Group did not receive additional fees for their contribution as Board members. Board remuneration to external board members amounted to EUR 40 (211) thousand in 2023. External board members were paid fees for their services as advisors amounting to EUR 119 (-) thousand. There are no share-based payments or any other agreements in place that would give rise to any additional liability or payments to the external Board members nor are there any loans granted or guarantees given to the Board members.



6. Other operating expenses

	2023	2022
Other employee related expenses	811	778
Premise expenses	940	945
IT expenses	2 748	1 894
Travel expenses	804	663
Marketing expenses	1 652	1 818
Outsourced services	1 736	1 828
Administrative expenses	1 448	1 890
Other operative costs	375	403
Total	10 514	10 218

Auditing services

	2023	2022
Audit	127	166
Technical accounting and tax counseling	3	28
Other services	-	45
Total	130	199

Amounts excluding VAT.

Related parties

The Group's related parties are considered to include the members of Nordhealth AS Board of Directors, the CEO, and other members of the Group Management Team, as well as the family members of the above-mentioned individuals. All transactions with related parties are based on an arm's length principle.



7. Income tax expense

Payable tax	2023	2022
Profit (loss) before taxes	(10 806)	(14 128)
Permanent differences	637	398
Change in temporary differences	100	(15)
The year's tax base	(10 069)	(13 745)
Payable (receivable) tax	(2 215)	(3 024)
Total tax payable (receivable)	(2 215)	(3 024)
Temporary differences	2023	2022
Tangible fixed assets	(225)	(228)
Receivables	(21)	(118)
Other current liabilities	-	-
Total temporary differences	(246)	(346)
Tax losses carried forward	(28 621)	(23 602)
Not included in deferred tax base		
Total	(28 866)	(23 948)
Calculated deferred tax/(deferred tax benefit)	(5 868)	(5 037)
Of which deferred tax asset recognized	707	585
Of which deferred tax asset that is not recognized	5 155	5 006
Deferred tax/(deferred tax benefit)	707	585
Explanation of this year's tax expense		
Change in deferred tax	122	(17)
Prior period adjustment	29	7
Tax on the profit for the financial period	174	146
This year's tax expense	325	136
Specification of income tax	2023	2022
Profit (loss) before taxes	(10 806)	(14 128)
Taxes based on the current tax rate in Norway, 22 %	2 377	3 108
Different tax rates of foreign subsidiaries	(34)	(124)
Permanent differences and other differences	140	88
Temporary differences	(54)	(76)
Taxes for previous financial periods	(29)	(7)
Unrecognized deferred tax assets	(1 002)	(1 927)
Utilization of previously unrecognized tax losses	-	358
Non-deductible goodwill amortization	(1 396)	(1 419)
Other items	322	136
Calculated income tax expense	326	136



Losses carried forward

Entity	Country	Tax loss carried forward	Tax rate	Deferred tax benefit not capitalized
Aspit AS	Norway	2 866	22	631
Nordhealth AS	Norway	4 762	22	1 048
Nordhealth Oy	Finland	2 495	20	499
Nordhealth Finland Oy	Finland	18 265	20	3 653
Nordhealth Germany GmbH	Germany	202	16	32
Total		28 621		5 862

The Group has not recognized any material deferred tax assets based on the result of 2023 or 2022.

8. Financial items

	2023	2022
Interest income	152	111
Other financial income	871	-
Exchange rate gains	108	1 971
Total financial income	1 131	2 082
Interest expenses	8	18
Other financial expenses	170	-
Exchange rate losses	372	1 516
Total financial expenses	550	1 534



9. Intangible and tangible assets

Fixed assets consist of intangible and tangible assets. Intangible assets comprise mainly goodwill, development expenses, intangible rights, and other capitalized long-term expenses, and are measured at historical cost less accumulated amortization and impairment losses, if any. Tangible assets comprise machinery and equipment and are measured at historical cost, less accumulated depreciation, and impairment losses, if any. Subsequent improvement costs related to an asset are included in the carrying value of such an asset or recognized as a separate asset, as appropriate, only when the future economic benefits associated with the costs are probable, and the related costs can be separated from normal maintenance costs.

Depreciation of tangible assets and amortization of intangible assets with a definite useful life is calculated on a straight-line basis over the expected economic life of the assets, being the following:

Machinery and equipment	3-5 years
Capitalized development expenses	3-10 years
Intangible rights	3-5 years
Other capitalized long-term expenses	3-5 years
Goodwill	10 years

Expected economic life of 10 for goodwill is estimated based on customer life cycle expectancy.

