



Company Presentation - Carasent acquires Medrave

December 2021

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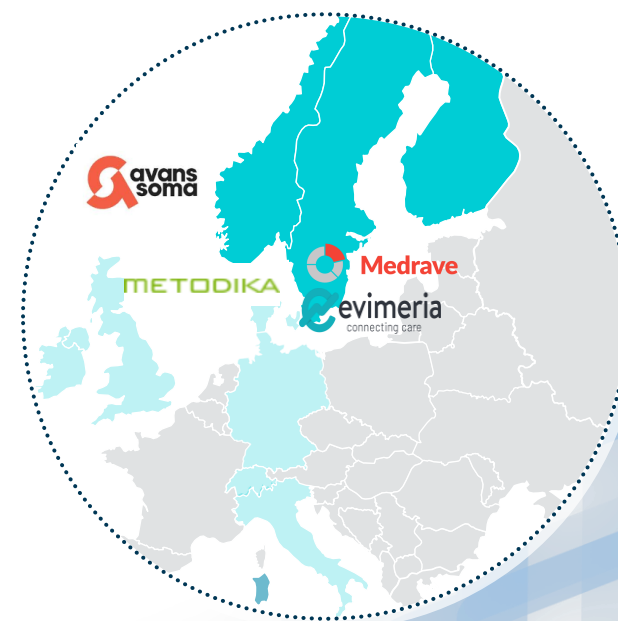
# Agenda

- 1 Long term vision and how Medrave fits into our overall strategy
- 2 Acquisition of Medrave
- 3 Q&A



# Carasent at a glance

- Cloud-based proprietary medical record software solution for the private healthcare segment
- Broad ecosystem of integrated third party services
- Three acquisitions completed during the last twelve months, including Avans Soma in December 2020, Metodika in May 2021 and Medrave in December 2021
- Significant opportunity to expand organically and through M&A:
  - New products and services
  - New geographies
  - New segments



**NOK 117m**

LTM revenues<sup>1</sup>



**NOK 139m**

ARR<sup>1</sup>



**811**

Units<sup>1</sup>



# Executing on strategic growth plan

## New products / services



- Adding quality improvement tools that are in high demand for Carasent customer base
- 15 different structured data modules to cater different needs in different segments

## New segments



- Significant added exposure to the public sector (~60% public sector revenue)
- Leading position in primary care in Sweden