The Group estimates that future economic benefits attributable to the software to which the capitalized development expenses relate exceed their carrying amount. Ongoing development activities focus on adding new features to existing products as well as on the localisation of the products for new market entry.



Intangible Assets	Development expenses	Intangible rights	Other capitalized long-term expenses	Goodwill	Total
Acquisition value 1.1.	15 041	2 280	149	68 071	85 541
FX Rate movements	(59)	(20)	-	(2 884)	(2 963)
Increases	5 184	391	96	-	5 671
Transfer between asset categories	1 202	(1 202)	-	-	-
Deductions	-	(93)	-	-	(93)
Acquisition value 31.12.	21 368	1 356	245	65 187	88 156
Accumulated amortization 1.1.	(6 537)	(503)	(117)	(10 258)	(17 415)
FX Rate movements	98	6	-	519	623
Amortization	(3 154)	(153)	(27)	(6 440)	(9 775)
Accumulated amortization 31.12.	(9 597)	(651)	(144)	(16 178)	(26 567)
Net book value	11 774	705	101	49 008	61 589

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

In 2023, development expenses totalling EUR 5,184 (5,865) thousand have been capitalized. In 2023, personnel expenses totalling EUR 3,742 (3,886) thousand have been capitalized as development cost. 72 (66) % of the capitalized development costs in total have been internally developed.

Development costs totalling EUR 7,944 (7,349) thousand have been expensed through profit and loss.



Tangible assets	Machinery and equipment	Total
Acquisition value 1.1.	2 858	2 858
FX Rate movements	(98)	(98)
Increases	155	155
<u>Acquisition value 31.12.</u>	<u>2 915</u>	<u>2 915</u>
Accumulated depreciation 1.1.	(2 126)	(2 126)
FX Rate movements	74	74
Depreciation	(365)	(365)
<u>Accumulated depreciation 31.12.</u>	<u>(2 417)</u>	<u>(2 417)</u>
Net book value	498	498

Investments*	Other shares	Total
Acquisition value 1.1.	834	834
<u>Acquisition value 31.12.</u>	<u>834</u>	<u>834</u>
Net book value	834	834

*) Minority shares in PetLeo GmbH



Goodwill impairment testing

Goodwill represents the part of the acquisition cost exceeding the Group's share of the fair value of the acquired company's net assets at the time of acquisition. Goodwill is measured at original acquisition cost less amortization and impairment. Goodwill is tested if an indication for an impairment exists.

The need for impairment is reviewed at the level of cash-generating units (CGU) expected to benefit from the synergies of the acquisition. Monitoring and testing of goodwill mirror the way that management follows operations. The carrying amount of a CGU and the assets allocated to it are compared with the recoverable amount of the GCU determined based on a value in use calculation if any impairment trigger exists. If the recoverable amount is lower than the asset's carrying amount, impairment is recognised as an expense in the income statement. The value in use is determined as the current value of future cash flows.

Impairment losses recognised for goodwill cannot be reversed.

Carrying amounts of goodwill have been allocated to cash-generating units as shown in the table below as at 31 December 2023:

	2023	2022
Therapy	39 074	46 197
Veterinary	9 934	11 173
Total	49 008	57 370

Goodwill within the Therapy cash-generating unit has been recognised in connection with the acquisition of EasyPractice ApS (EUR 14,931 thousand) in 2022 and Aspit AS (EUR 40,080 thousand) in 2021. Goodwill within the Veterinary cash-generating unit was recognised in connection with the acquisition of Nordhealth Germany GmbH EUR 1,128 thousand, Novasoft A/S EUR 848 thousand in 2021 and Vetserve and Sanimalis in 2019. See Note 14 for acquisitions completed in 2022.

Impairment testing

Based on an analysis of potential impairment indicators, the Group did not perform a testing of goodwill impairment in 2023.



10. Trade Debtors

Receivables to be repaid within one year are classified as current assets.

	2023	2022
Trade debtors at nominal value	5 074	4 176
Credit loss provision	(178)	(141)
Trade debtors in the balance sheet	4 896	4 035

11. Prepayments

	2023	2022
Prepayments to vendors	797	793
Total	797	793

12. Cash, Cash equivalents and Money market fund

The Company has EUR 17,119 (23,684) thousand in fully liquid money market funds. Investment is fully liquid and incurs no fees for liquidation. Restricted cash amounting to EUR 752 (737) thousand from employee tax withholding. Changes in the money market funds fair values are recognized in other financial income/expenses.