## Geographic expansion

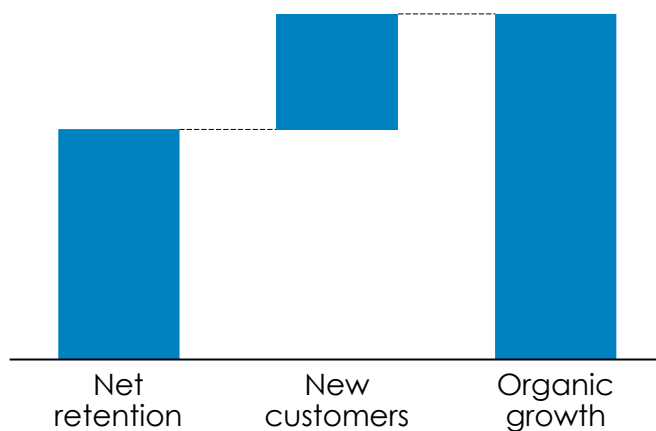


- Join forces in scaling up presence in Norway

Add-on product integrated with Carasent EMR systems – cross sale potential

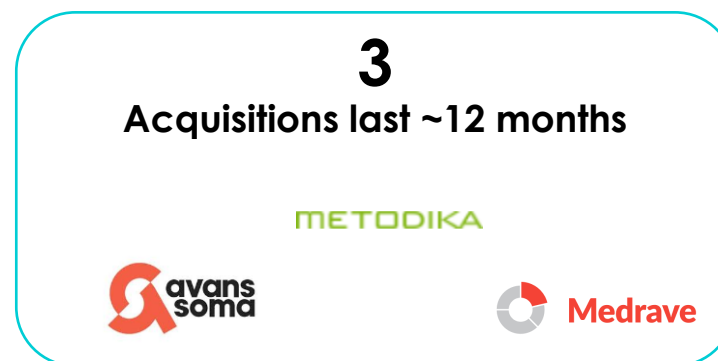
# Carasent's path to growth

## Organic



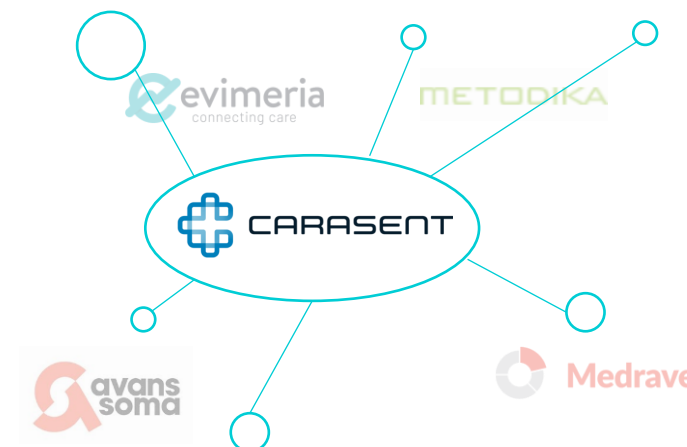
- Apparent need for digitalization in the healthcare sector to drive efficiency and allow more time for clinical personnel to handle patients
- Clear expansion opportunities across geographic presence and healthcare verticals

## M&A



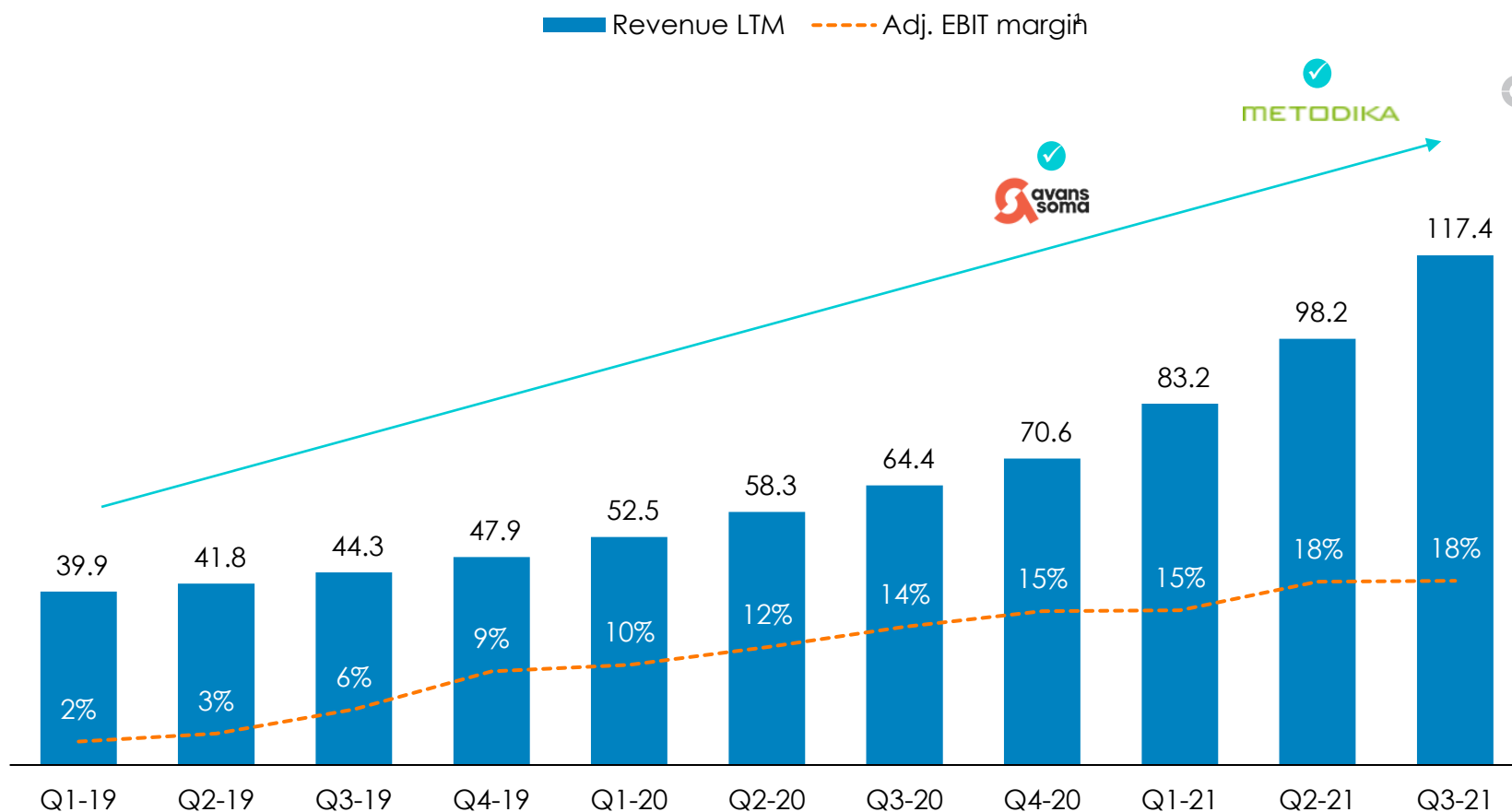
- Proven track record and capabilities
- Fragmented market with many small niche players
- Carasent leading the consolidation

## Synergies



- Established model for creating and extracting synergies
- Cross sale potential enabled through platform solution
- Accelerate growth of acquired companies

# Consistent track-record of growth



CAGR 2019 – YTD 2021:

**48%**

Revenue growth

**31%**

Organic revenue growth

**117%**

Net retention rate  
YoY in Q3 2021

1: Adjusted for non-recurring items, including acquisition costs

# Medrave – Scandinavian leader in quality improvement and business intelligence tools for healthcare practices



## Value proposition



### Time savings

The data is collected automatically, otherwise highly time consuming



### Safer care

Data is collected and sorted, giving care providers a clear overview of patient needs



### Better overview

The data is presented in tables and charts visualizing the data makes it easy to analyze



### Easier goal achievement

Track your KPIs and benchmark your clinical performance to your other practices or similar clinics



### Improved reporting

Easily exportable reports with up-to-date data in addition to automatic reporting features

- Number one healthcare software provider for clinical performance analysis to the primary care and secondary outpatient care markets in Sweden and Norway
- Established by Per Stenström and Svein Gjelstad in 2007 with HQ in Stockholm and a satellite office in Norway (fully-owned Norwegian subsidiary)
- Module based software solution providing clinical reports on quality improvement to GPs, physiotherapists, child care, urgent care, youth care, mental health and habilitative care practices
- The quality improvement solution automatically collects and sorts data, analyze and visualize, tracks and benchmarks KPIs, and provides automatic reporting
- Seamless and tailored integration with mainstream EMR system vendors
- Consistent historical organic growth of 15% revenue CAGR from 2017-2020

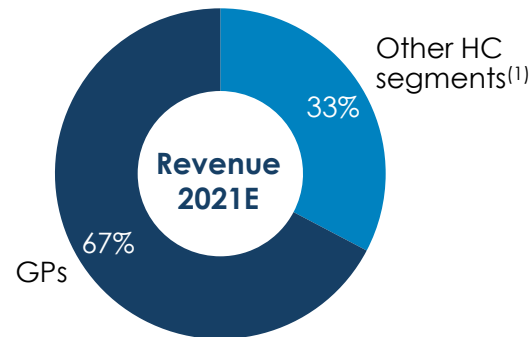
Select report layouts and dashboard



# Tier 1 customer base providing strong synergistic opportunities



## Customer base



- Diversified customer base of 260 loyal customers with 1,646 practices, ~60% of which are publicly funded and operated by regions or municipalities
- Strong inherent customer stickiness, limited cyclicalality and a low revenue churn of less than 1% from 2018 to July 2021
- 16 out of 21 health regions in Sweden signed up as customers in addition to leading private healthcare providers including Capio, Praktikertjänst and Carlanderska

### Key facts

16  
Employees

260  
Customers

1 646  
Practices

~8.8m  
Patients

25  
EHR  
integrations

### Selection of customers



1: Includes rehab, child care, youth care, urgent care, mental care and habilitative care