	2023	2022
Money market funds	17 119	23 684
Cash in hand and at banks	5 052	15 514
Total	22 171	39 198



13. Investments in group companies

Companies included in Nordhealth Group

	Parent Company	Business office	Ownership %	Functional currency
Nordhealth AS		Oslo, 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
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

Company owns 19,6 % of shares in PetLeo GmbH.

EasyPractice ApS was acquired on 31 January 2022 (Note 14).

Vetera GmbH and its parent company Nordhealth Germany GmbH were acquired on 1 June 2022 (Note 14).

Nordhealth Spain SL was established on 1 January 2022.

Nordhealth Italy S.R.L. was established on 6 May 2022.

Aspit Sverige AB was liquidated during the financial period 2023.



14. 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. The companies have been consolidated into Nordhealth Group from the date of closing.

Had the acquisitions taken place at the beginning of 2022, the Group's pro-forma revenues for the year 2022 would have been EUR 32,208 thousand.

Consideration paid for the acquisitions	2022
Paid in cash	18 293
Contribution in kind	554
Contingent consideration*	4 031
Total	22 878

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	22 953
Total	22 878

*The contingent consideration relates to EasyPractice acquisition. The earn-out performance period was financial year 2022 and the key performance criteria included annual recurring revenue (ARR) and customer count targets as well as customer churn. The performance criteria for 2022 was met and the contingent consideration was paid during the first quarter of 2023.

There were no new acquisitions in 2023.



15. Equity and shares

Statement of changes in equity

	Share capital	Share premium	Translation reserve	Retained earnings	Total Equity
Equity 1.1.2022	7 829	108 886	1 610	(3 819)	114 506
Profit (loss) for the period	-	-	-	(14 264)	(14 264)
Increase of share capital	19	514	-	-	533
Translation reserve	-	-	(2 144)	-	(2 144)
Total Equity 31.12.2022	7 848	109 400	(535)	(18 083)	98 630
Equity 1.1.2023	7 848	109 400	(535)	(18 083)	98 630
Treasury shares	(99)			(2 224)	(2 323)
Profit (loss) for the period				(11 132)	(11 132)
Share based payment program				109	109
Translation reserve			(2 517)		(2 517)
Total Equity 31.12.2023	7 749	109 400	(3 052)	(31 331)	82 766

As at 31 December 2023 the Nordhealth AS had a total of 79,045,109 shares outstanding. The Company's shares are divided into two share classes. A-shares comprise a total of 45,191,747 shares and carry one vote and equal rights in all respects, including rights to dividends. All A-shares are freely transferable and subject to trading in the Euronext Growth Marketplace. B-shares comprise a total of 34,999,999 shares and 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. Each share has a nominal value of NOK 1.00.

On 24 April 2023, Annual General Meeting of Nordhealth AS was held. In this meeting, Board of Directors was granted an authorisation to increase the Company's share capital, in one or more rounds, by up to NOK 12,028,761.90 which is equivalent to approximately 15% of the current share capital, by issuance of A-shares. The shareholders' preferential right to subscribe for the new shares pursuant to Section 10-4 of the Norwegian Private Limited Liability Companies Act may be deviated from. The authorization comprises share capital increases against contribution in kind and the right to incur specific obligations on behalf of the Company, cf. Section 10-2 of the Norwegian Private Limited Liability Companies Act. The authorization covers share capital increases in connection with mergers pursuant to Section 13-5 of the Norwegian Private Limited Liability Companies Act. Board of Directors was also granted an authorisation to acquire own shares with a total nominal value of up to NOK 12,028,761.90, which is equivalent to approximately 15% of the current share capital. The maximum amount which can be paid for each share is NOK 50 and the minimum is NOK 1. These authorization are valid until the Company's annual general meeting in 2024, but no longer than 30 June 2024.



The Company completed two share buyback programs during 2023 and acquired 1,146,637 shares under the program for a total consideration of NOK 26.8 million.