# Transaction highlights

## Transaction highlights

- Carasent has acquired 100% of the shares in Medrave Software AB, including its fully-owned Norwegian subsidiary Medrave Software AS (together “Medrave”)
- Medrave is a Scandinavian leader in quality improvement software for healthcare practices
  - Current LTM contribution per October 2021 of approximately SEK 23 million and SEK 6 million in revenue and EBITDA, respectively, with 99% recurring revenues and an annually recurring revenue (“ARR”) of approx. SEK 22 million
  - Delivered consistent historical organic growth of ~15% revenue CAGR from 2017-2020
- Ability for Carasent to accelerate growth through up-sell, cross-sell and shared go-to-market initiatives as well as technical synergies
- Key employees will reinvest 18% of the Purchase Price and undertake a 15-month lock-up agreement on shares from their reinvestment

## Financing

- The purchase price will be SEK 134 million, corresponding to an enterprise value of SEK 125 million upon Medrave’s net cash position of SEK 9 million (the “Purchase Price”)
  - 82% of the Purchase Price in cash upon closing,
  - 18% of the Purchase Price as shares in Carasent as reinvestment by key employees, valued at a price of NOK 37.4 per share, corresponding to the 30-day VWAP at 13 December 2021 (the “Reinvestment”)
- Acquisition price reflect EV/Sales multiple of 5.4x on LTM Oct-21 basis

## Timeline

- The transaction was signed 15 December 2021 and completion of the acquisition is subject to customary closing conditions and is expected to close during January 2022

# Good strategic fit for Carasent



- ✓ Expand and strengthen product offering within Carasent in line with growth strategy