Investors

Investor	A-shares	B-shares	Number of total shares	% of total	Type	Country
J.P. Morgan SE*	12 328 210	29 794 638	42 122 848	53 %	Nominee	Luxembourg
State Street Bank and Trust Comp	6 399 999	0	6 399 999	8 %	Nominee	US
Nordnet Bank AB	1 009 429	5 033 226	6 042 655	8 %	Nominee	Sweden
Goldman Sachs & Co. LLC	4 546 253	0	4 546 253	6 %	Nominee	US
GOLDMAN SACHS BANK EUROPE SE	3 290 000	0	3 290 000	4 %	Nominee	Germany
FJARDE AP-FONDEN	3 270 000	0	3 270 000	4 %	Ordinary	Luxembourg
Skandinaviska Enskilda Banken AB	2 471 677	0	2 471 677	3 %	Nominee	Luxembourg
Avanza Bank AB	1 682 950	0	1 682 950	2 %	Nominee	Sweden
Morgan Stanley & Co. Int. Plc.	1 472 184	0	1 472 184	2 %	Nominee	UK
The Bank of New York Mellon SA/NV	1 400 000	0	1 400 000	2 %	Nominee	Belgium
Total number owned by top 10	37 870 702	34 827 864	72 698 566	91 %		
Total number of shares	45 191 747	34 999 999	80 191 746	100 %		

*) Charles MacBain and his family members

Shares owned by the CEO and the Board of Directors

Name	Role	A-shares	B-shares
Didier Breton	Chairperson	200 000	0
Janne Huttunen	Board Member	453 757	2 723 175
Philippe Vimard	Board Member	0	0
Charles MacBain*	CEO	268 187	29 794 638



* On 16 November 2023, Three Plus Group Luxembourg SA, a majority owned company and close associate of Charles MacBain entered into an agreement to transfer 4,904,387 class A shares and 29,794,638 class B shares, in total 34,699,025 shares held by TPG in the Company to Boxwood Holdings Ltd ("Boxwood"), a company which is also majority owned and a close associate of Charles MacBain. Simultaneously, Boxwood approved the subsequent transfer of such Company shares to the Boxwood shareholders, namely Charles MacBain and members of his family. Following the transfers, Charles MacBain will retain the power to vote and, with certain exceptions, dispose of the Company shares held by his family members. Overall, the CEO owns 38.03% and the CEO and his family own 53.29% of Nordhealth outstanding shares respectively.

16. Other non-current liabilities

	2023	2022
Other non-current liabilities	1 386	5 833
Total	1 386	5 833

Other current liabilities at the end of 2022 mainly comprise of an earn-out debt relating to EasyPractice acquisition amounting to EUR 4,034 thousand.

17. Significant events after the reporting period

There have been no significant events after the reporting period.



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 a 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

ARR is the value of recurring revenue of software subscriptions that has been normalized for a single calendar year. These include all active subscriptions and subscriptions that have been signed but not yet implemented. ARR also includes the annualized 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

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.

EBITDA - CAPEX

EBITDA - CAPEX is EBITDA minus the expenditures for capitalized development and any other capitalized expenditure.



Financial Statements Nordhealth AS



Income Statement Nordhealth AS

NOK in thousands	Note	2023	2022
Other operating income		-	0
Total operating income			0
Personnel expenses	5	(449)	(2 201)
Other operating charges	6	(5 984)	(7 804)
Total operating expenses		(6 433)	(10 006)
Operating profit (loss) (EBITDA)		(6 433)	(10 006)
Depreciation and amortization		-	-
Operating profit (EBIT)		(6 433)	(10 006)
Other financial items	7	(250)	270
Received group contribution		16 659	-
Profit (loss) before tax		9 976	(9 736)
Taxes	12	-	-
Net profit (loss)		9 976	(9 736)



Balance Sheet Nordhealth AS

ASSETS

NOK in thousands	Note	2023	2022
Financial assets			
Investments in group companies	8	3 134 032	3 168 763
Total financial assets		3 134 032	3 168 763
Total non-current assets		3 134 032	3 168 763
Other receivable from group companies			
		16 717	-
Prepayments and accrued income			
		186	338
Total receivables		16 903	338
Cash at bank and in hand			
		2 295	1 477
Total cash at bank and in hand		2 295	1 477
Total current assets		19 198	1 815
Total assets		3 153 231	3 170 578



EQUITY AND LIABILITIES

NOK in thousands	Note	2023	2022
Paid-in Equity			
Share capital	9	79 045	80 192
Share premium reserve	9	3 120 327	3 120 327
Total paid-in equity		3 199 372	3 200 518
Retained earnings			
Other equity	9	(47 423)	(32 903)
Total retained earnings		(47 423)	(32 903)
Total equity	9	3 151 949	3 167 616
Current liabilities			
Accounts payable		32	13
Accounts payable to group companies	10	347	918
Accrued expenses to group companies	11	885	1134
Other liabilities		12	40
Accrued expenses and deferred income		6	858
Total current liabilities		1 282	2 962
Total equity and liabilities		3 153 231	3 170 578

The Board of Directors of Nordhealth AS, Oslo 11 April 2024

Charles MacBain
CEO

Didier Breton
Chairman of the Board

Philippe Vimard
Board Member

Janne Huttunen
Board Member



CASH FLOW STATEMENT NORDHEALTH AS

NOK in thousands	2023	2022
Cash flow from operations		
Profit (loss) before income taxes	(6 683)	(9 736)
Other non-cash items	42	572
Change in other receivables	94	7 879
Change in trade creditors (AP)	(2 182)	1 715
Change in other accruals	460	(1 971)
Net cash flow from operations	(8 269)	(1 541)
Cash flow from financing		
Loans to group companies	-	-
Cash flow from investing items	-	-
Cash flow from financing		
Purchase of own shares	(26 857)	-
Capital return from subsidiaries	35 944	-
Cash flow from financing	9 087	-
Net change in cash and cash equivalents	818	(1 541)
Cash and cash equivalents at the beginning of the period	1 477	3 018
Cash and cash equivalents at the end of the period	2 295	1 477



1. General information

Nordhealth AS is a company registered in Norway and traded on the Euronext Growth Oslo. The Company's registered business address is Strandveien 50, 1366 Lysaker, Oslo, Norway.

Nordhealth AS was incorporated on 6 April 2021 and consequently hasn't published any financial statements prior to 2021.

However, the Company is a holding company which owns 100% of the shares in Nordhealth Oy, the former parent company of the Group, incorporated on 14 January 2008. The Company became the new parent company of the Group following completion of the Pre-Admission Reorganisation, completed on 18 May 2021.

2. Basis of presentation

The financial statements of Nordhealth AS are prepared in compliance with the Norwegian accounting act and generally accepted accounting principles in Norway.

The functional currency of Nordhealth AS is Norwegian krone (NOK). Nordhealth AS financial statements are presented in thousands of NOK. Individual figures and total sums have been rounded for presentation purposes, which may result in rounding errors in the calculated sum amounts presented. Key figures have been calculated using exact figures. The numbers in brackets within text refer to the value in the corresponding period a year earlier, unless otherwise stated.

3. Accounting principles

Subsidiaries

Subsidiaries are initially recognised at acquisition cost plus direct costs related to the acquisition. Shares in subsidiaries are measured at original acquisition cost less impairment. Write-down to fair value is carried out if the impairment in value is caused by circumstances which may not be regarded as temporary and deemed necessary by generally accepted accounting principles. Impairments are reversed when the basis for the impairment no longer exists. Dividends and other distributions are recognised as income in the same year that they are proposed in the subsidiary. If the dividend exceeds the share of retained earnings after the acquisition, the excess share is deemed to represent repayment of the invested capital, and the distributions are deducted from the value of the investment in the balance sheet.



Currency Translation

Transactions of the Company are mainly generated in the local currency. Transaction risk arises from transactions and payments in currencies other than the Company's functional currency, and when the related cash inflows and outflows differ in amount or timing. Transactions in foreign currencies are translated into the Company's functional currency at the rate of exchange prevailing at the date of the transaction. Exchange rate gains and losses from operations are included in financial income and expenses in the statement of income. The unsettled balances on foreign currency receivables and liabilities are valued at the rates of exchange prevailing at the end of the accounting period.

Cost of issuing equity

Material transaction costs directly related to an equity transaction are recorded as a deduction from other paid-in equity. This applies to issuance of shares and results in decrease of equity.

Costs related to investor relations and stock exchange transactions are booked as other operating expenses

Cash flow

The cash flow statement has been prepared following the indirect method. Cash and cash equivalents include cash, bank deposits, and other short-term investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.

Use of estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the measurement of the reported assets and liabilities and other information. The estimates are based on prior experience and assumptions concerning the future deemed most likely on the balance sheet date. Any changes in the estimates and assumptions are entered in accounting in the period during which the estimates and assumptions are adjusted, as well as in all subsequent periods. Although these estimates and assumptions are based on the management's best knowledge of current events and actions, actual results may differ from the estimates used in the preparation of financial statements.