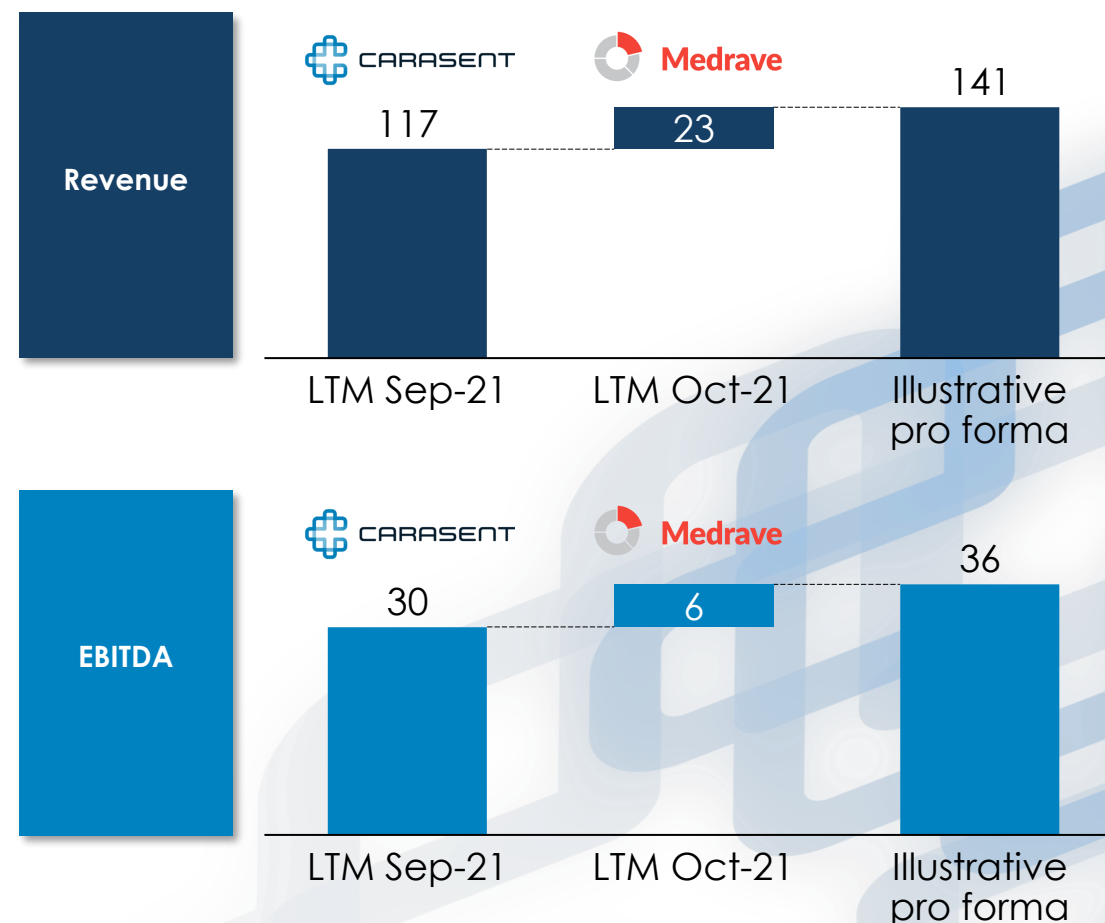


- ✓ Vast cross sales potential and growth synergies



- ✓ Technical synergies

## Illustrative pro forma financials (NOKm)<sup>1</sup>



1: Illustrative pro forma (using Medrave LTM Oct-21 revenue)

# Continue to execute on our growth plan

New product / services  
and segments

- Continued development of adjacent products and services
- Standalone products in new markets
- Several attractive segments identified
- Utilizing existing footprint and knowledge

**Organic growth  
and M&A**

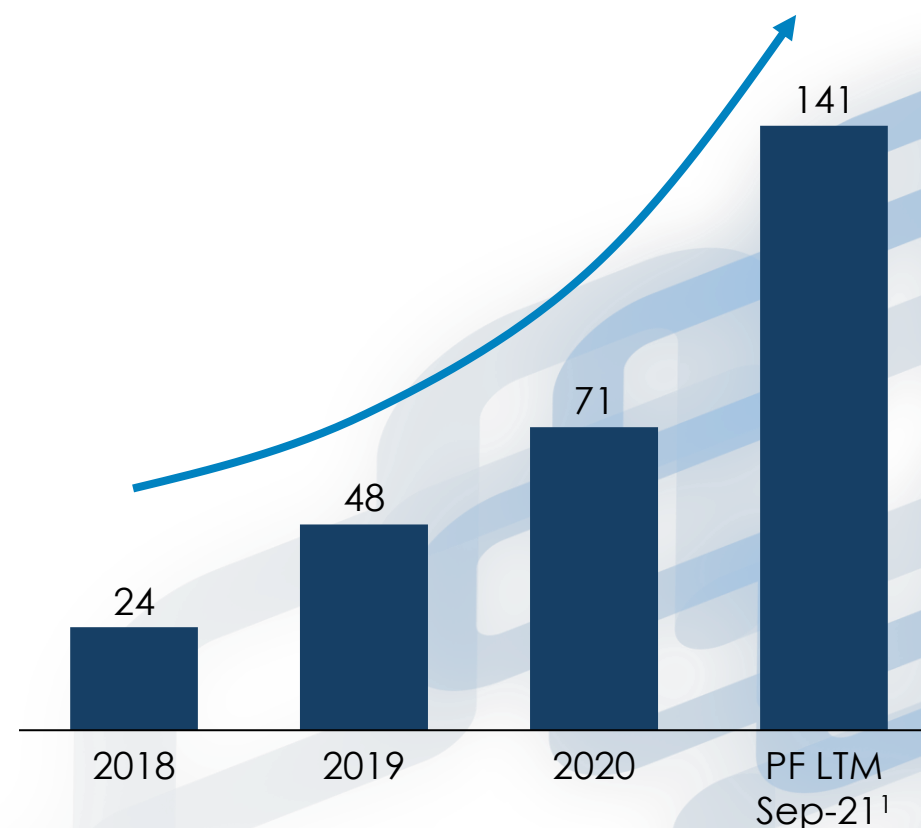
- Norwegian expansion ongoing
- Several attractive regions identified for further geographic expansion

Nordics

Geographic expansion

**Executing on continued attractive growth path**

Revenue (NOKm)



1: Illustrative pro forma (using Medrave LTM Oct-21 revenue)

A photograph of a medical examination in a child-friendly setting. A healthcare professional in a red scrub top and white gloves is examining a young child's mouth with a dental mirror. A woman in a white lab coat and glasses is seated behind the child, observing the procedure. The background features a light blue wall with shelves holding framed pictures, a teddy bear, and other toys. The text "Q&A" is overlaid in the center.

# Q&A