Classification of assets and liabilities

Non-current assets consist of tangible and intangible assets and financial assets which mature in more than 12 months. Current financial assets include trade receivables and other receivables and other financial assets which mature in less than 12 months..

Financial liabilities are classified as non-current liabilities if they mature in more than 12 months. Liabilities maturing in less than 12 months are classified as current.



Valuation of financial assets and liabilities

At initial recognition financial assets and liabilities are measured at cost and subsequently measured at amortized cost. Permanent changes in fair value of financial assets and liabilities are recognised through profit or loss.

Tax

Income taxes are recognised in accordance with Norwegian tax legislation. Tax expenses in the income statement comprise of tax based on taxable income together with changes in deferred taxes.

Deferred taxes are calculated on all temporary differences between the carrying amount and tax value. Temporary differences arise from sources such as fair value measurement of financial assets and differences between taxable values and carrying amounts on fixed assets. Deferred tax is not recognized for non-deductible impairment of goodwill or undistributed earnings of subsidiaries to the extent that it is probable that the difference will not be realized in the foreseeable future. Deferred taxes have been calculated using the tax rates enacted or tax rates of which confirmed content has been published by the closing date. Deferred tax assets are recognized for tax losses carried forward and other temporary differences to the extent that corresponding taxable profits are likely to be generated in the future periods. Management estimates the amount of deferred tax assets and the probability of utilization on each balance sheet date. Deferred tax assets and liabilities are offset if the Company has a legally enforceable right to offset the tax assets and liabilities based on the period's taxable income, and the deferred tax assets and liabilities relate to income taxes within the same tax jurisdiction. Deferred tax assets and liabilities are presented on the balance sheet as separate items included in non-current assets or liabilities.

4. Significant events during the accounting period

The Company completed two share buyback programs during 2023 and acquired 1,146,637 shares under the program for a total consideration of NOK 26.8 million.

5. Personnel expenses

	2023	2022
Board remuneration	388	1 929
Social security expenses	61	272
Total	449	2 201

Group CEO's salary is paid from a subsidiary.



6. Other operating expense

	2023	2022
Administrative services from group companies	3 944	4 478
Legal services	243	9
Other administrative services	162	390
Auditors' fees	520	750
Insurances	629	747
Other operative costs	486	1 430
Total	5 984	7 804

AUDITING SERVICES

	2023	2022
Audit	250	211
Technical accounting and tax counseling	270	539
Other services	-	-
Total (excl.VAT)	520	750

7. Financial items

	2023	2022
Exchange rate gains	159	1 214
Other financial income	54	-
Total financial income	214	1 214
Other financial expenses	7	1
Exchange rate losses	456	943
Total financial expenses	464	944



8. Investments in group companies

	Location	Ownership %	Functional currency	Investment NOK thousand	Net result NOK thousand	Equity NOK thousand
Nordhealth Oy	Helsinki, Finland	100%	EUR	3 134 032	(4 100)	1255 923
Total				3 134 032	(4 100)	1255 923

	Parent Company	Business office	Ownership %	Functional currency
Nordhealth AS		Oslo, 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	Helsinki, 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
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

EasyPractice ApS was acquired on 31 January 2022 (Note 14 to the Consolidated financial statements).

Vetera GmbH and its parent company Nordhealth Germany GmbH were acquired on 1 June 2022 (Note 14 to the Consolidated financial statements).

Nordhealth Spain SL was established on 1 January 2022.

Nordhealth Italy S.R.L. was established on 6 May 2022.

Aspit Sverige AB was liquidated during the financial period 2023.



Impairment testing

Nordhealth market capitalization as at 31 December 2023 was NOK 1,960,319 thousand. Shares in subsidiaries on the Company's balance sheet as at 31 December 2023 amounted to NOK 3,134,032 thousand. The Company has prepared an assessment of future cash flow estimates used for impairment testing which are based on financial plans for the next three years approved by management. As a growth SaaS company, the management has forecasted in addition a seven year plan based on past, current and budgeted forecasted growth rates and cost estimates. The calculations are affected by the following assumptions:

Forecast net sales: The assumptions are based on a view of estimated future growth and price trend in the market and an estimate of the Group's market share. The assumptions made by management are based on prior experience of business development, the current markets and market share and previous trends, and external appraisals of the outlook for the industry. The average annual growth in net sales used in the calculations was 18 % for the 10-year forecast period. A growth expectation of 2.0 % was used to estimate cash flows after the forecasting period.

Development of personnel expenses and other expenses: The assumptions made by management are based on prior experience of personnel cost developments, known salary increase agreements, and the general view of the development of personnel costs.

The discount rate used is the weighted average cost of capital before taxes (WACC). The risk-free interest rate, risk factor (beta), and risk premium parameters used to determine the discount rate are based on market information. The average rate used for the calculations before taxes was 9.0%.

No impairment loss was recognised in 2023 on the basis of impairment testing. Nordhealth's management has assessed that no reasonably possible change in any of the key assumptions would cause the carrying amount of shares in subsidiaries to exceed the recoverable amount.



9. Equity and shares

Investor	A-shares	B-shares	Number of total shares	% of total	Type	Country
J.P. Morgan SE*	12 328 210	29 794 638	42 122 848	53 %	Nominee	Luxembourg
State Street Bank and Trust Comp	6 399 999	0	6 399 999	8 %	Nominee	US
Nordnet Bank AB	1 009 429	5 033 226	6 042 655	8 %	Nominee	Sweden
Goldman Sachs & Co. LLC	4 546 253	0	4 546 253	6 %	Nominee	US
GOLDMAN SACHS BANK EUROPE SE	3 290 000	0	3 290 000	4 %	Nominee	Germany
FJARDE AP-FONDEN	3 270 000	0	3 270 000	4 %	Ordinary	Luxembourg
Skandinaviska Enskilda Banken AB	2 471 677	0	2 471 677	3 %	Nominee	Luxembourg
Avanza Bank AB	1 682 950	0	1 682 950	2 %	Nominee	Sweden
Morgan Stanley & Co. Int. Plc.	1 472 184	0	1 472 184	2 %	Nominee	UK
The Bank of New York Mellon SA/ NV	1 400 000	0	1 400 000	2 %	Nominee	Belgium
Total number owned by top 10	37 870 702	34 827 864	72 698 566	91 %		
Total number of shares	45 191 747	34 999 999	80 191 746	100 %		

*) Charles MacBain and his family members

Shares owned by the CEO and the Board of Directors

Name	Role	A-shares	B-shares
Didier Breton	Chairperson	200 000	0
Janne Huttunen	Board Member	453 757	2 723 175
Philippe Vimard	Board Member	0	0
Charles MacBain*	CEO	268 187	29 794 638

* On 16 November 2023, Three Plus Group Luxembourg SA, a majority owned company and close associate of Charles MacBain entered into an agreement to transfer 4,904,387 class A shares and 29,794,638 class B shares, in total 34,699,025 shares held by TPG in the Company to Boxwood Holdings Ltd ("Boxwood"), a company which is also majority owned and a close associate of Charles MacBain. Simultaneously, Boxwood approved the subsequent transfer of such Company shares to the Boxwood shareholders, namely Charles MacBain and members of his family. Following the transfers, Charles MacBain will retain the power to vote and, with certain exceptions, dispose of the Company shares held by his family members. Overall, the CEO owns 38.03% and the CEO and his family own 53.29% of Nordhealth outstanding shares respectively.



Equity and shares of Nordhealth AS

	Share capital	Share premium	Retained earnings	Total Equity
Equity 1.1.2022	80 000	3 115 077	(23 167)	3 171 910
Increase of share capital	192	5 250	-	5 442
Profit (loss) for the period	-	-	(9 736)	(9 736)
Total Equity 31.12.2022	80 192	3 120 327	(32 903)	3 167 616
Equity 1.1.2023	80 192	3 120 327	(32 903)	3 167 616
Increase of share capital				
Treasury shares	(1 147)		(25 711)	(26 857)
Share based program			1 214	1 214
Profit (loss) for the period			9 976	9 976
Total Equity 31.12.2023	79 045	3 120 327	(47 423)	3 151 949

As at 31 December 2023 the Nordhealth AS had a total of 79,045,109 shares outstanding. The Company's shares are divided into two share classes. A-shares comprise a total of 45,191,747 shares and carry one vote and equal rights in all respects, including rights to dividends. All

A-shares are freely transferable and subject to trading in the Euronext Growth Marketplace. B-shares comprise a total of 34,999,999 shares and 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. Each share has a nominal value of NOK 1.00.

On 24 April 2023, Annual General Meeting of Nordhealth AS was held. In this meeting, Board of Directors was granted an authorisation to increase the Company's share capital, in one or more rounds, by up to NOK 12,028,761.90 which is equivalent to approximately 15% of the current share capital, by issuance of A-shares. The shareholders' preferential right to subscribe for the new shares pursuant to Section 10-4 of the Norwegian Private Limited Liability Companies Act may be deviated from. The authorization comprises share capital increases against contribution in kind and the right to incur specific obligations on behalf of the Company, cf. Section 10-2 of the Norwegian Private Limited Liability Companies Act. The authorization covers share capital increases in connection with mergers pursuant to Section 13-5 of the Norwegian Private Limited Liability Companies Act. Board of Directors was also granted an authorisation to acquire own shares with a total nominal value of up to NOK 12,028,761.90, which is equivalent to approximately 15% of the current share capital. The maximum amount which can be paid for each share is NOK 50 and the minimum is NOK 1. These authorization are valid until the Company's annual general meeting in 2024, but no longer than 30 June 2024.

The Company completed two share buyback programs during 2023 and acquired 1,146,637 shares under the program for a total consideration of NOK 26.8 million.



10. Accounts payable to group companies

	2023	2022
Nordhealth Oy	347	918
Total current accounts payables	347	918

11. Accrued expenses to group companies

	2023	2022
Nordhealth Norway AS	885	1134
Total	885	1134

12. Tax

	2023	2022
Profit (loss) before taxes	9 976	(9 736)
Permanent differences	(16 659)	-
Received group contributions	16 659	-
Basis for tax expense	9 976	(9 736)
Used tax loss carried forward	(9 976)	-

Losses carried forward

Entity	Country	Tax loss carried forward	Tax rate	Deferred tax benefit not capitalized
Nordhealth AS	Norway	(53 524)	22 %	(11 775)
Total		(53 524)		(11 775)

The Parent entity does not have other temporary differences, and it did not recognize any deferred tax assets based on the result of 2023 or 2022.

13. Significant events after the reporting period

There have been no significant events after the reporting period.



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To the General Meeting of Nordhealth AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Nordhealth AS, which comprise:

- the financial statements of the parent company Nordhealth AS (the Company), which comprise the balance sheet as at 31 December 2023, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Nordhealth AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2023, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Statsautoriserte revisorer - medlemmer av Den norske Revisorforening

Offices in:

Oslo	Elverum	Mol i Rana	Tromsø
Ålia	Finnesnes	Molde	Trondheim
Arendal	Hamar	Sandefjord	Tynset
Bergen	Haugesund	Stavanger	Ulssteinvik
Rode	Knørvik	Stord	Ålesund
Drammen	Kristiansand	Straume	

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Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty



exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Oslo, 11 April 2024

KPMG AS

Fredrik Weiseth
State Authorised Public Accountant
(This document is signed electronically)

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"By my signature I confirm all dates and content in this document."

Weiseth, Fredrik

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Skatteetaten

Vår dato
23.11.2021

Din/Deres dato
24.09.2021

Saksbehandler
Vibeke Horne

800 80 000
Skatteetaten.no

Din/Deres referanse

Telefon
90518192

Org.nr
974761076

Vår referanse
2021/6377601

Postadresse
Postboks 9200 Grønland
0134 OSLO

U.off.

NORDHEALTH AS
Eikremsvingen 9
6422 MOLDE

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for Nordhealth AS, org.nr. 926 978 209

Vi viser til deres brev mottatt 24. september 2021 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for Nordhealth AS.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering Nordhealth AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig.

Kopi av dette brevet må sendes til Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Den regnskapspliktige må selv dokumentere ved dette brev at tillatelse er gitt.

Bakgrunn

Nordhealth AS er et norsk selskap som er notert på Euronext Growth Oslo. Selskapet er morselskap i det internasjonale Nordhealth-konsernet.

Selskapet driver virksomhet innen utvikling og salg av IT-løsninger, herunder programvare, kjøp og salg, konsulenttjenester, samt annen virksomhet som er beslektet med dette, herunder eierskap og deltakelse i andre selskaper med lignende virksomhet.

Konsernet har internasjonale kunder. Styrets leder og styremedlemmene er utenlandske.

Skattekontorets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen [...] være på norsk. Departementet kan ved [...] enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører



kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til “informative regnskaper for ulike grupper av regnskapsbrukere”. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter skattekontorets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt særlig vekt på at selskapet er notert på Euronext Growth Oslo og er i et internasjonalt konsern. Videre er det vektlagt at selskapet driver virksomhet i en bransje der alle sentrale aktører behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Vibeke Horne
rådgiver
Brukerdialog, brukerkontakt
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.